The State Council of Ceylon.

No. 67. December 1, 1942.

DEBATES

SESSION OF 1942.

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STATE COUNCIL OF CEYLON.

Tuesday, December 1, 1942.

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

MESSAGES FROM THE GOVERNOR.

The Speaker: I have received the following Message from H. E. the Governor:

Colombo, 30th November, 1942.

Sir,

I have the honour to inform you that Sir Baron Jayatilaka has tendered, and that I have accepted, his resignation from the office of Minister for Home Affairs. I have requested the Executive Committee of Home Affairs to elect a Chairman, and the Board of Ministers to elect a Vice-Chairman, in succession to Sir Baron Jayatilaka as early as possible.

I have, etc.,

(Sgd.) A. CALDECOTT,
Governor.

The Honourable
The Speaker of the State Council,

PAPERS TABLED.

(Minister of Agriculture and Lands): Thirteen Supplementary Estimates for 1942-43.

Estimates of Revenue and Expenditure of the Rubber Research Scheme (Ceylon) for 1943.

(Minister of Education): Answer to Question No. 57 of 1942.

(Minister of Communications and Works): Regulation made by the Executive Committee of Communications and Works under section 27 of the Savings Certificates Ordinance (Cap. 292). (Notification dated November 25, 1942, published in the *Government Gazette* of November 25, 1942).

PETITIONS.

Mr. D. P. Jayasuriya (Gampaha): I present a petition from E. D. Palis, who was an Attendant at the Leper Asylum, Hendala. He says that whilst he was on duty he was bitten by a leper of unsound mind and thus contracted leprosy. He prays that he be awarded a gratuity.

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

NOTICES OF MOTIONS.

***Mr. D. P. Jayasuriya:** I give notice of the following motion:

That this Council is of opinion that paddy lands at Muturajawela, which belong to private owners, should be acquired by Government and brought under cultivation forthwith, under a well considered scheme, in view of the present precarious position of the Island in regard to food.

Dr. M. C. M. Kaleel: I give notice of the following motion:

That in view of the abnormal death rate in this Island and the alarming Infant Mortality which is an index not only of the health of the people but also of their civilization, and in view of the dearth of doctors to deal with these problems adequately, and further in view of the fact that the Ceylon University has to maintain a high academic standard for the Medical qualification of M.B. B.S in keeping with the leading Universities of other countries, this House is of opinion that the examination for the diploma of L.M.S. (Ceylon) be continued to be held.

QUESTIONS.
(PRINTED ANSWERS.)

57/42.

Teachers in North-Western Division: Work Outside Normal School Hours.

(Mr. Samarakkody): Will the Hon. Minister of Education be pleased to state whether teachers of Vernacular Schools in the North-Western Division are required to work an extra 1½ hours a day? (2) If so, when was this alteration made? (3) Are the teachers in these areas paid extra for overtime work? (4) If not, why are not the ordinary overtime rules adopted by other departments, applied in the case of these teachers?

(Minister of Education): (1) Teachers in the North-Western Division are not required to do teaching work outside the normal school hours. But, in common with teachers elsewhere, they are engaged in extra-curricular activities like rural uplift works, food production, games, &c., for an hour or so for 2 or 3 days a week, in rotation, according to schemes approved by the respective Circuit Inspectors.

(2) Does not arise.
(3) Does not arise.
(4) Does not arise.

†RENT RESTRICTION BILL.

The Hon. Mr. S. W. R. D. Bandaranaike (Minister of Local Administration): I move that the Bill intituled " An Ordinance to restrict the increase of rent and to provide for matters incidental to such restriction " be now read a second time.

Question proposed from the chair, and debated.

Mr. G. A. H. Wille (Nominated Member): We are all in favour of some form of restriction, but in every restriction Bill there must be a certain measure observed; that is, there should be no restriction beyond what the circumstances call for. This Bill seems to go too far; it is, I submit, excessive in its restrictions. It seems to me that it is based on a sort of feeling of antagonism towards landlords. All along it seems to be assumed that tenants in general are to be protected against landlords.

If this Bill had been confined to tenants who pay only a certain amount of rent, I could, to some extent, have understood this severe restriction to protect them, but it will be applied to tenants who perhaps may be richer than the landlords themselves. So that we have to be very careful that we do not exceed the limits of reasonable restriction.

Though there is a scarcity of houses at the moment, it is not necessary that this heavy restriction should be placed on landlords, because if the landlords attempt to be too severe with the tenants, the Courts will see that justice is done. For instance, if notice is given to a tenant at this time, I am sure that no Court will entertain the idea of one month's notice as reasonable. As we all know, though one month's notice is regarded as reasonable notice in practice, there are certain circumstances under which the Court may order that several month's notice should be given. There is therefore that protection for tenants.

This Bill also goes too far in that it includes not only dwelling-houses but business places as well. I do not know that there has been a scarcity of business places. Some business places that were occupied before the raid are still untenanted.

So that, the Bill seems to be unduly wide in its scope. To show that this Bill it not reasonable in its provisions, I should like to refer to the question of improvements to buildings. No landlord would undertake improvements or structural alterations to a building unless he considers them necessary.

The Hon. Mr. Bandaranaike: What is the Clause which the hon. Member is referring to?

Mr. Wille: I refer to Clause 6 (*a*). Yet when a landlord effects improvements or structural alterations to a building, there is a proviso in the Bill which says:

> " Provided, however, that on the application of the tenant of such premises, the Assessment Board may, on the ground that such expenditure is or was unnecessary in whole or in part, direct that the standard rent shall not be increased . . . . "

We cannot think of improvements that are unnecessary. If a landlord spends on improvements, it must be because he has good reasons for such expenditure. I do not think it should be left to the arbitrary opinion of a Board—I object to this Board; I will come to that a little later—as to whether the improvements are necessary or not.

Then, we come to another Clause which shows, again, that the restriction sought to be placed on landlords is unduly severe. Clause 6 (*d*) deals with repairs. To put a concrete case which, I think, will make the provision readily intelligible to the House. If the monthly rent of a house is Rs. 100 and the landlord spends Rs. 120 on repairs, then the excess Rs. 20 can be recovered by increasing the rent by one-half of that excess, that is to say, he can add to the rent of Rs. 100, a sum of Rs. 10 for the year, that is 83 cents a month. The provision seems to be absurd when you apply it to a case of that kind.

I understand that in England the increased rent allowed, where a tenant asks for certain repairs, is 25 per cent., but here it will come to less than 1 per cent. Then, again, we have the Board which will interfere and say that the sum spent on repairs is excessive. In fact,

† For the Observations of the Financial Secretary, and the Report of the Board of Ministers, see HANSARD of November 17, 1942.

the number of provisos to this Bill shows that there is plenty of room for litigation; and we shall find the Board or Court of law, whichever it is, that sits in judgment on these matters spending its time trying to decide whether Rs. 50 should have been spent on repairs or Rs. 100 should have been spent.

Clause 8 is a very important one. It practically prevents the landlord from selling his house, because it says that no action can be instituted for ejectment without the consent of the Assessment Board unless the rent has been in arrear for one month—well that seems reasonable—and that no sale can take place unless the tenant has given notice to quit and in consequence of that notice the landlord has contracted to sell, etc. A landlord may want to sell his house because he is in need of money and the tenant may refuse to continue under the new landlord.

The Hon. Mr. Bandaranaike: What is the Clause which the hon. Member is referring to?

Mr. Wille: Clause 8 (*b*).

Or the landlord may want to sell his house to a person who wants to reside in the house itself, and there will be no chance of his getting rid of the tenant under that Clause. There is also no provision for a landlord giving notice to a tenant when the premises are not kept in a proper condition.

To show the unreasonableness of this provision, I would call attention to Clause 8 (*c*) where it is provided that, if the premises are required for occupation as a residence for the landlord or any member of the family—[*Interruption*]. It is said that that applies to cases where the premises are reasonably required for occupation as a residence. Just imagine an Assessment Board, consisting of 7 or 8 persons, deciding whether the premises are reasonably required by the landlord for a residence for himself! It will take a great deal of mental ingenuity to decide what the meaning of "reasonably" is. It appears to me that the Bill has been so drafted as to put the landlord in great difficulty.

Of course, there are landlords who are harsh; but there are tenants who are very troublesome, and we have to do justice between the two. This Bill seems to assume that all the mischief will be done by one side, by the landlords only.

The main provision to which I object is this Board of Assessment. It is a very clumsy Board and a very costly Board. I have just indicated some of the very small matters that would have to come before the Board. For instance, in a Municipal area, the Board shall consist of the Mayor and two members of Council, the Assessor, the Chief Government Valuer or an officer of his Department and not more than 2 other persons.

One would think, Sir, that some intricate point of law will arise in these matters requiring 7 or 8 judges to sit *in banco*, as we say. I think it is very objectionable that Municipal Council members should dabble in matters of this kind. As we know they come in touch a good deal with landlords and tenants during times of elections, and the more they are kept out of this the better.

I have more objections to add. This Board will be costly and troublesome to the tenants themselves, because I find that rules are going to be made providing for the fees or rates of fees to be paid by persons making application to any Assessment Board, and then for remuneration and travelling allowances. There will have to be rules framed with regard to notice and summons by this Board, and then rules will have to be framed laying down the essential requirements in an application just as the Civil Procedure Code lays down the requirements in the case of a plaint.

I do not see there is any necessity for this when the Court of Requests can function satisfactorily. As regards costs there will be no saving to the tenants who are to be protected by this Bill, because they will have to engage Advocates and Proctors to appear for them before the Board of Assessment, just as in a Court of law. As I said, the fees that are going to be provided, if they are to be recovered from tenants, will impose a very heavy burden on them. We know that in the Court of Requests the stamp fees are very small, and that the lawyers' fees are small and that work will be done more expeditiously. There will be a trained Judge who will tackle these matters in a more satisfactory way.

[Mr. Wille.]

It is provided here that the decisions of the Board shall not be appealable from. So that adds another grievance to that of the composition of the Boards of Assessment that are being constituted.

I must say that, although I am prepared to have some sort of Restriction Bill to protect the poorer tenants, I am against this Bill as it stands. Unless amendments are agreed to in Committee, which will remove some of the objectionable features I have mentioned, I am afraid I should have to vote against it.

The Hon. Mr. Bandaranaike: Shame!

***Mr. B. H. Aluwihare (Matale):** I would like to know whether the Hon. Minister would consent to include in this Bill a provision for ejectment such as is contained in the Small Tenements Ordinance, because, whilst this Bill protects the tenant to a very large extent, it does not give a landlord sufficient power of eviction of a tenant where such a tenant is merely fraudulent.

Under the Small Tenements Ordinance, the machinery of the Courts is enabled to act very quickly. That is, the landlord is able to present, I believe, a petition and affidavit to the Court. The Court then issues a notice on the tenant to show cause; and if he does not show cause, order for eviction issues.

The Hon. Mr. G. E. de Silva (Minister of Health): That is, if the rental is under Rs. 20.

***Mr. Aluwihare:** The Hon. Minister of Health has obviously not been listening to the remarks which prefaced the summary of the contents of the Ordinance.

If the tenant does show cause, there is an adjudication on the matter and rapid eviction. I wonder whether the Hon. Minister would allow of such a provision being included in this Bill. For instance, I know of one case where a landlord has already been threatened with the Rent Restriction Bill by a tenant who simply does not want to quit. After all, I think landlords too have sometimes to be protected.

***Mr. G. R. de Silva (Colombo North):** I would like to make a few remarks on this Bill and, although I myself accept the principle of the Bill, I must really congratulate the Ministry on at least attempting to introduce a Rent Restriction Bill.

For the last 4 or 5 years the Municipal Council of Colombo has suggested to the Ministry that a Rent Restriction Bill should be introduced. In fact, at one time the Municipal Council of Colombo went to the extent of getting a distinguished lawyer, a learned K. C. and an *ex*-Judge of the Supreme Court, to draft an Ordinance which was sent up to the Hon. Minister of Local Administration. But, unfortunately, for 4 years no attempt whatever was made by the Ministry of Local Administration to bring up the Bill. As a matter of fact, the recommendation then was that the Bill be restricted to those whose annual rental was Rs. 500. I think in certain correspondence the Hon. Minister of Local Administration suggested that the figure should be brought down to something like Rs. 300.

Of course, most of us are under the impression that this Bill has been brought in to benefit a certain type of people, the type of people being the working-class, whose rent should be restricted so that in certain times of emergency, such as a period of war, with the increased cost of living that naturally follows, rents would be restricted.

The point one notices in this Bill is that it does not definitely define the point at which there should be a restriction of rent. In fact, one is almost inclined to think that this Bill is really meant to benefit the richer classes in the country, the rich tenants. For example, in the City of Colombo, I think I can rightly say that the rent of the smaller type of house has gone down by about 50 per cent. So that if you look at this Bill from the point of view of the small tenement dweller you will realize that this measure is not going to affect him at all.

I can definitely say, as an owner of tenement property, that my tenants are now paying 50 per cent. less than they paid before the air raid. It is quite possible that, owing to ever-changing circumstances, rentals may begin to rise. But as a citizen of Colombo, I think I can say that the rents that are rising are not those of the houses of small dwellers but the rents of the houses of the richer classes, and I think

the Government of this country is really to blame for it. Certain of our Departments—the Rubber Control and other Departments, for instance—have shifted from the Fort to quarters in residential areas. They are, in fact, in most cases paying higher rents than those the houses ever fetched.

This raises a very important point, if this Bill is passed in this form. The Government of this country, in the form of different departments, went to certain landlords and asked them, "Will you give us this house?" and they entered into certain agreements. In fact, they offered Rs. 400 for a house where the ordinary rental was Rs. 200. So that I would like to know what is going to happen to those people who entered into an agreement after November, 1941, which is the operative date mentioned in this Ordinance, with the Government of this country.

It seems to me that we are attempting, in this Bill, really to protect people who pay higher rentals in this country; the Bill really applies to those people. That point, I think, was raised by the hon. Nominated Member. But I do not think it really does harm. The only thing one sees is that the whole measure seems to be one to benefit the richer classes of this country. That is one of the general points that one sees of the whole Bill. But there are certain things which can be made very much simpler in this Bill.

I would refer the House to the standard-rent Clause. It says that the standard rent for any premises should be the rent at which the premises were let on the 1st day of November, 1941. As a matter of fact, that is the important point. I would suggest that it would be much easier for every one of us if the word " rent " is charged to " rate ".

The Hon. Mr. Bandaranaike: Rent calculated on the rates.

***Mr. G. R. de Silva:** For example, the Municipal Council of Colombo or any other local body have assessed rates for 1941 at a certain rate, and that was done at the end of 1940. Of course, you have a period allowed for objections. So that it is a fixed rate, and the fixed rate is worked on the rental of that period.

It would save long and complicated arguments before the Board if the rate fixed by the local body is brought in in place of the word " rent " which is rather illusive and dangerous, because the landlord can say, " This was the rent on such-and such a date " and the tenant can say, " This was the rent on such-and-such a date ". The assessed value of a house for the year is known, and there will be no difficulty about it.

That is one of the points that I would suggest for the consideration of the Minister, because that would avoid many complications and disputes. The document containing the rates is a public document and anyone can get possession of it. It is a document which contains the rates fixed on a certain date, and those rates should be used in this instance.

The next point I would like to make is with regard to Clause 8 of this Bill. The hon. Nominated Member (Mr. Wille) said that this Bill was objectionable from the point of view of the landlord, but I think this Bill goes further than any other Rent Restriction Act. In fact, this Clause says that a landlord can only get rid of a tenant if the rent has been in arrear for one month after it has become due, or the tenant has given notice to quit and in consequence of that notice the landlord has contracted to sell or let the premises, or has taken any other steps as a result of which he would, in the opinion of the Court, be seriously prejudiced if he could not obtain possession.

Then, the third proviso is the most important one. It says, " provided the premises are reasonably required for occupation as a residence for the landlord or any member of the family of the landlord or for the purposes of his trade, business, profession, vocation or employment ".

This Clause can practically nullify the whole idea of protecting the tenant, because all that the landlord need do—I myself am a landlord, Sir—is to say, " I want such-and-such a house to live in " and immediately he says that, he gives notice to the tenant whom he wants to get rid of. He then occupies the house for one month and gives it to another tenant. That is the simplest thing to do. If the Bill said that such notice could be given if the premises were

[Mr. G. R. de Silva.]

wanted by the landlord, it would have been something. But it says that if the premises are wanted for the landlord's relations or even other people, the tenant can be asked to quit.

So that you are not protecting the tenant by having the Clause in this form. As a matter of fact, no landlord would like to get rid of a decent tenant. I think that is the policy of every landlord. I would certainly try to retain a tenant who pays the rent regularly and not try to get rid of him.

If you want to prevent the landlord from getting different rents, this Clause will not help you. Several things can happen if a landlord wants to get rid of a certain tenant and have another tenant on an agreement to pay a different rent. These are all practices that obtain as between landlord and tenant, and I would suggest to the Hon. Minister that he should amend Clause 8, making it more effective, when this Bill goes before a Committee.

Clause 9 deals with another type of house which came into existence after November, 1941. There we are confronted with another difficulty. Supposing a house was built after November, 1941, and a certain rent was agreed on between the tenant and the landlord, which was in excess of the annual value fixed later on, what is going to be the position?

The Hon. Mr. Bandaranaike: I do not see how that point can arise with regard to Clause 9.

***Mr. G. R. de Silva:** I shall read out that Clause. It says:

"Where any tenant of any premises to which this Ordinance applies has paid by way of rent to the landlord, in respect of any period commencing on or after the appointed date, any amount in excess of the authorized rent of those premises, such tenant shall be entitled to recover the excess amount from the landlord, and may, without prejudice to any other method of recovery, deduct such excess amount from the rent payable by him to the landlord."

I am now speaking on behalf of the landlords, Sir. Supposing the rent was fixed as from December, 1941, and it was an amount agreed upon between the tenant and the landlord and had been paid, and supposing the assessed rent was lower, then under this Clause that landlord will have to (sort of) allow the tenant all the rent in excess of what was paid.

Mr. Wille: Unauthorized excess.

***Mr. G. R. de Silva:** In fact that point would arise in the cases where certain houses have been taken over by Government paying higher rents than those fetched by the houses before November, 1941. I referred to that point earlier, when I spoke of certain houses being taken by Government Departments at rents higher than the original rents. Will the landlords in such instances be made to refund the excess rents to Government? It will create certain difficulties, and I would like the Hon. Minister of Local Administration to go into that question, especially because I think we did not contemplate helping landlords or tenants of Rs. 300—or Rs. 400-houses; we had always contemplated the difficulties of those who pay rents of Rs. 15, Rs. 20 or Rs. 25. So that when going through this Bill we ought to be very careful to see that we do not try to help a certain class of people.

As things stand today, the tenement-dweller does not need a Rent Restriction Act, because the rental of tenements has gone down by 50 per cent. I would therefore suggest to the Hon. Minister that he should really fix on a certain limit. Of course, if this is merely a war measure to prevent houses of a certain type being rented out at higher than the ordinary rates, it is different. But I think this should really be a measure which would benefit the larger group of people.

As regards the Board that is suggested for this purpose, I am inclined to agree with the hon. Nominated Member (Mr. Wille) that it is rather a cumbersome procedure. Much of this work, I think, can be done by the Courts if the Courts are given the necessary authority. All that the Courts will have to look into, under this Bill, is whether a landlord is justified in moving for ejectment. If it is proved to the satisfaction of the Court that the rent is in arrears, the Court itself can make order for ejectment instead of our having a Board of this cumbersome type.

I feel that a Board of the type proposed will mean a considerable amount of trouble to everyone concerned. As a matter of fact, one has first to go to the Board to obtain permission for ejectment. Once that permission is given, then you have to follow the ordinary procedure. I think the Court can do both things; or I think the easiest course would be to let the Court decide the matter. I believe the Ordinance that was suggested by us originally looked at it in that light because it would save a great deal of expense to everybody.

I further notice that according to the provisions of this Bill, the Members of the Board are to be paid, and fees are to be levied. I think this is thoroughly unsatisfactory. As a member of the Municipal Council, I would rather prefer that members of the Municipal Council were not brought into this Board.

Then, according to this Bill—

"every order made by the Board at any meeting, when reduced to writing and signed by the Chairman of that meeting, shall be final and conclusive, and shall not be called in question in any court of law."

That is giving the Board absolute power. I think a ruling of any other Board we can think of can go in appeal before a Court of law. Therefore, I think that instead of our having a Board of this nature, if this duty can be shifted on to a Court of law, the Court will be able to adjudicate on these matters in a very much better manner than a Board composed as laid down in the Bill, including, for example, Municipal Councillors, the Mayor, and so on, who are executive officers. In fact, if one executive officers says one thing, all the others will automatically follow suit. That is what usually happens in Government offices also. If the Chief Secretary says anything, his Deputy will not go against it, nor will anybody in his Office or any other Office go against it. I think, therefore, that a Board of this nature would not be satisfactory from anybody's point of view.

I would commend all these points to the Hon. Minister. I agree with the principle of the Bill. I for one feel that it does not go far enough, and it is really a measure which is not socialistic in nature but one which will benefit a few capitalists.

The Hon. Mr. J. H. B. Nihill (Legal Secretary): The Hon. Minister who introduced this Bill requires no support from me in his presentation of the case for the measure, but as we were associated in the preparation of the Bill, perhaps he would like me to say a few words in support.

I think perhaps the hon. Nominated Member (Mr. Wille) who spoke first in the debate has rather overlooked the fact that the Bill is drawn up in (what I may call a permissive way. Actually, until certain steps are taken to bring the Bill into operation, it will have no effect whatsoever. I think the point made by the hon. Nominated Member was this, that it will be rather difficult at the moment to make out any very strong case for the application of legislation of this character to the circumstances appertaining in Colombo or elsewhere at the present moment. Well, that may or may not be so, but the Minister has, I feel from the way in which he has instructed this measure to be drafted, taken into account the fact that there is in the Island a great variety of circumstances obtaining. For that reason, this Bill has advisedly been drawn in (what I may call) a permissive way; that is to say, the Minister will have power to bring it into force wholesale or piecemeal. He is also given the power to apply it to certain specified kinds of premises, or to exclude a certain specified kind of premises from the operation of the Bill, and the great advantage, I think, is that undoubtedly the measure, as drafted, will afford great flexibility.

I think the real justification for the introduction of this measure at the present time is that we are living under conditions which may vary very much almost from day to day. It is a fact—although I was not in the Island at the time, it is a fact, I believe—that following the enemy activity in April, there were considerable changes and fluctuations in the places in which the populations were living. You got a sudden efflux of people from one area, and a sudden influx of people into another area, and of course when you do get these sudden changes of population, then you will get sudden and rapid increases in the demands for living accommodation,

[The Hon. Mr. Nihill.]

and it is that increasing demand which forces up the prices of rents. I think this Bill might be really called a precautionary step on the part of the Ministry, so that they may be armed with the powers to put rent-restriction legislation into operation when and where the conditions demand it.

With regard to some of the specific criticisms made by the hon. Member for Colombo North (Mr. G. R. de Silva), I think, perhaps the best tribute he paid to the Bill, although I do not think he intended to pay it, was that he found something in the Bill contrary both to the interests of the landlord and the interests of the tenant. I think that may be regarded as some indication that the Minister has sought to find a good midway position amidst the conflicting interests.

With regard to his criticism of the principle of an Assessment Board, all I can say is that it seems to me to recognize a good democratic principle which this House should be ready to follow in legislation of this kind. It really, in a sense of course, means an enlargement of the Jury principle. It is leaving it to 7 or 8 supposedly reasonable people, people who know the conditions of a particular locality, people who know something about the circumstances both of the landlord and the tenant, to make a fair adjustment between the conflicting claims. That, at any rate, is the justification, in principle, for the establishment of a Board of this nature. Of course, how the Board will work in practice may be another matter, but so far as the principle of the Board goes, I think, it is sound, and it is certainly essential to have some kind of machinery of that kind.

The hon. Member is seeking to put the burden on the Courts. Well, the Courts in this country are unfortunately very overburdened as it is, and I do not think that at the present time either the Magistrates' Courts or the District Courts could well undertake the kind of duties which are placed upon the Assessment Board by this Ordinance.

There was one other point made which I might refer to—I think it was raised by the hon. Nominated Member—and that was that he could not see why there should be any appeal to the Board against an increase of rent which was made for improvements. Well, of course, the reason for that is that improvements may only be a dodge on the part of the landlord in order to get an enhanced rent.

The whole history of this kind of legislation in the United Kingdom showed that in a time of rising demand, when there was a great shortage of housing accommodation and a great number of people wanting to get houses and ready to pay almost any amount to get them, any legislation dealing with the problem had to be very tightly drawn, because there were all sorts of ways in which it could be evaded. I do not think, however well drafted an Ordinance of this kind may be, that it will ever reach the stage when it will not be possible for either the landlord or the tenant to evade its terms, but at the same time we have to do our best and produce a Bill which we regard as reasonably satisfactory. That, I think, is what the Minister has done in the present measure before the House, and I support the second reading.

Dr. A. P. de Zoysa (Colombo South): The hon. Member for Colombo North (Mr. G. R. de Silva) described this Bill as one meant to benefit the capitalist landlords, and he indirectly accused the Minister of having brought in a Bill purporting to benefit a class of people—the landlords. But as I know, the Hon. Minister is a democrat, and I think he actually intends to benefit the poor tenants. Unfortunately, however, most of the efforts of this democratic Minister turns out in the end to work hardships on the people whom he intended to help.

This is a Bill which, when put into practice, will ultimately make the people pay much more than what they pay to-day. To-day the poor tenants can appeal to the landlords. They may be peons or minor employees of Government, and they will be able to tell the landlords, " We are paid poor salaries; we have only one meal a day, and we cannot pay more than Re. 1 or Rs. 2 ". But the Minister wants these landlords to be rather hard on them. The landlords will say, " The law is that we should charge so much ", and they will try to charge more than they would otherwise actually charge.

The Hon. Mr. Bandaranaike: The law is that they should not charge more than a certain amount.

Dr. de Zoysa: Perhaps there is the possibility of landlords charging less. But there are a good number of landlords who are only waiting for a reason to increase their rents, and this measure will afford them a very good reason for saying, " The law has fixed this rent for a house. You must pay it ".

Then, with regard to the question of standard rent, " standard rent " is defined to be the rent at which the premises were let on the 1st day of November, 1941. That is something which I cannot understand. If the Hon. Minister says that it is the rent charged prior to the war, then I can understand it, but even then it should not be for one year; it must be general. There may be a good number of landlords who may be charging very unreasonable rents; and are those rents to be considered standard rents?

It may be that in certain cases the rents have gone up. But on what ground does the Hon. Minister fix upon the date of November 1st? If he had said " 1941 " generally, or had taken the average rent over a certain number of years, then there would be some reason behind it. But you fix upon a date, and there may be, as I pointed out earlier, some landlords who may be charging less than the real rent they ought to charge, and others who may be charging more. There will thus be created an anomaly whereby two houses belonging to the same landlord will be charged two different rents, and the Minister, according to this Bill, will give the power to the Board to decide the rent that should be charged for November, 1941. I want the Minister to explain how this difficulty could be solved.

The fixing of a standard rent may be necessary, but at the same time we have to remember that money has been invested in houses by capitalists as they consider that it is a better form of investment than, perhaps, buying shares in companies. If that is so, has the Minister the right to say that the house rent should be so much? There are occasions when people want to buy up lands by paying high prices. Is the Hon. Minister going to fix the rent of a house directly, and, indirectly, the price which should be paid for land in certain areas? This is a question, I think, which must necessarily arise in course of time if the rent is going to be fixed.

Then, there may be times when owing to depression people may find it difficult to pay the standard rent. The Hon. Minister says that he can reduce it. But there may be times when there will be a great demand for properties; and would it be fair by the landlord if the Minister were to say that he could not charge more, not because the landlord wanted to get more, but because there was a great demand for houses? That aspect of the question has been ignored. I do not mind it, so long as it is intended to help the people who cannot pay high rents and also relieve tenants of the tyranny of the landlord.

There are also certain things which might be said about the Assessment Board. The Assessment Board is to consist of people of whom the majority may be landlords; and it would be natural for them to fix a higher amount. According to Clause 12 (12) there is no appeal from the decision of the Board; and three can form a quorum. So three landlords—it does not matter who they are—can decide to raise the rent and make it impossible for the tenant to secure a remedy. I ask the Hon. Minister whether that is fair by the tenant?

The Hon. the Legal Secretary said that the Assessment Board was proposed more or less on the Jury principle. It is a well-known fact that in the case of the English Jury, the verdict is often considered to be that of 12 shopkeepers, while in Ceylon, the Jury's verdict is considered to be that of 7 clerks. Very often, their verdict, we know, is found to be quite wrong. Besides, whatever the principle may be, it is not a democratic principle in Ceylon to entrust this matter to people who are actually landlords. There are no tenants on these Boards, and their interests are not represented on these Boards.

Then, the suggestion made by the hon. Member for Colombo North (Mr. G. R. de Silva)—a very reasonable suggestion—was that the assessed rate, should, if

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possible, be the rent. Sometimes a house is assessed at Rs. 100, but the landlord actually gets a rent of Rs. 150 and thereby he refuses to pay the amount due as rates. That should be avoided; the landlord cannot have one assessed rate for the tax and another rate for the actual rent of the house.

It would be easy for the tenant, and also reasonable, if this Bill said what the landlord was expected to do and what he should not do. Of course, the question of rent is extremely difficult to decide. One house differs from another, in the matter of rent, though they are both of the same type. It is better for the Minister to go on some principle in regard to fixing the rents of houses, instead of leaving it in the hands of Boards. In dealing with several cases, I can understand the same Board dealing differently with similar cases. Let there be some principle adopted. Let the Minister, for instance, go on the floor area of a house. He could say for so many square feet, the rent would be so much. Let there be some principle like that followed. Then tenants will know what rent they are expected to pay for a house. The landlords too will know what rents they could ask for houses, and the matter will not depend on the whims and fancies of a board.

The most objectionable feature in this Bill is that it would be used by some landlords to increase rents. The precluding of an appeal from the decision of a Board is another objectionable feature in this Bill.

The Hon. Mr. Bandaranaike: Well, Sir, I am very thankful to hon. Members who have expressed their views and made suggestions useful as well as——

Mr. T. B. Jayah (Nominated Member): I wish to speak a few words on this matter, Sir.

The Hon. Mr. Bandaranaike: I have already started my reply. I am very sorry I cannot stop now. [*Pause.*] If the hon. Member will be brief in his remarks, I do not mind giving way.

Mr. Jayah: I do not really object to the principle of this Bill. What I feel is that there are certain objectionable features in this Bill which, unless they are removed, will in fact defeat the very objects which the mover of this Bill has in mind.

As was very correctly pointed out by the hon. Member for Colombo North (Mr. G. R. de Silva), if one closely analyses the Clauses of this Bill, one more or less comes to the conclusion that this is intended to benefit a particular class of people. Ordinarily one expects a Bill of this kind to benefit those who need our protection. But when you closely study the Bill, you feel that the class of people who are going to be benefited are the very people who can well afford to pay more than they generally pay.

As you know, Sir, owing to the present emergency, prices have gone up. The prices of materials have gone up, and it is, I say, unfair for us to regard the landlord as somebody who ought to be made to pay because, owing to the scarcity of houses as a result of the present situation, there is every likelihood of their being in a position to exploit the situation. I do not deny that there are some landlords who are exploiting the situation, and who are so unconscionable that they have not only raised the rents of houses which had been occupied for years, but have also raised the rents of business houses. I have heard of a case where, when the landlord found that a particular business man was making money as a result of the present emergency, he threatened to give him notice to quit, with the result that the business man found himself in a quandary.

It is difficult for us, naturally, to sympathize with a landlord like that. But whatever it be, if we have a Rent Restriction Bill, we should see to it that those who need protection are helped. There are objectionable features in this Bill. But unfortunately, the Hon. Minister has given notice that he would refer this Bill to a Committee of the whole House. I do not know why such a procedure should be followed, particularly when you know that this is a Bill which is going to affect different classes of people, both tenants and landlords, who might perhaps want to make representations to the Standing Committees if the Bill was referred to one. If the

Bill is going to be referred to a Standing Committee, personally I would not like to take the time of the House; otherwise I would like at this juncture to refer to some of the objectionable features in this Bill.

It has been rightly asked by the hon. Member for Colombo South (Dr. de Zoysa) why November 1st, 1941, has been fixed as the date on which the standard rents are to be determined. Why has that particular date been fixed? Is it because at that particular juncture rents had risen to an equitable level beyond which the landlords have no business to go? Why should not a date like 1st September, 1939, the date on which the world war began, be fixed? Perhaps the the Hon. Minister will be in a position to explain it.

Then as regards Assessment Boards and their constitution the proposal is certainly very objectionable. I do not say that it is a convenient thing for the poor tenant to go to Court if he has to contest a case. But what I say is that if it is possible to constitute these Boards in some other manner more acceptable to those concerned, it would go a great way to achieve the very object which the Hon. Minister has in view.

It is particularly objectionable that members of Municipal Councils and Urban Councils should be members of such boards. That is absolutely objectionable, because you are placing them perhaps in a very awkward position, as they will be required to deal with their constituents who might bring pressure to bear on them. I do not think members of these Boards should be placed in that position. I think, if we can eliminate them and get people from different localities, who command the respect of the public, and have a panel out of them to deal with these cases, it might meet with the democratic principle to which the Hon. the Legal Secretary referred just now.

I do not know whether the Assessment Boards contemplated under this Bill really subserve the democratic principle. I think, instead of subserving the democratic principle these Boards will, for instance, help those who are better able to influence the more powerful people on such Boards.

I therefore think that if this Bill is really to serve the purpose which the Hon. Minister has in view, these objectionable features should be removed. If we are going to do so, the Bill should be referred to a Standing Committee so that the public will have an opportunity of making representations.

The Hon. Mr. Bandaranaike: To resume my reply at the point I left off. I am very grateful to hon. Members for the various suggestions they have made. I shall not keep the House long, but there are certain points to which, I think, reference is necessary in addition to what has been already said by the Hon. the Legal Secretary.

In the first place, a point which has been rather lost sight of to which I would draw the attention of the House is that this Bill is not an ordinary Rent Restriction Bill at all. My hon. Friend the Member for Colombo North (Mr. G. R de Silva)—I am sorry he is not here at the moment—who is also a member of the Municipal Council of Colombo, has in mind the ordinary type of Rent Restriction Act which exists in a good many towns in the world, particularly in the East, where certain steps are taken to protect those paying lower rentals—the poorer classes—from being exploited by their landlords. This Bill is of a different type to that.

This Bill is brought forward with particular reference to the war emergency. It is not a general Bill for rent restriction in the City of Colombo. It is intended to be applied to various areas, as the need arises, in view of the particular circumstances of this war, and is only intended to be continued during that period of emergency. That point must be borne in mind.

I know something about the effort of the Municipal Council of Colombo to introduce a Rent Restriction Ordinance. When I was a member of the Colombo Municipal Council, as the hon. Nominated Member (Mr. Newnham) will remember, I brought up the matter, and, in fact, I took the trouble to draft a Rent Restriction Ordinance at that time. The Municipal Council, however, was not willing to consider the matter.

With regard to the Bill which the Municipal Council itself sent up to me

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later on, I discovered, to my horror, that far from protecting the people paying lower rentals, it conveniently left them out altogether. I therefore sent back the Bill to the Municipal Council, expressing my views on the subject—and the " sleeping beauty " is still sleeping over it. I have not heard anything more about it from the Municipal Council of Colombo. [*Interruption.*] I mention the " sleeping beauty " because my hon. Friend the Member for Colombo North (Mr. G. R. de Silva), who is probably sleeping at the moment, referred to a Bill having been sent up to me years ago and nothing having been done about it. The very people to whom protection should have been extended were, by a strange accident, omitted from the Bill.

I shall not refer in detail to the various remarks made by some Members. I will however make a few general remarks.

The first point is that this Bill is only for the duration, for the period of the emergency, to meet the particular circumstances of this period. It will apply not only to the City of Colombo but also to other areas of varying nature—Municipal Council areas like Colombo, Urban Council areas, Sanitary Board areas, and, maybe, even Village Committee areas. Conditions in these different areas differ greatly.

What are the circumstances that have arisen in this emergency, necessitating a Bill of this kind? After Japan came into this war, particularly after the air-raid that took place last April, what happened was that from the coast areas like Colombo and other coastal towns, a large number of people evacuated into the interior, into all kinds of areas—Village Committee areas, Sanitary Board areas, Urban Council areas—and people were renting out houses to these evacuees at enormously high figures, in many cases giving notice and ejecting the occupying tenants for no other reason than that the owners of the houses found that circumstances at the moment permitted them to obtain three or four times, and sometimes, ten times the reasonable rent that they had been receiving for their houses.

In Colombo and in similar places, the position was rather peculiar. It is true, as the hon. Member for Colombo North (Mr. G. R. de Silva) said, that the rents of tenements have not gone up. But a large number of people, business men and others, who evacuated from the city, gave up their businesses and bolted, helter-skelter. In many cases their business places were rented out and given to others, to more patriotic individuals who were willing to carry on, in spite of the crisis. Now it has been brought to my notice that this state of affairs exists at this moment in Colombo: those who now feel that they may, with some safety to their own skins, return, are coming back and offering very high rents to their previous landlords, who eject the unfortunate persons who have been carrying on their businesses, and let out these houses and buildings to the others at very high rents—offered not as a reasonable rent, but in an attempt to get back to the premises from which they so ignominiously bolted. That is the position in Colombo.

In view of all these circumstances, it is necessary to have a Bill of this kind. Similar legislation exists in most countries affected by the war. This Bill will be applied, as the Legal Secretary pointed out, only to those areas in which it is required.

I cannot quite understand the criticism we have had of this Bill. It has been made from entirely opposing points of view. As the Legal Secretary said, that is perhaps a commendation of the Bill itself. My hon. Friend the Nominated Member (Mr. Wille)—the Field-Marshal to be!—stated that certain provisions of this Bill work very harshly on the landlords, while the hon. Member for Colombo South (Dr. de Zoysa) thought it had just the opposite effect—that tenants were going to be adversely affected.

The hon. Member for Colombo South did not seem to realize that the standard rent is a sort of maximum that is to be charged; it is not to be exceeded except in the circumstances and on the conditions specified in the Bill. Anybody who chooses to charge—very magnanimous and generous landlords who wish to charge—low rents are not going to be penalized. This Bill is not going to compel them to bring up those low rents to the standard rates.

I would refer the hon. Member to Clause 3 (1):

" It shall not be lawful for the landlord of any premises to which this Ordinance applies—

(*a*) to demand, receive or recover as the rent of premises, in respect of any period commencing on or after the appointed date, any amount in excess of the authorised rent of such premises...."

I do not think it is necessary to press that point. It is quite clear that the hon. Member is mistaken.

Reference was made to the standard rent—" the rent at which the premises were let on the first day of November, 1941." The hon. Nominated Member (Mr. Jayah) who objected to this date has perhaps forgotten that Japan has entered this war; perhaps he also forgets when Japan entered the war. That date was fixed with particular reference, not to the outbreak of the world war, but to the entry of Japan into the war, which really created the difficulties in our country. That is why November 1, 1941, has been fixed.

Another important point is whether the standard rent should be fixed with reference to the actual rent charged on that day (November 1, 1941)—which is as good a date as can be obtained for the purpose—by reference to the actual rent paid or by reference to the rent calculated on the assessed value of the property.

That is a matter that I am quite prepared to consider in Committee. It may be the easier way to take the assessment figures, where they exist, in the areas to which this Ordinance is applied. We can calculate the standard rent by reference to the assessment figures; it may be somewhat difficult to get at the actual rent paid; it may require somewhat protracted inquiries to discover that. This is a matter, however that can be considered in Committee.

The hon. Nominated Member (Mr. Wille) objected to the proviso to Clause 6 (*a*):

" Provided, however, that on the application of the tenant of such premises, the Assessment Board may. on the ground that such expenditure is or was unnecessary in whole or in part, direct that the standard rent shall not be increased as hereinbefore provided, or reduce the amount by which the standard rent may be so increased."

The hon. Member thought this vested too much discretion in the Assessment Board. I shall say a few words on that point when I deal with the composition of the Assessment Board.

The hon. Member for Colombo North (Mr. G. R. de Silva) did not seem to understand Clause 9 to which he objected. That Clause is as clear as daylight. It is only when excess rent has been paid on or after the appointed day, namely the day on which this Ordinance becomes operative in any particular area, that the landlord is asked to refund the excess. That being so, I do not think the difficulty which the hon. Member visualized will arise.

The hon. Member for Matale (Mr. Aluwihare) wanted the procedure by which a landlord ejects a tenant, which is contained in the Small Tenements Ordinance, to be followed in this Ordinance. He will notice that provision is made in Clause 8 to the effect that when the rent is in arrears for one month, the tenant can be ejected. He can be ejected by the legal procedure that is available to the landlord to-day.

***Mr. Aluwihare:** That is very cumbersome.

The Hon. Mr. Bandaranaike: Does the hon. Member want to provide something new to help the landlord, to vest in him certain powers which the landlord does not to-day possess, to eject a tenant? The landlord to-day possesses certain powers to eject a tenant whom he is entitled to eject. Those powers are conserved to the landlord under this Bill. [*Interruption.*] What I mean is that where the power is given to eject, the procedure adopted in ejectment is just the same as under the powers that the landlord has to-day. If there are certain fresh powers to be provided for——

Mr. Aluwihare: Clause 8 says:

" Notwithstanding anything in any other law, no action or proceedngs for the ejectment of the tenant of any premises to which this Ordinance applies shall be instituted in or entertained by any court . . . ."

except in certain circumstances. If you restrict that right, once those conditions are fulfilled, you should give him summary right of ejectment.

The Hon. Mr. Bandaranaike: Once the right accrues to the landlord to eject a tenant, surely it seems only reasonable

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that the normal course of the law should proceed, and that the provisions of the law with regard to ejectment, once these conditions under proviso (*a*) are fulfilled, should be pursued in the normal way by the landlord. We do not want to provide any new method of ejectment here.

A few words with regard to the Assessment Board. As the Legal Secretary said, it will be impossible for a Court of law to administer this Ordinance. There will be so many matters coming up in every area to which this Ordinance is applied that the ordinary, existing Courts of law—the Court of Requests, or the Magistrates' Courts, or whatever Courts are to deal with these matters—will be unable to deal with them. That would be entirely out of the question. Unless you appoint new Judges, create new Courts for this particular purpose, it will not be possible for the existing Courts to cope with these matters. The Assessment Board, acting more informally than a Court of law, would be able to deal with all the little points that come up before it more expeditiously and, generally speaking, with greater justice, because it will have more time to look into those matters than, I submit, a Court of law would be able to devote to the work.

Certainly, if the House wants certain amendments to be made with regard to the composition of these Boards, I am quite ready to consider them. If the House does not want members of the Municipal Council to be on this Board, I have no objection to an amendment to secure their exclusion. I thought the inclusion of members of the Municipal Council would be in keeping with the democratic principle to which the hon. Member for Colombo South (Dr. de Zoysa) referred.

The Municipal Council of Colombo, for instance, is keenly interested in the administration of an Ordinance such as this in Colombo. Its very income is affected by an Ordinance of this kind, and therefore it did not seem to me to be unreasonable to provide that two members chosen by the Municipal Council, in addition to a number of officials, should serve on the Board. If, of course, the members of the Municipal Council feel that they do not want such a provision, I personally have not the least objection to excluding members of Municipal Councils from this Board.

There is, however, one matter that we must consider, and that is that there is no appeal from the finding of the Board. If the House strongly feels that there should be some appeal from the decisions of the Assessment Board on certain matters, an appeal at least to a Court of law, I have no objection to providing it in this Bill as a half-way course. But to substitute a Court of law for the Assessment Board is, I think, not at all desirable, and I will not ask the House to agree to that.

Sir, my hon. Friend (Mr. Jayah) thought that this Bill should be referred to a Standing Committee. This Bill has been gazetted, and it has been on the Agenda of the State Council for weeks and weeks together. There are no representations whatsoever that I have received with regard to this Bill, from anyone, to the effect that they would like to appear before the Committee to which the Bill is referred and to express their views. I would therefore appeal to the House not to take that course.

If this Bill is referred to a Standing Committee, it will have to be postponed well over the holidays, that is, till January or February, 1943; meanwhile, it is very undesirable that a Bill like this should be in a state of suspension, providing people with the opportunity of taking action, as I know they are doing now in expectation of and against the day when this Bill becomes law. The points that hon. Members have brought up can be gone into in Committee and considered.

I would, therefore, appeal to the House not to take the step of referring this Bill to a Standing Committee, because, even if that step is taken, we will have to take this Bill up next week. I think the points which hon. Members have raised can be dealt with in Committee of the whole House.

I move that the Bill be now read a second time.

Question put accordingly, and agreed to.

Bill read a second time.

The Hon. Mr. Bandaranaike: With the approval of the Board of Ministers, I move that the Bill be referred to a Committee of the whole Council.

Question proposed from the Chair.

Mr. Wille: Sir, before this Bill is dealt with in Committee, there are so many points to be dealt with. There are also so many amendments to be made.

The Hon. Mr. Bandaranaike: The Hon. the Legal Secretary said that this Bill was a permissive Bill. It does not automatically apply to the whole country.

Mr. Jayah: I move that this Bill be referred to one of the Standing Committees.

The Hon. Minister said that no representations had been made to him. I do not think it is customary to make any representations. Perhaps the people feel that they are helpless when the House is bent on rushing this Bill through. That is why they have not made any representations. Simply because no representations have been made so far, we have no right to presume that representations will not be made when the Bill is referred to the Standing Committee.

The Hon. Mr. D. S. Senanayake (Minister of Agriculture & Lands): I am sure that the representations to be made can be heard here. Hon. Members are well aware of the conditions that exist, and, even without representations being made, I am sure hon. Members will be able to make the necessary amendments and carry them through. This matter is very urgent; we shall not be able to adjourn Council until the Bill has been got through.

Question put, "That the Bill be referred to a Committee of the whole Council".

The Council divided (under Standing Order 68): Ayes, 18; Noes, 6.

In Committee—

Mr. Speaker presided as Chairman.

Clauses 1 to 4 ordered to stand part of the Bill.

Clause 5.—(*Standard Rent.*)

The Hon. Mr. Nihill: There is a drafting amendment which should be moved to Sub-clause (*b*) of this Clause. It is the insertion of the word "or" after the word "landlord" in the last line.

Amendment agreed to.

Mr. S. Natesan (Kankesanturai): Sir, I move the deletion of the words "November, 1941," and I suggest the insertion instead of the words "September, 1939".

The Hon. Mr. Bandaranaike: That would make it very difficult.

Mr. Jayah: The Hon. Minister, in replying to the objections raised by hon. Members, said that he was referring to the period of the war; and it stands to reason that the standard rate should be fixed with reference to pre-war rates.

The Hon. Mr. Bandaranaike: The further we go back to fix the standard rate at this time, the more difficult will be the machinery and the greater the hardship on the landlords as well as on the tenants. That is why we brought the date to as near as we could; that is, November, 1941. I would strongly deprecate the date being fixed as September, 1939.

Mr. G. R. de Silva: Sir, I would suggest an amendment to Sub-clause (*a*)—that the "standard rent of any premises" situated——

The Chairman: Will the hon. Member send in the amendment in writing.

The Hon. Mr. Bandaranaike: Sir, the amendment which the hon. Member wants to move is that the rent shall be calculated on the actual assessment on that date. I am willing to consider that matter favourably.

Mr. Jayah: The Hon. Minister said that if we allowed this amendment, it would work hardship both on the landlords and on the tenants. I do not know how he came to that conclusion. It is a well-known fact that, after the war, owing to certain situations that have arisen from time to time, in some cases the house rents have gone down. So that, if we take November 1, 1941, as the day, certainly it will work hardship upon certain classes of landlords, particularly the poorer classes of landlords

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who have been entirely dependent on their income from house rents.

I do not know why the Hon. Minister should persist in saying that the rate the landlord fixed in September, 1939, is undesirable. In fact, if the amendment suggested by the hon. Member for Colombo North (Mr. G. R. de Silva) is adopted, perhaps it will serve the purpose which the hon. Member for Kankesanturai (Mr. Natesan) himself has in mind.

The Hon. Mr. Bandaranaike: May I make the position clear? I said that in some cases it is going to be hard on tenants, and in some cases on landlords, for this reason: in the case of tenants, the rent charged in September, 1939, was very high. Subsequently, for various reasons, as the hon. Member for Colombo North (Mr. G. R. de Silva) pointed out, it went down. Therefore, in the case of many of these tenants, by fixing the date at September, 1939, you will be fixing a higher rate than obtained in November, 1941. In the case of certain landlords who have been reasonable and who have rented their houses after the war, we do not want to go so far and make a very big reduction in the rents they are getting now.

Question put, " That the words September, 1939 " be substituted for the words ' November, 1941,' in Sub-clause (*a*) ".

The Committee divided (under Standing Order 68): Ayes, 3; Noes, 16.

Mr. Wille: In this Clause, the words——

The Chairman: We have not come to that yet. There is another amendment before the Committee, proposed by the hon. Member for Colombo North (Mr. G. R. de Silva). What are the terms of the amendment?

The Hon. Mr. Senanayake: The Hon. Minister accepts the suggestion, Sir, and the amendment is being drafted. I believe what has been suggested is that either the assessment value or the rate, whichever is greater, be accepted.

The Hon. Mr. Bandaranaike: I agree with the general idea, Sir.

The Chairman: This is the amendment proposed. That the following be inserted as Sub-clause (1):

" (1) In the case of any premises the annual value of which was or is assessed for the purposes of any rates levied by any local authority under any written law, the standard rent per annum of the premises means—

(*a*) the amount of the annual value of such premises as specified in the assessment in force under such written law during the month of November, 1941, or if the assessment of the annual value of such premises is made for the first time after that month, the amount of such annual value as specified in such first assessment; or

(*b*) if the rates so levied are, under the terms of the tenancy, payable by the landlord, the aggregate of the amount determined under paragraph (*a*) and of the amount payable per annum by way of such rates in respect of such premises for the year, 1941, or as the case may be, for the year in which such first assessment is made,

and the standard rent of the premises per month or per quarter or per half-year shall be proportionately determined:

Provided, however, that in the case of any such premises let at a progressive rent payable under the terms of a lease executed prior to the first day of November, 1941, the standard rent of the premises in respect of any period shall be the rent payable in respect of that period under the terms of the lease."

Question put, and agreed to.

Mr. Wille: Sir, in this Clause the words " Assessment Board " occur several times, and I want to propose that instead of those words, the following words be inserted: " The Court hereinafter referred to ".

The Hon. Mr. Bandaranaike: May I suggest that this point be raised when we come to the appointment of the Assessment Board; and consequential amendment can be made wherever the words " Assessment Board " occur.

Mr. Wille: I want to settle this question now. It will save a good deal of time.

The Hon. Mr. Bandaranaike: It is hardly fair, Sir, to raise it at this stage.

***Mr. Aluwihare:** You will lose your battle if you do it here.

The Chairman: Which is the Clause which the Hon. Minister suggests?

Mr. Wille: If this Clause is passed subject to amendment——

The Chairman: Let us go to the Clause which deals with the Assessment Board. Which is the Clause which deals with the Assessment Board?

The Hon. Mr. Bandaranaike: It is Clause 11. When we reach it, we can take up this point.

The Chairman: That deals with the establishment and constitution of the Assessment Board.

The Hon. Mr. Bandaranaike: And any suggestion on Clause 11 will be given effect to consequentially in all the Clauses, either preceding Clause 11 or following it.

Mr. Wille: I suggest the amendment here because by implication we are appointing an Assessment Board.

The Chairman: We shall deal with it subsequently and decide whether the Assessment Board should be set up or something else substituted for it.

The Hon. Mr. Bandaranaike: There are the following drafting and consequential amendments to be made in original Clause 5:

Renumber Clause 5 as Sub-clause (2);

(i.) for the words " The standard rent of any premises means—", substitute the following:—

" In the case of any premises to which the provisions of sub-section (1) do not apply, the standard rent of the premises means—"; and

(ii.) for the words " landlord of " in paragraph (*b*), substitute " landlord or of ".

Amendments agreed to.

Clause 5, as amended, ordered to stand part of the Bill.

CLAUSE 6.—(*Permitted Increase.*)

Mr. Wille: I move the omission of the proviso to Sub-clause (*a*)—that the Assessment Board shall decide whether the expenditure on improvements is necessary or not.

I have already spoken on this point, and I do not want to take up the time of the House, because it will lead to unnecessary discussion whether it should be a Court or a Board of Assessment. I move that the proviso be deleted.

The Hon. Mr. Bandaranaike: All I have to say is that that proviso is a safeguard against the abuse of the power given to landlords under Sub-clause (*a*). Sub-clause (*a*) provides that where the landlord has incurred expenditure on improvement or structural alteration, the standard rent may be increased. Now, whenever a landlord wants to increase the rent, he may carry out all kinds of improvements which are quite unnecessary and for which no reasonable case can be made out, and claim that as a reason for an increase of rent. You are going to nullify the whole purpose of this Bill some such proviso as has been included is not embodied in the Bill, and I would say that it is very dangerous to omit it.

***Mr. Aluwihare:** I support the amendment, Sir, because the purpose of the Bill is merely to prevent people raising the rents in any emergency. Does the Hon. Minister think that a landlord is going to spend an enormous amount of money on improvements merely for the sake of increasing the rent and ejecting a tenant? Does the Hon. Minister really believe that he will not consider the ultimate improvement value to the premises and the investment value of its improvements before he spends money? Surely the fact that a landlord will be called upon to spend money is a sufficient internal check on any abuse of Clause 6 (*a*). Look at the other side of it. If you pass this proviso, a landlord may be precluded from taking steps to improve his property.

The Hon. Mr. Bandaranaike: No.

***Mr. Aluwihare:** He cannot do it without the permission of some outsider. Supposing a person has an acre of land on which he has a large house, and then he decides for some reason to improve that house and to get a better rent out of his acre of land, it means that under this Clause he cannot do it. Surely it is going too far. I would ask the Hon. Minister to rely on the inherent check that is there, because when the man has to spend money, he is not going to spend for nothing at all.

The Hon. Mr. Bandaranaike: But the proviso permits reasonable improvements.

***Mr. Aluwihare:** I am entirely, for the State acquiring all the houses and all the estates. But short of that, once you admit the right of private property, you have also to admit certain limitations of interference by the State.

Here is a man with a land; and then you say, because he has put a tenant into it, that he cannot make an investment on it which increases the rent, without the permission of the tenant. To my mind, Sir, it creates rather an impossible position.

I would ask the Hon. Minister to recognize that the check I have mentioned is a tremendous check. No man is going to waste his money merely to get Re. 1 more from his tenant or to kick his tenant out.

The Hon. Mr. Nihill: Sir, I oppose the deletion of this proviso. I think there is another aspect which may have been overlooked. I think the reason for the proviso is this: it is to take away a possible device by which the landlord could increase his rent. The whole purpose of the Bill is that during this abnormal period rents should not be abnormally increased.

Well, if you allow a landlord to invest money on improvements for which he can get a clear 6 per cent. back, because the Clause without the proviso allows the rent to be increased by 6 per cent. on the money expended—if you allow that to the landlord, and you do not put in a proviso to the effect that the improvements must be necessary improvements, well, then, if a landlord happens to have spare money and he wants to save 6 per cent. on his money, you do afford him at any rate the temptation of doing a good deal of improvement to his property which is not really necessary from the point of view of the tenant under the emergency conditions. I think, Sir, that to throw this proviso out of this Clause is to nullify very largely the purpose of this Bill, which is to prevent the increase of rents at the present time.

Mr. Wille: I want to submit that this temptation will be a very weak one. I am glad that the Hon. the Legal Secretary has pointed out that the landlord can get only 6 per cent. of the money expended. That 6 per cent. will be subject to assessment rates: 20 per cent. of that will go. Are we going to imagine that a man would just capriciously, for the sake of getting a little higher rent, spend money on his property?

The other point is, the Board of Assessment is to determine whether this improvement is necessary or not. What is the criterion of decision? What is going to enable this Board to say whether the improvements need or need not have been made? I think this is encouraging petty litigation which will lead to a great deal of trouble between landlord and tenant.

Mr. Aluwihare: The Hon. the Legal Secretary is more curious than one imagined. He says that a tenant can determine the improvements which a landlord may make in the house. The question is not whether in the opinion of the Assessment Board an improvement is necessary or not. The question is, from the landlord's point of view, has it increased the return on his investment?

Surely, you must remember that aspect of the question. Here is a landlord who has a house. Is he to be entitled to spend money which he has, in increasing the rentable value of the house, or is he not? The improvement may be unnecessary in the sense that the house would have stood without the improvements, that it was a perfectly fit dwelling-house without any improvements. That is not the test, however. The test is whether the improvement has increased the rentable value of the house. Are you going to restrict a man with a property from investing money in his own property and getting 6 per cent? That is exactly the point that the Hon. the Legal Secretary seems to miss.

Let the Hon. Minister say this: Provided that such improvement increases the assessment value or the rentable value of the property ". Surely, that is the test of whether an improvement has been made *bona fide* or not, not whether an improvement is merely necessary. An improvement may from one point of view be quite unnecessary. A man may say, " Well, this is a perfectly good dwelling-house as it is. Why should he lay drainage since

there are ten lavatory coolies who operate every half an hour? Drainage is utterly unnecessary in the circumstances ". Are you going then to say that that improvement was unnecessary?

I would suggest that the test be whether the rentable value of the house or the assessment value—I do not know which the correct term is—has been increased as a result of the improvement. That should be the test. And that I submit is a fair test, because, as I pointed out, you cannot, under this Clause, prevent a man investing his own money in improving the value of his own property and getting a return on that improvement.

The Hon. Mr. G. E. de Silva: As far as I can see, the Clause only contemplates this. " A " rents out his premises to " B " for Rs. 20, and after " B " has entered into occupation, carries out certain improvements to the house, which in his opinion would entitle him to raise the rent. Instead of leaving that matter to the arbitrary decision of the landlord, the law steps in and says, " In such a case, where you are going to make necessary or unnecessary repairs, it must be decided by some other body who should determine what the rental value ought to be ".

After all, the landlord may make some improvement which is merely decorative, some improvement which will please the landlord but be of no use to the tenant. The position of the tenant ought not to be jeopardized by his having to pay an increased rent on account of such improvements. Somebody must step in and say, " These are reasonable improvements which we will recommend in law and allow the landlord to be benefited to that extent ".

***Mr. Aluwihare:** I have this amendment to move, that the words after the word " expenditure " and before the word " direct " in the proviso be deleted; that is, the words " is or was unnecessary in whole or in part," and the following words be inserted therefor: " has not increased the rentable value of the premises ".

The Hon. Mr. Bandaranaike: Then, how will the proviso read?

***Mr. Aluwihare:** It will read thus:

Provided, however, that on the application of the tenant of such premises, the Assessment Board may, on the ground that such expenditure has not increased the rentable value of the premises, direct that the standard rent shall not be increased as hereinbefore provided, or reduce the amount by which the standard rent may be so increased.

Mr. Wille: The legal term is " annual value ".

***Mr. Aluwihare:** Well, I am not bothered with that.

The Hon. Mr. Bandaranaike: I have no objection to that amendment if something else is added to it, namely this: " that the Assessment Board is satisfied that the amount claimed to have been spent is also reasonable ".

***Mr. Aluwihare:** That is implicit in the main Clause. The Hon. Minister will see that he has already allowed 6 per cent. on expenditure on improvements. That expenditure will have to be proved, and also proved to be reasonable.

The Hon. Mr. Bandaranaike: No, not necessarily. Unless you mention it in the proviso, a person can claim to have spent Rs. 2,000 upon some improvement which falls within the four corners of the amendment of my hon. Friend, but the amount he claims to have spent on that particular improvement may be utterly unreasonable, and yet the Assessment Board will not be able to take that factor into account.

***Mr. Aluwihare:** I am prepared to accept that.

The Hon. Mr. Bandaranaike: If that is acceptable to the hon. Member, I am prepared to accept his amendment.

***Mr. Aluwihare:** I say that is implicit. If a man chooses to make a fool of himself there is no reason why someone need pay 6 per cent. on——.

The Chairman: What are the words to be inserted?

***Mr. Aluwihare:**——

" has not increased the rentable value of the premises ".

Those are the words.

The Hon. Mr. Bandaranaike: Should the words not be " has not increased in whole or in part "?

***Mr. Aluwihare:** Anyway, the Hon. Minister knows the intention. He can express that intention in words.

The Hon. Mr. Bandaranaike: Very well; and also words to the effect that the Assessment Board are satisfied that the sum claimed to have been spent is reasonable.

The Chairman: What does the mover of the original amendment say to the proposal now before the House?

Mr. Wille: I am satisfied with small mercies.

The Chairman: Does the hon. Member withdraw his amendment?

Mr. Wille: I withdraw my amendment.

The Hon. Mr. Bandaranaike: Then, the amended proviso will read somewhat like this—I have received this draft from the Legal Draftsman; this will be the amended proviso:

" Provided, however, that on the application of the tenant of such premises, the Assessment Board may, on the ground that such expenditure was excessive having regard to the alterations or improvements effected or that such expenditure has not increased the rental value of the premises, direct that the standard rent shall not be increased . . . . "

Mr. Wille: That is not the amendment of the hon. Member for Matale (Mr. Aluwihare). There is something else added to it.

***Mr. Aluwihare:** The Legal Draftsman has put in something that nullifies the whole intention of my amendment. I would ask the Hon. Minister to grant us this concession. Take the main part of Clause (*a*) which really allows improvements. After all, in the case of a man

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The Chairman: Does the Hon. Minister agree to the amendment?

The Hon. Mr. Bandaranaike: The point I want to make—the point to which he agreed—is embodied in this amendment:

" on the ground that such expenditure was excessive having regard to the alterations or improvements effected or that such expenditure has not increased the rental value of the premises,

For instance, a man may put in a bracket somewhere in the bulding, and say that it cost him Rs. 1, 000, and unless the Assesment Board is allowed the right to decide whether the actual expenditure claimed to have been spent on the improvement is excessive or not, having regard to the actual work executed, the purpose of this provision is lost. That is a position to which they possibly cannot object. It may not be excessive in itself judged by some arbitrary standard.

***Mr. Aluwihare:** I will accept that.

Mr. Wille: The Assessment Board may say that the amount spent need not have been so much, although the landlord might have actually paid that amount. What the hon. Member meant was that the amount stated to have been spent should have been actually expended and vouched for.

***Mr. Aluwihare:** What the amendment proposes to do is to allow that man interest on the fair value of the improvements he has effected.

Mr. Wille: Then, I would like my amendment to be put to the House.

The Chairman: But that has been withdrawn.

Mr. Wille: The amendment before the House is a new one. What I agreed to was the amendment of the hon. Member for Matale (Mr. Aluwihare).

The Chairman: Then, I will put the amendment of the hon. Nominated Member first, namely, that the proviso to Clause 6 (*a*) be deleted.

Question, " That the proviso to Clause 6 (*a*) proposed to be deleted stand part of the Clause ", put, and agreed to.

Question, " That all the words between the words ' expenditure ' and ' direct ' in the proviso to Clause 6 (*a*) proposed to be deleted do stand part of the Clause " put, and negatived.

Question, " That the words ' is or was excessive having regard to the nature and extent of the improvements or alterations effected, or that the rental value of the premises has not been enhanced, be substituted for the words ' is or was unnecessary in whole or in part ', put, and agreed to.

The Chairman: Are there any other amendments?

Mr. Wille: I have an amendment to move to Clause 6 (*d*). I have pointed out to the House that where at the request of a tenant certain repairs are effected and the amount expended on such repairs exceeds one-twelfth of the standard rent —that is, if it exceeds the amount of the monthly rent—then the standard rent may be increased in respect of the period of one year only commencing on the first day of the month succeeding that in which the repairs were or are completed, by an amount equal to one-half of such excess; that is to say, if you spend Rs. 120 on a house with a monthly rent of Rs. 100, then you can get only half of Rs. 120.

The Chairman: What is the proposed amendment?

Mr. Wille: My amendment is to delete the last line of the first paragraph of Sub-clause (*d*); that is, delete the words " one-half of such excess " and substitute therefor the words " 10 per cent. of the standard rent or the amount of such expenditure, whichever is less ".

The Chairman: Will the hon. Member send in his amendment in writing.

Mr. Wille: As I said, under the English Act, 25 per cent. of the standard rent are allowed.

The Hon. Mr. Bandaranaike: I am not accepting that amendment, for the simple reason that the hon. Member does not know what he is talking about. The English Act of 1939 was entirely repealed —this provision with regard to 25 per cent. In England now they do not even get the amount provided for in our Ordinance, the landlord gets nothing. The hon. Member seems to be unaware of that position. The provision to which the hon. Member is referring has been repealed, with the result that in England, at the moment, this concession that is provided for here does not apply, leave aside the 1929 Act.

Mr. Wille: The Hon. Minister copied this Bill from the 1929 Act, and there 25 per cent. was allowed.

The Hon. Mr. Bandaranaike: We do not believe in this Rip-van-Winkle sort of behaviour.

Mr. Wille: On the merits, the amount is ridiculous, as I said. In the case of a rental of Rs. 100, the increase can be only 83 cents per month.

The Chairman: The question is that the words " one-half of such excess " in Sub-clause (*d*) of Clause 6 do stand part of that clause.

Question put, " That the words ' one half of such excess ' proposed to be deleted stand part of Sub-clause (*d*)."

The Committee divided (under Standing Order 68): Ayes, 8; Noes, 2.

The Hon. Mr. Bandaranaike: I move the following drafting and consequential amendments:

Sub-clause (ii.) Omit (*c*), and renumber Sub-clauses (*d*) and (*e*) as Sub-clauses (*c*) and (*d*), respectively.

Sub-clause (iii.) In the renumbered (*a*), for all the words from " Where any premises " to " appointed date ", substitute the following:—

' Where any premises—

(i.) the standard rent of which is ascertained under section 5 (1), or

(ii.) which were let unfurnished at the date by reference to which the standard rent thereof is determined under section 5 (2),

are let fully furnished at any time after the appointed date,".

Amendments agred to.

Question, " That Clause 6, as amended, stand part of the Bill," put, and agreed to.

Clause 6, as amended, ordered to stand part of the Bill.

Clause 7 ordered to stand part of the Bill.

CLAUSE 8.—(*Restriction of right to institute proceedings for ejectment.*)

The Hon. Mr. Nihill: I have a drafting amendment to make to Clause 8. If the hon. Member for Matale (Mr. Aluwihare) wishes to move any other amendment perhaps he might do it first.

***Mr. Aluwihare:** Official amendments always have precedence.

The Hon. Mr. Nihill: I move that in the first line of Clause 8 (*c*), after the words " the premises are," the words " in the opinion of the Court " should be inserted.

[The Hon. Mr. Nihill.]

It is really a drafting amendment, because if you look at the proviso you will see that this is rather a case in which the Court can act without a certificate from the Assessment Board. But, under the last proviso, the Court will be required to address its mind to the reasonability or otherwise of the landlord's request that he should have his premises back for his own occupation or for the occupation of his family. Even without the words which I now move, the Court would, in fact, I think, have to address its mind to that question. But, for the sake of clarity, I think it would be better if these words were inserted—" in the opinion of the Court ". So that the first line will read: " The premises are in the opinion of the Court reasonably required for occupation . . . . "

***Mr. Aluwihare:** My submission is that you are really restricting, in a very drastic way, the right of landlords to take possession of premises which they own. You say, " Notwithstanding anything in any other law, no action shall be taken unless the Assessment Board has authorized a person in writing to institute such action or proceedings ". Therefore, in the first place, you cannot evict a tenant as a general rule unless you have the permission of the Assessment Board.

The Hon. Mr. Nihill: Subject to the proviso.

***Mr. Aluwihare:** The permission of the Board is not necessary, if there is one month's arrears of rent or—

" the tenant has given notice to quit, and in consequence of that notice the landlord has contracted to sell or let the premises or has taken any other steps as a result of which he would, in the opinion of the court, be seriously prejudiced . . . . "

So that you are preserving to a tenant the right to give notice to his landlord, and if the landlord has not been able to find a tenant, the tenant just continues in possession and you cannot get him out; that is, you are giving a tenant the right to determine his tenancy, without a reciprocal right on the part of the landlord to have him out. That is the effect of Sub-section (*b*).

I would ask hon. Members and the Hon. Minister to realize that point. I am almost certain that the Hon. Minister did not have that point of view before him, because the Sub-clause says:

" the tenant has given notice to quit, and in consequence of that notice the landlord has contracted to sell or let the premises or has taken any other steps as a result of which he would, in the opinion of the court, be seriously prejudiced . . . . "

Surely, if a man gives notice that he will quit the premises at the end of the month, it is but fair that the landlord should be able to say, at the end of the month, " Well, you have chosen to terminate your tenancy; please go ". Surely it is not necessary for the landlord to take some further step with regard to his premises before he can expel a man who has, on his own motion, let the landlord know that he is terminating his tenancy. That I feel is unfair.

Then it says:

" the premises are reasonably required for occupation as a residence for the landlord or any member of the family of the landlord or for the purposes of trade, business, profession, vocation or employment."

Sir, that is perhaps to prevent a man evicting another on some pretext or other; but the point is this. There is, clearly, a restriction here of the right of the landlord to evict a tenant. The Hon. Minister, I think, said that proviso (*a*) gave him a right which he had not at present, under the law.

The Hon. Mr. Bandaranaike: No; I did not say that.

***Mr. Aluwihare:** I beg your pardon. It was the Hon. Minister of Health.

Now the Hon. Minister of Health has obviously not brought his mind to bear on the full implications of the Clause. All that the Clause says is that the permission of the Board shall not be necessary where a man has been in arrear of rent, but it does not mean that the Courts are bound to exercise their discretion in favour of the landlord. It does not alter the law at all; it merely says that you do not need the permission that you have laid down as a prerequisite, by Clause 8. So it does not create any new right in the landlord. All it says is—" The restriction we have placed on your rights by this section will not operate where a man is in arrears for one month." Clause (*c*) is the same.

You will see that it is very easy for a tenant, under the cloak created by this Clause, to refuse to budge. He can appeal to the Assessment Board; he can do all kinds of things. In those circumstances where you bring in emergency legislation, is it not also right that you should give the landlord sufficient protection?

Here you create the permission of the Board as a prerequisite for instituting an action for eviction. In these cases, should you not also give a short remedy to the landlord? The short remedy I suggest is that laid down and recognized by the Small Tenements Ordinance—that the landlord goes before the Court and files an application for the termination of the tenancy. Then the Court issues a notice on the man to show cause why his tenancy should not be terminated. Then the man has an opportunity of coming before the Court and showing cause against its termination. If he does not show cause, writ of possession issues immediately, but if he does show cause, he is heard; the matter is determined, and he has a right of appeal.

I submit that some such procedure should be given to a landlord to prevent him being kept out of taking possession of his property. The other day, directly this Bill was talked about, a man who was three months' in arrears with his rent wrote to his landlord to say, " You wait; the Rent Restriction Bill is coming. I am not budging ". You have to realize that recalcitrant tenants exist, and rogues exist; and they will make use of this to fool a landlord. That is why I suggest that you should provide a summary mode of eviction in these cases too. It should also be restricted to areas where it is found necessary to proclaim the Ordinance, and be also restricted to emergencies.

I do not think the Hon. Minister will have very much objection to that, in view of the particular circumstances of this case.

***The Hon. Mr. Nihill:** I do not know whether the fears of the hon. Member can be met. So far as I understand the Small Tenements Ordinance, I do not think there is anything in this Bill which will oust the Small Tenements Ordinance where a small tenement is concerned.

***Mr. Aluwihare:** If I may explain, what I say is that the remedy available in the case of small tenements should be extended to all premises in areas where this Ordinance is brought into operation—that is the point I am making—because it is not only in small houses that rogues live. There are very big rogues in big houses, and it is to deal with these people that I suggest that that remedy should be provided.

The Hon. Mr. Nihill: It seems to me a little strange to extend what we may call the quick-and-ready procedure of getting rid of a tenant n a small tenement to premises generally, in a measure which is primarily designed for the protection of the tenants. Therefore, I do not understand the hon. Member bringing forward a proposition of that kind on a measure which primarily is put forward for the protection of the tenant.

The Hon. Mr. Bandaranaike: Besides what the Hon. the Legal Secretary has said, the important point to be considered is that the whole purpose of this Bill, the principle underlying this Bill, is to protect tenants against landlords. What the hon. Member (Mr. Aluwihare) proposes to do is to introduce into this Bill more convenient methods than exist at present, in the case of houses that do not come within the definition of small tenements, to enable landlords to get rid of their tenants.

I do not see, Sir, that the difficulty which this Bill is intended to meet in any way concerns those conveniences which he wants to, or proposes to, provide for landlords. All we have to say is that where a tenant is ejectable under the provisions of Clause 8, either by authority given by the Assessment Board, or the instances (*a*), (*b*) and (*c*) that are mentioned—whenever a tenant becomes evictable, let the landlord proceed against that tenant according to the law that exists at present. You do not want to provide some special power of ejectment for the landlord to use which does not exist at present. That is not the purpose of this Bill at all.

May I say one word more? I do not see that this Bill in itself is going to create a situation where that becomes desirable in the interests of justice or equity. What is the situation that this Bill creates, permitting, let us say, the

[The Hon. Mr. Bandaranaike.]

big rogue whom the hon. Member has in mind and who lives in a big house taking advantage of the provisions of this Bill where he can be legally ejected under the provisions of the law? Where he can be legally ejected under the provisions of this Bill, the landlord will proceed against that tenant as he proceeds at present. There is nothing in this Bill to prevent that, or to make it more difficult than at present.

Although I quite appreciate the hon. Member's point of view, I feel, for the reasons I have stated, that that provision falls outside the purview of the general principle underlying this Bill; and secondly, I do not see that it is necessary or that this Bill creates any set of circumstances which makes it desirable that such a course be adopted.

***Mr. Aluwihare:** The Hon. the Legal Secretary says that this Bill is meant to protect tenants, but the Hon. Minister, in his opening speech, said that it was not specially to protect tenants but to meet an emergency; and for that purpose in Clause 8 you restrict the rights of eviction of a landlord. There is no question about that. All I say is that whilst you restrict that right, you must also realize that that protection you give tenants will in certain cases be abused. Therefore, create machinery by which an abuse of it will be rendered impossible.

The Hon. Mr. Bandaranaike: How is it going to be abused?

***Mr. Aluwihare:** We all know that under our law it has been held that the landlords lien does not exist without an order of Court. Therefore you cannot seize the property of a tenant without an order of Court.

Under this Bill you also go to the extent of declaring that you cannot sue for ejectment except with the permission of somebody else, and restrict the omission of that permission only to two or three cases. You give another method of evasion of rent to a tenant; you allow him to drag on proceedings. Therefore, I say, provide machinery by which the legal procedure can be cut short; that is all.

No one refuses a hearing before Court. The only thing is, provide a summary method of ejectment. That is all that I suggest. [*Interruption.*] The Hon. Minister says that this goes outside the purpose of the Bill. It does not, because this Bill will be restricted to certain areas; it will be proclaimed in those areas; it will be proclaimed at particular times, and it is only in those areas and at those particular times that this amendment I suggest will apply. Otherwise you will have the position of not being able to evict a tenant where any tenant is determined to resist eviction. I do not think we want to bring about that position.

Therefore, in the first place I would move two amendments: first, the deletion of Sub-section (*b*) which, I think, the Hon. Minister will agree to, because——

The Hon. Mr. Bandaranaike: It must be the words after the word " quit " to the end. That I do not object to.

***Mr. Aluwihare:** The deletion of all the words after the words " has given notice to quit ". I think everybody is agreed on that. Secondly, I move—it is impossible to draft a Clause of the length of this Clause—that provision similar to that contained in Section 3 of the Small Tenements Ordinance be included in Clause 8.

The Hon. Mr. G. E. de Silva: With regard to the Small Tenements Ordinance, I must say that it has nothing to do with this Ordinance whatsoever. Under the Small Tenements Ordinance, you cannot claim rent; you can only claim eviction. Here, in this case there is provision made for a landlord to come to Court and claim rent as well as eviction. The Small Tenements Ordinance is based on the principle of eviction, and the landlord is protected by the small amount paid by the tenant as rent. But under this Ordinance, there is provision made for ejectment plus the claiming of the rental; both must go together. If you have something else in the Ordinance, then the whole Ordinance will have to be revised and a new principle evolved.

The Hon. Mr. Bandaranaike: May I say a few words, with the indulgence of the House, to make the position quite clear?

I have no objection to the amendment suggested to (*b*) and accepting it. But it is utterly impossible to accept the other amendment. My hon. Friend is really mixing up two things: (1), the purport of this Bill, being the restriction of the

freedom of the landlord, which he now possesses, to eject a tenant; and (2), the machinery by which, when it legally becomes possible for him to eject a tenant, he is enabled to eject that tenant.

Sir, the hon. Member wants to embody in this Bill, which restricts the powers of the landlord in dealing with his tenant, certain provisions which entirely alter the existing law with regard to the ejectment of a tenant.

***Mr. S. Samarakkody (Narammala):** You are interfering with the existing rights of the landlord.

The Hon. Mr. Bandaranaike: Further than that, I honestly do not see any such situation being created by this Bill as would necessitate any new procedure with regard to ejectment being provided. At present the procedure is all right as far as ejectment goes. But I do not see anything in this Bill which creates a situation where, when a tenant becomes legally ejectable, the existing procedure of ejectment becomes unwieldy or cumbersome or more difficult by virtue of the provisions in this Bill. Therefore, I would very strongly suggest to the House that this is entirely outside the principle of the Bill, and that any provision of that sort cannot reasonably find any place in a Bill of this kind, nor need it.

***Mr. Samarakkody:** The Hon. Minister does not seem really to appreciate the point raised by the hon. Member for Matale (Mr. Aluwihare). The whole of this Bill is an interference with the existing rights of landlord and the tenant. The purpose for which this Bill has been introduced is to ensure that landlords do not take undue advantage of the present situation of rising rents, or create some situation in which a tenant will be thrown into the street without proper accommodation. In order to ensure it, the Bill goes on the assumption that the landlord is the culprit, but at the same time it completely ignores the other aspect of the question, that the tenant too can become the culprit.

Those who are landlords will appreciate how difficult it is, under present conditions, to secure an order for ejectment when the rent is in arrears. You commence proceedings, but it takes a long time before you can get an order from the Court. So that in genuine cases the Bill provides adequate protection as against the unconscionable acts of a landlord. At the same time, some provision should be made for the expeditious recovery of rent by the landlord, especially at a time like the present.

This Bill ignores the fact that all commodities have gone up in price. The value of money has gone down; there is plenty of money in the country, but for what you could have formerly bought for Re 1, you have to pay Rs. 5 today. So in spite of that, the rent is not to be increased.

We agree that it is necessary to have a Bill of this kind; but when we agree to a curtailment of the right of the landlord, we would at the same time like to see some provision made in a measure of this sort, which we are told is purely temporary, to meet cases where a landlord feels that a tenant is deliberately gaining time and taking advantage of the defects of the existing law and remaining in occupation till an order of Court is obtained, thereby getting more and more into arrears with the rent, very well knowing that the landlord cannot recover a red cent except obtain judgment. He might obtain judgment; that is all that the landlord can pride himself upon, and he will not be able to recover a cent of the arrears of rent due.

So let us not only think of the tenant; let us think of the position of the landlord as well. It is nothing but fair that such a provision should be made.

The defects of the existing law have become apparent as a result of a series of decisions with regard to the right of seizure of goods belonging to the tenant. So that the suggestion of the hon. Member for Matale (Mr. Aluwihare) is quite reasonable and, I think, the Hon. Minister should accept the suggestion and incorporate such a provision in this Bill.

The Hon. Mr. Bandaranaike: No. Surely my hon. Friend must understand that this is an emergency Ordinance for an emergency period and for a particular purpose. I cannot insert in this Ordinance, however necessary or desirable it may be, an amendment to the general law of ejectment as it exists in the country today. It is definitely so; and this Ordinance is only to be enforced in certain areas.

[The Hon. Mr. Bandaranaike.]

Why do you want to deal with the general question of ejectment only in certain areas in which this Ordinance applies, an Ordinance which will cease to exist the moment the war is over? That is the whole defect in the argument adduced. I am asked to take into consideration the general defects—I do not know what they are—of the law of ejectment as it exists in this country, in connexion with this particular Ordinance. Surely it is not reasonable to take that step.

Mr. Wille: I want to point out that under Sub-clause (*b*) a *bona fide* sale by a landlord will be hindered.

The Hon. Mr. Bandaranaike: That has been amended now.

Mr. Wille: That provides for notice given by the tenant to quit. I do not see why a landlord should have to depend on the notice of a tenant. There is a landlord whose house is mortgaged and he wishes to sell the property——

The Chairman: Shall I put the amendment? The proposed amendment is to delete all the words after the word " quit ".

Mr. Wille: That is what I object to, if the tenant has given notice to quit. I do not see why that should stand.

The Hon. Mr. Nihill: The words are put there for the protection of the landlord.

The Hon. Mr. Bandaranaike: To enable the landlord to proceed to get rid of the tenant without getting an order of the Assessment Board. That is the purpose of it.

Mr. Wille: This says, " If the tenant has given notice to quit " and, in consequence, if the tenant has not given notice to quit can the landlord effect a sale of his premises?

The Hon. Mr. Bandaranaike: Oh, yes.

Mr. Wille: I want to point this out: supposing an intending purchaser wants to get into the premises——

The Chairman: The question before the House is that the words after the word " quit " be deleted.

Mr. Wille: I want to point out a fundamental objection to this Clause (*b*) If a man wants to sell his property, because it is under mortgage, or for any other good reason, he cannot sell it because he cannot get rid of his tenant.

The Hon. Mr. Nihill: He has the power to sell it.

Mr. Wille: Nominally. Supposing an intending purchaser wants to take possession of the property and go and live there, he cannot get rid of the tenant unless the tenant has given noice to quit.

The Hon. Mr. Bandaranaike: The new landlord can get rid of him.

Mr. Wille: How?

***Mr. Aluwihare:** Under Sub-clause (*c*).

Mr. Wille: If the man wants to sell the property to an outsider, how is he to get rid of the tenant?

The Chairman: He can bring an action for ejectment.

Mr. Wille: How? He cannot do that.

The Chairman: When a tenant has given notice to quit.

Mr. Wille: But when the tenant has not, what is he going to do? This is unnecessarily depriving the landlord of his proprietary rights. I want to omit the words from " tenant " up to " landlord ". I am submitting the amendment in writing. Under my amendment the whole of Sub-clause (*b*) will read: " the landlord has contracted to sell the premises ".

The Chairman: I will put the hon. Nominated Member's amendment first.

Question put, " That Sub-clause (*b*) of the proviso be deleted ".

The Committee divided (under Standing Order 68): Ayes, 1; Noes, 12.

The Chairman: I will now put the amendment of the hon. Member for Matale.

Question, " That all the words after the words ' to quit ' in Sub-clause (*b*) of the proviso be deleted ", put, and agreed to.

Mr. Wille: I have an amendment to move—to insert a new Sub-clause before

Sub-clause (*a*). The tenant is not protected if his rent is in arrear for one month. I wish to submit that the tenant may do greater damage to the house than is represented by one month's rent, and the landlord has no remedy. I propose to insert the words " the premises are not kept in good order and condition ".

Very often tenants allow glass panes and the plastering to be damaged by their children; and sometimes the servants are not controlled with regard to the use of water taps. All these things may be done, and the landlord has no remedy. Yet, because the tenant is in arrear for one month, he may be ejected.

Question, " That the following new Sub-clause be added before Sub-clause (*a*) of the proviso, viz., ' (*a*) the premises are not kept in good order and condition ' " put, and negatived.

***Mr. Aluwihare:** May I suggest the wording in the English Act?

" The tenant or any person residing or lodging with him or being his sub-tenant has, in the opinion of the Court, been guilty of conduct which is a nuisance or annoyance to adjoining occupiers, or has been convicted of using the premises or allowing the premises to be used for an immoral or illegal purpose, or the condition of the dwelling-house has, in the opinion of the Court, deteriorated owing to acts of waste by or the neglect or default of the tenant or any such person . . . . "

The Hon. Mr. Bandaranaike: I do not mind adopting the wording of the English Act in that way. The only thing is that if the landlord has any such complaint to make, he would go to the Board.

Question, " That in Sub-clause (*c*) of the proviso, after the words ' the premises are ', the words ' in the opinion of the Court ' be added, " put, and agreed to.

Mr. Wille: I move that the whole of Sub-clause (*c*) of the proviso be deleted. I do not see how the Court is going to decide whether the premises are really required for occupation by the landlord or by a member of his family. I move that Sub-clause (*c*) be deleted.

Question put, and negatived.

***Mr. Aluwihare:** I move that provision be included giving the landlord a summary mode of eviction.

The Chairman: That is too complicated a section to be introduced in this Bill.

The Hon. Mr. Bandaranaike: That does not come within the purview of this Bill.

***Mr. Aluwihare:** I would like to have it put to the House. It is very important.

The Hon. Mr. Bandaranaike: It is against the principle of this Bill.

***Mr. Aluwihare:** You are giving certain protection to the tenant, and you must provide that the privilege given to the tenant will not be abused. I move that procedure such as is contained in Sub-section (3) of the Small Tenements Ordinance be provided in Clause 8.

The Hon. Mr. Bandaranaike: I raise that point of order——

The Chairman: I do not think a point of order arises. Clause 8 speaks of " Restriction of right to institute proceedings for ejectment ".

The Hon. Mr. Bandaranaike: Clause 8 does not deal with the machinery of ejectment. It mentions the circumstances in which ejectment proceedings can be taken without the approval of the Assessment Board. There is nothing in this Bill dealing with the machinery of ejectment; the machinery of ejectment is not referred to at all. It states what proceedings should be taken to eject when a person is legally ejectable.

***Mr. Aluwihare:** No, Sir.

The Hon. Mr. Bandaranaike: The Clause also provides for cases where the person becomes legally ejectable.

The Chairman: It is on the borderline. In view of Clause 8 which takes away the right of ejectment given to the landlord in particular cases, I think the hon. Member is asking for some *quid pro quo*—for some advantage to the landlord in the matter of ejectment. I will not rule the hon. Member's amendment out of order.

***Mr. Aluwihare:** My amendment is that provision for ejectment, similar to that contained in Section 3 of the small Tenements Ordinance.

A Member: It is 5.30 now, Sir.

The Chairman: The Bill might be disposed of today.

A Member: The Hon. Minister might move that we continue with this Bill beyond 5.30 P.M., Sir.

***Mr. Aluwihare:** The Minister has not given notice of it. The Hon. Minister has not given notice of a motion to proceed with this Bill after 5.30 P. M. I object to it. There are other questions that I want to raise.

The Hon. Mr. Bandaranaike: This point might be disposed of.

***Mr. Aluwihare:** If the Hon. Minister will agree to take up this Bill tomorrow, I will bring my amendment.

It being 5.30 p.m., proceedings on business under consideration were interrupted under Emergency Standing Order 2 (4).

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

The Hon. Mr. Bandaranaike: I move that Council do now resume.

The Council having resumed—

MR. SPEAKER took the Chair.

Committee report progress; to sit again.

BUSINESS OF COUNCIL.

The Hon. Mr. Senanayake: I give notice that I shall move to take the time of the Council tomorrow for dealing with urgent Government business.

ADJOURNMENT.

The Hon. Mr. Senanayake: I move that the Council do now adjourn.

***Mr. E. R. Tambimuttu (Trincomalee-Batticaloa):** I have a very important matter to bring to the notice of the Minister of Agriculture and Lands.

About two hours ago I received a telegram which discloses a deplorable and unfortunate state of affairs in regard to the supply of rice in Batticaloa. It may seem anomalous that in the Batticaloa District, which produces sufficient for its own needs and a surplus for export, some of the people in the district should have to go without any rice for three or four days. All this is due to the absurd and unbusinesslike manner in which the administration of Food Control in that part of the Island has been carried on.

I wish to read to the House the telegram that reached me this afternoon, from the Chairman of the Urban District Council:

" Rice situation still bad. Hear next month worse. 1,050 bushels of rice required weekly for the urban area. Interview Minister and Food Controller. Urgent."

What has happened in Batticaloa is this: the district has been divided into two parts, North and South. There are two (Emergency) Assistant Government Agents managing the affairs of these two areas under the new regulations, buying paddy and distributing it, and generally encouraging food production. Batticaloa South is a Muslim area, where Muslims predominate; and lately a Muslim gentleman of great ability, a very efficient member of the Civil Service—I believe the only Muslim gentleman in that Service—was appointed as (Emergency) Assistant Government Agent there. He got on well, and he is doing good work; I must bear testimony to that.

He has given an impetus to the Muslims there, who are a very enterprising people. This officer has started farms where only Muslims are employed; the Tamils are shut out, I understand. He has formed Muslim " Guards ", not Military guards but rice guards, who examine the baskets carried by women to see whether they are carrying rice. This officer has established what, in India, is known as " Pakistan ". He is reported to have put up barriers with bamboos on the road, to prevent rice being taken into the town. That was being done for some time. I do not know what the position now is.

You cannot produce rice in the town. The rice must come from the rural areas. The town is in the Northern area. The officer in question says that there is sufficient rice for the people, and a surplus to be supplied to the Minister of Agriculture and Lands. But what has happened? There is no rice for the villagers in the area I mentioned. People have marched up to the Government Agent and begged of him for some rice. The Government Agent asked the officer to send the rice, but I understand that the

officer refused to obey the Government Agent, saying that he has discretion in the matter and that it is a matter for the Chief Secretary to decide. If that is the case, I would like the Chief Secretary to inquire into this matter.

When there is rice in the district, it is a shame that owing to some official regulation the people in the district should be made to starve. I know that the people in the town of Batticaloa had to starve for three days.

I have shown this telegram to the Hon. Minister. I am not interested in the dispute between these (Emergency) Assistant Government Agents in the North and in the South. I want some workable system to be adopted, at least temporarily; and the officer concerned should be instructed at once to release 1,050 bushels of rice every week. That is a very small demand for a population of over 10,000.

The people might have even " smuggled " in the rice, but the officer concerned has raised the price of paddy to Rs. 3.45 a bushel when, in fact, under the regulations it has to be sold at Rs. 3.25 a bushel in Batticaloa. That is to say, 20 cents more is charged at the source from which the rice has to be bought, this sum being a sort of subsidy, paid as " cooly hire ", to the producer. If you have to pay Rs. 3.45 a bushel at the source, who is the fool who will bring that rice to the town and sell it Rs. 3.25 a bushel? If you fix the price of rice at, say, 35 cents, who is the man or woman who will come in and buy the rice at that price and take it to Batticaloa and sell it at 30 cents, which is the price fixed under the regulations for Batticaloa town?

It is all in a tangle, and I want the Minister to have the tangle straightened out. I want him to wire to this officer to release the necessary quantity of rice. He has all the rice required, and he should be asked to release the rice or the equivalent quantity of paddy. He can supply the rice to the Government Agent for distribution in the town area—1,050 bushels a week—or even less when it has been found out how the scheme can be worked without hardship to the people there.

I sincerely and very earnestly press the matter on the Minister and would ask him to take the necessary steps immediately.

The Hon. Mr. Senanayake: Perhaps it would be just as well if I answered—

***Mr. B. H. Aluwihare (Matale):** The Hon. Minister c nnot speak more than once.

The Hon. Mr. Senanayake. I do not want to speak more than once.

***Mr. S. Abeywickrama (Udugama):** If the Minister cannot speak more than once, I wish at this stage to ask another question.

My attention has been drawn to a statement alleged to have been made by Mr. Vaithianathan, whose exact designation I do not know but who, I believe, has been sent to India as the Purchasing Officer of the Ceylon Government, to obtain supplies of rice. He is alleged to have made this statement, reported in our papers here with the headline, " Here as a Beggar "—" Mr. K. Vaithianathan's Appeal at Delhi ".

" I am here as a beggar and I have come to purchase rice in order to meet the requirements of Ceylon. One-sixth of the population is Indian. I have been able to get 3,000 tons of rice in the past seven months in Sindh, but we want 20,000 tons for our needs."

Sir, that is a most derogatory statement to make on behalf of this Island. We have sent this gentleman there with cash to purchase rice for us. We have not sent him to beg for us. Every person who leaves this Island goes and speaks in disparaging terms about Ceylon. There are about 6,000,000 people here with plenty of money and land. I for one—and I think a large number of people of this Island—would certainly resent this kind of remark being made by any representative whom we are responsible for maintaining in India

I want to ask the Hon. Minister whether such statements have been authorized by him. If not, he should take prompt steps to prevent a recurrence of such statements being made by those whom we send out and who are maintained by a vote of the State Council.

We are now on the eve of sending our venerated Leader of the House as the Representative of this Island. I only hope that he himself will not, after getting a large salary from us here, go to India and make similar statements.

[Mr. Abeywickrama.]

I want to draw the attention of the Hon. Minister to this statement, and I want an answer from him as to whether he approves of this Island being slighted like this. Sir, although the food situation is is so acute, I for one would rather die of starvation than obtain rice in this manner. I have the greatest respect for the Indian people here as well as in India.

India is a great country; but I say that the method adopted by the Food Purchaser we sent there is not the best. We have sent millions of rupees from the exchequer in Ceylon for purchasing rice respectably. Our representative has been sent to India, as an agent to purchase rice; he has not been sent there to make the statement that he is supposed to have made—that he was there on a begging mission. If we come to such a state, I would rather commit suicide than go begging to any country.

This statement has been widely reported in the vernacular papers, and my constituents have drawn my attention to it. Even if we have a little rice, surely the better means of obtaining more rice is to do so by respectable ways.

I would like to have a reply from the Hon. Minister as to whether statements will continue to be made in this manner, because if that be so it is time that we recalled this particular officer from India and asked him to shut up.

Mr. G. A. H. Wille (Nominated Member): Will it not be sufficient if we instruct this officer not to use metaphorical language as it is likely to be misunderstood here?

***Mr. Aluwihare:** Apart from the spiritual aspect of this question, there is the very material aspect too. I believe the Hon. Minister of Agriculture and Lands, when he was in India, tried to convince the Indian Government that our requirements were 38,000 tons of rice.

The Hon. Mr. Senanayake: No; I tried to convince the Indian Government that our requirements were more than that.

***Mr. Aluwihare:** They allowed us 38,000 tons of rice per mensem. Now, when our representative goes there and says that 20,000 tons of rice would be sufficient, what does he mean? It is a pretty serious business, because the Leader of the House went and compromised with them. We are just reaping the first fruits. The Hon. Leader of the House went and agreed on a firm offer, as he calls it, of 20,000 tons of rice. Now his first assistant goes and says that 20,000 tons represent our requirements.

God alone knows what is going to happen, because 20,000 tons do not represent our needs. Our needs are much nearer 40,000 tons, as the Hon. Minister of Agriculture and Lands knows; and for anybody, on behalf of the Government of this country, whether it is the ex-Leader of the House, or the Purchasing Commissioner, to go to India and say that our needs can be met by their giving us 20,000 tons of rice, is a most damaging statement to make. I do not know how that error can be corrected. I would suggest to the Hon. Minister that steps be taken at once to correct that statement.

Then, there is the other, rather more domestic, question. There was the rationing of arrack. I am passing on to different questions because I cannot speak twice. I bring that matter to the notice of the Government because some renters have made representations to me to the effect that they have paid enormous sums of money by way of rents for these taverns this year, and that they have paid those sums in the expectation of Government supplying them with arrack and their being able to sell it. Even people like the hon. European Nominated Member, I believe, drinks arrack now.

I know that in some cases these renters have paid twice the amount they paid in previous years as rent. Suddenly, for very good reasons I am prepared to admit, there has been this rationing of arrack without any notice of it having been given to them when they tendered, without any notice of it having been given to them when they bought the arrack rents at the auction. Is it not fair, in these circumstances, that some arrangement should be made by which either those renters will be enabled to cancell their contracts and tender afresh with others, or they will be given some reduction in the amount of their tender.

I happened to be in Badulla recently, and this matter was then represented to me. I think the hon. Member for Badulla (Mr. D. H. Kotalawala) is also aware of the facts. It is the same in my constituency. In some cases the quantity of rationed arrack issued for sale not sufficient to cover the rental for the particular period.

That state of things is not very fair, and I wonder whether the authorities will consider the matter. I believe that would come within the purview of the Hon. the Financial Secretary.

The Hon. Mr. Senanayake: Sir, with regard to the remarks made by the hon. Member for Batticaloa (Mr. Tambimuttu), I am sure that if he was aware of all the facts he would not be so disappointed with or indignant about the action of the Assistant Government Agent (Emergency), Kalmunai. It is the Kalmunai Assistant Government Agent who supplies the paddy required for the consumption of the people of Batticaloa. He has done a great deal of work.

Of course I am aware of tricks played both in Government Service and outside it by people who are trying to create a little trouble in Batticaloa. I happened to go to Batticaloa last month, and I can tell you that the situation there is not being handled satisfactorily.

You will remember, Sir, that there was a "hunger" march reported in the papers; you will also remember that then and there, when these people who were supposed to have been starving for three days, marched to the Kachcheri, the Government Agent, after consulting the Mudaliyar and someone else was able to tell the people that in half an hour they could have their rice. Surely the rice could not have come to Batticaloa from Kalmunai in half an hour. The rice was available in Batticaloa. Perhaps the Government Agent was not aware of that fact, because he had to consult the Kachcheri Mudaliyar about the matter. This was the report that appeared in the papers.

Sir, the Kalmunai area is undoubtedly an area with a good deal of paddy. When I went there, I found that there were as many as 800 bags or bushels—I forget which it was—supplied every-day to Katankudi. That is an area which almost adjoins this area; and when you consider the population and also realize that some of the people themselves own land there, the quantity sent there seems to be excessive.

Besides, not very long ago, you will remember, Sir, the Mudaliyar or the Ratemahatmaya was shot, and the information available at that time was—this happened in the Northern area where the Ma-oya is; not in Kalmuni—that Ratemahatmaya was shot in trying to prevent people of this very area, which was supposed to be starving, from selling their rice and its removal it to Uva. There are a number of people who are very anxious to sell their own paddy at very high prices and obtain paddy from outside. It is necessary to see that there is a fair and even distribution of rice in that area. These people cannot sell their paddy at higher prices and expect others to feed them.

With regard to this matter, I may say that I have received telegrams from various people, and I am glad to find that they have got at their Member and that it is he who will be flooded with telegrams not I, because one of the sources of revenue from Batticaloa is the Telegraph Office. Whether it is the transfer of a clerk or the removal of an officer from one area to another, you have the longest telegram sent to you from that place.

I may tell my hon. Friend that I have informed the Government Agent that he would have the rice within one month. He has to take account of all the people in the area who are without rice. He would be given rice for a month, and within that period he has to make all the arrangements. I may say that it is my intention to see that the people of that area are fed.

As we all know, at one time Jaffna itself used to be supplied with paddy from Kalmunai. Now Kalmunai does not supply paddy to any other area except its own District; and I want them to adjust their affairs in such a way that Trincomalee, which is a part of the Eastern Province, is also fed from Kalmunai, as also Batticaloa and other Districts; and if there is a shortage, well, we shall try to meet that shortage. There is no reason why there should be a shortage.

[The Hon. Mr. Senanayake.]

I am sorry about the state of affairs in Batticaloa. Although Batticaloa is one of the largest granaries of the Island, it so happens that every sowing-season this Council has to spend more money in finding seed paddy for that District than for any other area in the Island. It looks to me from the versions of the Batticaloa cultivators, as if they do not get even the seed paddy from what they sow; and it is not surprising that they do not get sufficient rice for consumption.

In regard to this matter, I can tell my hon. Friend that I will see that nothing unfair is done to Batticaloa; and I will see that the people are fed. I can give my hon. Friend that assurance, and he can rely upon that assurance. I am going there again in February, because I feel that things are not all right there again. I can assure the people there that there is no reason to be alarmed. I make these statements publicly for no other reason except that some of the agitators may know that I am aware of everything that is going on, otherwise I would not perhaps have said these things so openly.

With regard to the other question raised by my hon. Friend the Member for Udugama (Mr. Abeywickrama), I may say that there was a report in the papers of some remarks supposed to have been made by the Purchasing Officer. But as we are all aware, there are many reports like that which are really not quite accurate, and merely because a report like that has appeared in the papers, I do not think we should condemn an officer for a speech that has been made. As you are aware, Sir, this officer is a very capable and very good officer. I can assure my hon. Friend that no instructions were given to him to make such a speech as he is reported to have made; and I can obtain further facts in regard to this matter and let my hon. Friend know what actually happened.

With regard to the quantity of rice the Purchasing Officer had mentioned as being our requirements, I think my hon. Friend the Member for Matale (Mr. Aluwihare) has misunderstood what appeared in the papers, because I believe the paper spoke of 20,000 tons from the Sind District.

***Mr. Aluwihare:** He obtained 3,000 tons from the Sind District; and he said that 20,000 tons would be sufficient for Ceylon.

The Hon. Mr. Senanayake: There are other Districts from which we are obtaining more. I know that the Purchasing Officer is fully aware of the situation here, and he is very, very keen to secure the rice that is required.

As regard the arrack question, I am not aware what the present procedure is, but——

***Mr. Aluwihare:** Let the Financial Secretary say what it is.

The Hon. Mr. Senanayake: I do not know what the practice now is, but in the olden days the practice was—I had something to do with arrack, in the hope of trying to prevent its consumption—that arrack rents were not sold to the highest bidder, but the amount was fixed according to the tenders received, and previous sales were taken into consideration when a tender was accepted. The renter had to pay a premium for the right to sell, and for each bottle supplied he had to pay a certain rate. I do not know whether that practice exists now.

***Mr. Aluwihare:** It is all different. You are out of date!

The Hon. Mr. Senanayake: I know, the Accounts Committee did one thing. Whenever a renter was able to show that by any action of Government or by some unexpected event a loss was incurred, they went into the profits that had been made and adjusted matters.

In this instance, I believe what has happened in this, there has been so much consumption that, if anything, the renters may have made more profits than they expected, within a few months. But I have not the slightest doubt that this matter will be gone into.

***Mr. Aluwihare:** May I raise this particular matter—it is 6 o,clock now. Sir—on the adjournment motion tomorrow? I can supply more information.

Mr. Speaker: Yes.

The House will now adjourn till 2 P.M. tomorrow.

Adjourned accordingly at 6 P.M., until 2 P.M. on Wednesday, December 2, 1942.