

# The State Council of Ceylon.

No. 60.

November 3, 1942.



## DEBATES

SESSION OF 1942.

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# STATE COUNCIL OF CEYLON.

Tuesday, November 3, 1942.

The Council met at 2 p.m., Mr. SPEAKER [THE HON. SIR WAITIALINGAM DURAISWAMY] in the Chair.

## OATHS OF ALLEGIANCE AND AFFIRMATIONS.

Mr. Evelyn Charles Villiers (Nominated Member) took and subscribed the Oath of Allegiance before taking his seat as a Member of the Council.

MR. SPEAKER congratulated and welcomed the new Member.

## MESSAGES FROM THE GOVERNOR.

Mr. Speaker: I have received the following Messages from His Excellency the Governor:

I.  
Colombo, October 15, 1942.

SIR.—I HAVE the honour to inform you that Mr. G. R. Whitby has resigned his seat as a Nominated Member of the State Council as from the 31st October, 1942.

2. I shall inform you in due course of the name of the gentleman whom I nominate to fill the resulting vacancy.

I have, &c.,  
(Sgd.) A. CALDECOTT,  
Governor.

The Honourable  
The Speaker of the State Council, Colombo.

II.  
Colombo, October 30, 1942.

SIR.—I HAVE the honour to refer to my letter No. C.6/III of the 15th of October, and to inform you that I have appointed Mr. Evelyn Charles Villiers in place of Mr. George Ronald Whitby to be provisionally a Nominated Member of the State Council.

I have, &c.,  
(Sgd.) A. CALDECOTT,  
Governor.

The Honourable  
The Speaker of the State Council, Colombo.

## PAPERS TABLED.

(Financial Secretary): Report of the Directors of the Widows' and Orphans' Pension Fund and Scheme for 1941 (Sessional Paper VI. of 1942).

(Leader of the State Council): One Supplementary Estimate for 1940-41, and 16 Supplementary Estimates for 1942-43.

(Minister of Agriculture & Lands): Report of the Executive Committee of Agriculture and Lands under Article 45 (4) of the Ceylon (State Council) Order in Council, 1931.

[Note.—An asterisk (\*) against the name of a Member indicates that his remarks have not been revised by him.]

Orders Nos. 35, 36, 37, and 38 dated October 2, 1942, made by the Minister of Agriculture and Lands under section 4 (1) of the Food Control Ordinance.

(Minister of Local Administration): By-law made by the Gampola Urban Council under sections 166 and 170 (11) of the Urban Councils Ordinance, No. 61 of 1939, and published in *Gazette* No. 9,009 of September 18, 1942.

By-law made by the Kalutara Urban Council under section 61 of the Urban Councils Ordinance, No. 61 of 1939, and published in *Gazette* No. 9,013, of September 25, 1942.

By-law made by the Municipal Council of Colombo under sections 109 and 110 of the Municipal Councils Ordinance (Chap. 193) and confirmed by His Excellency the Governor. (Proclamation dated October 4, 1942, published in the *Government Gazette* of October 9, 1942).

By-law made by the Jaffna Urban Council under sections 166 and 170 of the Urban Councils Ordinance, No. 61 of 1939, and published in *Gazette* No. 9,022 of October 16, 1942.

By-law made by the Gampola Urban Council under sections 166 and 170 (13) and (16) of the Urban Councils Ordinance, No. 61 of 1939, and published in *Gazette* No. 9,022 of October 16, 1942.

By-law made by the Matale Urban Council under sections 166 and 170 (13) and (16) of the Urban Councils Ordinance, No. 61 of 1939, and published in *Gazette* No. 9,022 of October 16, 1942.

## PETITIONS.

\*Mr. R. S. Tennekoon (Katugampola): I rise, Sir, to present a petition from Katugampola Koralalage Catherine of Galahitiyawa. She says that she is the widow of George Perera who was employed in the Public Works Department as a steam-roller driver. He served under 14 District Engineers and was retrenched in 1930; and he died in 1937 leaving the petitioner and four children, two of whom are grown up. She states that he has not left any property whatever and prays for a gratuity.

## QUESTIONS.

### (PRINTED ANSWERS.)

19/42.

Rickshaws: Carrying of two or more Adults.

(Mr. Freeman): Will the Minister of Local Administration state whether he has taken or proposes to take steps to get

[Mr. Freeman.]

a regulation passed prohibiting the carrying of two or more adults in a rickshaw?

**(Minister of Local Administration):**

The Executive Committee of Local Administration is of opinion that a regulation should be passed prohibiting the carrying of two or more adults in a rickshaw and is taking steps to have such a regulation passed.

**MR. E. C. VILLIERS: ASSIGNMENT TO EXECUTIVE COMMITTEE.**

**Mr. Speaker:** The hon. Nominated Member, Mr. E. C. Villiers, is assigned to the Executive Committee of Communications and Works.

**FOOD: STATEMENT BY THE HON. SIR D. B. JAYATILAKA ON MISSION TO INDIA.**

**The Hon. Sir D. B. Jayatilaka (Minister of Home Affairs and Leader of the State Council):** Before you proceed further, Sir, may I have your permission to make a statement with regard to my recent visit to India?

**Mr. Speaker:** Yes.

**The Hon. Sir D. B. Jayatilaka:** The necessity for the Food Mission to India arose from the fact that although the Government of India had previously agreed to our importing 38,000 tons of rice per month for Ceylon, we had failed to secure more than half the quantity owing to various circumstances. This had brought about in Ceylon a situation of grave anxiety in spite of the fact that the rice ration had been reduced to an exceptionally low level. There were also definite indications that the position was likely to deteriorate even further. It was in these circumstances that the Board of Ministers decided on 5th August, that I should proceed to India with a view to investigating the problem of food supplies from that country. I left for India on the 13th of August.

My mission was mainly concerned with the availability of supplies and the adequacy of our own organization in India for purchase and transport.

I spent twelve days in Madras during which time negotiations were carried on with the Madras Government and arrangements confirmed for the purchase by the Madras Government of the

quota of rice supply agreed to by them. Hon. Members will no doubt realize the significance of this new system of purchase in Madras. There will no longer be that scramble between large and small contractors on behalf of the Government of Ceylon which led to soaring prices, a result which neither the Madras Government nor this Government desires. The new scheme, of course, involved entirely new arrangements for the taking over of the stocks and its transport to Ceylon. It was a fortunate circumstance that I was in Madras just at this time and was able to agree on behalf of this Government to the various executive steps that had to be approved. Ceylon has reason to be very grateful to the Governor of Madras and his Advisers for the action they have taken in regard to our supplies from that Presidency.

I left for Calcutta on August 26th and spent about 12 days there, also visiting Cuttack, the Capital of Orissa. At Calcutta negotiations were carried on with the Government of Bengal with a view to inducing them to agree to release a larger quantity of rice than was being done at that time. At about the time I visited Calcutta that City was experiencing great scarcity of rice owing to various causes. It was here that I met for the first time vigorous opposition from the Press and certain Commercial Organizations against the export of rice to Ceylon. The temporary scarcity of rice the City was experiencing added to the rumoured appointment of a non-Indian firm as Agents of the Ceylon Government in India formed the background of this opposition on the plea of alleged anti-Indian feeling in the Island. I took every possible opportunity of correcting these misunderstandings and allaying public feeling.

In Orissa the statistics of production of rice and other food grains, the availability of stocks and the possibility of export were carefully studied. Orissa is normally a surplus province as regards rice.

I arrived in Delhi on September 13th.

In Delhi I had several interviews with the Commerce Member. The whole ground of Ceylon's claim on India for assistance and the quantity of rice needed by the population, which had been discussed by the Ceylon Ministers who visited Delhi previously, were gone

through afresh. The deficit in the supply, it was explained by the Commerce Member, was not due to any unwillingness on India's part to provide the agreed quantity but was due to shortage of stocks in India coupled with other commitments both within the country and abroad.

At my last interview, the Commerce Member stated that they would aim at supplying at least 20,000 tons of rice a month and that they would also assist, as far as possible, by releasing for Ceylon a portion of any surplus that might become available.

I have mentioned earlier in this statement that I was examining Ceylon's existing organization for the purchase of food in India. It did not take me very long to reach the conclusion that this was a direction in which immediate action was necessary. I telegraphed to His Excellency the Governor the outlines of a scheme for the remodelling and strengthening of our purchasing organization throughout India. I am happy to note that the Government has given this matter very prompt attention.

I left Delhi on October 1st.

At Bombay I again met with a certain amount of anti-Ceylon opposition due largely to the campaign of misrepresentation which had been going on in India for a long time. Here too at official meetings, at social functions and at Press interviews, I endeavoured to correct the misconceptions about the treatment of Indians in Ceylon.

On my return journey I stopped a day at Madras and attended to certain delays in the dispatch of rice to Ceylon. I arrived in Colombo on the morning of October 9th. The State Council voted on 1st September, 1942, Rs. 25,640 for the expenses of the Mission. The expenses incurred amounted to Rs. 15,600 inclusive of my salary, the salary of my Secretary and the whole of the staff.

I have given the House a very brief account of my Mission which has resulted in a definite quantity of rice as well as of other grains and pulses, at a reasonable price, being secured from India. But of course a great deal more has to be done before we can be in a position to ensure the continuance of an adequate ration which is dietetically sound.

From His Excellency the Viceroy I received full consideration of the needs of

Ceylon. To their Excellencies the Governor of Madras, Bengal, Orissa and Bombay, we owe a debt of gratitude for their sympathetic attention to our needs. The Ministers of the Central Government, and the Ministers and Advisers of the Provincial Governments were always ready to examine our difficulties with very great care, and with a sincere desire to help. Our thanks are due to him.

### AMENDMENT OF (EMERGENCY) STANDING ORDERS.

The Hon. Sir D. B. Jayatilaka: I move.—

That leave be given to amend Emergency Standing Order No. (1) of the State Council, as amended by resolution passed by the State Council at its meeting held on June 4, 1942 (Correction Slip No. 1), by the deletion therefrom of the words " till the thirty-first day of December, 1942. ", appearing at the end of the first sentence, and the substitution therefor of the words " till the thirty-first day of December, 1943 ".

Mr. Speaker: Does the Hon. Leader have the leave of the House to move the amendment?

Members: Aye.

Leave being granted, the draft amendment was referred to the Committee on Standing Orders, under Standing Order 152.

### SUPPLEMENTARY ESTIMATES, 1940-41 & 1942-43.

The following item stood upon the Orders of the Day:

The Leader of the State Council to submit for the approval of the Council the Supplementary Estimates, set out in this item, to present to the Council the reports of the Board of Ministers on such estimates, and to move the Council into Committee to consider the same:—

(Chief Secretary.)

#### (1) Supplementary Estimate, 1942-43.

Head 8, Ceylon Naval Volunteer Force.

Sub-head 1, Personal Emoluments.

Amount: Rs. 400.

Nature of Service: Payment of increased salary, on renewal of agreement to Mr. G. A. Chambers, Chief Petty Officer Instructor (local Warrant Officer Instructor), C.N.V.F.

*Observations of the Chief Secretary.*

The Commanding Officer, Ceylon Naval Volunteer Force, has requested that the agreement of Mr. G. A. Chambers, Chief Petty Officer Instructor (local

Warrant Officer Instructor) of the Ceylon Naval Volunteer Force be renewed for a period of 3 years from March 20, 1943.

2. The renewal of Mr. Chambers' agreement is considered desirable. The "March" Resolution passed by the State Council on May 18, 1938, for the recruitment of an Officer Instructor and a Chief Petty Officer Instructor for the Ceylon Naval Volunteer Force provides for a renewal of agreement.

3. It is proposed that the salary of Mr. Chambers, on renewal of the agreement, should be increased from £450 to £500 per annum; this increase of salary is considered to be warranted by:

(a) the completion of four years' service under the present contract;

(b) the increase of Mr. Chambers' duties and responsibilities consequent on the release of the Officer Instructor (Lieutenant Commander Bingham) for duty with the Royal Navy;

(c) the very considerable expansion of the Force since the beginning of the war.

4. Provision for the payment of salary to Mr. Chambers for the financial year 1942-43 has however been made at the present rate of £450—*vide* details of Sub-head 1, Personal Emoluments, of Head 8, Ceylon Naval Volunteer Force, of the Estimates, 1942-43. An additional sum of Rs. 400 will be required for the payment of salary to him at the increased rate for the period March 20, 1943, to the end of the financial year. Supplementary provision in a sum of Rs. 400 is therefore requested.

#### *Observations of the Financial Secretary.*

The Financial Secretary concurs.

#### *Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Chief Secretary. The Board of Ministers approves.

#### (Financial Secretary.)

#### (2) Supplementary Estimate, 1942-43.

Head 36, Currency.

Sub-head 1, Personal Emoluments.

Amount: Rs. 4,350.

Nature of Service: Salary and rent allowance of a temporary Assistant Secretary to the Currency Board amounting to salary Rs. 3,000 per annum plus rent allowance Rs. 1,350 per annum.

#### *Observations of the Financial Secretary.*

The Secretary of the Currency Board has found it increasingly difficult to cope with his work during the last few months as a result of the very large increase of the currency in circulation and other recent developments, such as demonetization of 50-cent coins, issues of subsidiary notes, &c. It is therefore proposed that he should be afforded suitable assistance during the period of the present emergency by the appointment of an Assistant Secretary.

A retired Civil Servant, Class III., on a salary equal to the difference between his emoluments at the time of his retirement and his unreduced pension will be employed. The amount spent will be recoverable from the Currency Board.

#### *Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Financial Secretary. The Board of Ministers approves.

#### (3) Supplementary Estimate, 1942-43.

	Rs.
Head 40, Department of Income Tax, Estate Duty and Stamps	
Sub-head 1, Personal Emoluments ...	18,260
Sub-head 3, Stationery, office furniture and office requisites ...	6,150
New Sub-head: 8, Structural alterations to office ...	1,150
	25,960

Amount: Rs. 25,960.

Nature of Service: Expenses connected with the working of the Excess Profits Duty Ordinance.

#### *Observations of the Financial Secretary.*

With the enactment of the Excess Profits Duty Amendment Ordinance additional staff, certain alterations to the office, additional furniture, stationery, &c., have been found necessary in order that the Department may function efficiently.

2. The staff required is as follows:—

	Rs.
3 Assistant Assessors (temporary),	
3,600 ...	10,800

	Rs.
10 Clerks (General Clerical Service):	
Class II., 3 at 720—708—2,448	} 6,360
Class III., Grade II., 7 at	
600—42—1,398	
1 Stenographer (temporary) at Rs. 2.50	750
per day ...	450
2 Peons (temporary) at 75 cent per day ...	450
Total Personal Emoluments ...	18,360

3. Supplementary provision in a sum of Rs. 25,960 is therefore sought. As expenditure had to be incurred immediately a Special Warrant for Rs. 25,960 was issued under Article 67 of the Order in Council and this Supplementary Estimate is submitted for the covering sanction of the State Council.

#### *Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Financial Secretary. The Board of Ministers approves.

#### (4) **Supplementary Estimate, 1942-43.**

Head 42, Miscellaneous Services.

New Sub-head 14, Separation Allowances to Government officers serving in Ceylon whose wives and families are out of the Island and cannot return owing to circumstances arising out of the war.

Amount: Rs. 52,000.

Nature of Service: For payment of a separation allowance to Government officers serving in Ceylon whose wives and families are out of the Island and cannot return owing to circumstances arising out of the war.

#### *Observations of the Financial Secretary.*

Owing to the rise in the cost of living, Government officers of the less highly paid grades who are serving in Ceylon but whose wives and families are out of the Island and cannot return owing to circumstances arising out of the war are finding themselves unable to maintain two establishments on their present salaries. It is therefore proposed that relief should be afforded to officers placed in such circumstances who draw salaries up to £450 or Rs. 6,750 per annum by the grant of a separation allowance at the rate of 20 per cent. of their salaries subject to a maximum of Rs. 70 a month with marginal adjustments. The allowance will be paid from April 1, 1942, or

the date when the wives or families left Ceylon whichever is later. The number of officers who would be affected by this scheme is roughly 40 and the supplementary provision required during the current financial year for payment of the proposed allowance for the period April 1, 1942, to September 30, 1943, is approximately Rs. 52,000.

#### *Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Financial Secretary. The Board of Ministers approves.

#### (Agriculture & Lands.)

#### (5) **Supplementary Estimate, 1942-43.**

Head 61, Commissioner for Development of Agricultural Marketing.

New Sub-head 18, Loss on the Advance Account for working the Marketing Department Garden during 1939-40.

Amount: Rs. 351.96.

Nature of Service: To settle the deficit on the advance issued by the Treasury for 1939-40 for working the Marketing Department Garden.

#### *Observations of the Minister of Agriculture and Lands.*

The money is required to cover the cost of developing a piece of vacant and completely infertile Crown land in extent one acre and six perches between the Railway Way and Works premises and Beira Lako.

2. Originally intended as a garden to provide seeds for sale at Ceylon Products to people interested in the Food Drive, it was found that, owing to the sea wind, this garden was unsuitable for growing many of the vegetable seeds required.

3. Government Departments at that time were urged to start their own Food Drive Gardens. The Marketing Commissioner therefore turned this garden into the Food Drive Garden, and grew in it those products which were found to flourish there.

#### *Observations of the Financial Secretary.*

The Financial Secretary concurs.

#### *Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Agriculture and Lands. The Board of Ministers approves.

**(6) Supplementary Estimate, 1942-43.**

Head 63, Land Commissioner.

New Sub-head 12, Payment of Compensation to the Maharajah Kumar Saheb of Kutch for the cancellation of the lease of Maha Illuppalama Estate, N.-C. P.

Amount: Rs. 32,875.

*Observations of the Minister of  
Agriculture and Lands.*

The property known as the Maha Illuppalama Estate in the North-Central Province, in extent about 2,200 acres, was held on a long-term lease from the Crown by Mr. N. W. Bentley-Buckle of Jambulanda Group, Kosgama. In 1933, the lessee assigned the leasehold to Maharajah Kumar Saheb, a son of the Maharajah of Kutch, with the permission of the Crown. The new lessee failed to comply with the conditions of the lease and steps were taken to file action in Court for cancellation of the lease. In the meantime, the lessee, through his representative, has arrived at the following terms of settlement with the Crown:—

(i.) Cancellation of the lease by mutual consent.

(ii.) Payment of the following amounts to the lessee as compensation for improvements on the land:—

	Rs.
Paddy land ...	10,375
Coconut plantations ...	15,000
Buildings ...	7,500
	32,875

(iii.) Waiver of arrears of rent due from the lessee, amounting to about Rs. 1,072.71.

2. This amicable settlement has been reached with considerable difficulty and it is necessary that the settlement should be implemented with the least possible delay, as it would make available to the Crown a large extent of land suitable for food cultivation.

3. A Supplementary Estimate for Rs. 32,875 is, therefore, submitted for the purpose.

*Observations of the Financial Secretary.*

The Financial Secretary concurs

*Report of the Board of Ministers.*

The Financial implications are as explained in the Observations of the Minister of Agriculture and Lands. The Board of Ministers approves.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Agriculture and Lands. The Board of Ministers approves.

**(7) Supplementary Estimate, 1942-43.**

Head 66, Department of Agriculture.

Sub-head 20, Scholarships and Educational Tours.

Amount: Rs. 2,350.

Nature of Service: To meet the expenditure that will be involved in connection with Mr. P. T. Jinendradasa's Post-Graduate course at the Imperial Agricultural Research Institute, New Delhi, for a period of one year.

*Observations of the Minister of  
Agriculture and Lands.*

It is very desirable that Mr. P. T. Jinendradasa should have some training in India, and a Post-Graduate course in Agronomy at the Imperial Agricultural Research Institute at New Delhi is specially suitable for his requirements. The Government of India has accepted him as a student, and he has left for New Delhi to be there in time for the first term.

The decision of the Government of India was made only on September 15, 1942. It was therefore impossible to obtain a Supplementary Estimate in time. Provision to meet this expenditure was not included in Estimates, 1942-43, as the decision to send Mr. Jinendradasa to India was made only recently.

The travelling expenses of Mr. Jinendradasa from Ceylon to New Delhi will be met from Head 42, Sub-head 2.

Details of provision asked for are as follows:—

	Rs.
Separation allowance ...	1,500
Medical expenses ...	75
Tuition fees ...	250
Examination fees, books, &c. ...	200
Travelling expenses in India during the course for visiting farms, &c. ...	900



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Separation allowance from September 25  
to 30, 1942 ... 25  
(Mr. Jinendradasa left Ceylon on Septem-  
ber 25, 1942.)

Rs.

25

2,350

As funds were urgently required a Special Warrant for Rs. 2,350 was issued under Article 67 of the Order in Council and this Supplementary Estimate is submitted for the covering sanction of the State Council.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Agriculture and Lands. The Board of Ministers approves.

**(8) Supplementary Estimate, 1942-43.**

Head 66, Department of Agriculture.  
New Sub-head 27, Loss on advances to cultivators of cigarette tobacco.

Amount: Rs. 71.06.

Nature of Service: To cover the loss of Rs. 71.06 in the scheme of advances to cultivators of cigarette tobacco under the village schemes for peasants and small-scale cultivators.

*Observations of the Minister of Agriculture and Lands.*

A token vote of Rs. 10 was passed by the State Council in December, 1940, to work the scheme of advances to cultivators of cigarette tobacco on an advance account. The advance was to be settled from the moneys realized by the sale of the crops. The loss was due to the poor return of cured tobacco at Chilali, one of the three centres at which the scheme was worked, the other two being Wariyapola and Ganewatta. The quality and quantity were adversely affected by very heavy rains. Rainfall during the month of November, 1940, was 23.56 in and most of the damage was done during the period November 7 to 10 and 25 to 27, 1940, when the respective rainfall figures were 6.13 in. and 5.09 in. The total expenditure on the scheme was Rs. 2,838.36 and the amount realized was Rs. 2,767.30. The present supplementary estimate is to cover this loss.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Agriculture and Lands. The Board of Ministers approves.

**(9) Supplementary Estimate, 1942-43.**

Head 71, Irrigation Extraordinary.

New Sub-head 92, Improvements to Alut Diulwewa, N.-C. P.

Amount: Rs. 1,605.

Nature of Service: For completion.

*Observations of the Minister of Agriculture and Lands.*

The total cost of this service was estimated at Rs. 15,600 and no revote was applied for in current estimates as it was expected that all work would be completed in 1941-42, but owing to unsatisfactory progress by the contractor it has not been possible to complete all the work as anticipated. In addition the estimate which was prepared during 1940-41 is now found to be inadequate on account of the subsequent increase in cost of labour and materials and damage caused by floods. The revised estimate for completion of all work amounts to Rs. 17,200 and as expenditure to end of September, 1942, was Rs. 15,595 supplementary provision of Rs. 1,605 is required to complete the work in 1942-43.

As the matter was urgent a Special Warrant for Rs. 1,605 was issued under Article 67 of the Order in Council.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Agriculture and Lands. The Board of Ministers approves.

**(10) Supplementary Estimate, 1942-43.**

Head 71, Irrigation Extraordinary.

New Sub-head 93, Provision of workshop and storage accommodation for tractors.

Amount: Rs. 6,000 (revote).

Nature of Service: For completion of the work.

*Observations of the Minister of Agriculture and Lands.*

The estimated total cost of the service is Rs. 16,000, for which a Supplementary Estimate was passed on August 4, 1942. No revote was applied for in the draft Estimates for 1942-43, as it was expected that the work would be completed in 1941-42. But owing to the difficulty in obtaining the necessary galvanized iron sheets it was not possible to complete the work as anticipated. The expenditure up to September 30, 1942, was Rs. 10,000 only and a supplementary provision of Rs. 6,000 is now required to complete the work.

2. As the matter was considered to be very urgent, a Special Warrant for Rs. 6,000 was issued under Article 67 of the Order in Council. The approval of the State Council is now sought for the action taken.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Agriculture and Lands. The Board of Ministers approves.

**(11) Supplementary Estimate, 1942-43.**

Head 72, Food Controller.

Sub-head (a) 1. Personal Emoluments. (b) 2, Travelling.

Amount: (a) Rs. 117,000. (b) Rs. 23,580.

Nature of Service: Salaries and travelling allowances of Food and Price Control Inspectors.

*Observations of the Minister of Agriculture and Lands.*

Revenue Officers have recently reported to the Food Controller difficulties experienced by them in their areas in enforcing food and price control measures, owing to the inadequacy of the staff which they have at their disposal. They require more field officers, competent and trustworthy, of a type that can operate away from the Headquarters for considerable spells without immediate supervision. If the rice rationing scheme is to be a success it is particularly necessary that the Food Controller should

in the provinces should be able to exercise a much more rigorous supervision over the licensed dealers in their areas and the general distribution of the rice which is sent to them from Colombo.

2. At present there is one Price Control Inspector, centrally recruited, attached to the Deputy Food Controller in charge of each province. These men do very good work but they are seriously handicapped by the largeness of the areas they are required to patrol. Several Revenue Officers, including the Government Agent, Western Province, have told the Food Controller that what they require is the appointment of additional officers of the status and responsibility of Price Control Inspectors who should not only carry on the war against the black market but keep a constant watch over the activities of all those dealers who are at present or may be in the future authorised to distribute food under any scheme of Government. It is, therefore, necessary to recruit without delay a sufficient staff of Food and Price Control Inspectors to enable the Food Controller to post one to each Chief Headman's division in every non-self-supporting district in Ceylon, or, in cases where he is advised by the Revenue Officer in charge that this is unnecessary, one to cover two or more divisions. The number of additional appointments required would be approximately 65.

3. The necessity to increase the number of Price Control Inspectors under this scheme was not foreseen at the time the draft Estimates 1942-43 were prepared. Supplementary provision is, therefore, required to meet the payments.

As the matter was urgent a Special Warrant for Rs. 140,580 was issued under Article 67 of the Order in Council.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Agriculture and Lands. The Board of Ministers approves.

**(Health.)**

**(12) Supplementary Estimate, 1942-43.**

Head 92, Medical and Sanitary Ser-

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## Debates.

New Sub-head 27, Training of three officers in tuberculosis work.

Amount: Rs. 7,650.

Nature of Service: Training of three Officers in Tuberculosis work.

*Observations of the Minister of Health.*

As the number of officers in the Department of Medical and Sanitary Services specially qualified to do tuberculosis work is insufficient to enable the Department to undertake in earnest the control of tuberculosis, the Executive Committee of Health has decided that three medical officers of Grade II, should be sent to India to undergo a special course of training in this subject. The University of Madras provides a course of nine months' duration for the Tuberculous Diseases diploma. The course commences in January. It provides for three months' theoretical training at the Medical College Madras, and six months' clinical training at the Union Mission Tuberculosis Sanatorium at Arogyavaram, near Madanapalle, in South India. An examination is held in October at the conclusion of the course.

Details of expenses are as follows:—

	Rs.	c.
(1) Fees:—		
(a) for 3 months' theoretical training at the Madras Medical College at Rs. 60 per mensem	180	0
(b) for six months' clinical training at Arogyavaram at Rs. 100 per mensem	600	0
(c) for admission to examination at completion of course	50	0
(2) Travelling and other expenses:		
(a) 1st class train fare from Colombo to Talaimannar Pier	15	0
Sleeping berth	5	0
(b) 2nd class train fare from Talaimannar Pier to Madras	34	0
2nd class train fare from Madras to Madanapalle	12	0
(c) Return journey	66	0
(d) Subsistence for days of travelling at Rs. 12 per day for 6 days	72	0
(e) Subsistence allowance for 275 days at Rs. 5 per day	1,375	0
(f) Incidental expenses including expenses for visits to other institutions in Madras	141	0
	2,550	0
Estimated cost for 3 officers would be	7,650	0

Supplementary provision in a sum of Rs. 7,650 is therefore sought.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Health. The Board of Ministers approves.

**(Labour, Industry & Commerce.)**

**(13) Supplementary Estimate, 1942-43.**

	Rs.
New Head 107, Controller of Textiles.	
Sub-head 1, Personal Emoluments	99,364
2, Travelling	8,000
3, Rent	3,900
4, Stationery, office requisites—	
Special Rs. 1,000	1,000
Recurrent Rs. 3,500	3,500
5, Incidental expenses	2,000
	117,764

Amount: Rs. 117,764.

Nature of Service: To meet the expenses of the new Department of Control of Textiles.

*Observations of the Minister of Labour, Industry and Commerce.*

The position of the textiles market in Ceylon had been watched by the Department of Commerce and Industries and by the Controller of Prices since July, 1941, but it gave no cause for anxiety till the middle of July, 1942, when retail prices began to soar without any warning, principally owing to the dearth of stocks. The elimination of Japan as a source of supplies in the last quarter of 1941, reluctance on the part of importers to bring in adequate supplies from India during the 1st half of 1942 owing to the uncertainty of the Eastern War situation, the difficulty after the air raids on April 5 and 9, 1942, and consequent transfer of large stocks at low prices to outside speculators, rising prices in India, curtailment of the import of United Kingdom textiles owing to shipping difficulties, increase of Indian freight charges and shortage of India-Ceylon shipping combined suddenly to force up prices, which in turn encouraged speculative local buying and created a wave of profiteering. In the early part of

August, 1942, the necessity of Government intervention became apparent and inquiries were made from the Chief Secretary as to the possibility of the release of a senior Civil Servant to be in charge of a new department for the control of textiles. At an emergency meeting of the Executive Committee of Labour, Industry and Commerce held on August 11, 1942, it was unanimously resolved that a new department for the control of textiles be established as early as possible.

2. At its meeting of September 14, 1942, the Board of Ministers approved in general the scheme for control of textiles, and also the immediate establishment of a new Department of Control of Textiles, and it was not possible to submit this application for supplementary provision to the State Council before the adjournment of its sessions on October 2, 1942. Meanwhile, as the urgency was great, the Department has already been established with a senior Civil Servant at its head.

3. The general policy of the new Department will be on the following lines, subject of course to such variations as may be considered expedient:—

- (a) The first aim will be to stimulate imports through the normal trade channels, so that a comparative abundance of stocks may depress prices automatically. To this end correspondence has already been started with the Governments of the United Kingdom and India to facilitate the exports of textiles.
- (b) Importation and distribution will be left in the hands of the trade as long as it is found to co-operate with the Controller in bringing in stocks and selling them at fixed reasonable rates of profit to be added to the landed costs at the traders' warehouses.
- (c) Every importer, wholesaler and retailer, and possibly every hawker and their stores will be licensed and registered.
- (b) Returns of stocks held at present and stock in the hands of each licensed trader will be compiled periodically, so that

an equitable distribution according to the needs of different areas can be enforced through the wholesalers.

- (e) The licences will be subject to suspension or cancellation for any malpractice.
- (f) It is felt that the consumer can best be served through the normal trade organization, provided that the prices charged to him are stabilized, leaving only a reasonable margin of profit to the trader. The question of issuing Price Control Orders has been carefully considered, and it has been realized that, in the present state of affairs, its disadvantages outweigh the advantages, firstly, as there are so many qualities of textiles that legally valid descriptions of qualities to be sold at a maximum price are almost impossible, and the consumer cannot get the benefit of any such price-fixing, as he cannot be a reliable judge of the difference between a large number of qualities.

Secondly, the fixation of maximum prices cannot be made effective in the case of textiles, and would thus not help the consumer, and may even create a "black market" and deter the presently improving pace of importation. Quickening that pace is the most urgent need of the moment.

Thirdly, controlled price qualities of brands might cease to be imported, and new qualities and brands might be brought in, thus necessitating a useless multiplicity of price control orders and continually lowering quality. The powers under the Control of Prices Ordinance remain, and will be used, if that should become necessary.

- (g) If the co-operation of the trade sought by the Controller is not given to the fullest possible extent, or if for some reason the results aimed at are

not obtained, the Government will take steps to import and distribute and, if necessary, to ration textiles, but it is hoped that neither of these extreme measures will be necessary.

Details of Sub-head 1, Personal Emoluments.

(a) Salaries:—

	Rs.
(1) Controller of Textiles, C.C.S., Class I., Grade II., £1,400—50—1,550 ... ..	23,250
(2) Deputy Controller of Textiles, a textile expert to be recruited. The Treasury approved this appointment as "Assistant", but he will be designated as Deputy. Salary of any sum between Rs. 500 and Rs. 1,200 per month has also been approved. For safety's sake, I am putting the salary at the maximum ... ..	14,400
(3) 1 Assistant Controller, Head office, with accountancy and textile trade experience to be recruited. This post has not been approved. I propose a salary of Rs. 500 per month for this post ... ..	6,000
(4) 8 Assistant Controllers, no special qualifications required, but I would recruit graduates only. A high standard of integrity and capacity of inquiring into petitions and non-observance of prices to be prescribed, for dealing with delinquent dealers on the spot, &c., are essential. The Revenue Officers have already more work than they can cope with, and I do not propose to ask them to hold numerous inquiries and report to me for my orders. So far as I can see, I shall require 8 to start with, owing to transport difficulties, distributed as follows:—	

Headquarters at Jaffna for Northern and North-Central Provinces.

Do. Kurunegala for Kurunegala and Trincomalee Districts.

Do. Chilaw for Puttalam, Chilaw and Negombo Districts

Headquarters at Kalutara for Kalutara and southern part of Colombo District

Do. Galle for Southern Province

Do. Kandy for Central Province

Do. Badulla for Uva and Eastern Provinces

Do. Ratnapura for Province of Sabaragamuwa.

It may be possible to reduce the number later on, if the

works smoothly. I propose a salary of Rs. 300 per month (and a combined commuted allowance of Rs. 75 per month for subsistence and lodging, bus or car hires when travelling, and keeping an office in his house, paying himself for a clerk, if he keeps one) ... .. 28,800

(5) 1 Personal Secretary—to be an expert Shorthand typist conversant with office administration. Rs. 250 to Rs. 300 per month according to qualifications, already approved by the Treasury ... ..	3,600
(6) 1 Shorthand typist at Rs. 2.50 per day or more according to qualifications, already approved by the Treasury. I consider a man with a speed of 120 words in shorthand and 50 words in typing should be paid Rs. 4 per day at least ... ..	1,440
(7) 1 Typist at Re. 1.70 per day or more according to qualifications, already approved by the Treasury. Rs. 2.50 a day would be fair ... ..	900
(8) 1 Class II. Clerk. Present clerk is on the maximum of Rs. 2,820, and may be promoted next year to Class I. ... ..	3,000
(9) 1 Class II. Clerk. Present clerk's actual salary is Rs. 1,476, but increment due next year ... ..	1,584
(10) 2 Temporary clerks—to be recruited at Re. 1.70 per day or more according to qualifications, and already approved by the Treasury. Say, 1 at Rs. 2.50 and 1 at Rs. 2 ... ..	1,620
(11) 1 Inspector (previously designated as Market Investigating Officer)—with experience of textile trade, to be recruited. Already approved by the Treasury at Rs. 100 per month ... ..	1,200
(12) 1 Cycle Orderly and 2 Peons—already approved by the Treasury at 75 cents per day ... ..	810
(13) 1 Office labourer—already approved by the Treasury at 72 cents per day ... ..	260
(14) Additional temporary staff required, as the work expands—temporary clerks, inspectors, peons, &c., a lump sum of ... ..	10,000
Total of Salaries ... ..	96,864

(b) Rent allowances for the Controller and 1 Class II. Clerk ... .. 2,500

Grand Total ... 99,364

As the matter was urgent a Special Warrant for Rs. 20,800 required for expenditure during October and November, 1942, was issued under Article 67 of the

Order in Council. This Supplementary Estimate is submitted for covering sanction of the State Council for this amount and also to obtain the balance sum of Rs. 96,964.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Labour, Industry and Commerce.

The Board of Ministers approves.

### (Education.)

(14) **Supplementary Estimate, 1940-41.**

Head 110, Minister of Education.

Sub-head 5, Travelling and other expenses of members of the Special Committee on Education.

Amount: Rs. 138.42.

Nature of Service: To meet the excess expenditure incurred in connection with the Special Committee on Education.

*Observations of the Minister of Education.*

The amount provided for the travelling and other expenses of the Special Committee on Education in 1940-41 has been exceeded by a sum of Rs. 138.42. Public sittings of the Special Committee on Education were held in Batticaloa at the end of September, 1941, and the Railway Warrants issued to members and the staff for this trip and the Railway Warrants issued to members for other meetings held in September have caused an excess on the vote. It was difficult to estimate the exact expenditure in time as it depended on the number of meetings held and the number of members attending from outstations. Owing to the delay in bringing to account the cost of the Railway Warrants this excess expenditure was not foreseen at the time. Supplementary provision in a sum of Rs. 138.42 is, therefore, required to cover the excess expenditure already incurred.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Education. The Board of Ministers approves.

(15) **Supplementary Estimate, 1942-43.**

Head 111, Education.

New Sub-head 24, Salaries to Teachers in Assisted Schools and fees subsidies.

Amount: Rs. 700,000.

Nature of Service: To meet payment of salaries to teachers in Assisted Schools and fees subsidies.

*Observations of the Minister of Education.*

At a meeting of the Executive Committee held on August 21, 1942, it was decided the provisions of the Education (Emergency Provisions) Ordinance, No. 24 of 1942, should continue to operate after September, 1942. A detailed scheme was accordingly prepared by the Executive Committee and was approved by the State Council at its meeting held on September 24, 1942. This scheme lays down the manner in which it is proposed to deal with the teachers who have become superfluous owing to the present abnormal conditions created by the war in certain areas as defined in the scheme. It also lays down the conditions under which assistance is to be granted to Managers of Assisted Schools situated in such areas and who have been adversely affected by the prevailing conditions.

No monetary provision has been made in the Estimates, 1942-43, to meet the financial commitments necessary to give effect to the provisions of the scheme referred to above. Supplementary provision in a sum of Rs. 700,000 is, therefore, required to meet the salaries of Assisted School teachers who have become superfluous and the payment of the fees subsidy.

As payments had to be made for October, 1942, a Special Warrant for Rs. 700,000 was issued under Article 67 of the Order in Council and this Supplementary Estimate is submitted for the covering sanction of the State Council.

*Observations of the Financial Secretary.*

The Financial Secretary concurs.

*Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Education. The Board of Ministers approves the Supplementary Estimate on the understanding that Managers of Assisted Schools are kept

fully aware of the fact that they will have to get back to full working order out of their own resources and cannot look to Government to give them special assistance.

### (Communications & Works.)

#### (16) Supplementary Estimate, 1942-43.

Head 121, Colombo Port Commission.  
New Sub-head 38, Improvements to  
Graving Dock Guide Pier.

Amount: Rs. 11,000.

Nature of Service: Fendering of Guide Pier with floating pontoon fenders.

#### *Observations of the Minister of Communications and works.*

The type of fenders used for fendering the Guide Pier has been found to be unsuitable. It is proposed to introduce floating pontoon fenders which are expected to be more satisfactory. Ten such fenders are required and are estimated to cost Rs. 11,000.

#### *Observations of the Financial Secretary.*

The Financial Secretary concurs.

#### *Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Communications and Works. The Board of Ministers approves.

#### (17) Supplementary Estimate, 1942-43.

Head 131, Department of Engineering Production.

New Sub-head: Training of Machine Tool Operators.

Amount: Rs. 375,000.

Nature of Service: Training of Machine Tool Operators and the establishment of a Workshop.

#### *Observations of the Minister for Communications and works.*

It is necessary that, during the existing conditions, the machine tools available in the Island should be worked to maximum capacity; but one of the principal handicaps is lack of skilled labour. It is therefore essential that skilled or semi-skilled labour should be provided early if the machine tools are to be worked to maximum capacity. A scheme for the training of young boys between the ages of 16 and 18 so as to provide additional skilled or semi-skilled

labour and for the establishment of a workshop has therefore been formulated.

2. It is proposed to set up an organization known as the Ceylon Boys' Technical Training Corps, the members of which will be given a short-term course of intensive training in elementary Mensuration, elementary Theory of Materials and demonstrations in the use of machine tools at the Technical School. The Minister for Education has kindly agreed to provide the necessary facilities for training at the Technical School. The training will be rounded off in the workshop proposed to be established. The workshop training under normal commercial conditions is an important feature of the scheme. The trainees will be given actual jobs to complete against orders placed at the workshop and, while doing this work, they will have the benefit of the advice and assistance of skilled instructors. The experience acquired in the workshop will give trainees the confidence necessary to tackle a job without special help when absorbed into the engineering trade. The workshop will serve another important purpose to which reference will be made in a later paragraph of these observations.

*Recruitment and Selection*—Five hundred boys between the ages of 16 and 18 will be recruited for training by a Selection Board consisting of the Director of Engineering Production and the Corps Commandant. The boys will be required to pass a medical examination before admission and must produce the written consent of a parent or guardian to join the Corps. Educational qualifications required will be the Sixth Standard in Sinhalese or Tamil. A knowledge of English is desirable but not essential.

*Housing*—Selected boys will be expected to live in camp where they will be housed, fed, clothed and given physical training. The Camp will be sited at Maharagama on the site of the existing Camp No. 3 of the Essential Services Labour Corps which will be removed elsewhere. The Corps Commandant will be the Assistant Civil Defence Commissioner, Essential Services Labour Corps, Maharagama.

*Discipline*.—The Corps Commandant will be fully responsible for the discipline of the boys while in camp.

*Training.*—The course of training will extend for a maximum period of one year, three months of which will be spent in the Technical School. The syllabus of the course at the Technical School will be drawn up by the Director of Engineering Production in consultation with the Principal, Technical School; the former being solely responsible for the training imparted at the workshop. The recruits will be divided into two or more classes depending on their standard of education and the course of work they are found fit to follow and also to suit the accommodation available at the Technical School. On the completion of the course of training, they will be required to sit for an examination and those who pass it will be awarded certificates of proficiency.

*Expenditure.*—The total cost of running the camp for one year is estimated at Rs. 215,000 (approximately). The details of expenditure are given below:—

<i>Item 1.—Salaries, Wages, &amp;c.</i>	Rs.
1 Officer-in-charge of Camp, at Rs. 300 per mensem ..	3,600
5 Camp Masters—1 at Rs. 125 per mensem 4 at Rs. 100 per mensem	6,300
4 Clerks at Rs. 2 per diem ..	2,880
<i>Staff for Kitchen, Canteen, and Conservancy.</i>	
	Rs.
2 Overseers, at Rs. 2 per diem	1,440
2 Sub-Overseers, at Re. 1 per diem ..	720
33 Sevakas, at 75 cts. per diem	8,910
8 Sevakas for conservancy work, at Re. 1 per diem	2,880
	13,950
500 Boy Learners, at 10 cts. per diem for 9 months and at 20 cts. per diem for 3 months	22,500
Proficiency awards to Boy Learners ..	1,500
<i>Allowances:—</i>	
Assistant Civil Defence Com- missioner in charge of the Essential Services Labour Corps for attending to duties of Corps Commandant in addition to his own duties	600
Accountant Officer, Essential Services Labour Corps, for attending to accounting work of Boys' Camp ..	300
	900

*Item 2.—Feeding.*

	Rs.
555 Officers and other ranks at average cost of 40 cts. per diem ..	79,920

*Item 3.—Clothing and Equipment.*

	Rs.
Uniform, headgear, sandals, &c.	20,000
Camp beds, blankets, pillows, mugs and plates ..	10,000
	30,000

*Item 4.—Transport.*

Transport by train from Maharagama to Maradana and back for attending Technical School—on basis of average of 250 travelling to Colombo and back	23,750
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*Item 5.—Buildings.*

Additions to E. S. L. C. Camps Nos. 1 and 2 to house E.S.L.C. men trans- ferred from Camp No. 3 which is being handed over to Boy's Camp ..	20,000
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Contingencies ..	205,300
	9,700

Total .. 215,000

Provision has been made in the estimates for the payment of an allowance of 10 cents per diem to the boys during their first nine months of training. In the last three months that they will be engaged in the workshop they will have acquired sufficient proficiency to be classed as semi-skilled operators. During this latter period the trainees will be paid an allowance of 20 cents per diem. The camp will be in charge of one officer assisted by five Camp Masters. The five latter will be expected to have technical knowledge and will do a certain amount of teaching work. Clothing for the boys will cost roughly Rs. 40 per head. The other items of expenditure do not call for special comment.

*Uniform.*—During working hours the boys will wear blue shorts, banian and sandals.

**WORKSHOP.**

3. The establishment of a workshop is designed not merely to promote training of the lads. It has distinct possibilities of its own in turning out saleable tools and articles of common use for which there is a keen demand. These include items such as hammers, chisels, screwdrivers, spanners, puncher, scrapers, soldering irons, compasses, clamps, mortice gauges and glass-paper, &c. These articles are not normally made in Ceylon and they are now in short supply in view of the difficulty of obtaining supplies from



abroad. A building which can be adapted with minor structural alterations to house the plant and equipment, is available within the premises of the Camp. The location of the proposed workshop has the following advantages:—

- (a) Proximity to Boys' Camp.
- (b) Situated away from target areas but reasonably near Colombo.
- (c) Power supply available from the E. S. L. C. Camp.
- (d) Unskilled labour can be conveniently supplied from the E. S. L. C.

4. The bulk of the materials of manufacture can be supplied from the Steel Rolling Mill and the Salvage Depot. Pieces of broken tools made of high grade steel will be used for smaller tools. The Steel Rolling Mill is probably the most important source of raw ferrous materials and the conversion of the products of the mill into usable form would be an important step in the creation of a local Engineering Industry, with definite possibilities of expansion in the post-war period.

Estimated expenditure on the workshop is given below:—

<i>Capital Costs.</i>	<i>Rs.</i>	<i>Rs.</i>
Machines and Plant (Lathes, Drills and Saws, &c.) ..	75,000	
Installation (labour and materials) ..	5,000	
	80,000	
Transport and contingencies 10 per cent. ..	8,000	
	88,000	

#### *Working Expenses.*

Salaries and wages Rs. 22,600 made up as follows:—

	<i>Rs.</i>
Foreman ..	3,000
Store and Timekeeper ..	1,560
Clerk ..	600
Supervisors (four) ..	4,800
Tradesmen (ten) ..	9,600
Labourers (eight) ..	2,880
Messenger (one) ..	160
Working material ..	40,000
Overhead charges (rent of building, cost of electric current, &c.) ..	3,000
Contingencies ..	6,400
	72,000

All plant required for the workshop can be purchased locally. Apart from the capital cost, the workshop will not be a

drain on public funds. Private inquiries made from the trade reveal that orders for about 5,000 items of small tools, which is well within the capacity of the workshop to handle, can be expected and the proceeds of sale of these articles will realize a sum in excess of the working expenses.

5. It will be observed that the cost of training an apprentice over a period of one year works out approximately at Rs. 430 (i.e., about Rs. 36 per mensem). The money expended on training will be well spent as, apart from meeting an urgent need for skilled operators, the boys who pass out will have acquired an earning capacity varying from Rs. 1.50 to Rs. 3 per day. It is estimated that there are roughly 20,000 skilled operators engaged in the Engineering Industry to-day and, allowing for a 3 per cent. replacement annually due to retirements, and so on, it is clear that the trade can absorb 600 skilled hands per year. The scheme is essentially an emergency measure, but it can be developed in the Post-war period to bridge the gap that now exists for the proper training of technicians in the lower grades of the Engineering Industry.

#### *Summary of Estimate.*

	<i>Rs.</i>
<i>Boys' Camp.</i>	
Cost of running Camp ..	215,000
<i>Workshop.</i>	
Capital costs ..	88,000
Working expenses ..	72,000
	160,000
Total ..	375,000

#### *Observations of the Financial Secretary.*

The Financial Secretary concurs.

#### *Report of the Board of Ministers.*

The financial implications are as explained in the Observations of the Minister of Communications and Works. The Board of Ministers approves.

**The Hon. Sir D. B. Jayatilaka (Leader of the State Council):** I beg to submit for the approval of the Council the Supplementary Estimates set out in this item, to present to the Council the reports of the Board of Ministers on such estimates, and to move the Council into a Committee to consider the same.

In Committee—

MR. SPEAKER presided as Chairman.

**(1) Ceylon Naval Volunteer Force: Payment of Increased Salary to Mr. G. A. Chambers, Chief Petty Officer Instructor, C. N. V. F.**

**The Hon. Mr. H. R. Drayton (Chief Secretary):** I beg to move that the following Supplementary Estimate standing in my name be passed:

Head 8, Ceylon Naval Volunteer Force.

Sub-head 1, Personal Emoluments.

Amount: Rs. 400.

Nature of Service: Payment of increased salary, on renewal of agreement to Mr. G. A. Chambers, Chief Petty Officer Instructor (local Warrant Officer Instructor) C. N. V. F.

This Officer was appointed pursuant to a March Resolution some four years ago, and that resolution provided for a renewal of his agreement. It has become necessary to renew his agreement now. The Officer Instructor who at one time was with the Force is no longer there, so that the duties of instruction fall very largely on this Petty Officer's shoulders. It is, therefore, thought reasonable that, upon the renewal of his agreement, there should be an increase in his emoluments, and the object of this Estimate is to provide for that increase.

Supplementary Estimate (1) was passed.

**(2) Currency: Salary and Rent Allowance of Temporary Assistant Secretary to Board.**

**The Hon. Mr. H. J. Huxham (Financial Secretary):** I beg to move that the following Supplementary Estimate standing in my name be passed:

Head 36, Currency.

Sub-head 1, Personal Emoluments.

Amount: Rs. 4,350.

Nature of Service: Salary and rent allowance of a temporary Assistant Secretary to the Currency Board amounting to salary Rs. 3,000 per annum plus rent allowance Rs. 1,350 per annum.

The Currency staff has been faced with an enormous increase of work during the last year owing to the note circulation having gone up to more than three times the pre-war figure and the necessity to issue subsidiary notes and various other unusual activities. It has been found that the work can no longer be looked after properly by one junior Staff Officer, and it is proposed, in this Supplementary Estimate, that he should be

given the assistance of a pensioner who can come back into Government Service and take over from him the routine part of his duties, that is to say, opening the currency vaults and looking after issues of notes and that kind of thing, leaving the permanent officer to do the more responsible work which has arisen owing to conditions arising out of the war.

**Mr. H. W. Amarasuriya (Galle):** It is most objectionable to employ pensioners. I think, on grounds of public policy we should not encourage it, and I do not know why the Hon. the Financial Secretary should not have attempted to find an officer or a person outside the list of pensioners to do this work. I would like to know whether any effort was made to obtain the services of a suitable person from outside the circle of retired Government Servants. I would like to have an answer to that question.

**The Hon. Mr. Huxham:** If the Secretary of the Currency Board is to be given the relief he needs, he must have the help of an officer who is acquainted with Government routine and who had something to do with currency. This particular officer was in charge of the issue of currency and work of that kind in important Kachecherries before his retirement, and can, therefore, take over the responsible duties of being in charge of the main vaults containing hundreds of millions of currency notes without our feeling that a dangerous step has been taken. I would not like to put in that position any newly-recruited officer from outside Government Service, and if it is a question of obtaining an officer with the seniority and experience which we require from within the Government Service, it will mean taking away a key man from a Kachecheri or some other Department of Government who cannot be spared in present circumstances.

**Mr. B. H. Aluwihare (Matale):** Does the Hon. the Financial Secretary mean to say that all promotions have stopped in Government Departments at the present time, in that if he takes away a man with the necessary experience, who has just reached an age when he cannot render efficient service, there will be no one to replace that man in the ordinary course of promotion from among officers

below him? That position seems to incredible as to require very much further assurance.

There is another point that I want to raise. Cannot the Financial Secretary stop issuing these 10-cent notes and 5-cent notes—3-cent and 2-cent pieces of paper? At one stage a few one-cent pieces were issued and a few 5-cent pieces of some metal—I do not know what it was; you could generally have bent the one-cent piece if you pressed it hard enough on the table. But anyway, the one-cent pieces were certainly better than the 2-cent and 3-cent notes amalgamated and called 5-cent notes, and the 10-cent notes.

Yesterday I saw a newspaper boy hand some change to a man, and the man said that he could not accept it; the boy turned round and said, "Well, man, do you think I print this? It is the Government that prints it". We are also finding the notes very inconvenient, and money gets lost. Could not the Hon. the Financial Secretary mint some kind of metal and issue the coin to us?

**The Hon. Mr. Huxham:** I can assure the hon. Member that it is not the desire of the Currency Board or myself to issue these miserable scraps of paper. The position is that we are dependent entirely on the Indian Mint, which is overworked in supplying the requirements of India, and we have to take our turn; and we must be grateful to them for treating us as well as they have done. I am glad to say that we have reached an understanding with them whereby, if nothing interferes with work there—our coins are struck at Calcutta—we shall receive a steady supply of 5-cent and 1-cent coins which will meet all our requirements.

The hon. Member said that he found that we issued a few odd five cents in some peculiar metal and one cent half the usual weight. Those few odd coins must amount, since the beginning of the war, to about fifty millions.

**Mr. Aluwihare:** That is nothing.

**The Hon. Mr. Huxham:** Of course, the hon. Member says that it is nothing. They have to be manufactured; scarce metal required for the war effort has to be found, and we have to take our turn at the Mint which is pressed with orders and which is working 24 hours a day throughout the year. I can assure the hon. Member that we have used all pressure that we possibly could on the Indian Mint, to get maximum possible supplies, and I am satisfied that they have given us very fair treatment indeed.

I think the House will realize that in peace-time the quantity of currency required to keep the necessary amount in circulation is very small. If we get about 5 per cent. of the amount in circulation each year that is sufficient. But nowadays the amount we require every year is about 200 per cent. of the amount in circulation at the beginning of the war; that is to say, we want about 40 times the pre-war quantity, and you cannot expect Mints in India or elsewhere to have plant and facilities 40 times as much as they require in a normal year. In the result there is bound to be coin shortage not only in Ceylon, but in India and all over the world, and I can assure the House that I am doing the utmost possible.

We are worse off than other countries because there has been a wave of hoarding silver coins which we have found impossible to cope with. The Police cannot detect the people who are holding our silver coinage, and that has driven us to the expedient of these miserable pieces of paper to which the hon. Member has referred.

I would ask the House, on the other hand, to think what the position would be if we had not taken this step. We would have had no currency below Re. 1. Will the House consider what that would mean to the public, particularly the poor people, if there was no currency below the Re. 1 note?

**Mr. H. W. Amarasuriya:** Regarding the point raised by me, you will see from the Observations that this officer is a Temporary Assistant Secretary. I take it that this Assistant Secretary will be functioning as Secretary to the Board of Currency, and I do not think that any special administrative work will devolve on this person. Apart from that, does the Hon. the Financial Secretary consider that by re-employing Government pensioners he would not be standing in the way of the promotion of other officers? I do not think that even in time of war, if the exigencies of the service demand it, promotions should be denied to officers in the service of Government.

[Mr. H. W. Amarasuriya.]

The Hon. the Financial Secretary told us that unless somebody from outside the present service was not taken, it would become necessary to pick out somebody from a Provincial Kacheri or some such place like that, and promote that officer to do this work. Now, does he think it fair by that officer to deny him that promotion and the opportunity for working in this department? I do not think it is quite a sound policy to re-employ a Government pensioner.

**The Hon. Mr. Huxham:** I would ask the House to consider that this is rather a special post. The hon. Member for Galle (Mr. H. W. Amarasuriya) doubts whether there is much responsibility attaching to it, but I can assure him that there is. The principal task of this officer is to be in charge of the keys of the main vaults and to receive used notes from the Banks and issue new notes to them. Those duties take him, several hours a day. He will be handling tens of millions of rupees worth of notes.

What you want is not a brilliant young officer; you want an officer who is thoroughly reliable and who knows what he is about. If it were a question of ordinary administrative duties, I should agree with the hon. Member that the correct thing to do would be to choose a young Clerk and give him promotion to this temporary post, but we do not want a brilliant young man. We want a thoroughly sound; reliable officer to whom we can give the keys of the vault containing hundreds of millions of rupees without worrying. I think that in these circumstances the employment of a pensioner during war-time is a very suitable step to take.

**Mr. H. W. Amarasuriya:** If that argument is to be carried to a logical conclusion, I do not think you need retire any officer at all even at the age of 60. Officers might just be allowed to go on; then the keys will be delivered up only after death.

With regard to the financial implications of this proposal, I venture to submit that this arrangement is more expensive to Government than recruiting a man lower down would be [*Interruption.*] The Ministers can waste time and money, which are of no consideration to them. They can spend lakhs and send people here and there. We are only concerned

with the principle. The Hon. Minister of Communications and Works is not at all concerned with the principle involved.

I would like the Hon. the Financial Secretary to give serious consideration to the point I have raised. This practice seems to be growing, and at the rate at which it is growing, I am afraid very soon we will have half the posts in Government Service filled by Government pensioners.

**Mr. Aluwihare:** Does not the Financial Secretary see the weakness of his argument? There are old ladies and old men who say that the best times have passed, that all honest men are dead or about to die or have retired. What the Hon. the Financial Secretary says seems to indicate that there are no stodgy, honest men in Government Service old enough to be trusted. He says that he does not want to put a young man in this place. We are not asking him to do that. He can find an old, stodgy man in Government Service for this post. Put one of them whom the Financial Secretary thinks is honest enough. Do not resurrect a man from the dead. And when he has promoted the stodgy person next to him—I suppose he is the Currency Commissioner—he can put a young man in his place.

When these posts are created in Government Service, surely it is right that young men should have chances of promotion. Every pensioner who is employed blocks the promotion of a younger man.

Question, put, "That Supplementary Estimate (2) be passed".

The Committee divided (under Standing Order 68): Ayes, 15; Noes, 12.

### (3) Department of Income Tax, Estate Duty and Stamps: Personal Emoluments, &c.

**The Hon. Mr. Huxham:** I move that the following Supplementary Estimates standing in my name be passed:

Head 40, Department of Income Tax, Estate Duty and Stamps.

Sub-head 1, Personal Emoluments, Rs. 18,960.

Sub-head 3, Stationery, office furniture and office requisites, Rs. 6,450.

New Sub-head 8, Structural alterations to office, Rs. 1,150.

Amount: Rs. 25,960.

The purpose of this Supplementary Estimate is to provide the Department of

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## Debates.

Income Tax, Estate Duty and Stamps with three junior Staff Officers and ten Clerks to assist them in coping with the extra work caused by the imposition of excess profits duty.

Supplementary Estimate (3) was then passed.

#### (4) Separation Allowances to Government Officers.

**The Hon. Mr. Huxham:** I move that the following Supplementary Estimate standing in my name be passed:

Head 43, Miscellaneous Services.

New Sub-head 14, Separation Allowances to Government officers serving in Ceylon whose wives and families are out of the Island and cannot return owing to circumstances arising out of the war.

Amount: Rs. 52,000.

The position here is that a certain number of Government officers have their wives and families living abroad, and owing to the war those wives and families are not allowed to return to Ceylon. In view of the increased cost of living both in Ceylon and abroad, such officers in Ceylon drawing only Rs. 400 or Rs. 500 a month find it impossible to maintain two establishments on their present remuneration. I am therefore asking the House to agree to grant them some small measure of relief in the form of a separation allowance which will not exceed in any case Rs. 70 a month, to enable them to carry on.

The officers in question are practically all overseas officers, but the same conditions will be applied in the case of any Ceylonese officer who is in the same position.

**Mr. Aluwihare:** Is this vote in respect of people who were in Ceylon and were evacuated from Ceylon, or in respect of people who were in England and are unable to come back?

**The Hon. Mr. Huxham:** It would apply to both cases, Sir. The condition is, that the officer should be serving in Ceylon and his family should be abroad and unable to return.

**Mr. Susanta de Fonseka (Panadure):** It applies obviously to the wives of officers who left Ceylon subsequent to April 1, 1942.

**The Hon. Mr. Huxham:** It would apply in the case where the officer's wife

was away before that day and is unable to return.

**Mr. Dudley Senanayake (Dedigama):** Surely this is not a case where the families have been evacuated earlier and incidentally certain circumstances intervened which prevented them from returning. But the position is that these people took this step knowing that there would be no possibility of bringing their families back, and therefore I do not think we would be justified in passing this vote.

Does this proposal apply to any person who wants to evacuate his family in the future as well? Let us take a specific case. Some Ceylonese officers may consider India a safer place than Ceylon and may evacuate their families to India. Will they also be helped to this extent?

**Mr. de Fonseka:** Apart from that, I would like to know whether the Financial Secretary is in a position to state how many officers' wives left Ceylon as a result of that most unfortunate request made by the Commander in Chief and approved by His Excellency the Governor, that European women who have no business in Ceylon might as well leave Ceylon, at a moment's notice.

In my opinion that request did a great deal of damage to Ceylon. In the first place, it created a false impression. I believe if there was a breakdown of public morale on 5th April last, it was to a very great extent due to that circular, because people felt—and I know many Members of this House will agree with me—that if it came to a real show-down in Ceylon, the European officers would leave, even as some of their brethren in Malaya left their posts; and there was an honest feeling that the removal of their wives and families was a preliminary step. It was as a result of that request that the wives and families of European officers were evacuated, I do not think this country should be called upon to pay the maintenance expenses of those people.

I can understand the wives and children of officers who were in England or abroad at the time war was declared and who now find themselves unable to come to Ceylon being supported. But I do not think the wives of officers who left Ceylon after war was declared,

[Mr. de Fonseka.] knowing full well that their chances of returning to Ceylon were almost nil, should be a burden on the finances of this country.

Apart from that, I should think the duty of the Ceylon Government was immediately to recall those wives. There are grounds to support such a step being taken. I shall oppose this vote, unless I know to a certainty that this proposal will not cover the case of any wife or child evacuated from Ceylon on account of the war. I do not think we ought to pay for their maintenance.

**Dr. A. P. de Zoysa (Colombo South):** May I know whether this covers the case where the wives and children are not willing to come to Ceylon? There may be officers in Ceylon whose wives perhaps may refuse to come because the climate may not suit them. Then are we going to pay them separation allowances?

**Mr. Aluwihare:** Does not the Financial Secretary see that this is another instance of communalism on the part of Government? Everyday we are told that communalism exists in this country. But here the European women and children are advised to leave the country, and they leave. Then you come for a vote to pay allowances to the wives and children of European officers who left as a result of that order.

The Board of Ministers has no independent views in the present crisis; we all know that. But the Financial Secretary surely must see that this is the very evil that Europeans in this country want to avoid; and I think they will forgive us if we turn down this vote.

**Mr. G. A. H. Wille (Nominated Member):** I think this vote should be looked at more sympathetically. If we were not natives of this country, in a time of danger we would send our wives and children away and these officers were advised to send their wives and children away. We ought to remember that this allowance is to be given only to those who draw a maximum salary of £450 or Rs. 6,750 per annum. So that, we are not going very far in this matter.

**The Hon. Mr. D. S. Senanayake (Minister of Agriculture & Lands):** Perhaps there may be an impression that the larger portion of this money is

to be paid to those people whose wives were sent away recently. It is only a very few people of that class who left recently who will get these allowances. I am not certain whether this covers a single case of that class.

**Mr. Aluwihare:** Let us discuss the principle.

**The Hon. Mr. Senanayake:** I am trying to discuss the principle.

Merely because there was an incident, we should not forget the purpose of this vote. There were a number of officers who had their families living in England at the time war was declared. Desperate attempts were made by those people to bring down their wives here, but they were not successful. I know that there were a large number of people who were anxious to bring down their families to Ceylon, because this country was considered much safer than any other place. At one time I know that even their children were brought down here. But some of these people could not secure shipping accommodation for their families, with the result that they had to keep them there and incur additional expenditure.

So, Sir, it is not unreasonable to compensate these unfortunate men who are not in a position to meet the additional expenditure which they have to incur, not owing to any action of theirs, but owing to prevailing circumstances. Merely because of some incident, it would be unreasonable to refuse this vote.

**Mr. Aluwihare:** The Hon. Minister is very clever, but not clever enough. I think the House would be prepared to meet cases of hardship where people were away from Ceylon and are unable to return. I do not think any Member has refused to meet that request. But where people who were in Ceylon went away because of the particular situation in which Ceylon was placed at the time, and particularly because of their nationality, well, it is but right that either their nation—the Imperial Government—or their community should pay for the safety that they have secured for themselves.

After all, it is not, as the Hon. Minister said it was, an "incident" or something of that kind. It is a case of a communal act. The evacuation

of European women and children was a communal act. It was not done in consultation with the Board of Ministers—I do not think so—nor was it done in consultation with Members of this House. It was done for Imperial reasons; and we have not the slightest doubt that they were good reasons.

But from our point of view, I do not see how we can be called upon to accept a principle of giving preference of safety to a particular class of women and children. Then, when you have secured that preferential safety, you come to the population as a whole and say, "Give them a further allowance".

If that principle is not accepted, that is, if those members of the community I have referred to are excluded, and money for them is found in some other way, we will pass this vote. Restrict this vote to members of the community who were unable to return owing to the outbreak of the war, and do not allow payments to those who were here and, at a time of threatened danger, evacuated Ceylon to get a preferential safety.

**\*Mr. S. Abeywickrama (Udugama):** The Observations appended to this vote refer to the "rising cost of living". I would like to know whether the reference is to the rising cost of living in this Island or in the places where these families are supposed to be living.

**The Hon. Mr. Senanayake:** Both.

**\*Mr. Abeywickrama:** This is a small gift, coming from the European Financial Secretary to his European friends by way of a 20 per cent. increase on their salaries. The 40 persons concerned are Europeans. Time and again I have been trying to obtain a meagre war allowance for Government employees paid up to Rs. 300 or Rs. 400 a month. There was also the motion of the hon. Member for Gampaha (Mr. D. P. Jayasuriya) urging such an allowance, but the Financial Secretary, in his report on that motion, expressed himself as against granting any such allowance to officers drawing more than Rs. 200 a month.

But this same Financial Secretary, who is supposed to be the guardian of our finances, has the audacity to come to this House and recommend an increase of 20 per cent. to his fellow-Europeans. That is class legislation. The whole

House must unanimously oppose this vote if it is to act fairly by the taxpayers. This is a clear case of a white man trying to help the white men.

**Mr. Wille:** Unfortunately, the communal aspect has been emphasized, while the merits of the case have been ignored. We import an officer to serve this country under a March Resolution because we have no one suitable in this country. When such an officer sends away his wife and children because it is dangerous for them to remain here, you turn round and say, "We cannot afford him some relief".

**\*Mr. R. Sri Pathmanathan (Mannar-Mullaitivu):** Would the Financial Secretary be good enough to tell us what the position of a Sinhalese or Tamil woman who has evacuated from Colombo to some outstation and is now unable to return owing to lack of money or to a similar distressed condition is? I want him to make the position clear in regard to that point.

**The Hon. Mr. Huxham:** There is no difficulty placed by Government in the way of any wife who is in Ceylon and wishes to join her husband in any other part of Ceylon.

Hon. Members have made this a communal question and have stressed the fact that I am introducing this motion. I merely happen to be introducing it because it affects more than one Department and comes under "Miscellaneous Services", a Head which I usually speak for. The matter was raised primarily in connexion with European Sub-Inspectors of Police. It was brought before the Governor, I think, by the Minister of Home Affairs, and the matter was considered by the Executive Committee of Home Affairs. The Executive Committee was itself in favour of these allowances being given; and it is only after the decision of the Executive Committee of Home Affairs in its favour and the decision of the Board of Ministers accepting the proposal that I come forward as spokesman for the motion. I think it is somewhat unfair of Members to describe this as a scheme of gift to Europeans proposed by a European.

I would like to ask the House to look at the proposal from the point of view of the officers. He is quite a lowly officer

[The Hon. Mr. Huxham.]  
in Government Service, and in some cases his wife was out of the country long before Japan came into the war—when Ceylon was one of the safest places in the world,—and he was unable to bring her back owing to shipping difficulties. In some other cases, advice was given from the highest in the land that European women who had no useful employment in Ceylon should leave Ceylon, and that advice was taken. Some Members do not agree with that advice, but I would ask the House to look at it from the point of view of the individual officer. If he followed that advice, which came from the head of the Government, and sent his wife abroad, and now finds himself in severe financial difficulties, should we or should we not, as model employers, give him a hand? In most cases he is a member of the Police Force whose temptations to make illicit profits are considerable, particularly in these days, and I suggest to the House that it is unwise to force a Police officer into a such a position that he is unable to make both ends meet and must run into debt.

I would therefore ask the House to pass this vote in spite of the criticisms which have been urged against it.

\***Mr. Abeywickrama:** Have all these 40 officers applied individually for this grant? Has the Financial Secretary inquired from them individually whether their wives and dependants are employed in war work in other parts of the Empire? We find women who have arrived here from other parts of the Empire employed in War Departments—in the Census Office and other Departments—and are drawing salaries of Rs. 200 to Rs. 500 a month. Some of the women who left Ceylon are in countries like South Africa and it may be that they are employed there.

Was any inquiry made before it was proposed to distribute the taxpayer's money in this manner to these 40 officers? Have these 40 officers applied individually, or is this merely a gift from the Financial Secretary or from the Board of Ministers?

**The Hon. Mr. Huxham:** It is not the case that in all these 40 cases the circumstances have been inquired into. The matter came from the Police Department

on representations made to the Head of the Department by a number of officers under his control who found themselves in serious financial difficulties, and adopted the correct course of asking him whether he could do anything to induce Government to help them out of their troubles.

**Mr. Aluwihare:** With regard to the statement of the Financial Secretary that these ladies went away at the request, or on the advice, of the Commander in Chief, or of the authorities, where such a step is taken by the Governor or the Commander in Chief, without the consent of the House, the Constitution provides a way by which the money can be found, and that is by certification. If they want something done, well, let them find the money under their signature. After all, the Ministers do it every day. Whenever they want a Special Warrant they have a Special Warrant signed on their personal responsibility. Similarly, there is provision for the Governor, or the Commander in Chief ordering the Governor, to find the money. Why should not they follow that procedure? Why come to us?

\***Mr. H. F. Parfitt (Nominated Member):** These officers in the service of Government were advised to send their wives out of the country, by the representative of the Ceylon Government. At that time the Commander in Chief stated that it would be for their own good and for the good of Ceylon to get out of Ceylon those who were able to go and who had homes to go to. These particular European wives did have homes they could go to out of this country. At that time we all thought that it was much better to get some of our women and children out of the country in the event of an invasion by the Japanese.

As the Financial Secretary has stated, the Executive Committee of Home Affairs considered this question. The position is that these officers were advised to send their wives out of the country, but the salary they draw to-day is quite insufficient to enable them to keep a home here and a home abroad where their families are. The only alternative they would have, if this increase were not allowed, would be to retire from the Police Force.



We felt that at the present time it would be a catastrophe to allow these particular men to retire from the Force—they are experienced officers—and to advertise for others to take their place on the present salaries. [Interruption.] Many of them would go. It comes to this: they cannot live on the salaries they draw to-day, with their wives out of the country, having to run two homes. We must remember that on the advice given by the Commander in Chief, they were pressed to send their wives and children out of the country.

**\*Mr. S. Samarakkody (Narammala):** A most interesting excuse has been trotted out by the hon. Nominated Member (Mr. Parfitt). They cannot blow hot and cold at the same time. A very curious bit of advice was given to all English people—to get out. It would have been a very good thing if everybody had left the Island and left us in peace. When the Japanese threat became stronger and stronger, the families of most of the Europeans left the Island, perhaps on the advice of their own leaders. And this country is now called upon to pay for the course they adopted.

It is the height of impertinence to bring up a vote of this nature before the House, and I do hope that hon. Members will turn it down, and suggest that the women concerned be given war-time employment in the countries in which they are living.

**Mr. H. R. Freeman (Anuradhapura):** My recollection is that we were told that “useless mouths” should get out—and they got out. I advised several people not to go. I myself disappeared to the jungle for five or six weeks as a useless mouth. So I kept away.

**\*Mr. Abeywickrama:** The name of the Commander in Chief has been dragged into this debate, and a totally different colour has been given to the question. If the people concerned then obeyed the Commander in Chief, now that he wants to establish civilian life again, let these people come back—if they are obedient. We find convoys arriving quite safely. The whole issue has been clouded. I want an answer from the Financial Secretary to my question whether this will create a precedent and induce a number of other people, who are ready to

leave, to go away, because they will be assured by their husbands, “You will get this 20 per cent. and so you had better go away”. For the duration of the war we will be paying these allowances, even in the case of families leaving to-morrow. The position is getting worse. I hope the House will turn down this vote.

**Mr. H. W. Amarasuriya:** Sir, I should like to state this in fairness to the Executive Committee of Home Affairs.

The first proposal that came before the Committee was for an actual increase in the salaries of these officers. The Members of the Home Affairs Committee were not inclined to sanction such an increase because they thought that it was invidious and that there should be no discrimination between Ceylonese officers and European officers. The Home Affairs Committee did not consent to an increase of the salaries of these Sub-Inspectors of Police. That decision was conveyed to the Board of Ministers and they evolved this formula of giving them a separation allowance. That amounts to an increase of their salaries in a different form. Therefore, Sir, this question of evacuation of families did not enter in the first instance; but, when they found that the Committee of Home Affairs did not approve of that proposal, on second thoughts, this formula was evolved. When the matter came back to the Home Affairs Committee the question was considered from all aspects, and the Committee agreed, because these very facts were placed before it, that owing to compulsory evacuation and difficulties in obtaining shipping space for these people, it was only fair that the matter should be reconsidered. It was under those circumstances that the Home Affairs Committee agreed to the granting of this separation allowance.

Question put, “That Supplementary Estimate (4) be passed”.

The Committee divided—Ayes, 20; Noes, 16; Declined to Vote 1:

**AYES.**

Jayatilaka, The Hon. Sir	Griffith, Mr. F. H.
D. B.	Jayab, Mr. T. B.
Kannangara, The Hon. Mr.	Kannangara, Mr. R. C.
Mr. C. W. W.	Kotalawala, Mr. D. H.
Senanayake, The Hon.	Newham, Mr. H. E.,
Mr. D. S.	C.M.G., V.D.
Cereca, The Hon. Mr.	Nugawela, Major E. A.
G. C. S.	Parfitt, Mr. H. F.
Kotalawala, The Hon.	Pereira, Diwan Bahadur
Colonel, J. L.	I. K.
De Silva, The Hon. Mr.	Tambimuttu, Mr. E. R.
Freeman, Mr. H. R.	Villiers, Mr. E. C.
	Wanigasekera, Mr. D.
	Wille, Mr. G. A. H.

## NOES.

Abeywickrama, Mr. Simon  
 Aluwihare, Mr. B. H.  
 Batuwanandawe, Mr. U.  
 De Fonseka, Mr. Susanta  
 De Zoysa, Dr. A. P.  
 Gunawardana, Mr. R. S. S.  
 Hewavitane, Mr. Rajah  
 Jayasuriya, Mr. D. P.

Kularatne, Mr. P. de S.  
 Kuruppu, Mr. J.  
 Natesan, Mr. S.  
 Razik, Mr. A. R. A.  
 Samarakkody, Mr. S.  
 Senanayake, Mr. Dudley  
 Sirkardana, Mr. H. de Z.  
 Sri Pathmanathan, Mr. R.

## DECLINED TO VOTE.

Kaleel, Dr. M. C. M.

**(5) Marketing Department Garden: Loss on Working.**

**The Hon. Mr. D. S. Senanayake (Minister of Agriculture & Lands):** Sir, I move that Supplementary Estimate (5) standing in my name be passed:

Head 61, Commissioner for Development of Agricultural Marketing.

New Sub-head, 18, Loss on the Advance Account for working the Marketing Department Garden during 1939-40.

Amount: Rs. 351.96.

Nature of Service: To settle the deficit on the advance issued by the Treasury for 1939-40 for working the Marketing Department Garden.

There was a small garden that was opened between the Way and Works premises of the Railway and the Beira Lake, for the purpose of raising seed, but, owing to sea breeze, not much seed was obtainable and there was a loss of Rs. 351.96 incurred.

Supplementary Estimate (5) was passed.

**(6) Compensation to Maharajah Kumar Saheb of Kutch for Cancellation of Lease of Maha Illuppalama Estate, N.-C. P.**

**The Hon. Mr. Senanayake:** Sir, I move that Supplementary Estimate (6) standing in my name be passed:

Head 63, Land Commissioner.

New Sub-head 12, Payment of compensation to the Maharajah Kumar Saheb of Kutch for the cancellation of the lease of Maha Illuppalama Estate, North-Central Province.

Amount: Rs. 32,875.

This land had been leased for ninety-nine years, and there were about sixty-odd years still to run. There were certain improvements done to the estate. It was thought desirable to get the estate back. We have therefore come to an agreement to pay compensation according to the value of the improvements made, and this vote is asked for for that purpose.

Supplementary Estimate (6) was passed.

**(7) Agriculture: Expenses of Mr. P. T. Jinendradasa's Post-Graduate Course in Agronomy.**

**The Hon. Mr. Senanayake:** Sir, I move that Supplementary Estimate (7) standing in my name be passed:

Head 66, Department of Agriculture.

Sub-head 20, Scholarships and Educational Tours.

Amount: Rs. 2,350.

Nature of Service: To meet the expenditure that will be involved in connection with Mr. P. T. Jinendradasa's Post-Graduate Course at the Imperial Agricultural Research Institute, New Delhi, for a period of one year.

This vote is in accordance with an agreement entered into with these officers. After a certain time, they are to be sent abroad for the purpose of receiving further education; and Mr. Jinendradasa is to go to New Delhi for further education.

**Mr. H. E. Newnham (Nominated Member):** Why is it that the most junior officer in this grade is going to New Delhi for a course in Agronomy when there is a senior officer who has not yet gone on such a course.

**The Hon. Mr. Senanayake:** According to the policy laid down, there were a certain number of officers recruited as Field Officers. They are graduates and are given a course of training, in the Agricultural Department. After such training, they are given a field training, and after a number of years they are sent for further training abroad.

Besides these officers, there are others who have been in the Department for many years and who are also considered desirable to be sent abroad for training. There is no obligation to send them, and when there is any necessity to do so, they too are sent abroad for training.

These are officers who have been recruited on the understanding that they will be sent abroad for training.

**Mr. Newnham:** But there is a senior officer who, apparently, has not been sent for a course abroad yet.

**The Hon. Mr. Senanayake:** These officers are recruited into a grade to which even Inspectors rise. But there are two different classes of recruitment. The one is recruited into this class, and the other goes up by way of promotion. The officers who were recruited to this grade were promised that at the time that after a certain number of years they

would be awarded these scholarships. There were some others who applied, but this is not an opportune moment to send them.

**Mr. Wille:** What this Department is doing, is relegated to the background. I should like to know something about farming or rural economy or whatever the special officer is to study.

**The Hon. Mr. Senanayake:** The subject may be taught in the University later on. I have to use words that are accepted nowadays, and if the term is changed in the University, of which my hon. Friend is a member, I will accept the changed expression.

Supplementary Estimate (7) was then passed.

### (8) Cigarette Tobacco: Loss on Advances to Cultivators.

**The Hon. Mr. Senanayake:** I move that Supplementary Estimate (8) stand in my name be passed:

Head 66, Department of Agriculture.

New Sub-head 27, Loss on advances to cultivators of cigarette tobacco.

Amount: Rs. 71.06.

Nature of Service: To cover the loss of Rs. 71.06 in the scheme of advances to cultivators of cigarette tobacco under the village schemes for peasants and small-scale cultivators.

There were three experiments tried in three different places with promises given to the cultivators that if there was any loss incurred the loss would be borne by Government. That policy was accepted by this Council; and of the three places where experiments were made, one place—Chillali—worked at a loss of Rs. 71.06.

**Mr. Samarakkody:** May I ask the Hon. Minister whether he is aware that this scheme of tobacco-growing, especially at Wariyapola in my constituency, is going to prove a failure, for the simple reason that the prices offered by one firm, which is the only company in Ceylon—the only real purchaser—are quite inadequate?

I understood that after a conference a 25 per cent. increase has been allowed for certain grades of tobacco. But the cultivators who met me some time ago informed me that every one of them would be giving up cultivation unless adequate prices were paid to them.

The company's point of view appears to be that we are getting a figure which

is something above world prices. But you will remember that the duty on tobacco, per lb., is something prohibitive; as long as imported tobacco finds its way into this country, I say that the cultivators in Ceylon should be given the advantage of exemption from the duty; in other words, there should be no excise duty. At the moment there is no excise duty. The benefit goes to that large firm I mentioned which is one of the biggest in the world. If you want to encourage tobacco-growing, you have to consider giving a subsidy in the shape of higher prices without charging excise duty.

I know my constituency. I do not think that there can be more than 75 acres under cultivation. Last time there were over 100 acres, but on this occasion it has come down to 25 acres, and one of the chief growers of tobacco—the most successful cultivator in my area and one of the most successful in the whole Island—will be giving up cultivation unless the department come to the rescue of the growers and see that something is done.

**\*Mr. Sri Pathmanathan:** The only thing to do is totally to prohibit imports of foreign tobacco. In other countries it is a total monopoly of the State. They do not allow half a lb. of tobacco to come into their countries unless at very prohibitive prices. If the Hon. Minister really wants to increase tobacco cultivation and give some relief to people in Teldeniya, Wariyapola and the Jaffna Peninsula, there should be prohibitive prices fixed for foreign tobacco. This will help the people to earn a livelihood.

**The Hon. Mr. Senanayake:** With regard to the policy suggested by my hon. Friend, I might tell him that we are not in a position to-day to consider the question of prohibiting the importation of tobacco.

As he himself knows, cigarette tobacco is not made of one single variety of tobacco. It has to be a mixture, and it has to be up to a standard acceptable to the smoker. They have been trying experiments, and there are certain good varieties of tobacco that can be grown in Ceylon. Still, to get the right flavour, it is very necessary to import tobacco from abroad and use it in the mixture.

Although we import tobacco from overseas, we have made the duty payable

[The Hon. Mr. Senanayake.]  
on it pretty high, so that it is also possible for us to sell our tobacco at a profit without any competition from abroad.

As far as companies are concerned, there are two companies at the moment. With regard to the growing of tobacco, they have engaged experts jointly; for other purposes, they work separately.

Till we were able to find out the different varieties of tobacco that could be grown in the Island, we came to an agreement with the two companies to pay certain prices to the cultivators. The companies themselves have not derived any benefit from the experiments that are being made. They are not getting all the tobacco they want, or anything like it. But at the same time they are spending a good deal of money on the experts whom they have engaged, on the experiments that they try, and even on the training that they give to other people who want to get into the business of drying, and so on. So, now it is a joint venture with the assistance of the companies and the Government, and cultivators have largely benefited.

About two months ago our tobacco expert, that is, the Government Tobacco Expert, felt that we should try to induce these companies to pay a little more than they had agreed to pay for five years when they started the experiment. So there was a conference between the companies' representatives, the Department of Agriculture and myself at which I believe I had also invited two or three of the growers to be present. Unfortunately the notice they received was too short, and they were not able to come.

We went into the question very carefully. Our expert had all the figures of the cost incurred by the companies and the extent that had been cultivated, and we came to an agreement that the price paid for the four top grades should be increased. It was then that some of the cultivators thought that the increase was not sufficient. But I must tell my hon. Friend the Member for Narammala (Mr. Samarakkody) that till that agreement was reached on the suggestion of our Tobacco Expert, there was no complaint of the price being too low.

\*Mr. Samarakkody: They sent the Minister a number of petitions.

**The Hon. Mr. Senanayake:** All after we had agreed to increase the price. If my hon. Friend makes inquiries, he will find that the area cultivated, instead of becoming less, has increased yearly.

\*Mr Samarakkody: Only on paper.

**The Hon. Mr. Senanayake:** On paper it is increasing, and in the stores the tobacco is increasing; so in two places it is increasing, although I may not see an increase in the field; I have not seen that. So, it is increasing, and there is a certain amount of profit to be made. Actually, I have no desire to make the company lose money, or to make the company benefit to a greater extent than it should. I can assure the cultivators of my hon. Friend's district that the companies are not making any profit; they are in fact losing on these experiments. But it is their hope when all their requirements are found in Ceylon, to reap some benefit.

At a time, Sir, when there is this goodwill and when an attempt is made to start a new industry where many experiments have to be tried, I certainly think we should try not to fight with each other, but to co-operate and bring these experiments to a success. I will carefully watch the situation, and I shall not in any way prevent the companies from getting an adequate profit.

\*Mr. Samarakkody: Sir, I would like the Hon. Minister to realize that today there is only one company functioning in Ceylon although in name there are two companies. The Rothman Company has been bought up by a firm called Godfrey Phillips, which is part of the Elephant Company, so that really there is only one company. Therefore there is no competition of any kind, and the Ministers have to depend on the figures submitted by these monopolists. So it is very necessary that the growers' point of view must be before any conference before a decision is reached.

Now, I remember meeting the Director of Agriculture before he met with an accident recently. He inquired from me whether I could recommend two people from my district to represent the growers at the conference. But he had not the courtesy to ask me to be present as the representative of the tobacco-growing district where the experiments are

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being carried on. Nevertheless, I thought it my duty to put forward the names of two representative gentlemen who knew all about the tobacco industry there—one who had made a little money from this industry, and the other who had lost everything he had in this business—so that both points of view could have been put before the Hon. Minister. But unfortunately, in spite of the fact that I was consulted quite a long time ago, somehow or other the notices reached these individuals almost at the last moment, and they were prevented from attending the conference.

Now I do beg of the Minister to listen to the story of the growers, because I would like this industry to be developed in my constituency, particularly in my area where other products cannot be grown. It is a part of the dry zone, and tobacco is the only crop that has a future in that part of the country. So I would like to co-operate just as much as the Minister, and I do beg of him that he should call a conference at which at least the growers would be able to put forward their views, and if he agrees, I too can be there to explain the difficulties, so that he may review the position and make any necessary adjustments.

**The Hon. Mr. Senanayake:** I should be very happy to have the hon. Member's assistance, and I certainly would like him to go through all the papers; and if a conference, is required, I certainly will call a conference, and he can be there. I have not the slightest doubt that he has the greatest interest in that area, and he is looking into this matter very carefully. But, of course, he has seen only one side of the picture, and I would certainly like him to go into the question further. I shall give him every opportunity to do so.

With regard to the two companies mentioned being one, it is a mistake. One is an American company and the other is an English company. To-day, of course, we are all united, and in those circumstances we might call them both one company; but otherwise they are two different companies with different interests, and they are in fact of two different nationalities.

**\*Mr. Sri Pathmanathan:** I must thank the Hon. Minister of Agriculture for the clear and "agricultural" view that he

has placed before the House. Knowing as well as I do that he takes a very nationalistic view in most matters, I think he has missed just one point, that is on the question of taste. The big companies say that if you do not get a certain variety of foreign tobacco, you cannot make cigarettes—is that it, Sir?

**The Hon. Mr. Senanayake:** I am a cigarette smoker myself, and I can tell you that even now I have in my office cigarettes made from tobacco grown here; I can give my hon. Friend some of it if he wants. Although every year there is a certain improvement, still I would not use those cigarettes regularly. It is not only the company's taste that I am going by; I am going by my taste as well.

**\*Mr. Sri Pathmanathan:** If I am to take the argument of the Hon. Minister as it is, that he is not concerned with the company's taste, namely, that it is necessary to flavour the cigarette with a little Turkish tobacco in mixture with our own, my argument is still stronger for the prohibition of foreign tobacco. He again tells us that our tobacco is not sufficient to cover the consumer's demand. Therefore I was particularly glad when he reiterated the point that the area under tobacco cultivation was growing larger and larger and that from that fact you could take it for certain that sufficient encouragement was given.

But you must take the growers' point of view. They say that although the area under tobacco may be greater now, still they are suffering from very poor prices. That is the most important thing. Are you going to make the tobacco industry an industry from which the people engaged in it in certain areas such as Jaffna, Matale, and so on, can make a living? Personally, from the little inquiries I have made, I find that what they make is hardly sufficient to cover the expenditure. From that point of view, it is particularly necessary to note the world prices.

In trying to understand world prices, you have to understand this factor which is all-important in the tobacco industry. The tobacco industry forms a world trust, and that trust, in America and England, are controlling the price of tobacco. Therefore whatever steps he may take, the Minister will find that

[Mr. Sri Pathmanathan.]

when the world price is low, our price will be low.

Unfortunately, only Rothmans are still in existence; all the other foreign companies are merely an auxiliary of the tobacco trust in Europe and America. The chief point is that they are working for a profit out of it. They hope by putting cheaper cigarettes on the market eventually to oust others from the market and have complete control of the market. It is owing to this trust in Europe and America, which has divided between themselves the territory in which they work, that the whole mischief is done. I remember, we sent consignment after consignment for sale in the London market, but unfortunately we had to sell below cost, and year after year the Minister had to come here and ask for a subsidy to pay for the losses that had been incurred by the Ceylon Government in this matter.

We must take a definite stand. We must say that we want to make this industry a monopoly of the Government, and exclude the importation of all foreign tobacco, as is done in certain European countries that I can mention. It is only by that means that you can increase the cultivation of tobacco—by making it a national industry and also by giving the cultivator a price which will make it worth his while to cultivate tobacco, as is done in the case of paddy. Owing to the present price of paddy, the price of paddy land has soared, and people who would not look at it formerly are now buying paddy land. In the Mannar District, I know the Jaffna man is buying at the rate of Rs. 600 per acre land which was not worth anything formerly. That ought to be the policy of Government. I am perfectly certain that, being essentially a nationalist, the Hon. Minister will adopt a go-ahead policy with regard to tobacco cultivation.

I am really sorry for my European friends who may be having a particular fancy for Havanas and Manilas; but they will also get used to the local cigars. A man who gets used to a Jaffna cheroot will not care for anything else. There is a certain process by which the cheroot is impregnated with opium, I believe, which wafts the smoker into dreamland; and once you smoke such a

cigar you will not care for any foreign tobacco.

I trust that that will be the policy of the Hon. Minister. I am sure that by doing that he will be encouraging production in his own part of the country, that is, in the south, and he would at the same time be doing something that would be of lasting benefit to the north.

Supplementary Estimate (8) was then passed.

#### (9) Irrigation: Improvements to Alut Diulwewa.

**The Hon. Mr. Senanayake:** I move that the following Supplementary Estimate standing in my name be passed:

Head 71, Irrigation Extraordinary.  
New Sub-head 92, Improvements to Alut Diulwewa, North-Central Province.  
Amount: Rs. 1,605.

Nature of Service: For completion.

This is to complete the work.

Supplementary Estimate (9) was passed.

#### (10) Irrigation: Workshop and Storage for Tractors.

**The Hon. Mr. Senanayake:** I move that the following Supplementary Estimate standing in my name be passed:

Head 71, Irrigation Extraordinary.  
New Sub-head 93, Provision of workshop and storage accommodation for tractors.  
Amount: Rs. 6,000 (revote).

Nature of Service: For completion of the work.

We obtained a vote for this purpose last year, but unfortunately the tractors did not arrive that year and therefore the provision made was not utilized.

Supplementary Estimate (10) was passed.

#### (11) Food Control: Salaries, &c., of Food and Price Control Inspectors.

**The Hon. Mr. Senanayake:** I move that the following Supplementary Estimate standing in my name be passed:

Head 72, Food Controller.  
Sub-head (a) 1, Personal Emoluments.  
(b) 2, Travelling.

Amount: (a) Rs. 117,000.  
(b) Rs. 23,530.

Nature of Service: Salaries and travelling allowances of Food and Price Control Inspectors.

These Inspectors are required for the purpose of effectively carrying out the Food and Price Control Schemes.

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**Mr. Freeman:** Are the Inspectors required only for work in the non-self-supporting Provinces?

**The Hon. Mr. Senanayake:** Yes; for the non-self-supporting areas. It is only in those areas that we have any sort of control. For the present it will be only in the non-self-supporting areas. When there is a shortage of rice in those areas, we may have to obtain rice from the self-supporting areas as well. When that becomes necessary, and when we find it necessary to keep a watch in those areas also, we would have to appoint more Inspectors.

**Mr. Freeman:** Who selects them?

**The Hon. Mr. Senanayake:** The Food Controller.

**Mr. Freeman:** What sort of qualifications are they expected to have?

**The Hon. Mr. Senanayake:** I am not sure of what the qualifications expected are, but I know that the Controller wants to engage people who could be relied upon. I heard that he was trying to get some people who have passed out of the University. They would be engaged on small salaries. That is the kind of men the Controller is trying to get, men who could be relied upon. It is only people who can travel about and who can be trusted that would be engaged. That is the qualification required.

**Mr. Freeman:** Can the Minister say whether these Inspectors are authorized to prosecute?

**The Hon. Mr. Senanayake:** I dare say they can. These officers are to be appointed for the purpose of prosecuting those who break the law in this respect.

**The Hon. Mr. G. C. S. Corea (Minister of Labour, Industry & Commerce):** They have to work through the Police.

**The Hon. Mr. Senanayake:** They have to work through the Police now. There is not the slightest doubt that if sales take place in the black-market, if traders would not sell at the controlled prices, the Inspectors would prosecute them. I have no doubt about that.

**Mr. H. W. Amarasuriya:** Are the Inspectors also to be empowered to purchase, or is the machinery for purchase to be in the hands of the Marketing Commissioner?

**The Hon. Mr. Senanayake:** That work will be undertaken by the Government Agents and the (Emergency) Assistant Government Agents.

**Mr. H. W. Amarasuriya:** May I know how far the Hon. Minister has proceeded in regard to the purchase of locally-grown paddy?

**The Hon. Mr. Senanayake:** I do not know to what extent purchases made by the Food Controller may go. We have fed Trincomalee and the other areas out of the rice we purchased from Anuradhapura. What we did was to regard all those areas as a self-supporting area although there were non-self-supporting areas as well in that part of the country. There was a certain quantity of paddy available from Anuradhapura, and that paddy was brought down to Colombo. So far the response has been poor, but I hope to have more of this paddy bought by Government. Within the last two weeks I have been to two or three Provinces with the idea of arranging for the purchase of locally-grown paddy.

**Mr. Freeman:** Is the pay of these Inspectors known?

**The Hon. Mr. Senanayake:** It is Rs. 150 a month.

Supplementary Estimate (11) was then passed.

### (12) Medical and Sanitary Services: Training of 3 Officers in Tuberculosis Work.

**The Hon. Mr. G. E. de Silva (Minister of Health):** I move that the following Supplementary Estimate standing in my name be passed:

Head 92, Medical and Sanitary Services.  
New Sub-head 27, Training of 3 officers in Tuberculosis work.

Amount: Rs. 7,650.  
Nature of Service: Training of 3 officers in India on tuberculosis work.

The number of Doctors trained in tuberculosis work is very small. My Executive Committee have therefore decided to train 3 more Doctors in this work, and they are being sent to India to go through a 9 months' course in treating tuberculosis patients. A sum of Rs. 7,650 is required for this purpose.

Supplementary Estimate (12) was

**(13) Department of Control of Textiles.**

**The Hon. Mr. Corea:** I move that the following Supplementary Estimate standing in my name be passed:

New Head 107, Controller of Textiles.	Rs.	
Sub-head 1, Personal Emoluments ...	99,364	
" 2, Travelling ...	8,000	
" 3, Rent ...	3,900	
" 4, Stationery, office requisites—		
Special Rs. 1,000		} .. 4,500
Recurrent Rs. 3,500		
" 5, Incidental expenses ...	2,000	
		117,764

Amount: Rs. 117,764.

Nature of Service: To meet the expenses of the new Department of Control of Textiles.

Hon. Members will no doubt be aware that this is a work which it is difficult to get done by the existing Department because of the complexity of this control. It is essential to see that this country has a sufficient quantity of textiles, and that those textiles are distributed properly and at fair prices. It is essential that a department should be set up for the purpose. Out of the Rs. 117,000-odd asked for under this Supplementary Estimate, a sum of Rs. 99,000 would be spent on Personal Emoluments, most of which really meets the salaries of officers seconded from the Civil Service.

**Dr. de Zoysa:** I wonder when this farce of creating Controls will cease. We have all types of Controllers. We have the Food Controller and the Textiles Controller; and we have controlled sugar, paper and so many other things. But the very object the Minister has in mind is defeated by the creation of Control. Now, rice is a controlled article and the stipulated price is 20-odd cents a measure, but that Control has created a black-market in which rice is sold at 50 cents a measure.

For instance, the Minister has controlled paper. A ream of paper which a printer bought for Rs. 4.50 is now fixed at Rs. 15 or Rs. 16. Every trader or paper merchant has a private store where the paper is stocked and is sold at Rs. 20 or Rs. 30 a ream. Before paper or textiles are controlled, the Minister should get at the exact quantity of the article available in the Island at the time it is proposed to enforce Control.

If the traders in textiles, for instance, suspect that textiles are to be controlled, they will take steps to see that the stocks of that material in their hands are hidden away before the Control Scheme is launched. Of course, the Police may discover now and then, stocks hidden in different parts of the town or in the suburbs. If the public are not interested in this matter, I do not think the Minister or the Government can intervene in it. If this Control is enforced, it will make it more difficult for the people to obtain this article than when it was not controlled.

Does the Hon. Minister think that by creating a separate Department and spending about Rs. 100,000 on it he can actually give the people a fair distribution of this article? Nominal prices would be fixed, and thereby he will encourage the people to sell at a higher price in the black-market. The traders privately store large stocks of these articles. Not much of the stocks are stored in the city, because the traders send them into the Provinces.

If this Control is established, there will be several officers with papers and files going about the country wasting the taxpayer's money; and at the same time it would be more difficult for the people to obtain the controlled article. We want the Minister, in the first instance to obtain, through the Police or any other authorities statistics with regard to the stocks available of the material sought to be controlled.

If before doing that the Minister makes known the fact that he proposes to control textiles, he will only be giving a chance to the people who are out to make money to hide their goods and sell them in the black-market at a higher price. Some of the traders make so much money under control of prices that they actually wish the war to continue. We know what quantities of sugar and other foodstuffs have been discovered hidden in various places. I am given to understand that even the Police know where these articles are, but they profess ignorance of the existence of such private stocks. Huge stocks of flour, etc., have been privately stored at different places by the traders.

It is indeed very difficult for the Minister to tackle this problem although it is quite easy for us to tell him that this



should be done. The Hon. Minister, however, should take precautions to see that he is not defeated by the traders in the object which he seeks to achieve. Personally, I think this proposal entails waste of money. If the officers whom it is proposed to appoint to this Department are employed on some other work, this money would be better utilized.

**Mr. R. C. Kannangara (Morawaka):**

I am sorry I have to oppose this motion. Judging by the results of so many of the Control Schemes of the Hon. Minister I feel that I must oppose this proposal. The Minister started by controlling sugar, and strangely enough after that sugar suddenly disappeared from the market. Even now the people find it very difficult to obtain sugar. They come to Colombo with a permit; the permit is taken by one dealer and an order is issued on another dealer. In that way, the trader has to go to about 4 dealers before he can get a bag of sugar.

The Hon. Minister tried to control push-cycle tyres. The result is that you cannot get a single tyre to-day. All the tyres have gone underground. I do not know where they have gone. I brought this matter to the notice of the Hon. Minister. His reply was, "What is to be done?" So I say, why control any article?

We are able to buy a piece of cloth or a banian in the market to-day without any difficulty. Once Control starts, people will be put to great difficulty in obtaining their needs.

The Hon. Minister appoints certain Civil Servants, and with all these officials another office will be set up. You will have to go to this office to obtain permits for imports, and also for the purchase of your necessary supply. But when the people are unable to obtain supplies, these officers will not help them. I cannot understand the idea of this Control. To-day things are going on smoothly. There is competition among dealers. What is the necessity to control cloth? Personally I do not see any reason why we should control cloth at such great expense to the public. I am sure that the public is going to be put into great inconvenience by the Control contemplated.

I know that when certain articles have to be imported, the officer who has to

issue permits turns such requests down. The officers do not know whether certain articles are necessary to be imported or not.

To-day permits are issued for white sugar. The Clerks in the Controller's Office do not know whether there is any white sugar available or not. When the permit for white sugar is presented to the dealer, he says that there is no white sugar available and that brown sugar will have to be bought. The officers dealing with Control do not know anything about the stocks in the market; they do not know what they are doing. If they issue permits for a certain article, they ought to know whether that article is in stock or not.

I have been right throughout supporting the schemes of the Hon. Minister. None of his schemes has been satisfactory. The only thing about these schemes is that certain glorified Civil Servants have been put in charge. They do not care a rap for the public; once they assume office they are not concerned with the convenience of the public. In the interests of the public, this vote should be turned down.

**The Hon. Mr. Corea:** I am grateful to the hon. Member for Colombo South (Dr. de Zoysa) for the suggestions that he made. I only feel that the hon. Member for Morawaka (Mr. R. C. Kannangara) has not read very carefully the Observations which I have put down.

**Mr. R. C. Kannangara:** I do not want to. I have read them enough.

**The Hon. Mr. Corea:** I did not want to make lengthy references because the Observations deal with this subject fully. The hon. Member is under the impression that the proposal is to issue a Price Control Order in the case of tyres or anything else, with the result, as he fears, of stocks disappearing. Nothing is further than that, as envisaged in this report. In fact, I am trying here to argue against issuing a Price Control Order. I entirely agree with the point of view that unless steps are taken, it is futile, especially in the matter of cloth—even if prices are going up—to issue a Control Order unless it becomes absolutely necessary and all the machinery is available.

[The Hon. Mr. Corea.]

The quantity of cloth is diminishing; the imports of cloth—our supplies—from certain places have disappeared. We have to depend on a limited quota given by India. We have to see that the limited quota is imported to the fullest extent; we have also to see that because of the shortage an unreasonable increase of prices does not take place, and one of the methods that can be adopted easily, without adopting the "Price Control Order" method, is to adopt a system of regulation of prices working in with the trade as far as possible. I have indicated these steps, and also pointed out the system whereby every person engaged in this business should be known and registered so that his stocks and his sales can be checked. As a result of it, and of the steps we propose to take under this scheme, there can be no reason whatsoever for any stocks to disappear, because this is quite different from just putting out a Price Control Order.

But various steps have to be taken and such suggestions as are made are very helpful. This is certainly a new thing. But it has been urged from many quarters that some steps should be taken to deal with this situation. In order to do so it is very important, especially in view of the very serious shortage, that you must have some organization to watch the situation; to assist in the imports; to see that the imported articles are properly distributed, and to have at any rate the structure created for Control if it eventually became necessary.

I myself hope that there will be no necessity to issue Price Orders; that we can regulate the prices in such a way that while they must necessarily rise to some extent, owing to costs increasing in the country of production and owing to the shortage, that increase can be related to the cost price, so that only what is legitimate may be allowed and illegitimate profits checked. Undoubtedly it is difficult. I will not pretend—and nobody will pretend—that it is easy, considering the very large varieties of cloth and the different textures, &c., involved. All these things make the position very difficult, and what we propose to do is to set up an organization to deal with the situation and to deal with it in the best

possible manner; and I do hope that hon. Members will give us an opportunity to make every attempt to cope with the situation in the interests of everybody concerned.

**Diwan Bahadur I. X. Pereira (Nominated Member):** I am not opposing this vote, but I think it is necessary for me to say a few words on it.

As the Hon. Minister has explained, the form of Control which it is proposed to introduce is going to be entirely different from the Price Control which has been imposed in the case of other commodities, and we must thank the Controller of Textiles for evolving a scheme with practically no guidance.

He had no text-books to go by, and he has formulated a very ambitious and elaborate scheme. Unfortunately the scheme that he has adumbrated is so elaborate that I fear it will be impracticable. What is wanted is that profiteering should be checked, that the retailer, the wholesaler and importers should have the narrowest margin of profit; that the hoarding of goods should be avoided and the creation of black-markets discouraged.

As has been explained by the Hon. Minister, the problem is not a very simple one; in fact, it bristles with all sorts of difficulties. The Controller has prepared and put up a set of draft regulations to control the textile trade from the moment the commodities arrive in the Island until they reach the consumer. Whether the Textiles Controller will succeed in his attempt, I have the gravest doubts. Yet I feel that there is a need for some form of Control, and I only wish that a more easily worked and more practical set of regulations will be framed so that no harassing of the importer takes place.

In the Observations it is stated that every attempt would be made to stimulate imports through the normal trade channels. What is feared by the trade is that, instead of giving a stimulus, it will act as a damper and many a person in the trade will not be inclined to import the articles when there are so many obstructions and restrictions placed in their way.

I approve of the vote. But I only hope that when the regulations are framed they will not be drawn up in such a

manner that instead of producing the desired result of keeping down prices it will prevent further importation.

**Mr. Aluwihare:** I wonder what purpose this scheme would serve. The Hon. Minister says, "I mean to induce people to import more textiles into this country". There is nothing in this report to say that cloth is to be rationed. Apparently the Hon. Minister is not going to fix prices. Then, what is he going to control? The only thing he says he is going to do is to license hawkers, license shopkeepers. For what purpose? Is it to restrict trade? What is the abuse he wants to stop? I would like to understand this matter because in this report—in the main part of it—it is stated—[*Interruption.*]: The Hon. Minister asks, in a very loud aside—

**The Hon. Mr. Corea:** I am not referring to the hon. Member.

**The Chairman:** The sitting is suspended until 4.30 P.M.

*Sitting accordingly suspended until 4.30 p.m., and then resumed.*

**Mr. Aluwihare:** Sir, the Hon. Minister told me that the idea was to fix prices as between wholesaler and retailer without fixing selling prices. Well, if that is so, what is the purpose of all this business of registering? He says in paragraph 3 (c):

"Every importer, wholesaler and retailer, and possibly every hawker and their stores will be licensed and registered."

What is the big idea of putting every hawker to the inconvenience of registration if you do not mean to follow up by fixing prices or doing anything of the kind? Under the pretext of war measures, I feel that we are being subjected to Governmental nuisances to an extraordinary degree. We are being asked to register our misfortunes. We are being asked to register our trades. We are not allowed to carry on the simplest trade without some kind of registration. You cannot deal in a good many commodities; and now at last you are coming to clothes. What is the purpose of this registration if you do not mean to control prices so far as the public is concerned? Is it not imposing a restriction which is quite unnecessary?

Then, the Hon. Minister says:

"The licences will be subject to suspension or cancellation for any malpractice."

Now if you do not fix retail prices, then what is the malpractice that you are going to prevent? What is the prosecution you are going to embark on? Why are you going to cancel licences? I ask these questions because every time you start issuing licences, there is always the danger of restricting people from carrying on normal trade.

The best example I can give you is that of rubber licences. When rubber licences were first introduced, it was stated by the then Colonial Secretary that licences would only be refused to people who were convicted of some crime. But later on what happened? In the administration of the Ordinance, licences were even cancelled if a man had not done sufficient business in the previous year. If he had had a run of bad luck, well, he was refused a licence altogether; or a licence was sometimes refused if a man had not sufficient means to be a prosperous rubber dealer. That is what happens in ordinary administration with regard to these licences.

I do not see why you want to have registration and licences unless there is some purpose behind it. Will not the case be met by the efforts of the Minister set out in paragraph 1? If he succeeds in bringing into this country the maximum quantity of textiles, surely then the ordinary competition in trade will tend to lower prices.

Further, I cannot but help feeling that there is another remedy in the Minister's own hands which he is not exploiting sufficiently, and that is the inauguration on a very large scale of hand-loom factories. In various parts of India there are large enterprises of that kind, and a good quantity of cloth spun on hand-looms is imported into this country. But in Ceylon, so far as I know, there are no attempts to have any factories on any large scale which would help employment. It would also help the solving of the very problem that we are trying to face.

If you agree in the first place that the crux of the matter is one of supply, then I do not see that you want to set up a huge department covering internal distribution, especially if you do not

[Mr. Aluwihare.]

mean to control prices to the consumer. The whole thing, Sir, seems rather indefinite and I would like the Hon. Minister to give us some further explanation of what he actually means to do.

**The Hon. Mr. Corea:** I am glad the hon. Member raised the point with regard to internal production. There has been a large increase within the last year or two of hand-loom weaving in Ceylon, but I am myself not satisfied with that; and very soon the House will have before it a proposal for a further increase in the numbers of centres that are being opened up.

With regard to the other points raised by the hon. Member, I quite agree that if the supply is adequate then the problem stated in the first paragraph of my Observations will be the only matter in which action would be necessary. But, Sir, the hon. Member knows that our supply falls far short of our requirements; that is, the maximum supply available to us falls far short of our actual requirements. We cannot get any more. I do not know—I hope it will not happen—but it may be that it will become shorter still. But we have been given a limited quota of cloth which is very much below the actual requirements of the country. Therefore, our supply is short.

For instance, sometimes the imports fall very low. Whereas the normal imports for a month should be about 5,000,000 to 6,000,000 yards of cloth, there were some months in which we received only 500,000 yards. There was one month in which we received 800,000 yards, and another when we received only 500,000 yards. That is a big shrinkage. In such circumstances there should be some attempt made to see that the cloth is properly distributed, and distributed at fairly reasonable prices.

In the next paragraph I refer to the proposal to fix reasonable prices. That is not to be done by a Price Control Order as is being done in the case of other articles. But a reasonable price, taking the cost price and providing for a reasonable margin of profit to the importer, is to be fixed. When you do that, you have to register all the people who will be selling the article at the regulated price. Therefore, it is necessary to register them and to issue them

a licence; and furthermore, a licence is necessary because that is a method by which we can control their adherence to the regulated price. That is very necessary in the interests of the public; and in fixing the regulated price, the interests of both the trader and the public will be considered.

The trader will be consulted to the fullest. Then we must ensure that that regulated price will benefit the public. The licence is further necessary and useful, because that is a weapon which can certainly be used, and should be used, if there is any malpractice, such as a departure from the regulated price. So what we propose to do is to encourage imports and fix a regulated price and license the traders, not only with a view to enforcing the regulated price, but with a view to knowing what the stocks are.

That is an important point, as an hon. Member who spoke earlier on the item referred to. You find that paragraph 3 (d) of my Observations says—

“Returns of stocks held at present and stock in the hands of each licensed trader will be compiled . . . .”

So we will know the stocks, and that, as I proceed to say, will enable us to provide an equitable distribution according to the needs of different areas. You can enforce it by having a system of licensing. There may be a surplus in one area, and that would be made available in an area in which there is a deficit. So that when you know what the stocks are, and when you have licensed the dealers, an equitable distribution can be arranged, and a reasonable price can be maintained right through.

Later, as a matter of fact in the last paragraph, I say that any sort of rationing, or of controlling prices by way of a Control Order—all those things—will only be resorted to if it is absolutely necessary owing to lack of co-operation on the part of the trade. It is hoped that neither of these extreme measures will be necessary. We do not contemplate adopting such measures at all unless we are put into a position in which we are forced, or compelled by force of circumstances, to take such measures. At a time of shortage, I think it is necessary that we should try to distribute an article which is in short supply by some equitable method, and to ensure a reasonable price

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to the consumer by some reasonable method.

I certainly agree that in the matter of textiles if we try to enforce a price by a Price Control Order we will be taking a step which will perhaps react adversely. For instance, there is one difficulty that will arise if you introduce a Price Control Order to-day in the matter of textiles; the Order may perhaps have to cover 500 different varieties. I went into the question once in regard to a commonly used article by the people, namely, banians. I found almost to my horror that in the matter of banians I had about 40 different categories of banians to fix prices for.

**Mr. Aluwihare:** In your wardrobe?

**The Hon. Mr. Corea:** No, Sir. However, even in the matter of furnishing the wardrobe of a person with his minimum requirements, if I introduce a Price Control Order, when that person goes to buy his banians, one dealer will say that the controlled price is the price of a banian with a round neck; another, that it is the price of a banian with a square neck; yet another, that it is the price of a banian with a V-shaped neck; a fourth, that it is the price of a banian with short sleeves; and a fifth will say that it is the price of a banian with yarns of a different number of counts. All those varieties have different prices. So that it is utterly impossible and very difficult to issue a satisfactory Order. On the other hand, when a Price Control Order is issued, some different brands will be imported which will not be covered by that Order, and then forthwith another Price Control Order will have to be issued. With all these varieties of cloth selling, the man who goes to a shop to buy his requirements will not in any way be benefited by that Price Control Order.

That should, in my opinion, be the last step which should be taken if necessary. We do not want to do that at the moment. What we want to do is to allow the trade to continue as the hon. Member for Matale (Mr. Aluwihare) suggested. We want to see, by arrangement with the traders, after a reasonable margin of profits has been allowed, that they sell the articles at the regulated prices and distribute them in all the areas in which they are required. If there is any case of malpractice, however, we will be able to deny to them the benefit of the licence

If those objects be achieved at the present time—I do not say that it will not be without difficulty that we can attain most of these objects set out here, but this is an attempt to achieve those objects, and if the attempt succeeds—then, I think, the public will have been well served.

**Mr. Wille:** I do not intend to vote against this item, because I think this step is called for in the circumstances. People are all feeling the pinch with regard to textiles, both as regards the quantity available, and the prices that have to be paid.

But I agree with the hon. Member for Matale (Mr. Aluwihare) that it is very difficult to visualize how this plan is going to work. It is partly coercive and partly dependent on the goodwill and co-operation and sweet reasonableness of the traders. Well I can only wish the Hon. Minister all success in working the scheme, although it looks a bit too optimistic. I should like to know whether this department that is contemplated is to be a permanent one or whether it is only for the duration, because it is certainly going to be in the nature of an experiment.

**The Hon. Mr. Corea:** Only for the duration.

**Mr. Wille:** As I said, the present circumstances call for some sort of an experiment to be tried, and if textiles can be distributed in areas where they are wanting, and in areas where that difficulty does not arise if the price can be controlled, I think, the nation will appreciate it very much. I am glad to hear that a permanent department is not contemplated, and so I will vote for it as a venture of faith.

**Mr. Aluwihare:** There is another point which I trust the Hon. Minister will be able to answer; that is, how effectively will the Hon. Minister control all these wholesale prices? I have been told that in the matter of certain other commodities, what the merchants did was this: they had actually sent to Ceylon faked invoices showing a higher price than that at which the articles had been bought for wholesale purposes in India. Merchants from here help the exporters from India to have two sets of invoices, one for the benefit of the Hon. Minister and

[Mr. Aluwihare.]  
the Price Controller and the other for their own dealings. So that these people came, all excited and perspiring, and showed the Hon. Minister and Price Controller the faked invoices and said, "We paid so much in India; the price has gone up" and immediately the price had to be put up. Has the Hon. Minister found a successful way of dealing with frauds of that kind? Otherwise we are merely going to have legalized profiteering in textiles.

**Diwan Bahadur I. X. Pereira:** The reply to the query raised by the hon. Member may be given by the very remarks that I made to the Head of the Department, the Controller of Textiles, when I met him the other day.

The draft regulations were circulated among some of the local importers, and I told the Controller that my first reaction on reading them was that the honest trader would be out of the trade and that they would only help the dishonest and unscrupulous trader. Whatever elaborate regulations may be framed, I do not think they could prevent fraud and deception. The regulations framed are so strict that I am afraid the honest trader will be penalized, to the advantage of the dishonest man.

If I may supplement what I said before the tea interval, if you want to make the Control Scheme a success, I would venture to suggest that certain utility articles which are in greater demand by the poorer and middle classes should be taken up in the first instance.

**Mr. Aluwihare:** Why?

**Diwan Bahadur I. X. Pereira:** I am asked to give the reason. I may say that the officials who are now going to administer this scheme are themselves novices in this trade, and they have yet to learn the many intricacies connected with it. [Interruption.] It is not an experiment. It will be a much simpler process if one's activities are confined to textiles which are used by the poorer and middle classes. Then later on the Control Scheme could be extended to other articles. Secondly, I would like the Controller not to harass the trade in any way so that the trade is deprived of reasonable profits. I do not wish the traders to give up this trade on account of the restrictions that may be imposed.

I must say that the Head of this department—he is a versatile man—deserves full credit for this scheme. He has formulated a scheme for which he can claim full credit because there is no other country in the world, I believe, at the present time where textiles' control of any kind is in force. I believe soon after the declaration of war there was in Iraq some sort of control of textiles, but they had to give it up because there was difficulty in working it. The problem is a grave one; and the Controller of Textiles has formulated a scheme for which full credit must be given to him, because he has not borrowed it from any other country or any text-book.

The Controller of Textiles has been in another department, the administration of which has allowed so many loop-holes; and in his desire to avoid loop-holes in this scheme, he has made it so ambitious that it will not work in actual practice. Therefore I would suggest to the Hon. Minister that one of the services which the Controller of Textiles can render is to encourage the importers to import. The urgent need of the hour is to get as much textiles as we can imported into this country from any source, principally from India, and if the Controller can facilitate the trade to obtain licences from India, he would be doing a service to Ceylon and indirectly to the trade. He can also help by getting trade allotments and export licences from the United Kingdom.

There are a number of difficulties which the trade has to contend with now, and if the trade is going to be confronted with more restrictions, as I said earlier the honest trader will even go out of business.

As I also said, some form of control of textiles is necessary. Let the control begin with a few selected lines which affect the poorer and middle classes. Let the Controller not embark upon too comprehensive a scheme for the present. We are all anxious that the scheme should be a success. If some of my suggestions are carried out, I am sure the Control Scheme for textiles can be made a success.

**\*Mr. Samarakkody:** I do not think much foresight is necessary to predict the failure of this Department. Sir, this Department will become a sort of white

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## Debates.

elephant, because the method that is followed is not a comprehensive one and the policy of control is ill-conceived.

The last speaker rightly mentioned that if the scheme is to be a success, it must be limited in its scope. But we find from the Observations of the Minister that no such limitation is placed. The reason which led the Ministers to think of a Control Scheme for textiles was the scarcity of textiles in the country, the soaring prices of textiles, and particularly the difficulties that the poor experienced in the matter of clothing.

This Department is going to control, and as far as possible induce the wholesalers and retailers to co-operate with the Department in selling their textiles at a reasonable price. No such scheme can succeed. In my view only a rationing scheme, with the issuing of ration cards such as you issue for the purpose of buying rice, will be effective. If you simply allow anybody to buy any amount of cloth without restrictions, how are you going to effect the equitable distribution of the textiles available in the country?

The simplest thing to do is to amalgamate this scheme with the rice-rationing scheme. Along with the rice ration books, every individual must be given a ration card to purchase a certain quantity of cloth that he requires. As the hon. Nominated Member (Diwan Bahadur I. X. Pereira) rightly stated, we can deal with the wearing apparel of the poor people. You can take banians, sarongs and camboys and ration them according to the needs of the people. You can allow an individual two sarongs, two banians or two camboys each. Unless that is done, a man can go and buy up all the sarongs in the market at the controlled price and sell them in the black-market.

What is the use of having a department for this purpose which is going to cost over Rs. 100,000? I think these half-baked schemes, these Control Schemes which are not complete in their operation, these schemes which are merely introduced simply because they have been adopted in other countries during times of emergency, are bound to be failures. We simply say that a new department must come into existence, and we employ hundreds of Inspectors. These Inspectors that we appoint make money from the traders, with the result that the traders have to sell their goods in the

black-market at prices which include the bribes given to these officers.

Eventually the poor man will have to pay very much more than he does at present for his textiles. Short of a rationing scheme, a proposal like this, of appointing Inspectors and attempting a partial control and in that way trying to ensure an equitable distribution, is bound to fail. Therefore, I for one would oppose the creation of this Department.

**Dr. de Zoysa:** I understand that already there are large stocks of these textiles imported by traders who have paid larger sums in import duty than were warranted by the actual price of the textiles. If a consignment has cost them a certain sum, they declare a larger sum as the cost of the stock and pay a larger Customs duty, in the hope that when it comes to fixing prices they can show what they have paid as Customs duty and ask the Minister to fix a higher price.

What will happen is that when the price is fixed by the Minister, the dealers will say that it is extremely difficult to sell at that price, and there will be no textiles in the market. Then the Minister would be forced to introduce rationing, and the Government would be compelled to buy in the local stocks at the prices which the Minister himself had fixed. In this way the traders would make money. They will lay a trap for the Minister; I feel that the Minister is, step by step, getting into the trap, and in about six months' time, the Minister will come here and tell us, "There are not sufficient textiles, and we will have to introduce a rationing scheme", and then the Government will have to pay. When the Government has to pay at the prices fixed by the Minister, all these hidden stocks will come out, and the taxpayer's money will have to be paid out to enrich these traders.

I hope the Hon. Minister will take that fact into consideration.

**The Hon. Mr. Corea:** I will take that factor into consideration. As pointed out by the hon. Member, there is that difficulty with regard to invoice prices, but everything that can possibly be done will be done in order to find out the real price in the country of origin. There are various measures that can be taken to find out the real price, and anyway we

[The Hon. Mr. Corea.]  
hope to receive the co-operation of the trade. Apart from that, it is possible to adopt certain measures to obtain figures which will as nearly as possible be close to the real price.

With regard to the point raised by the hon. Member for Narammala (Mr. Samarakkody), I would only say that it is no pleasure to me to bring up this item or to create this Department. If the Department is not wanted, I would be the happiest man, in that a certain responsibility would be off my shoulders. But we have to think, not so much of individual responsibilities, as of the needs of the time at the present moment.

This is certainly an experimental scheme. Under it, the action proposed is different from the former method of issuing Price Control Orders. Rationing may have to come in later; you cannot straightaway jump to a rationing scheme in this country of 6,000,000 people. We will have to make an estimate of the total requirements of every single man, woman and child in all the villages and provide for all of them, as has been done in England.

In that country they have introduced a very big rationing scheme, with coupons valued at so many points—such-and-such a number of points being equivalent to so many handkerchiefs or so many yards of cloth, or dress fabric, etc. It is not such an easy matter—[*Interruption.*] I am now asking for the creation of a Department to deal with these matters. I cannot myself draw up a rationing scheme. Some organization must do it.

A rationing scheme may become necessary, and this Department will prepare a scheme from now onwards, and even start the importation of textiles. We want the trade to import, but if the trade refuses to import or cannot import, the Department will have to arrange to import textiles. The Department will have to take the preliminary steps. All these things will have to be done, and without a Department in existence, rationing cannot be contemplated or considered. The whole question has to be considered.

With regard to the point made that this scheme will help to create a black-market—the hon. Member instanced the case of a man who might buy up all the sarongs he can and then start selling

them at high prices—I would point out that all that is obviated by this very scheme. What the hon. Member fears is possible now; any man can go and buy, say, 500 sarongs and sell them again wherever he likes. But under this scheme, every seller must be registered, and no one who is not registered can sell. What the hon. Member fears would take place under this scheme, can in fact take place now, but not under this scheme except in a stray case.

I do hope, for the reasons I have given, that this experiment will be tried in the interest of the consuming public.

**\*Mr. Abeywickrama:** I am entirely in support of the proposal to create this Department, but we must profit by the experience we have gained in the past in the matter of fixing prices. Very often we fail to introduce Control when prices go up. Now the ruling prices of textiles are three times the normal prices. Sarongs which were sold for Rs. 3 each are now selling at Rs. 8 each. If you introduce Price Control on the basis that a sarong can be sold at Rs. 8—that that is the normal price—then Ceylon has no use for this scheme at all.

The bone of contention in these matters is that prices are not fixed properly. Various allegations are made against the Minister and his officials in the matter of fixing prices. You can get the invoice prices and then add a reasonable sum say, 10 per cent. or 15 per cent., to it, and fix reasonable prices. On that point the traders will not agree with the Minister or his Department. They will say, "We have not got the invoices, and we cannot agree to your prices". They are the people who operate on the black-market, and they do not like to sell their goods for less than what they can get in the black-market. Some people might produce their invoices, and others may not. The Minister and his Department must be bold enough to act promptly. If they get hold of one invoice relating to a particular kind of article, they must apply the price indicated in that invoice to all the imports of that kind of article, regardless of the fact that no other invoices are produced. If that is not done, the whole scheme will fail.

Most of the textiles available in this country to-day were bought by the traders before Japan's entry into the war.



and the traders will now claim very high prices for those textiles. They will say that they have incurred considerable expenditure in respect of those stocks. But the general taxpayer is not concerned with the removal of the stocks of these textiles from Colombo to Bandarawela or Nuwara Eliya and back to Colombo. This was done by people who upset the market and who are now trying to gain advantages for themselves.

When fixing prices, you should not allow more than 15 per cent. or 20 per cent. on the invoice prices. If you do, you will not be helping the people but penalizing them and forcing them by legislation to pay large sums. When fixing prices, the Minister will be subjected to threats from the importers.

This reminds me of what happened in the matter of the control of prices of razor blades. When the maximum controlled prices were announced, it was found that they had been fixed so high that the dealers were in fact jubilant over it, and they at once put into the market stocks of blades which had not cost them 40 cents a packet but the controlled price of which had been fixed at Rs. 1.50 a packet! The importers had made the authorities believe that they had paid Rs. 1.50 a packet for blades which had in fact cost them 40 cents a packet. One importer told me, "Just see how the Government is doing its work! We have been enabled to make a lot of money by Government fixing these prices".

I hope the textile trade will not be managed in this manner. When stocks are brought in, not more than 15 per cent. or 20 per cent. should be allowed on the invoice prices. If the traders refuse to abide by the decision of the Minister, we will give him authority to commandeer the stocks and sell them direct to the public.

We have heard of some very curious incidents in connexion with these traders. I will cite one instance. When the Civil Defence Commissioner took charge of the Food Control Department, certain Indian merchants threatened that they would not remove from the Customs warehouses a certain large consignment of dhal. The Food Controller had telephoned to the Civil Defence Commissioner, "These merchants are not willing to clear the consignment. They propose to send it back"

The Civil Defence Commissioner telephoned to the Port authorities to ascertain whether he could obtain unloading facilities for the dhal and store it for a few days until he was able to clear the consignment himself. The reply he received from the Port authorities was that the consignment of dhal had been cleared five days previously and removed to godowns in the Pettah—when the importers were threatening the Food Controller that they would not clear the consignment!

That is how things are done by the importers. When their threat was conveyed to the Civil Defence Commissioner—it was held out with the object of obtaining an increase in the controlled price of dhal—the Civil Defence Commissioner wanted to commandeer the stock and sell it direct to the public, and then he was told that the whole consignment had already been cleared and had been put on the market.

The cloth merchants will no doubt threaten the Minister of Labour, Industry and Commerce, saying, "We want you to fix these prices; otherwise we cannot sell"—[*Interruption.*] No, I meant threaten the Hon. Minister of Labour, Industry and Commerce. If such a state of affairs arises, it will be useless controlling textiles. We will be watching the situation very carefully. The controlled prices should be only rock-bottom figures. Let the people who have earned much money not go on making further money at the expense of others.

**Mr. Aluwihare:** There is one other point I would wish to raise. Hon. Members will notice the procedure followed in this case. Everything has been done, and all this debate is really a bit of a farce because all the expenditure has been sanctioned, the money has been paid, and we are merely asked to sanction something that has already been sanctioned. [A MEMBER: A proportion has been sanctioned.] Never mind the proportion.

This was something I foresaw when the Council was sent on a holiday a month ago. I knew that votes for money such as these would be obtained behind our backs and that we would be asked merely to sanction them. I would ask hon. Members to look at Supplementary

[Mr. Aluwihare.]

Estimate (15). It is the same thing that is happening. You find a sum of Rs. 700,000 asked for.

Sir, I raise this point at this stage for another reason. I have information that the Hon. Minister of Home Affairs is also to be sent to Delhi before the Supplementary Estimate comes before this House, and that we are going to be asked to sanction the expenditure on his account after he has arrived at Delhi. I hope that will not happen.

**The Hon. Sir D. B. Jayatilaka (Minister of Home Affairs):** Who said that?

**Mr. Aluwihare:** I would like to have a Ministerial statement on the point.

**The Hon. Mr. Corea:** With regard to this particular case, I tried my best to bring up this Estimate before the House adjourned; I stated it in my recommendation. But because it could not be done, I obtained provision, for these two months only, to carry on, pending the meeting of the State Council.

Question put, "That Supplementary Estimate (13) be passed."

The Committee divided (under Standing Order 68): Ayes, 27; Noes, 4.

**(14) Education: Travelling and other Expenses of Special Committee.**

**The Hon. Mr. C. W. W. Kannangara (Minister of Education):** Sir, I move that Supplementary Estimate (14) standing in my name be passed:

Head 110, Minister of Education.  
Sub-head 5, Travelling and other expenses of members of the Special Committee on Education.  
Amount: Rs. 138,42.

Nature of Service: To meet the excess expenditure incurred in connection with the Special Committee on Education.

This expenditure was incurred in 1940-41. There was some delay in bringing into account the cost of the Railway Warrants that were issued.

**Mr. Aluwihare:** May I ask when we could expect the report?

**The Hon. Mr. Kannangara:** In about three months' time.

**Mr. Aluwihare:** How long has the Commission sat?

**The Hon. Mr. Kannangara:** About two years.

Supplementary Estimate (14) was then passed.

**(15) Salaries to Teachers in Assisted Schools and Fees Subsidies.**

**The Hon. Mr. Kannangara:** I move that the following Supplementary Estimate standing in my name be passed:

Head 111, Education.  
New Sub-head 24, Salaries to Teachers in Assisted Schools and fees subsidies.  
Amount: Rs. 700,000.  
Nature of Service: To meet payment of salaries to teachers in Assisted Schools and fees subsidies.

Sir, a scheme was passed, for war-emergency employment of teachers, on 24th September last. This Supplementary Estimate is to pay the teachers according to the scheme approved.

Supplementary Estimate (15) was passed.

**(16) Colombo Port Commission: Fendering Guide Pier.**

**The Hon. Colonel J. L. Kotalawala (Minister of Communications & Works):** Sir, I move that Supplementary Estimate (16) be passed:

Head 121, Colombo Port Commission.  
New Sub-head 38, Improvements to Graving Dock Guide Pier.  
Amount: Rs. 11,000.  
Nature of Service: Fendering of Guide Pier with floating pontoon fenders.

**Mr. R. C. Kannangara:** Will the Hon. Minister explain what is "Fendering of Guide Pier with floating pontoon fenders"?

**The Hon. Colonel Kotalawala:** Sir, a fender is something that is placed against a dock or against the side of a wall so that the wall will not be damaged when a ship bumps against it. A pontoon is something that floats; and a pontoon fender is a fender that floats.

Supplementary Estimate (16) was then passed.

**(17) Department of Engineering Production: Training of Machine Tool Operators.**

**The Hon. Colonel Kotalawala:** Sir, I move that Supplementary Estimate (17) standing in my name be passed:

Head 131, Department of Engineering Production.  
New Sub-head: Training of Machine Tool Operators.  
Amount: Rs. 375,000.  
Nature of Service: Training of Machine Tool Operators and the establishment of a Workshop.

Sir, this Supplementary Estimate is for training Machine Tool Operators. Are we proceeding with this item to-day?

**The Chairman:** The Hon. Minister can continue for five minutes.

**The Hon. Colonel Kotalawala:** Is it proposed to continue this item till 5.30 P.M.?

**The Chairman:** Yes.

**The Hon. Colonel Kotalawala:** I believe, Sir, the House does not expect much to be said on this Supplementary Estimate.

Further consideration of Supplementary Estimate (17) deferred.

Committee to report progress, and ask leave to sit again.

**The Hon. Sir D. B. Jayatilaka:** I move that Council do now resume.

*The Council having resumed—*

MR. SPEAKER took the Chair.

Committee report progress; to sit again.

**The Hon. Sir D. B. Jayatilaka:** I move, Sir, that Supplementary Estimates (1) to (16), passed in Committee, be approved.

Question put accordingly, and agreed to.

Supplementary Estimates (1) to (16) were approved.

## MECHANICAL SUPERINTENDENT IRRIGATION DEPARTMENT.

The following item stood upon the Orders of the Day:

The Minister of Agriculture and Lands to move,—

Pursuant to the resolution relating to new appointments of non-Ceylonese to the Public Service passed by the Council on March 1, 1933, and appearing as item 3 (1) in the Minutes of that day's meeting, this Council agrees to make such provision as may be necessary to permit of the appointment of the Mechanical Superintendent to the Irrigation Department on a ten years agreement at an appropriate point in the scale £500—40—940 and with the allowances and conditions of service at present in force for officers recruited from overseas on agreement for fixed terms of years.

### *Observations of the Minister of Agriculture and Lands.*

When the use of mechanical plant was first proposed the department asked for a capable Mechanical Superintendent but it was decided to try and manage with a man of the foreman type. This proved to be false economy and some very essential and expensive earth moving machinery has not been used to full advantage. With further equipment valued at over a million rupees now on the way it is imperative that a suitable Mechanical Superintendent be appointed to take charge of the equipment. As a suitable officer is not available locally it is proposed to recruit one from overseas.

### *Observations of the Financial Secretary.*

The Financial Secretary concurs.

### *Report of the Board of Ministers.*

The financial implications are as explained in the motion of the Minister of Agriculture and Lands. The Board of Ministers approves.

**The Hon. Mr. Senanayake:** Sir, I move the resolution standing in my name.

**Mr. Aluwihare:** Are these unopposed motions?

**The Hon. Mr. Senanayake:** No.

I believe this House will remember that there was an officer who had been recruited from America; and he has gone away. We have not been able to obtain anyone to replace him. It will be realized that there are a large number of tractors and other agricultural machinery imported into this country and that we want a competent man to attend to them.

Question proposed from the Chair.

**Mr. H. W. Amarasuriya:** On this motion, I wish to make a few observations. This officer is to be got out for ten years. If he comes out for ten years, it will be more or less a permanent appointment because, I believe, under present conditions, after about ten years these officers are entitled to a pension and other privileges. [*Interruption.*] Oh, yes; they are entitled to pension rights after ten years of service, because it will be hardly fair to ask an officer to go away after such a length of service. So it is quite obvious that this officer will be a

[Mr. H. W. Amarasuriya.] member of the permanent service, although he is being got out on agreement; and we have to realize that he will be a pensionable officer.

**The Hon. Mr. Senanayake:** Whether this officer should be a permanent officer or not, is a matter for the House to decide. For the present, he is to be a temporary officer, and the conditions on which he is to be got out are those relating to a temporary appointment. If he is to be made permanent, it will be a matter for agreement between him and ourselves. But, as it is, there is no liability on us to make this officer a permanent man. The reason why we want to have this officer for ten years is because no officer who comes out for this work can be replaced within that period.

Question put, and agreed to.

#### ADJOURNMENT.

**The Hon. Sir D. B. Jayatilaka (Leader of the State Council):** I move that the Council do now adjourn.

Question proposed from the Chair, and debated.

**\*Mr. S. Samarakkody (Narammala):** Sir, today we have before us a statement by the Hon. Leader of the House regarding his mission to India. For the last two or three weeks we have been reading about new appointments, new departments, new ambassadors and plenipotentiaries being sent to India to allay the suspicions which the Indians have and to secure adequate supplies of food for Ceylon.

Now, the statement which the Hon. Leader has made to the House is not only interesting, but also discloses the result in a nutshell of his achievements in India. At the time the Hon. Leader left for India, a certain witty reverend gentleman met me one day and told me, "Well, Sir Baron has gone on a barren mission". It is obvious from the Leader's statement, as you will find if you examine it, that the results he has achieved are nil.

You will remember, Sir, that some time ago the Hon. Minister of Agriculture and Lands went to Delhi for the purpose of negotiating with the Government of India as regards our rice supplies. He was able to persuade the Indian Government to agree to 38,000 tons of

rice per month being exported to Ceylon. Now, after him, there followed another Minister. And for what purpose?

Although this quota was allowed, there were certain difficulties as regards the issue of licences. It was found that the requisite licences were not issued in time, with the result that the exportation of the rice that was available was difficult. To obtain the licences speedily, the Minister of Labour proceeded to India; and I think in a great measure he succeeded in getting the licences released, with the result that he was able to import about 20,000 tons, or very much more than 20,000 tons of rice per month.

Now, if you examine the statement of the Hon. Leader, you will find that what he has achieved, at least what he has agreed to, falls very much short of the quota that was promised to the Hon. Minister of Agriculture and Lands, because paragraph (5) says:

"At my last interview the Commerce Member stated that they would aim at supplying at least 20,000 tons of rice per month and that they would also assist, as far as possible, by releasing for Ceylon a portion of any surplus that might become available."

So that what he has got here is a promise that at least 20,000 tons would be released, that they would aim at releasing this quantity. That aim is bound to fall short of their object, with the result that we will be in the same position as when the Hon. Minister of Labour went to India.

Sir, this country cannot be fooled by the Board of Ministers or the Hon. Leader of the House. The country has waited only to find that nothing has been achieved.

To add to all that, it is now proposed, for some reason unknown to this country, to send the Leader of the House as Ambassador-plenipotentiary to India. For what purpose, Sir? It is for one or two purposes. One is to remove the anti-Ceylon feeling that is supposed to exist in India. I do admit that it does exist in certain circles as a result of certain misrepresentations. We have seen from the papers that the Hon. Leader made certain statements which were published by various leading journals in India; and is he now going there for the purpose of getting on every platform and repeating the slogan that there is no anti-Ceylon feeling in Ceylon?

Now, the reason that he adduces in his statement is that the quantity of rice that was available for Ceylon, or rather the quotas that were given to Ceylon could not be taken advantage of because there were shortages in India. He states:

"The deficit in the supply, it was explained by the Commerce Member, was not due to any unwillingness on India's part to provide the agreed quantity but was due to shortage of stocks in India coupled with other commitments both within the country and abroad."

So that it will be seen that India is willing to supply as much rice as she can spare, and that is what she has done in the past. Therefore the achievements of the Hon. Leader boil down to nothing. Now it is strangely felt that a big staff is necessary, that a Purchasing Commission is necessary, and it is proposed to send a number of Civil Servants to establish a purchasing agency. This is what he says in paragraph (5):

"At Bombay I again met with a certain amount of anti-Ceylon opposition due largely to the campaign of misrepresentation which had been going on in India for a long time. Here too at official meetings, at social functions and at Press interviews, I endeavoured to correct the misconceptions about the treatment of Indians in Ceylon."

So what will happen to this new Purchasing Commission? All these Civil Servants will have to come back to Ceylon and face an inquiry. You know, the Trade Commissioner in Bombay has been recalled and an investigation is going on. Why has that happened? It is because the Indian merchants in Bombay have conspired against that gentleman. I know the people in Bombay pretty well, or a little more than the Hon. Leader of the House does, in that I have had at least six months' continuous stay in that town.

I tell you, Sir, the opposition that worked round our Trade Commissioner was because he entered the market and purchased rice on behalf of the Government of Ceylon. The traders were up in arms and they conspired with a man in the Office to throw mud at the Commissioner. That is one matter on which the public has been waiting to get information. We are supposed to have had an inquiry. What is the result of that inquiry? What is this officer doing in the country now? Is he idling, or is he being appointed to some other post?

want to know what explanation the Chief Secretary has with regard to that matter.

Sir, when all these things are in a mess, as it were, it is proposed to send another Commissioner to buy rice on behalf of Ceylon, instead of utilizing the people in the trade. The new experiment will result in a similar sort of inquiry.

I have digressed a little, but I want to draw the attention of the House to the fact that an attempt is made at every turn by the Ministers to create new Departments, and after the Departments have been created and officers recruited, we are brought together after a long spell of rest and asked to pass these proposals.

The Press demanded some explanation, on behalf of the public, as to what the Leader of the House had achieved in India and what the position was with regard to the supplies of rice promised by India. Strangely enough, no official statement has been made on the subject; what was stated on the Floor of the House to-day was too meagre and of no value.

It is now proposed to send the Leader of the House to Delhi. We are told that he will relinquish his post as Home Minister and also his seat as a Member of the State Council and go as an ambassador to India. I trust that we will be given another opportunity to express our views with regard to the feeling in the country on that proposal. I want an official statement from the Minister as to whether the fears expressed by the hon. Member for Matale (Mr. Aluwihare) are well-founded or not; whether after the next recess we would be told that the Leader of the House had suddenly relinquished his seat in this Council and had gone as Ambassador-plenipotentiary to India. Then we would be asked to pass a Supplementary Estimate to meet his expenses. We would not tolerate such a position.

One Supplementary Estimate moved by the Hon. Minister of Communications and Works to-day referred to a Department of Engineering Production. The State Council knew nothing of the existence of such a Department.

**The Hon. Colonel J. L. Kotalawala (Minister of Communications & Works) :**

He is in the Estimates.

**\*Mr. Samarakkody:** Either the Council must function properly or it should not. If the Minister today do their work in their own way without consulting this House, without obtaining the sanction of this House to their proposals, then it is time that we turned them out of their ministerial seats or we left this place.

**The Hon. Colonel Kotalawala:** The hon. Member must read what is in the Estimates.

**\*Mr. Samarakkody:** I should like an official statement to be made as to whether the proposal to send the Leader of the House to India would be placed before the House or not; and if there is such a proposal, why it has not been placed before this session of Council.

**Mr. Susanta de Fonseka (Panadure):** I should like to make a few comments myself on the report submitted by the Leader of the House, but not necessarily to draw the same conclusions as the previous speaker. I believe it is an open secret that since the Hon. Minister of Agriculture and Lands arrived at a settlement in Delhi as regards the export of rice from India to Ceylon—it was undertaken that not less than 38,000 tons of rice a month would be allocated by India to Ceylon—that somewhere up to the end of June we had our full quota.

**Members:** No; never.

**The Hon Sir D. B. Jayatilaka:** Never in a single month.

**Mr. Susanta de Fonseka:** In any case, I am not disposed to agree with the hon. Member for Narammala (Mr. Samarakkody) that the visit of the Leader of the House to India has been barren of results, for the perfectly obvious reason that the exports of rice from India to Ceylon had fallen to such a negligible quantity that had it not been for the fresh undertaking given by the Government of India, we would have had to face a very critical situation in the very near future. The Government of India has undertaken, according to this report, to supply us with 20,000 tons of rice a month.

**\*The Hon. Mr. S. W. R. D. Bandaranaike (Minister of Local Administration):** They only aim at that figure.

**Mr. Susanta de Fonseka:** Yes; they propose to supply us up to 20,000 tons

of rice a month. Of that quantity, approximately 15,000 tons is to come from the Madras Presidency, according to the report, and the Leader of the House has made arrangements with the Madras Government for that Government to purchase that quantity of rice on behalf of the Government of Ceylon. In other words, 15,000 tons of rice or more would be purchased by the Madras Government on behalf of the Ceylon Government, leaving a balance of approximately 5,000 tons. I should like to ask the Leader of the House to state on behalf of the Board of Ministers why it was considered necessary to send to India a Purchasing Commission if it is to purchase only that 5,000 tons of rice a month. I consider that a very important point.

The Leader of the House congratulates himself on the fact that this settlement with the Government of Madras was arrived at—according to him approximately 15,000 tons of rice—[*Interruption.*] It is not in the report, but I understand it to be so. Approximately 15,000 tons of rice would be purchased by the Madras Government. Then why is this expensive and enormous Commission stationed at Delhi for the purchase of the balance 5,000 tons of rice?

I am sure the Hon. Minister of Agriculture and Lands will reply that it is not only rice that will be purchased but pulses and other grains as well. I have in my hands a copy of a circular issued by the Collector of Customs, Madras, which states:

“It is hereby notified for general information that the export of rice, rice-flour, wheat, wheat-flour, grains, pulses and other flour is permissible to the following destinations

and Ceylon is not mentioned among the destinations included in that circular, for export of rice and rice-flour, presumably because the Ceylon Government is the purchaser. It is not making any purchases through any Indian merchant. As regards pulses, Ceylon is one of the destinations mentioned in the circular. So far as I am aware, there has not been any difficulty, except the question of transport, in the way of Ceylon obtaining as much pulses as possible from India. There, again, the question arises whether this expensive Commission, even with or without the consent of this Council, was required for the purchase

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of 5,000 tons of rice, pulses and other grains from India. A very important point arises from the fact stated by the Hon. Leader of the House, that 15,000 tons of rice are coming to Ceylon from Madras.

**The Hon. Mr. D. S. Senanayake (Minister of Agriculture and Lands):** No such statement was made.

**Mr. Susanta de Fonseka:** I was so given to understand. I hope I am not in any way guilty of breach of confidence when I state it. I do not know whether it is a matter of secrecy. I am very sorry if it is considered in that light. It did not strike me as a matter of secrecy at all. I hope I have not committed a breach of confidence in respect of the facts that emerged during my discussion with the Leader of the House.

I am sure that it is too well known that the Madras Presidency exports rice from the areas known as—[*Interruption.*] Am I again treading on delicate ground? It is so important a matter that I should like the adjournment motion to be now carried and that the Board of Ministers should give us an opportunity to discuss this matter in secret session. I am not prepared to pursue this matter in view of the whispers made by the Hon. Leader of the House and the Hon. Minister of Agriculture and Lands to the effect that I should not mention these matters.

It is a well-known fact that the Madras Presidency has two rice-growing areas; and I understand that so far as Ceylon is concerned, the allocation is made from—[*Interruption.*] As we have to be guided by the sense of responsibility of the Ministers, I am prevented from pursuing this subject further, but I feel, in the interests of the country, that this Council should hold a secret session to discuss this matter. I will not proceed with my remarks now, as I believe the Board of Ministers will consider this matter and give us a suitable opportunity to discuss the subject.

**The Hon. Mr. Senanayake** rose.

**Mr. B. H. Aluwihare (Matale):** Before the Hon. Minister of Agriculture and Lands speaks, I should like to ask that a point be made clear. I hope that before the Hon. Leader of the House is sent away from this Island the House

will be given an opportunity of discussing the whole proposition to have a representative in India, a representative of the nature of the Leader of the House. I trust that the Supplementary Estimate in question will come before this House before the Hon. Leader leaves, and that he will not be seen off in the course of the next recess, under some pretext, and the House called upon to pass a large Supplementary Estimate for his expenses.

**\*Mr. S. Abeywickrama (Udugama):** I have only one question to ask. As the Board of Ministers are acting collectively, I only want to find out whether, before the Hon. Leader undertakes this mission, the other four Ministers could not go to India and come back and report failure. We could then depute the Hon. Leader to go to India on a collective responsibility basis.

**The Hon. Mr. Senanayake:** There are many questions that have been asked, and I feel that ten minutes are not sufficient to answer all of them. Unfortunately for us, it so happens that some wild rumours are accepted as true and Members raise all sorts of questions on the Floor of this House; and the questions are raised at the last moment. Those who raise them speak till about five or ten minutes to six and, of course, the accusation is made that the Ministers do not reply.

Unfortunately, even to-day, there are only ten minutes left and I do not think I will be able to answer the questions that have been raised because there is not sufficient time. However, there is one question that I would like to answer at once. The question has been asked whether the Hon. Leader would be sent away from Ceylon by the Ministers without a Supplementary Estimate being submitted to this House. I can give a definite assurance to the House that we would not part with the Hon. Leader, if it becomes necessary to part with him, by a hole-and-corner method. We would not send him away without the knowledge of this House.

**\*Mr. Samarakkody:** We will have a reception!

**The Hon. Mr. Senanayake:** I hope that when it becomes necessary—if it becomes necessary—that we will come to this House in regard to the matter. The

[The Hon. Mr. Senanayake.]  
 only reason why we have not come to this House about it is because the time has not yet arrived for us to do so and to put forward any proposal. If we can put forward a proposal, we will certainly do so. For the present we would ask the House just to keep quiet—to keep quiet till such time as they get an opportunity of discussing the proposal. I can assure the House that there is no idea of sending the Hon. Leader away without first obtaining the approval of this House. And I am not so certain whether he is going off even now.

**Mr. Aluwihare:** Going off what?

**The Hon. Mr. Senanayake:** We are not certain that he will be leaving Ceylon.

With regard to the other question raised, hon. Members seem to be under the impression that when I went to India and the Government of India agreed to allow us to import rice to the extent of 38,000 tons per month, the rice would have poured into Ceylon just after I returned. If hon. Members will recall the conditions under which the Government of India agreed to give us the rice, they will realize that in the first instance, although we were given this quota, it was to be imported to Ceylon by the merchants who were engaged in the rice trade. We had to allow them to continue their business. Unfortunately, soon after I returned to Ceylon, there was the raid and we found difficulty, not only in obtaining the rice, but also in finding the merchants who were engaged in the rice trade.

Of course, the trade had to be given an opportunity of importing the rice. The opportunity being given resulted, not in our getting more than the quota; if it resulted in anything at all it was in our getting less than half the quota that was promised to us. That situation was not at all satisfactory, and it was necessary to make other arrangements. The House will remember that the conditions laid down by the Government of India did not result in our getting the rice. After that, the Government of India agreed to come to our assistance. We did go to India, it was necessary for the Ministers to follow one another in order to make the necessary arrangements with the Government of India. Even with two Ministers visiting India, we have not

yet been able to obtain the quota that was promised to us.

By the time these arrangements were made, the rice situation in India was not so good as it was when I was first in India. There were bigger demands on India. In certain places the crops had failed; in other places, the crops had been sold. Then there was a time when there was a difficulty in making purchases and having depended upon the traders to do the buying for us, we created a situation which was not very acceptable to the Government of India. One supplier competed with the other in regard to the supply of rice to us, with the result that the price went up. Even the Government of India found that it was necessary to put down the price. So that a problem was created.

We agreed that there was a problem in existence, and that it had to be solved. The Hon. Leader then went to India, and we are thankful to one of the Provincial Governments for agreeing to purchase the rice for us. It is true that they have agreed to do so; but they have not agreed to transport the rice for us, or to see that the rice came up to standard. They did not agree to see to many other things also.

**Mr. Aluwihare:** Then they need not have agreed.

**The Hon. Mr. Senanayake:** Actually, securing the quota was one thing, and transporting the commodity another. So it became necessary for us to make the necessary arrangements and to keep a staff there. Merely because we are making these arrangements, which I am sure hon. Members will carefully consider, I do not think the Board of Ministers should be blamed. I can tell this House that the expenditure that we incur in importing the rice into Ceylon will certainly be very much less—less than about  $\frac{1}{4}$  per cent. of the total cost than if we get somebody else to do it for us. I do not think any firm or agents will do the business for us at that rate.

*It being 6 p.m. MR. SPEAKER adjourned the Council, without question put, pursuant to Emergency Standing Order 2 (3), until 2 p.m., on Wednesday, November 4, 1942.*