



පාර්ලිමේන්තු විවාද

(හැන්සාඩ්)

තියෝජිත මන්ත්‍රී මණ්ඩලයේ

තිල වාතාව

(අභේධිත පිටපත)

අත්තරීත ප්‍රධාන කරුණු

ගිණුම් කාරක සභාවේ වාතාව

ප්‍රශ්නවලට වාචික පිළිතුරු

පළමුවන වර කියවන ලද පෞද්ගලික මන්ත්‍රීන්ගේ පනත් කෙටුම්පත් :

Buddhist Publication Society (Incorporation) Bill—

[ඩී. ඩී. විජේතුංග මහ.]

All Ceylon Buddhist Students' Federation (Incorporation) Bill—

[වෛද්‍යවාරිය ඒ. රත්නපාල]

විසර්ජන පනත් කෙටුම්පත, (1968-69) [අටවන වොන් කළ දිනය]

දෙවන වර කියවීම—විවාදය අවසන් කරන ලදී.

කෙටුම්පත් පනත පූර්ණ මන්ත්‍රී මණ්ඩල කාරක සභාවට පවරන ලදී.

ප්‍රාදේශීය බල මණ්ඩල (විශේෂ විධිවිධාන) පනත් කෙටුම්පත [සෙනෙට්]

පළමුවන වර කියවන ලදී.

වරප්‍රසාද පිළිබඳ ප්‍රශ්නය

ප්‍රශ්නවලට ලිඛිත පිළිතුරු

பாராளுமன்ற விவாதங்கள்.

(ஹன்சாட்)

பிரதிநிதிகள் சபை

அதிகார அறிக்கை

(பிழை திருத்தப்படாதது)

பிரதான உள்வட்டக்கம்

அரசாங்கக் கணக்குக் குழு அறிக்கை

விலக்குகளுக்கு வாய்ப்புல விடைகள்

தனி அங்கத்தினர் மசோதாக்கள், முதல் மதிப்பிடப்பெற்றவை :

Buddhist Publication Society (Incorporation) Bill—[திரு. ம. பி. விஜேதுங்க]

All-Ceylon Buddhist Students' Federation (Incorporation) Bill

—[டொக்டர் வ. ரத்னபால]

ஒதுக்கீட்டு மசோதா, (1968-69) [ஒதுக்கப்பட்ட எட்டாம் நாள்]

இரண்டாம் மதிப்பு—விவாதம் முடிவுற்றது

மசோதா முழுச் சபைக் குழுவுக்குச் சாட்டப்பட்டது

உள்ளூராட்சி அதிகார சபைகள் (விசேட ஏற்பாடுகள்) மசோதா [செனெட்]

முதன் முறை மதிப்பிடப்பெற்றது

சிறப்புரிமை விடயம்

விலக்குகளுக்கு எழுத்துமூல விடைகள்

Volume 80
No. 10

Tuesday
20th August 1968

PARLIAMENTARY DEBATES

(HANSARD)

HOUSE OF REPRESENTATIVES

OFFICIAL REPORT

(Uncorrected)

PRINCIPAL CONTENTS

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ORAL ANSWERS TO QUESTIONS

PRIVATE MEMBERS' BILLS READ THE FIRST TIME :

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APPROPRIATION BILL (1968-69) [EIGHTH ALLOTTED DAY]

Second Reading--Debate concluded

Bill committed to Committee of whole House

LOCAL AUTHORITIES (SPECIAL PROVISIONS) BILL [SENATE]

Read the First time

QUESTION OF PRIVILEGE

WRITTEN ANSWERS TO QUESTIONS

නියෝජිත මන්ත්‍රී මණ්ඩලය

பிரதிநிதிகள் சபை

House of Representatives

1968 අගෝස්තු 20 වන අඟහරුවාදා

செவ்வாய்க்கிழமை, 20 ஆகஸ்ட். 1968

Tuesday, 20th August 1968

ද. හ. 10 ව මන්ත්‍රී මණ්ඩලය රැස් විය. කථා නායකතුමා [ගරු එස්. ඩී. ෂර්ලි කොරියා] මූලාසනා රැස් විය.

சபை, மு. ப. 10 மணிக்குக் கூடியது. சபாநாயகர் அவர்கள் [கௌரவ எஸ். சி. ஷேலி கொறியா] தலைமை தாங்கினார்கள்.

The House met at 10 a.m. MR. SPEAKER [THE HON. S. C. SHIRLEY COREA] in the Chair.

ලිපි ලේඛනාදිය පිළිගැන්වීම

சமர்ப்பிக்கப்பட்ட பத்திரங்கள்

PAPERS PRESENTED

- (1) A Regulation made under Section 6 of the Food Control Act (Cap. 171).
- (2) Food Control Order No. 267 made under Section 4 (1) (vi) of the Food Control Act (Cap. 171).
- (3) Sessional Paper No. XXIV of 1967—Annual Report of the Coconut Research Institute of Ceylon for 1966.
- (4) Sessional Paper No. XVII of 1968—Audit Report and Accounts of the Coconut Research Institute of Ceylon for 1966.—[The Hon. M. D. Banda.]

සහායවිෂය මත නීතිය යුතුයයි නියෝග කරන ලදී.

சபாபீடத்தில் இருக்க கட்டளையிடப்பட்டது.

Ordered to lie upon the Table.

- (1) A By-law made under Sections 153 and 157 of the Urban Councils Ordinance (Cap. 255).
- (2) Two By-laws made under Sections 129 (b) and 152 of the Town Councils Ordinance (Cap. 265).—

[The Hon. D. P. R. Gunawardena on behalf of the Parliamentary Secretary to the Minister of Local Government and Parliamentary Secretary to the Minister of Information and Broadcasting.]

සහායවිෂය මත නීතිය යුතුයයි නියෝග කරන ලදී.

சபாபீடத்தில் இருக்க கட்டளையிடப்பட்டது.

Ordered to lie upon the Table.

ආණ්ඩුවේ ගණන් පරීක්ෂක කාරක සභාවේ වාර්තාව

அரசாங்க கணக்குக்குழு அறிக்கை

PUBLIC ACCOUNTS COMMITTEE REPORT

බර්නාඩ් සොයිසා මය. (දකුණු කොළඹ මන්ත්‍රී සහ ආණ්ඩුවේ ගණන් පරීක්ෂක කාරක සභාවේ සභාපති)

(திரு. பெர்னாட் சொய்ஸா—கொழும்புத் தெற்கு—அரசாங்கக் கணக்குக் குழு அக்கிரா சனர்)

(Mr. Bernard Soysa—Colombo South and Chairman, Public Accounts Committee).

I present the Second Report from the Public Accounts Committee on the Appropriation Accounts for the Financial Year 1966-67 and the sixth instalment of the Report of the Auditor-General thereon, together with the proceedings of the Committee and the Minutes of Evidence.

ගරු එම්. ඩී. බන්ඩා (කෘෂිකර්ම හා ආහාර ඇමති)

(கௌரவ எம். டி. பண்டா—விவசாய, உணவு அமைச்சர்)

(The Hon. M. D. Banda—Minister of Agriculture and Food)

I move,

“That the Second Report from the Public Accounts Committee on the Appropriation Accounts for the Financial Year 1966-67 and the Sixth Instalment of the Report of the Auditor-General thereon, together with the proceedings of the Committee and the Minutes of Evidence, be printed.”

ප්‍රශ්නය විමසන ලදීත්, සහායවීමක විය.

வினா விடுக்கப்பட்டு ஏற்றுக் கொள்ளப்பட்டது.

Question put, and agreed to.

බර්නාඩ් මුද්‍රණය කළ යුතුයයි නියෝග කරන ලදී.

அறிக்கை அச்சிடப்படக் கட்டளையிடப்பட்டது.

Ordered that the Report be printed.

[அ.பொ.உ. பி. பி. பி. பி.]

எதை அறிவாரா? (ஆ) இம்முறைப்பாடுகள் பற்றி பட்சபாதமற்ற ஓர் விசாரணை நடத்தப் பணிப்பாரா? (இ) சர்வதேசத் தேயிலை விற்பனை விரிவுச் சபையின் பொருளாளர், சபை அதிகாரிகள் தமது சொந்தப் பாணிப்புக் காகப் பிரயாணிகள் காசோலை பெறுவதற்கு உபயோகித்துள்ளதை அறிவாரா? (ஈ) இதைப் பற்றி விசாரணை செய்வாரா?

asked the Minister of Commerce and Trade : (a) Is he aware that the Ceylonese members of the Ceylon Tea Centre staff in London recently complained to the Executive Director of the Ceylon Tea Propaganda Board that the Commissioner of the Ceylon Tea Centre was discriminating against them on racial grounds? (b) Will he order an independent inquiry into these allegations? (c) Is he aware that the treasurer of the International Tea Market Expansion Board has made use of the board funds to obtain travellers cheques for his personal use? (d) Will he inquire into this?

அ.பொ.உ. பி. பி. பி.

(கௌரவ ஹியூ பெர்னாண்டோ)
(The Hon. Hugh Fernando)

(a) The Executive Director of the Ceylon Tea Propaganda Board, on his recent visit to London, has not received from the Ceylonese members of the Tea Centre complaints of racial discrimination against them by the Commissioner. (b) Does not arise in view of the answer to (a) above. (c) Yes. This matter was reported on by the Auditor-General during his last visit to London, was dealt with by the Public Accounts Committee and disposed of.

அ.பொ.உ. பி. பி. பி.

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

What do you mean by "disposed of?"

அ.பொ.உ. பி. பி. பி.

(கௌரவ ஹியூ பெர்னாண்டோ)
(The Hon. Hugh Fernando)

No further action was contemplated.

அ.பொ.உ. பி. பி. பி.

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

And he continued in the service?

அ.பொ.உ. பி. பி. பி.

(கௌரவ ஹியூ பெர்னாண்டோ)
(The Hon. Hugh Fernando)

Yes.

(d) Does not arise in view of the answer to (c) above.

சுதானந்தர் நே அலெலி வால்கி
மனோலினா : ப்ரடீக்டிவ் கிரெடிடீன் ஈசு
ஈசுக்கார ஈலிடாஸிக அடியாஈஈ

சர்வதேசத் தேயிலை விற்பனை விரிவுச் சபை : கண்
காட்சி உத்தியோகத்தரும் உதவி அமைப்பிடுபதும்.

INTERNATIONAL TEA MARKET EXPANSION
BOARD : EXHIBITION OFFICERS AND ASSISTANT
ORGANIZING DIRECTOR

10. அ.பொ.உ. பி. பி. பி.

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

வானிலை ஈ வேல்டு அமெரிக்காண்ட் அஈ
புல்தலா : (அ) சானான்தர் நே அலெலி
வால்கி மனோலினா லிஈன் கிரெடிடீன் கி
டேனக்கு ப்ரடீக்டிவ் கிரெடிடீன் வலயென்
ஈவலயே ஈடா ரிஈடீ? (ஆ) ஈஈன்லே
அடியாபதிக ஈஈஈஈஈஈ ஈஈவல்டு? (ஈ) (i)
சானான்தர் நே அலெலி வால்கி மனோலினா
யே ஈசுக்கார ஈலிடாஸிக—அடியாஈஈஈ ஈஈ
ஈஈ ஈஈஈஈ ஈஈஈ ஈஈஈஈஈஈ ஈஈஈஈஈஈ
ஈஈஈஈஈஈ ஈஈஈஈஈஈ ஈஈஈஈஈஈ ஈஈஈ
ஈஈஈஈஈஈ ஈஈஈஈஈஈ ஈஈஈஈஈஈ ஈஈஈ
ஈஈஈஈஈஈ ஈஈஈஈஈஈ ஈஈஈஈஈஈ ஈஈஈ
ஈஈஈஈஈஈ ஈஈஈஈஈஈ ஈஈஈஈஈஈ ஈஈஈ

வந்தக, வியாபார அமைச்சரைக் கேட்ட
வினா : (அ) கண்காட்சி உத்தியோகத்தர்
என்ற முறையில் எத்தனை பேர் சர்வதேசத்

தேயிலை விநியோக விரிவுச் சபையின் கடமை யாற்றுகிறார்கள்? (ஆ) அவர்களுடைய கல் வித் தராதரங்கள் யாவை? (இ) (i) சர்வ தேசத் தேயிலை விநியோக விரிவுச் சபையின் உதவி அமைப்பிதழ் பதவிக்கு இரண்டு வருடங்களாக ஒருவரும் நியமிக்கப்படவில்லை யென்பதையும். (ii) அந்தப் பதவியில் ஓர் இலங்கையரை வைக்க விரும்பவில்லையென்று அமைப்பிதழ் கூறியிருப்பதையும் அவ வாரா? (ஈ) இயலக்கூடிய அளவு விரைவில் ஓர் இலங்கையரை நியமித்து இப்பதவி வெற் றிடத்தை நிரப்புவாரா?

asked the Minister of Commerce and Trade: (a) How many officers are employed by the International Tea Market Expansion Board in the capacity of Exhibition Officers? (b) What are their educational qualifications? (c) Is he aware that—(i) the post of Assistant Organizing Director of the International Tea Market Expansion Board has not been filled for two years; and (ii) that the Organizing Director has stated that he does not wish to have a Ceylonese in that post? (d) Will he take steps to fill this post by appointing a Ceylonese as soon as possible?

ஹூ கியூ ஫ெர்னாண்டோ

(கௌரவ ஹியூ பெர்னாண்டோ)

(The Hon. Hugh Fernando)

(a) None—there are no such posts as Exhibition Officers in the cadre of the International Tea Market Expansion Board. (b) Does not arise—vide (a) above. (c) (i) The post of Assistant Organising Director of the International Tea Market Expansion Board became vacant on 1st November, 1966 when the then holder was transferred to the Ceylon Campaign in the United Kingdom. The post was not filled thereafter and no financial provision has been made for it in the last two years. (ii) The Organising Director has not stated at any time that he does not wish to have a Ceylonese in this post. (d) Does not arise in view of (c) (i) above.

மினிஸ்டர். பி. பி. டீக்ஸ் லூயிஸ் மென் டீஸ், கமிஷினர், வலப்பனை

திருமதி டபிள்யூ. எம். என். உக்குமெனிக்கே, தம்மித்திதென்ன, வலப்பனை

MRS. W. M. N. UKKU MENIKA, TAMMITTENNE, WALAPANE

4. பி. பி. டீக்ஸ் லூயிஸ் மென் டீஸ். (இதுவழியாக—பி. பி. பி. டீக்ஸ் மென் டீஸ்—வலப்பனை—வெறுவெறு)

(திரு. எம். பி. டீக்ஸ் லூயிஸ் மென் டீஸ்—மினுவாங்கோ—திரு. பி. பி. டீக்ஸ் மென் டீஸ்—வலப்பனை—சார்பாக)

(Mr. M. P. de Zoysa Siriwardena—Minuwangoda—on behalf of Mr. T. B. M. Herath—Walapane)

மினிஸ்டர் டீக்ஸ் லூயிஸ் மென் டீஸ் :

(அ) வலப்பனை மத்தபலாத்த, தம்மித்தி தென்ன என்ற இடத்தைச் சேர்ந்த திரு. கே. பி. புஞ்சிநூல் என்பவர், மரணகாலம்வரை, பொதுமக்கள் உதவிப் பணம் பெற்றாரா? (ஆ) அவருடைய மரணத்தின் பின் அவருடைய கைம்பெண்ணை திருமதி டபிள்யூ. எம். என். உக்கு மெனிக்கே, அப்பணத்தை தமக்குக் கொடுக்கும்படி விண்ணப்பஞ் செய்திருந் தாரா? (இ) (பி 408/67 என்ற இலக்க முடைய கடித மூலம் இந்த விண்ணப்பத்தை துலரெனியா அரசாங்க மாகாண அதிகாரி நிராகரித்ததென்? (ஈ) சம்பந்தப்பட்டவர்கள் முன்னரிலும் பார்க்க இப்பாழுது அதிக கஷ்டத்துக்கு உள்ளாகியிருப்பதால் உடனேயே ஏதாவது நிவாரணம் அளிப்பாரா? அன்றோ, என்?

சுபுக சேவை அமைச்சரைக் கேட்ட வினா :

(அ) வலப்பனை மத்தபலாத்த, தம்மித்தி தென்ன என்ற இடத்தைச் சேர்ந்த திரு. கே. பி. புஞ்சிநூல் என்பவர், மரணகாலம்வரை, பொதுமக்கள் உதவிப் பணம் பெற்றாரா? (ஆ) அவருடைய மரணத்தின் பின் அவருடைய கைம்பெண்ணை திருமதி டபிள்யூ. எம். என். உக்கு மெனிக்கே, அப்பணத்தை தமக்குக் கொடுக்கும்படி விண்ணப்பஞ் செய்திருந் தாரா? (இ) (பி 408/67 என்ற இலக்க முடைய கடித மூலம் இந்த விண்ணப்பத்தை துலரெனியா அரசாங்க மாகாண அதிகாரி நிராகரித்ததென்? (ஈ) சம்பந்தப்பட்டவர்கள் முன்னரிலும் பார்க்க இப்பாழுது அதிக கஷ்டத்துக்கு உள்ளாகியிருப்பதால் உடனேயே ஏதாவது நிவாரணம் அளிப்பாரா? அன்றோ, என்?

සාමාජිකයින්ට එදින වැඩ කළත් නොකළත් එදිනට හිමි දීමනා ගෙවනු ලැබේ. (ඉ) සියලුම ගොවි හමුදා සාමාජිකයින්ට නාණ්ඩාගාර වකුලේ බ 675 අනුව (68.5.1) පසුගිය මැයි දින සිට නිවාඩු දින සඳහා ගෙවා ඇත. සියලුම පෝය දින හා නිවාඩු දිනයන් සම්පූර්ණ ගෙවීම සහිත විවේක දිනයක් වේ.

දෙමැද ආදි ගම්වලට ලියුම් බෙදීමේ පහසුකම්

මෙමෙතැවුණු ස්වයං නිරායතනලාංඡන තනාත්සනිකයන්

POSTAL FACILITIES FOR DEMEDA AND OTHER VILLAGES

6. ලෙස්ලී ගූනවර්ධන මයා. (පානදුර— ඩී. පී. ආර්. වීරසේකර මයා.—දෙහිඹිවිට— වෙනුවට)

(තිරු. බෙන්බි ඉසා වර්තන—පානදුර—තිරු. ම. ඩී. ආර්. වීරසේකර—මෙහිගොවි බිහිරි—පාර්පාක)

(Mr. Leslie Goonewardene—Panadura —on behalf of (Mr. D. P. R. Weerasekera Dehiowita)

රජයේ වැඩ, නැපැල් සහ විදුලි සංදේශ ඇමති ගෙන් ඇසූ ප්‍රශ්නය: (අ) (i) දෙ මැද හත්තිරිකන්ද, මියනවිට ගම් සහ ලිහිණියල යන ගම්වලට ලියුම් බෙදීමේ පහසුකම් සහ නැපැල් පෙට්ටි ඉල්ලා ඇති බවත්; (ii) දැරණියල ලිපි බෙදීමේ කොටස් ප්‍රතිශේධනය කළ විට මෙම ඉල්ලීම් ඉටුකර දෙන බවට පොරොන්දු වී ඇති බවත්; එතුමා දන්නවා ද? (ආ) මෙහි කළ ප්‍රතිශේධනයට ඉහත කී ගම් ඇතුළත් වී තිබේ ද? (ඉ) නො එසේ නම්, එම ගම් ඇතුළත් කිරීමට කටයුතු කරනවා ද? (ඊ) එසේ නම් කවදාද? නො එසේ නම් ඒ මන් ද?

අරාභාදාන කටුබොකු, තපාල්, තනුන්වි පොරොන්දු වැනි අවස්ථාවලට කෙටුම්පත් (අ) (i) මෙහිදී, තනුන්වි තනු, පිහිනවි පහසුකම් සහ නැපැල් සහ විදුලි සංදේශ ඇමති ගෙන් ඇසූ ප්‍රශ්නය: (අ) (i) දෙ මැද හත්තිරිකන්ද, මියනවිට ගම් සහ ලිහිණියල යන ගම්වලට ලියුම් බෙදීමේ පහසුකම් සහ නැපැල් පෙට්ටි ඉල්ලා ඇති බවත්; (ii) දැරණියල ලිපි බෙදීමේ කොටස් ප්‍රතිශේධනය කළ විට මෙම ඉල්ලීම් ඉටුකර දෙන බවට පොරොන්දු වී ඇති බවත්; එතුමා දන්නවා ද? (ආ) මෙහි කළ ප්‍රතිශේධනයට ඉහත කී ගම් ඇතුළත් වී තිබේ ද? (ඉ) නො එසේ නම්, එම ගම් ඇතුළත් කිරීමට කටයුතු කරනවා ද? (ඊ) එසේ නම් කවදාද? නො එසේ නම් ඒ මන් ද?

තිරු. තනුන්වි පහසුකම් සහ නැපැල් සහ විදුලි සංදේශ ඇමති ගෙන් ඇසූ ප්‍රශ්නය: (අ) (i) දෙ මැද හත්තිරිකන්ද, මියනවිට ගම් සහ ලිහිණියල යන ගම්වලට ලියුම් බෙදීමේ පහසුකම් සහ නැපැල් පෙට්ටි ඉල්ලා ඇති බවත්; (ii) දැරණියල ලිපි බෙදීමේ කොටස් ප්‍රතිශේධනය කළ විට මෙම ඉල්ලීම් ඉටුකර දෙන බවට පොරොන්දු වී ඇති බවත්; එතුමා දන්නවා ද? (ආ) මෙහි කළ ප්‍රතිශේධනයට ඉහත කී ගම් ඇතුළත් වී තිබේ ද? (ඉ) නො එසේ නම්, එම ගම් ඇතුළත් කිරීමට කටයුතු කරනවා ද? (ඊ) එසේ නම් කවදාද? නො එසේ නම් ඒ මන් ද?

asked the Minister of Public Works, Posts and Telecommunications: (a) Is he aware that, (i) a request has been made for postal delivery facilities and post boxes for the villages of Demeda, Thantirikanda, Miyanawita Gama and Lihiniyagala? (ii) it was promised that this request would be granted when the delivery areas of Deraniyagala were re-zoned? (b) Were the above mentioned villages included in the recent rezoning of delivery areas? (c) If not, will he take action to include these villages? (d) If so, when? If not, why?

ගැ. මොන්ටිගු ජයවික්‍රම (රජයේ වැඩ, නැපැල් හා විදුලි සන්දේශ ඇමති)

(කෙරුම බොහෝමයා ආරාධනා—අරාභාදාන කටුබොකු, තපාල්, තනුන්වි පොරොන්දු වැනි අවස්ථාවලට කෙටුම්පත්)

(The Hon. Montague Jayewickreme— Minister of Public Works Posts and Telecommunications)

(a) (i) No request has been made. (ii) No such promise was given. (b) Demeda has been included in the waiting list for the provision of sub-post office facilities. Whether delivery facilities could be provided to Thantirikanda from Miyanawita Sub-Post Office will be examined at the next revision of the delivery beats of Miyanawita Sub-Post Office. Miyanawitagama has already been provided with delivery facilities from Miyanawita Sub-Post Office. Delivery facilities have already been provided to Lihiniyagala from Deraniyagala Post Office. Action has been taken to instal a letter box at Lihiniyagala. Provision of letter boxes to Demeda and Thantirikanda where there are no delivery facilities, will not serve any purpose as arrangements cannot be made for the clearance of the letter

[**௨௨.** மென்வேடி சயலிவூல]
boxes. Provision of a letter box at Miyanawita is not necessary as post-
 ing facilities are available at Miyana-
 wita Sub-Post Office. (c) Answer to
 Question (b) refers. (d) Does not
 arise.

௨௦. தி. ஸ. மன்றலய : லேமிய ஈ-௦௨யே
 ஸேவகமின்

சு. ப. அ. ச. : கல்லோயாப் பிரிவு ஊழியர்.

**R. V. D. B. : EMPLOYEES OF
 GAL-OYA SECTION**

11. பீ. பி. டி ஹெமிஸா டிரிபீரீன மயா.
 (ஸேமரத்ன ஸேநரத் மயா.—ஈமீலாரேடி—
 வேனுலெ)

(திரு. எம். பி. டி சோய்லா சிறிவர்தன—
 திரு. சோமரத்ன சேநரத்—அம்பாரை—
 சார்பாக)

(Mr. M. P. de Zoysa Siriwardena—on
 behalf of Mr. Somaratne Senerath—
 Amparai)

ஓடிமீ, லாரீமீலி லா லீடிரீலிடி ஈமீலிளேன்
 ஈடி ஸேவகமீ : (ஈ) லலா திமீத ஸ-லரீமீன
 மன்றலயயே லேமிய ஈ-௦௨ய லிமீலெ லீர
 ஸய கர் திமீலே? (ஈ) லீஸே தமீ ஈடலெ
 மலேமிய ஈ-௦௨யே ஸேலயே யேடி ஸிபித
 ஸேலகயயன் லே ஓரஸம விஸடினன்
 கெஸேடி? (ஓ) மீ ஸேலகயயன் லீக்
 ஈயேகடி லே ஸேலயேன் ஈஸீ தோகோல
 மலினன் தலடிர்லன் ஸேலயே தலா லகீலெ
 லகீல மரஸயய. (ரீ) ஸமீக்ஸஸ லா
 ஸாமிரதா லாரீதா லிடிஸேல கிரீம தலெ ஈல
 ஸன் கர் தோலக. லீலிவீன் லிமீடிர் விஸீ
 தர் டீலெ மெல ஈலிஸலலேடி தோலக.

காணி, தீர்ப்பாசன, மின்விசை அமைச்சராக
 கேட்ட வினா? (ஆ) ஆற்றல் படுக்கை அடி
 விருத்திச் சபையின் கல்லோயாப் பிரிவை
 ஈடுவதற்கு முடிவு செய்யப்பட்டுள்ளதா?
 (ஆ) அங்கணமாயின், தற்போது கல்லோ
 யாப் பிரிவில் கடமையாற்றும் ஊழியர்களின்
 எதிர்காலத்தை தீர்ணயிப்பதெப்படி? (இ)
 இவ்வுழியர்களில் ஒருவரையேனும் சேவையி
 லிருந்து நீக்காது, அவர்களைத் தொடர்ந்து
 சேவையில் வைத்துக்கொள்ளக்கூடிய முறை
 யிலே, அவர் புதிய அபிவிருத்தித் திட்டங்
 களை ஆரம்பிப்பதற்கு எதிர்பார்க்கின்றாரா?
 (ஈ) அங்கணமாயின், அவை யாவை?

asked the Minister of Land, Irriga-
 tion and Power : (a) Has a decision
 been taken to close down the Gal-
 Oya section of the River Valleys
 Development Board ? (b) If so, what
 arrangement have been made regard-
 ing the future of the employees at
 present in the service of the Gal-Oya
 section ? (c) Does he propose to ini-
 tiate fresh development schemes to
 enable the retention of all these em-
 ployees so that no employee need be
 discontinued ? (d) If so, what are
 these schemes ?

ஸேனேவிரத்ன மயா.
 (திரு. சேனேவிரத்ன)
 (M. Seneviratne)

(ஈ) தலா. (ஈ) லலா தோலகி. (ஓ)
 லேமிய ஸ-லரீமீனயே டேலேலீ லிஸலர்
 யலனே லிடி லிடிவேலக் ஸகஸீ கர்து
 லலே. மெல லிடி லிடிவேல ஸகஸீ லதுயே
 டுதலெ லேமிய வேனுலென் ஈயேலதய கர்
 ஈதி மூடி ஸுலஸயன் லலரிலெ ஸுயேலதய
 லகீல மரஸயய. (ரீ) ஸமீக்ஸஸ லாமிரதா
 லாரீதா லிடிஸேல கிரீம தலெ ஈலஸன் கர்
 தோலக. லீலிவீன் லிமீடிர் விஸீதர் டீலெ
 மெல ஈலிஸலலேடி தோலக.

மன்றி மன்றலயயே கலெது
 சபை அலுவல்
BUSINESS OF THE HOUSE

**௨௨. சே. ஈ. சலலரீமீன (ரீசய ஈமீலி
 ஸல ஈலாமிரதாதுமலேன் ஈ ஈர்க்ஸக லா
 லீடேல கலெது லிடிலிடி ஈமீலிளேன் லாரீலி
 மீனேது லேகமீ)**

(கேளரல ஜே. ஆர். ஜயவர்தன—இரா
 ஜாங்க அமைச்சரும் பிரதம அமைச்சரதும்
 பாதுகாப்பு வெளி விவகார அமைச்சரதும்
 பாராளுமன்றக் காரியதரிசியும்)

(The Hon. J. R. Jayewardene—
 Minister of State and Parliamentary
 Secretary to the Prime Minister and
 Minister of Defence & External Affairs)

I move,

“That Tuesday, 27th August; Wednes-
 day, 28th August; Saturday, 31st August;
 Sunday, 1st September; and Monday,
 2nd September, 1963; be Allotted Days
 for the consideration of the Appropria-
 tion Bill, 1963-69.”

ප්‍රශ්නය විමසන ලදීත්, සහසම්මත විය.
வினா விடுக்கப்பட்டு ஏற்றுக்கொள்ளப்பட்டது.
Question put, and agreed to.

Question put, and agreed to.
Bill accordingly read the First time, and ordered to be printed.

The Bill stood referred, under Standing Order No. 51 (4), to the Minister of Education and Cultural Affairs, for report

**පෞද්ගලික මන්ත්‍රීන්ගේ
කෙටුම්පත් පනත**
தனி அங்கத்தவர் மசோதா
PRIVATE MEMBERS' BILL

THE ALL-CEYLON BUDDHIST STUDENTS' FEDERATION (INCORPORATION) BILL

THE BUDDHIST PUBLICATION SOCIETY (INCORPORATION) BILL

වෛද්‍යාවර්ජ්‍ය රත්නපාල
(வைத்திய கலாநிதி ரத்னபால)
(Dr. Ratnapala)

ඩී. බී. විජේතුංග මයා. (උඩුකුටුර)
(திரு. டி. பி. விஜேதுங்க—உடுநுவரா)
(Mr. D. B. Wijetunga—Udunuwara)
I move,

I move,
“That leave be granted to introduce a ‘Bill to incorporate the All-Ceylon Buddhist Students’ Federation’.”

“That leave be granted to introduce a ‘Bill to incorporate the Buddhist Publication Society’.”

The Federation has a membership of 4,000 or 5,000. There are 40 or 50 branches all over the Island. It has done very useful work and it intends to increase its activities.

The Society has been doing very useful work in the publication and dissemination of Buddhist literature. The objects and reasons are stated in detail in the Bill.

වෛද්‍යාවර්ජ්‍ය ඒ. රත්නපාල (පත් කරන ලද මන්ත්‍රී)
(வைத்திய கலாநிதி ஏ. ரத்னபால—நியமன அங்கத்தவர்)
(Dr. A. Ratnapala—Appointed Member)

විජේතුංග මයා.
(திரு. விஜேதுங்க)
(Mr. Wijetunga)

විසින් ස්ථිර කරන ලදී.
முடிவடைந்தார்.
seconded.

විසින් ස්ථිර කරන ලදී.
அனுமதித்தார்.
seconded.
ප්‍රශ්නය විමසන ලදීත්, සහසම්මත විය.

කෙටුම්පත් පනත ඊට අනුකූලව පළමුවන වර කියවන ලදීත්, එය මූලිකය කිරීමට නියෝග කරන ලදී.

කෙටුම්පත් පනත ඊට අනුකූලව පළමුවන වර කියවන ලදීත්, එය මූලිකය කිරීමට නියෝග කරන ලදී.

වැනි කිරීම සඳහා 51 (4) වන සාමර නියෝගය යටතේ කෙටුම්පත් පනත

වැනි කිරීම සඳහා 51 (4) වන සාමර නියෝගය යටතේ කෙටුම්පත් පනත

வினா விடுக்கப்பட்டு ஏற்றுக்கொள்ளப்பட்டது.
இதன்படி மசோதா முதன்முறை மதிப்பிடப்பட்டு, அச்சிடப்படப் பணிக்கப்பட்டது.

வினா விடுக்கப்பட்டு ஏற்றுக்கொள்ளப்பட்டது.
இதன்படி மசோதா, முதன் முறை மதிப்பிடப்பட்டு, அச்சிடப்படப் பணிக்கப்பட்டது.

மசோதா, நிலையற்ற கட்டளை இல. 51 (4) இன்படி அமைச்சருக்கு, அறிக்கை செய்யப்படுதற்காகச் சாட்டப்பட்டது.

மசோதா, நிலையற்ற கட்டளை இல. 51 (4) இன்படி அமைச்சருக்கு, அறிக்கை செய்யப்படுதற்காகச் சாட்டப்பட்டது.

Question put, and agreed to.
Bill accordingly read the First time, and ordered to be printed.

The Bill stood referred, under Standing Order No. 51 (4), to the Minister of Education and Cultural Affairs, for report.

வியர்ஸ்த பதன் கெடுமபன, 1968-69

ஒதுக்கீட்டு மசோதா, 1968-69

APPROPRIATION BILL, 1968-69

கல் தனத டே விவாடி தவ டூரென் பவன் வது
வினா தினேத கியவெ டே. பி டே டே புவன
[தனேசீது 2.]

“கெடுமபன் பதன் தன் டேவெ வர கியவெ
புது.”—[ஓர் வன்நினாயக.]

புவன பதின் பதனவெ கர்வ டே.

ஒகவெ 2 ஆம் தேதிய வினா மீதான ஒத்திவைக்கப்
பெற்ற விவாதம் மீள ஆரம்பிப்பதற்கான கட்டளை
வாசிக்கப்பட்டது.

“மசோதா இப்பொழுது இரண்டாம் முறை மதிப்
பிக்கப்படுமாக” கௌரவ வன்னினாயக்க.

வினா மீண்டும் எடுத்தியம்பப் பெற்றது.

Order read for resuming Adjourned
Debate on Question—[2nd August].

“That the Bill be now read a Second
time”.—[The Hon. Wanninayake.]

Question again proposed.

கனாயகனதும

(சபாநாயகர் அவர்கள்)

(Mr. Speaker)

I would ask hon. Members to be
good enough to finish the Debate by
8 o'clock in order that we may be
able to take the Vote at that time.

பி. ஓ. 10.13

ஓவரீஸ் பன். பி. பி. பி. பி.

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Mr. Speaker, before I get on to the
main Budget Debate, now that the
Prime Minister is here I wish to refer
to a statement that the Prime
Minister is supposed to have made
yesterday that there are some papers
connected with my discussions on the
question of compensation to the oil
companies in which it is stated that I
agreed to a stipulated sum of money.
That is not true. I was not here for
the whole of that Debate but I parti-
cipated in the Debate and made my
position quite clear. I am, therefore,

surprised that the Prime Minister
should repeat statements that I have
already pointed out are incorrect.

There is no note, there is not even
the scrap of a note, on any discussion
that took place between myself and—

ஓர் விவாடி பி. பி. பி. பி.

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

Did you not have discussions?

ஓவரீஸ் பன். பி. பி. பி. பி.

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Of course, I did, and I have clearly
explained the whole position earlier.
I had discussions of an informal
nature.

ஓர் விவாடி பி. பி. பி. பி.

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

Oh!

ஓவரீஸ் பன். பி. பி. பி. பி.

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Why do you say “Oh”?

ஓர் விவாடி பி. பி. பி. பி.

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

That is what I said.

ஓவரீஸ் பன். பி. பி. பி. பி.

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

You did not. You said you had
documents to prove it. You are worse
than a schoolmaster who keeps on re-
peating the same thing over and over
again.

Now, let me get on to the main
thing. I am glad my good Friend, the
Minister of Finance, is coming. I
want to congratulate him on a very
difficult job fairly satisfactorily done.
My good Friend has introduced his
penultimate Budget. There is likely

to be another Budget in 1969 in August, but they may not be here to see the implementation of it. So, the effective Budget is this.

சு. டி. டி. சேனானாயக்க

(கௌரவ டட்ளி சேனானாயக்க)

(The Hon. Dudley Senanayake)

On how many occasions have you said this ?

சு. என். எம். பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

This is factual.

சு. யூ. வி. வன்னினாயக்க (இடல்
சு. வி.)

(கௌரவ யூ. வி. வன்னினாயக்க—நிதி
அமைச்சர்)

(The Hon. U. B. Wanninayake—
Minister of Finance)

It will come through one day.

சு. என். எம். பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Whether you will be there or not is a matter for the gods. Whether you will come back here or somebody else will, goodness only know, and we have no such presumption.

Therefore, this is the time to take stock, if I may say so, of their performance over a period of nearly three and a half years.

On previous occasions when we criticized this Government, they took up the position, "Give us a little more time. See what is going to happen as we progress with our programme of work."

Now, may I hark back to his first Budget. Introducing his first Budget he made the following points against the previous Government. I would not say he condemned the previous Government, but he criticized the previous Government for the following defects and shortcomings. Presumably, therefore, one would have

expected of them to make good in their period of time all those shortcomings of the previous Government.

I am going to take the salient points one by one and answer them.

1. Production increased sluggishly at the average annual rate of a little over 3 per cent.

Now, that was the complaint against us. It was almost a charge against us that the rate of production was inadequate.

2. Per capita real product increased at a rate below one per cent.

3. Unemployment was increasing at an average of over 10,000 per annum.

4. Consumer prices were rising at the rate of about 3 per cent per annum.

5. The Government was getting deeper and deeper into debt.

6. Foreign exchange reserves falling at an alarming rate.

7. Essential imports of rice and flour were bought on commercial credit for the first time in the history of the country.

8. Liquid foreign exchange reserves were hardly adequate to finance imports of four or five days.

Now, this is a charge that has been repeated over and over again by the Hon. Prime Minister and a number of others.

9. Ships—

I am sorry the Hon. Minister of Nationalized Services is not here—

Ships are queueing outside the Colombo harbour and we were paying heavy demurrage payments.

Now, I intend to take these points one by one and see how far this Government has satisfactorily met this

[ආචාර්ය එන්. එම්. පෙරේරා]

position. That would be an indication of the achievements of this Government. These are the reasons why the previous Government failed, they said. One would have thought that this Government would make good these defects and show a better performance.

Let us take the first item—Production increased sluggishly at the average annual rate of a little over 3 per cent.

What is their record? The increase in 1965 in the Gross National Product at current prices is 2.9. But what is it in real terms of at constant prices? 1.8 per cent. That was your performance in 1965. In 1966 at current prices the increase was 1.3 per cent, but the Central Bank says—this is where I find it difficult to believe the Central Bank—that at constant prices it went up to 1.6 per cent. I do not know how that is possible. I must leave it to the logic of the Central Bank authorities to find out how constant prices of every other year are well below. “Constant prices” means the present prices as compared with the prices of the previous year, and they admit in their own report that prices have gone up in the process. “Constant prices” means present prices in relation to the past prices and equating them on that basis. How it could have been possible I do not know. Anyhow these are the records of the Central Bank. These are not my figures. In 1967 the increase was 4.9 per cent about which they have not ceased to crow.—[*Interruption*]. The Hon. Minister has started laughing too early. At constant prices it is 4.2 per cent. So, on average, on your own admission, at a “current prices” it is just 3 per cent. Your record increase at constant prices is below 2.5 per cent. So what is your average record for three years? You boast about your increase in 1967. What was the Gross National Product for 1964? 5.8 per cent. Can the Hon. Minister now laugh? Your best effort is 4.9 per cent. This is the great record that you are talking

about. Sometimes they argue, for their convenience, as if the world started in 1966 or in 1965. They do not mention what happened previous to that. They are arguing in the same way here. They say there is a great increase in the production of paddy in 1967. To what do they relate this? They are not relating this to 1964 when there was a boom harvest and we had over 50 million bushels. They never mention that. They are always relating it to 1965 when the production was the lowest.—[*Interruption*.]

ශ්‍රී ලංකා මන්ත්‍රීවරු

(කෙළරාව අඟුණකන්තවරුන්)
(Hon. Members)

No.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிති என். எம். பெரேரா)
(Dr. N. M. Perera)

That is what you do over and over again over the radio and by Ministers on public platforms. That is actually what you are doing.—[*Interruption*]. I am talking about your achievements. Your best performance is well below 1964!

ශ්‍රී ලංකා මන්ත්‍රීවරු

(කෙළරාව ධර්ම සේනානායක)
(The Hon. Dudley Senanayake)

No.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிති என். எம். பெரேரா)
(Dr. N. M. Perera)

Mr. Prime Minister, I am talking about something else. Please listen to my argument. I am talking about production increase—the G. N. P. At the moment I am not talking about paddy. I am on the subject of the G. N. P. and your boast to make good the deficiencies of the previous Government.

The next point of criticism is this. The net per capita real product is increasing at a rate of below 1 per cent. One would have thought that

you had improved it during the 3½ years of your existence. 1965 real product per capita was a minus quantity. It declined actually by 4.4 per cent. That is their record. In 1966 the real per capita product declined by 4.7 per cent. It has gone still further down. In 1967 the real product increased by 2 per cent. On this 2 per cent, like a hen that has laid an egg, they are cackling the whole time. What is your average? Your average is .3 per cent. for the three years against a little over 1 per cent or thereabout under the old dispensation. Your best record in 1967 was 2 per cent but in 1964 it was 2.2 per cent. under the previous regime.

ඩி. ஷெல்டன் ஜயசிங்க மலா. (கர்ப்பாணிகளின் நிர்வாக அமைச்சர் அபிவிருத்தித் துறை)

(திரு. டி. ஷெல்டன் ஜயசிங்க—கைத்தொழில், கடற்செய்தல் அமைச்சரின் பாராளுமன்றக் காரியதரிசி)

(Mr. D. Shelton Jayasinghe—Parliamentary Secretary to the Minister of Industries and Fisheries)

You are taking your best year as 1964 and comparing it with our average. Why do you not take the average of 1960 to 1964?

ஓபர்ன் பி. பி. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

I am sorry I cannot give your brains. I started by repeating your charge. Your Finance Minister's charge against us was that the per capita real product increased at a rate of below 1 per cent. That is the average of our nine years. I only gave you 1964 as an example to prove that your best performance was below our 1964 performance.

I do not think the Hon. Minister of Industries ever bothers to look up facts and figures. He has nothing but praise for the Hon. Minister of Finance. This is what he says:

"I have nothing but the highest praise for the able manner in which the Hon. Minister of Finance presented the Budget and for the way in which he in unmistakable terms, supported by facts and figures, displayed to this House the growth in our economy. There cannot be

any doubt about that. In 1965, 1966 and 1967 there has been a terrific growth in our economy."—[OFFICIAL REPORT, 10th August 1968; Vol. 80, c. 190.]

From where did you get your figures, Mr. Minister of Industries? I just quoted figures from your own Central Bank to prove that nothing of the sort has ever happened. Here is a person who talks about the tremendous growth of our economy.'

The Hon. Minister of Industries came here and started a tirade against the D. F. C. C. I am in agreement with him. But why should he start a tirade against them? Has he not got the power to interfere?

Now, let me talk about his own performance. He talks about the 119 new industries he started. This is what the Chairman of the National Chamber of Industries says about the Hon. Minister's own performance. I am reading from "Industrial Ceylon", June 1968. Mr. Somasunderam, the Chairman, National Chamber of Industries, on whom they depend for the 119 industries to develop, states:

"Another serious problem is, we submit, the present dilatory and arbitrary nature of the allocations of foreign exchange for industries in the private sector for raw materials. These allocations have been made in three or four instalments and in small amounts. But the industrialists are deprived of the economies of bulk purchase."

Before the Hon. Minister talks about other people let him put his own house in order. Mr. Somasunderam goes on to say:

"Politics should not play any part in considering applications. The Government should lay down definite procedures for considering applications. During the last three years we have been making representations in regard to this matter and we do hope that the Government will arrive at a decision which is just and fair to all and is in the interest of the country."

That is their verdict of his period of office.

Now, Sir, the third point: The number of registered unemployed increased at the rate of over 10,000

[ආචාර්ය එන්. එම්. පෙරේරා]

per annum, Mr. Minister, you ought to be ashamed of yourself. At the end of 1964 the registered number of unemployed was roughly 71,000. I am only talking of the number on the registered list. I beg your pardon. At the end of 1955, the total number on the registered list was 71,000. At the time the previous Government went out of office, that was at the end of 1964, it had gone up to 165,000. So, Mr. Minister, you are justified in saying that there has been an increase of nearly 94,000 in a period of nine years. roughly at a little over 10,000 a year. Now, what is your performance Mr. Minister? At the end of 1967 it was 257,000. During the last three years it has increased by 92,000. The increase of 94,000 was in a period of nine years, but now the number has increased by 92,000 within a period of three years at the rate of 30,000 per year.

ගැ මන්තිනායක

(කෙසරව වැන්නිනායක)

(The Hon. Wanninayake)

Hope for the better.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிති என். எம். பெரேரா)

(Dr. N. M. Perera)

No hopes! You only live in hope.

I am not referring to the unofficial figures. All that I am saying is that was the criticism that you levelled against the previous regime. You said that an increase of 10,000 was too much.—[Interruption]. Yes, you promised work for everybody. You gave certificate also. Do not shake your head. The person who gave the certificates was the Hon. Minister of Education. He used to have seminars for the young. He gave certificates, promises of employment.

ලෙස්ලි ගුණවර්ධන මය.

(நிரு. லெஸ்லி குணவர்தன)

(Mr. Leslie Goonewardene)

That was for the by-elections.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

No, before that.

The next point is the consumer prices have risen at about 3 per cent. per annum. This is a rather curious fact. I do not know how he got the figures because quite honestly we have no basis on which to judge the rising prices in Ceylon.

Hon. Minister of State, what a pathetic figure you cut yesterday! came here and confessed that prices are rising. "We have tried our best, but the prices are rising. What can we do? Please help us." That was his theme song. But is that the basis on which you went to the country? You talked about high prices and laid the responsibility on the previous Government and said, "Put us into office. We will see that the prices come down." That was the promise that you held out to the people, but what is your performance? You get up in the House and say "Please help us if you know of a way of bringing down the prices."

ගැ ජේ. ආර්. ජයවර්ධන

(කෙසරව ஜே. ஆர். ஜயவர்தன)

(The Hon. J. R. Jayewardene)

Have you got any ideas?

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

There you are! You go out of that place and then we will give the ideas.

ගැ ඩඩ්ලි සේනානායක

(කෙසරව டட்லி சேனானாயக)

(The Hon. Dudley Senanayake)

You were here once.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

That was not long enough; you did not allow me to stay long.

Now, I want to know the basis on which you worked out these figures quite apart from the figures you get from the Central Bank. There is only one way on which we can go and that is on the basis of the Colombo Consumers Living Index, a wage index, an index of prices on the basis of consumption. That is all we have. In fact, I have seen the Central Bank Report for 1966. I refreshed my memory from it before I came here. They themselves refer to increase in prices in reference to the Colombo Consumers' Price Index. This is an utterly fictitious figure as the Hon. Minister knows. But, anyhow, let us accept these figures and take it as the yard-stick because it is the only yardstick available. What are the facts? Between 1956 and 1964 the cost of living index has risen from 100.2 to 112.2. That is a period of nine years. I admit that it is a fairly substantial increase in prices. There is no question about that. But what is your performance? In the three years from 1965 to 1967 the price index has gone up from 112.2 to 119.3 and today it should at 120.5. That is on the basis of your Colombo Consumers' Price Index. This price index is worked on the basis at the present moment of an utterly fictitious figure of one measure of free rice. That is all they take into account in fixing the Colombo Consumers' Price Index. They do not take into account the fact that the consumer has to buy the one measure of rice that he has been deprived of by this Government. He has to go to the market and buy it at Rs. 1.20. That is not taken into account. Without taking that into account, still the figure is 119.3. So that, it is a doubly fictitious figure compared to the past. During our time the price index was based on a realistic approach in the sense that the price of two measures of rice was considered, but now you have an entirely fictitious index. Notwithstanding that, you have nearly gone up to 120.

ද සොයිසා සිරිවර්ධන මහා.

(*திரு. டி. சசாய்ஸா சிறிவர்தன*)
(Mr. de Zoysa Siriwardena)
121.5.

ආචාර්ය එන්. එම්. පෙරේරා

(*கலாநிதி என். எம். பெரேரா*)

(Dr. N. M. Perera)

That is the latest. The cost of the extra rice would have brought the index to about 130.

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(*கௌரவ வன்னிநாயக்க*)

(The Hon. Wanninayake)

No.

ආචාර්ය එන්. එම්. පෙරේරා

(*கலாநிதி என். எம். பெரேரா*)

(Dr. N. M. Perera)

Why are you saying 'No'. Rice forms two-thirds of the weightage.

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(*கௌரவ டுட்லி சேனநாயக்க*)

(The Hon. Dudley Senanayake)

That is only with *bath gottas*.

ආචාර්ය එන්. එම්. පෙරේරා

(*கலாநிதி என். எம். பெரேரா*)

(Dr. N. M. Perera)

That is your rank and file.

Mr. Minister, you have made some amazing statements in this connection. I refer to columns 51 and 52 of your speech. Mr. Minister, what did you say?

"Viewed against a background of an average increase of 3 per cent. in the money supply, the increase in real output of over 4 per cent. is a satisfactory indication of the proper balance between monetary expansion and economic growth in Ceylon in 1967."—[OFFICIAL REPORT, 2nd August 1968; Vol. 80, c. 51-2.]

Is this a correct statement, Mr. Minister, apart from what your advisers doled out? Do you really admit this position? Does the Hon. Minister know what the implication of that is?

According to them, production has gone ahead of increasing monetary expansion. If that were so, there should be no increase in prices. There should be some stability of prices in Ceylon. But is that true? In point of fact, the Minister of State has confessed here that the prices have continued to increase in spite of all their

[ආචාර්ය එන්. එම්. පෙරේරා]

efforts. Yet the Minister of Finance, without considering for a moment, without trying to sit down for a moment and think of the kind of stupid thing that has been put into his mouth by his officials, comes here and makes a statement saying that in point of fact there is a stability of prices. What can you do? Mr. Minister of Finance, you must take responsibility for what you are saying. How much I deplore the wrong advice you get from your officials.

I do not want to go into all these figures because the hon. Member for Amparai (Mr. Senerath) made pointed, specific statements with regard to the increased cost of living. He set out the figures one after the other. Not one Member who spoke from that side, either a Government Minister or anybody else, dared to refute a single statement made by him or a figure given by him, from which I gather that those are absolutely correct figures and they cannot gainsay that. Not one Minister or Member has questioned those figures.

You have made some amazing statements in your speech, Mr. Minister. At Column 44, what did you say? That the price index for textiles had fallen.

පී. ඩී. ඉලංගරත්න මයා. (කොලොන්නාව)

(திரு. டி. பி. இலங்கரத்ன—கொலொன்னாவ)
(Mr. T. B. Ilangaratne—Kolonnawa)
Biggest howler.

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(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)
Wait.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

You are still asking us to wait.

"The price index for textiles which had fallen in 1966 declined further in 1967."—[OFFICIAL REPORT, 2nd August, 1968; Vol. 30, c. 44.]

On what basis are you talking? Here are figures given by your own men. Here I have got with me the figures issued by Salu Sala. There are two Orders.

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(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)
Issued when?

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Order No. 11. This is official, issued just before your Budget.

ශ්‍රී ලන්කීනායක

(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)
Oh!

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Do not say "Oh". Wait patiently till I finish.

ශ්‍රී ලන්කීනායක

(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)

So many corrections have been made.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Wait a minute, Mr. Minister. Immediately after your Budget they issued another Order.

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(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)

Further corrections have taken place.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

I know. I am coming to all those corrections. Do not think I am going to ignore those corrections. All I am

saying is this. Please, Mr. Minister, the previous Order No. 11 was an increase of textile prices from what they were before. May I give you the previous textile prices? I will give you some choice ones. In regard to Printed Fabric, Cactus Mark, Rs. 1.55 a yard was the previous price. Your Order No. 11 increased it to Rs. 2.05. You have increased the prices more than once of all items which had been marked Rs. 1.50 in the earlier period, particularly during our period in 1964. On the one hand the C. W. E. increased prices, and after Salu Sala took over, they too increased prices. They increased prices by Order No. 11. They increased all these prices to Rs. 2.12, Rs. 2.05 and so on. Polish Poplin White, Rs. 2.05, Dyed Poplin Czechoslovakia, Rs. 2.05, and so on. Bleached long cloth was increased to Rs. 1.90.

ஒரு சே. ஈர். சீலவெட்டை

(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)

Cost is going up.

ஈவர்டீசு லீன். லீ. பீரேரா

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

White Drill was Rs. 1.90. Today it is Rs. 3.55. Do you see what you did?

After he announced in this House a reduction of 25 cents per yard, what did Salu Sala do? They increased prices and the new prices were set out in their Order No. 14 and introduced on 4th August 1968, two days after the Hon. Minister's speech. That means up to yesterday—I do not know when they revised their figures—they sold at these higher prices. They sold at the higher prices throughout the country. Now, the very first thing the Hon. Minister announced to the House was that he was reducing the price of cloth by 25 cents—that is, reducing the then price by 25 cents, the Salu Sala price.

ஒரு லீன். லீ. பீரேரா

(கௌரவ வன்னினாயக்க)
(The Hon. Wanninayake)

Not the price but the import duty.

3-லீ 16253 (63/8)

ஈவர்டீசு லீன். லீ. பீரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

The import duty by 25 cents per yard.

ஒரு லீன். லீ. பீரேரா

(கௌரவ வன்னினாயக்க)

(The Hon. Wanninayake)

The rise in price is a result of devaluation and FEEC.

ஈவர்டீசு லீன். லீ. பீரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

But what is the purpose? The purpose was to allow the people to pay 25 cents less per yard.

ஒரு லீன். லீ. பீரேரா

(கௌரவ வன்னினாயக்க)

(The Hon. Wanninayake)

There is a moderate rise in price.

ஈவர்டீசு லீன். லீ. பீரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Is the Hon. Minister seriously telling us that he reduced the duty by 25 cents a yard in order to benefit the mudalali? Or was it intended that the consumer should get the benefit? It is important for our purpose to know what you have done. All that you have done is to allow a reduction in duty but that reduction has not been passed down to the consumer. That is the point I am trying to make. The benefit of the reduction has gone to Salu Sala, which now has the monopoly of all imports of tetiles.

May I ask the Hon. Minister of State, what is the ethics of what you have done? To enable them to recoup their losses you have allowed them to import certain quantities of textiles up to Rs. 3 million.

ஒரு சே. ஈர். சீலவெட்டை

(கௌரவ ஜே. ஆர். ஜயவர்தன)

(The Hon. J. R. Jayewardene)

Not yet.

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிති என். எம். பெரேரா)
(Dr. N. M. Perera)

And, apart from the four varieties which they can import, they can sell at any price to the consumer. They have the monopoly on that too. Is it fair? You are encouraging the black-market. You are permitting the blackmarket to thrive. You cannot pretend to the people that you are reducing the duty.

ශ්‍රී ජේ. ආර්. ජයවර්ධන
(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)
Your lounge suits?

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Lounge suit material are off-coupon articles and we have to pay in addition to it the off-coupon price. That means Rs. 1.25 more. How many yards are we allowed to buy for one coupon? I think it is 2 yards. Ask the poor people in the villages how they have to provide their children with school uniforms and so on. They have to buy off-coupon cloth. What can they do with 2 yards given on each coupon? How many uniforms can you make out of 2 yards of material. I do not want to go into all the details.

Take Lever Brothers' products for instance. They have increased the prices of their products on three occasions since your Government came into office. Soaps have gone up in price three times. Reel thread for example, which every poor person uses, has gone up from 60 cents to 90 cents. All these are the poor man's needs. The prices of all milk foods have gone up by one rupee. And the Hon. Minister comes here and says that we increased prices by 3 per cent. What have they done? They have sky-rocketted prices.

ශ්‍රී මන් නිනායක
(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)
Wages also have increased.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

How much? Have the increases in wages kept pace with the increases in prices?

The next point in his argument against us is that the Government is getting deeper and deeper into debt. What a statement to make! The mere mention of it is rather laughable. I will give their record.

ශ්‍රී මන් නිනායක
(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)

What have you devoted it for? You have not mentioned that.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Today, the Government is reaping the benefits of what has been done by the previous Government. The Textile Corporation, the Steel Corporation, the Hardware Corporation: whose words are those? But what have you done? So, do not merely talk.

ශ්‍රී ජේ. ආර්. ජයවර්ධන
(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)

The Textile Corporation and the Steel Corporation were part of our first Six-Year Plan.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

You are talking nonsense! The Chinese gift was part of the Six-Year Plan?

ශ්‍රී ජේ. ආර්. ජයවර්ධන
(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)
That is the construction.

ශ්‍රී චන් නිකායක

(කෙළරඹ වැන්නිනායක)

(The Hon. Wanninayake)

The Chinese factory is not yet there.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிති என். எம். பெரேரா)

(Dr. N. M. Perera)

The one already functioning in Veyangoda.

ශ්‍රී ඩී. පී. ආර්. ගුණවර්ධන (කර්මාන්ත හා සිවර ඇමති)

(කෙළරඹ ඩී. පී. ආර්. ගුණවර්ධන—කෘෂ්කර කෞතුක, කදර්ගුණවර්ධන අමාත්‍යාංශය)

(The Hon. D. P. R. Gunawardena—Minister of Industries and Fisheries)

The Chinese factory was to be at Dompe!

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

I will come to that in a moment. I am coming to Dompe in a moment.

At the end of 1955 the Gross National Debt was Rs. 1,161 million, the net debt was Rs. 943 million. At the end of 1966 it had gone up admittedly to Rs. 3,787 million, gross, and Rs. 3,436 million, net. In nine years the gross debt increased by Rs. 2,626 million and the net debt by Rs. 2,493 million. What was your record? At the end of 1967 the gross debt was Rs. 5,322 million and the net debt Rs. 4,782 million. In other words, in three years you have increased the gross debt by Rs. 1,535 million and the net debt by Rs. 1,356 million. Thus, while the previous average per year was less than Rs. 300 million, your average is over Rs. 500 million a year. So, can you seriously talk about the previous Government getting the country deeper and deeper into debt?

ෂෙල්ටන් ජයසිංහ මයා.

(ශ්‍රී. ශෙල්ටන් ජයසිංහ)

(Mr. Shelton Jayasinghe)

Is it bad?

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

According to your Minister that was bad.—[Interruption]. I am answering your Minister and not you. I will come to you presently.

The position at the end of 1968 would be worse. The gross debt would be Rs. 5,958 million and the net debt, Rs. 5,407 million, which is an increase of Rs. 2,171 million, gross, and Rs. 1,981 million net.

Let us examine this a little further. Consider the Foreign Debt. It shows a rise from Rs. 205 million to Rs. 407 million in the nine years from 1956 to 1964. In 3½ years you have raised that to Rs. 976 million. You have more than doubled it within that short period. And what have you got to show for this?

You are talking so big, but even your one factory at Thulhiriya took three years to get going. You were dilly-dallying because it was an offer from Eastern Germany. Western Germany objected and it took all that time to start work.

ශ්‍රී ඩඩ්ලි සේනානායක

(කෙළරඹ ඩඩ්ලි සේනානායක)

(The Hon. Dudley Senanayake)

No.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

That is the only reason why you did not make a start. Eastern Germany has been telling us that.

ශ්‍රී ඩඩ්ලි සේනානායක

(කෙළරඹ ඩඩ්ලි සේනානායක)

(The Hon. Dudley Senanayake)

Not at all.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

The credit agreement was signed by me before I left. What were you doing for three years?

[ආචාර්ය එන්. එම්. පෙරේරා]

That is not all. In the Hon. Prime Minister's own constituency—I have no objection: “සැන්ද අතේ තිබෙන තෙක් බෙදා ගන්න” —a similar matter is being attended to in double quick time. He is hoping to get it ready before 1970.

ගරු ඩඩ්ලි සේනානායක

(කෙළරඹ දැවුණි ජනප්‍රධාන) (The Hon. Dudley Senanayake)

Is there anything wrong in that?

ආචාර්ය එන්. එම්. පෙරේරා

(කලාපිති එන්. එම්. පෙරේරා) (Dr. N. M. Perera)

I have no objection. But why did you not act as expeditiously in regard to the one at Dompe? What have you done for 3½ years?

ගරු ඩඩ්ලි සේනානායක

(කෙළරඹ දැවුණි ජනප්‍රධාන) (The Hon. Dudley Senanayake)

Dompe is getting flooded.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාපිති එන්. එම්. පෙරේරා) (Dr. N. M. Perera)

All right. You took it away and sited it somewhere else. Why do you not apply the same expedition in regard to that particular factory as you did to your factory?

That is not all. For 3½ years I have not been able to get one power-loom for my constituency. They have not started yet. Why this special kind of treatment to the Prime Minister and not to the rest of the Members? That is what I want to know.

My good Friend the Hon. Minister of Industries and Fisheries has started a factory in his house—or just opposite his house. I would have preferred it if he started it in his own land because that piece of land is useless for anything else. But he has taken 70 acres of the best rubber land in the Hewagam Korale and flattened

it out. What a big loss of income for the country!—70 acres of the best rubber that you can think of, opposite his own land at Boralugoda. If he had taken his own land for the purpose I would not have minded it; it is a useless coconut land. He could have taken that if he wanted to have the factory in his constituency. Why not have it in his own house? After all what is the use of being a Minister if you cannot have it in your own house?—[Interruption.] Yes, we will come to Mr. Serasinghe and the promises they have made to him. Now, I am not objecting to your having it. But please apply the same yardstick to us. Our people also would like to have some of the benefits. After a great deal of agitation a powerloom was sanctioned for my area but for the last 3½ years I could not get that started.

ගරු ඩඩ්ලි සේනානායක

(කෙළරඹ දැවුණි ජනප්‍රධාන) (The Hon. Dudley Senanayake)

I have not got my powerloom yet.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාපිති එන්. එම්. පෙරේරා) (Dr. N. M. Perera)

But you are getting the Tulhiriya one. Not only the Tulhiriya one, you are also getting a large number of other things in your constituency. I am not objecting to it at all. After all, what is the use of your being Prime Minister if you cannot get them yourself? All that you have to show for yourself for all this increase of debt is this Tulhiriya Factory that has been started and the one at the other place, the so-called 119 private establishments they are hoping to have and the extra five-million bushels of paddy. That is all they can claim.

ගරු මන්ත්‍රීවරයෙක්

(කෙළරඹ අනුකූලතවර් ඉලුච්චි) (An hon. Member)

Private sector?

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிති என். எம். பெரேரா)
(Dr. N. M. Perera)

Yes, part of the foreign aid debt has been incurred for that purpose. You have got the counterpart fund, you have got a large number of mini-mokes and so on, all on that basis.

The next point of the Hon. Minister of Finance is about foreign exchange resources falling at an alarming rate. Mr. Minister, I am quite prepared to admit that the foreign exchange reserves were falling. But have you improved the position. When you make charges against the previous Governments one would expect you to have done better. You are trying to preach to somebody else, but are you practising what you have been preaching?

External assets fell from Rs. 1,229 million from the end of 1956 to Rs. 351 million at the beginning of 1964. Agreed In fact, it fell below that in 1963. Now I am not talking at the moment about its goodness or badness. I am only asking you, what have you done? What is your record, Mr. Minister? At the end of 1965 it was Rs. 439.9 million. In 1966 it was Rs. 317.6 million, the lowest that we ever touched. That is your achievement in 1966. At the end of 1967 it was Rs. 448.9 million and in January 1968 it was Rs. 323.7 million.

ශ්‍රී වන්නිනායක
(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)

We must wait for a year; you cannot have it in two months.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Agreed. Please wait patiently for what I am going to say. In February it was Rs. 347.4. In March it was Rs. 358.6; in April it was Rs. 495.5 and in May it was Rs. 454.3. So your performance is not much better than

the previous Government's. Then let us see how you managed to get even this. That is important. The previous Government went to the I. M. F. twice. On the 4th of April 1961 it got the first gold tranches.—Rs. 53.8 million. On 28th February 1962 it got a second instalment of gold tranches—Rs. 53.8 million. That is a total of Rs. 107.4 million. That is all that the previous Government got from the I. M. F. What have you got?

You have got, on 23.4.65—Rs. 38.2 million; on 2.7.65—Rs. 71.3 million; on 19.1.66—Rs. 35.7 million; on 23.3.66—Rs. 19 million; on 27.6.66—Rs. 35.7 million; on 23.9.66—Rs. 17.9 million; on 29.12.66—Rs. 35.7 million; on 21.3.67—Rs. 92.8 million; on 29.3.67—Rs. 29.8 million; on 17.4.68—Rs. 114.9 million; on 15.5.68—Rs. 62.5 million. That makes a total of Rs. 553.5 million as against Rs. 107.4 million which we got.

You started preaching about too much dependence. What was your statement?

ශ්‍රී වන්නිනායක
(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)

At one time your argument was that you were not getting anything.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

All that I am saying is that you cannot make a charge against the previous Government that foreign exchange resources fell at an alarming rate, and then go and do this.

That is not all. After borrowing Rs. 553.5 million, what have you got? Your foreign exchange resources are negligible. We had a bare amount, and you were talking about there being enough to purchase only 3 or 4 days' supply. What have you got today? You do not have a cent; everything belongs to somebody else. Your total foreign exchange resources at the end of May amount to

[சபை உறுப்பினர். சி. பி. சேனாரத்னா]
about Rs. 400 million. I have just read out the figures showing that you have borrowed Rs. 553.5 million. So you are minus. In fairness to the Government may I say this? Up to the end of March 1966 you have paid back Rs. 93 million. I am prepared to admit it. Therefore the nett borrowing is Rs. 460.5 million at the present moment. What you have now is a minus sum. In our time at least there was enough for 3 or 4 days' supply in Ceylon. What have you got? You are leaving behind nothing for the people who are succeeding you. Are we not therefore justified in going to the country and saying that you are leaving behind a bankrupt exchequer?

சபை உறுப்பினர்

(கனகசபை உறுப்பினர் சி. பி. சேனாரத்னா)

(The Hon. Wanninayake)

What about the volume of imports capital goods and investments?

சபை உறுப்பினர். சி. பி. சேனாரத்னா

(கனகசபை உறுப்பினர் டி. என். எம். பெரேரா)

(Dr. N. M. Perera)

I am coming to that. When I read your document you will be surprised.

The next point is rather interesting. I would like an explanation on this. Essential imports of rice and flour were bought on commercial credit for the first time in the history of the country. What is meant by this? If the Minister had mentioned that we should not buy consumer goods on the basis of long-term loans, I could not agree with him more; I could agree with him wholeheartedly. But that is not what the Minister says, because that has never happened with regard to the purchase of rice and flour. Whether it be your Government or our Government, except in the case of China, with whom we have a purely barter agreement for rubber-rice exchange, all the others have been bought on a cash basis.—[Inter-ruption]. What is the point in your Minister making such a stupid statement like this, unless he is referring to bills being settled in 30 days' time or 60 days' time? But, what does

the Hon. Minister want to convey? I agree, the Minister is trying to impress the people of this country. This must be impressed on his own officials because, I think, there are some officials who believe that it does not matter how you spend so long as in the overall result there is a surplus that is sufficient to pay back the interest and the annuities on the principal. I do not agree with that view; I may be a little conservative.

When we borrow externally we must try and utilize what we borrow for productive purposes. If there is waste in the case of foreign loans it will have much more dangerous and disastrous effects on the country, because we have to pay back these loans, than in the case of internal loans. In the case of internal loans the effects of any waste will not be so bad, but so far as foreign loans are concerned I think we must, as far as possible, utilize them for productive purposes.

I do not want to go into the history of purchases being made by this Government in regard to rice, and so on, except to ask the Hon. Minister who made a charge against us, one question. You must ferret out these things and point them out to your officials. Last year, 52,000 tons of extra rice was bought, which, I shall show you, was quite unnecessary. Here is a waste of money. An officer, Mr. Senanayake, specially went to Thailand for this purpose while there was enough rice here. They started the year with a balance stock of 70,000 tons. The China contract was bringing them 200,000 tons which was coming in instalments. The first quota of 60,000 tons came at the beginning of the year. So, when they started year they had 130,000 tons. For a year we actually require only 500,000 tons of rice for the ration. For a quarter, we require 125,000 tons. So, you had an excess even on that basis. What is more, you were getting the G. P. S. rice also. Therefore, there was no need to become panicky and rush about and buy rice at exorbitant prices. The officers went and bought.

quite unnecessarily, an extra 52,000 tons at a terrific price. Whereas under the China contract the price was in the neighbourhood of £ 65. the rice bought from Thailand was one lot at £ 72, and another lot at £ 80. This was quite unnecessary when you had enough rice here. Mind you, that was in February/March. You bought again another 20,000 tons at £ 38 f.o.b. in March/April. They have already been delivered.

ශ්‍රී ඩී. බන්ඩා

(කෙළරව எம். டி. பண்டா)

(The Hon. M. D. Banda)

You do not want rice ?

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

I am going to deal with you in the Committee stage ; I would not tackle you now.

ශ්‍රී වන්නිනායක

(கேளரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

If we went short of a little rice you would have shouted out.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

All that I am trying to point out is that with regard to rice there is absolutely no difference between the manner we bought and the manner you are buying it, and there is no justification for your charge against us that we did not buy rice and flour on a credit basis. For the first time in the history of this country a serious charge of this nature has been made without any foundation whatsoever.

ශ්‍රී ඉංගරන්ත මයා.

(திரு. இலங்கரத்தன)

(Mr. Ilangaratne)

That is for the radio.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Now I come to flour. Here I have a specific charge to make. In the case of flour also there were direct purchases. According to the Food Commissioner's Report, in 1963-64 we bought a total of 218,544 tons. from Australia, 112,000 ; Germany 57,000; France 18,000 ; U. S. A. 9,000; Russia 6,000; Singapore 2,000; Canada 9,109, that was a Colombo Plan gift ; and India 3,150 tons.

Your purchases in 1966-67 are these. You bought from Australia 200,000 tons at £27; Italy 180,000; Germany 50,000 ; France 50,000 ; then another 20,000 ; Honkong 45,000 ; Lebanon 1,000. You purchased 55,600 tons. You got 31,000 tons P.L. 480.

Is the Minister of Food aware that a great deal of flour has gone waste ? Flour had been got down much earlier than was needed for consumption. You have had to de-bag the flour.—[Interruption.] If not, you would have passed on weevil infested flour to the consumer.

You are making accusations against others. Look at your own wasteful purchases. You purchased 50,000 tons of flour from France—quite uncalled for. That was bought in February. Between the time that Mr. Rajakaruna left and the new Food Commissioner, Mr. Senaratne, came in, in that interim period, one of your officials sent a special invitation to the French contractors on 24th January 1968. The local agent for that firm is a man called Basil Rajanayake a very important person, and his connexions with your Food Department officials should be probed into. I am mentioning this because there is a sequence to this. This purchase was made notwithstanding the fact that already in September 1967 you had an offer of a barter deal from an Italian firm which offered to buy 2 million sterling worth of Ceylon produce in exchange for flour at market prices. At that stage the Italian firm was told: We do not

[ආචාර්ය එන්. එම්. පෙරේරා]
need any flour. We will communi-
cate with you if we are going to have
a contract.

What happened? Without any
reference to this firm they signed this
contract for 50,000 tons with the
French firm.

What happened to the flour? That
is the interesting part. The French
firm alone does not sell the flour.
There is a consortium of suppliers.
Belgium supplies; Germany supplies;
France supplies. They divide up to the
total 40,000 tons came; 10,000 tons
got delayed. The last shipment was
from Bremen by a man called Kurt
Bretcher. In regard to the cargo at
Bremen, the master of the ship gave
what is called a re-marked Bill of
Lading. You know what a remarked
Bill of Lading is. It means that there
is some defect in the article shipped,
and therefore there is no immediate
payment. You cannot get your Letter
of Credit cashed if there is a remark-
ed Bill of Lading. When the Master
of the ship gives a remarked Bill of
Lading it means that the whole thing
has to be referred to the consignees
here. That is the first thing that
happened.

Then the ship came to Rotterdam
to pick up the 5,000 tons of flour
from Belgium. When it went there
the Belgians said that they could not
load the ship because there were
weevils in the flour already shipped
from Bremen. What happened? The
Ceylon Government was informed,
and the Ceylon Government sent Mr.
M. B. Senanayake to make inquiries.
Now, this is the gentleman who was
responsible for this contract of
50,000 tons, and he is sent to make
inquiries.

ගරු ඩඩ්ලි සේනානායක

(කෙනරාමු උද්ගිරි ජෙනරානායක)

(The Hon. Dudley Senanayake)

He is not a relation of mine.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිති ඒන්. ඒම්. පෙරේරා)

(Dr. N. M. Perera)

No, no; absolutely not. In other
words, you are sending a thief to find
out a theft. It reminds me of the Sin-

halese saying, *horage ammagen pena
ahanawa wage.*—[Interruption.] This
contract was unjustified. I will repeat
the charge: This contract was un-
justified. And what happened? You
sent this gentleman to find out
whether weevils that were found
were flour weevils or tapioca wee-
vils. When did Mr. M. B. Senanayake
become an expert on weevils?

ගරු එම්. ඩී. බණ්ඩා

(කෙනරාමු ඒම්. ඩී. බණ්ඩා)

(The Hon. M. D. Banda)

You are assuming a lot of things.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිති ඒන්. ඒම්. පෙරේරා)

(Dr. N. M. Perera)

I am not assuming anything. I am
giving you facts.

ගරු එම්. ඩී. බණ්ඩා

(කෙනරාමු ඒම්. ඩී. බණ්ඩා)

(The Hon. M. D. Banda)

You make your case. I will reply.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිති ඒන්. ඒම්. පෙරේරා)

(Dr. N. M. Perera)

Certainly, I want you to. I also
want you to inquire into this. All
that I am saying is that the Hon.
Minister must not accept the word
of a mere official.

When a Master of a ship gives a
remarked Bill of Lading, one has
first to find out what the surveyors
were doing. At every port we have
surveyors and we pay them. They
have to see that the holds are in good
order. They have to see that every
load of flour is sampled and that the
flour is in good condition before it is
shipped. For that work they are res-
ponsible to us and we pay them.

ගරු එම්. ඩී. බණ්ඩා

(කෙනරාමු ඒම්. ඩී. බණ්ඩා)

(The Hon. M. D. Banda)

All that is being done.

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிති என். எம். பெரேரா)
(Dr. N. M. Perera)

If that is being done, how is it possible to have a remarked Bill of Lading? Why did they not stop the consignment of flour at that end? Why was it necessary to send Mr. M. B. Senanayake who was responsible for this contract to find out whether the weevils were there or not? He has now sanctioned the flour; it will come here and the consumers here will get the weevil infested flour.

This is not the first time that Kurt Bretcher has let us down. Bretcher has let us down more than once. The fact is, in Bremen, they loaded weevil-ridden flour, and I am making the charge that your officials were aware of it.—[Interruption.]—Yes, your officers were fully aware of this. In the first instance, they had no business to sign this contract. There was absolutely no need for 50,000 tons of flour. There was enough flour in this country at that stage.

Then, why did you send Mr. Senanayake all the way? He is not an expert. If you wanted an inquiry, why did you not use your own officials in the High Commission in England? There is an Ambassador in France. Why did you not use them? Why did you send this man from here? The Hon. Prime Minister is also responsible for this.

ගුරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
Why?

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Because all these visits have to be sanctioned by you personally.

ගුරු එම්. ඩී. බණ්ඩා
(கௌரவ எம். டி. பண்டா)
(The Hon. M. D. Banda)

I made the recommendation.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

You have to accept responsibility.

ගුරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)

Of course, I am responsible for all the acts of everybody in the Government, including your L. S. S. P. fellows in Government Service.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Do not hold yourself responsible my people.

All that I am saying is, this is the kind of thing that is going on and the Hon. Minister is the person who is making a charge against us. That is not all.

You had better make inquiries as to what the connections are between Mr. Basil Rajanayake and your officials. In point of fact, the day the contract was signed, they had a tamasha at the Mascarilla. Both Mr. Rajanayake and Mr. M. B. Senanayake were present.

ගුරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
Who is Basil Rajanayake?

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

He is an agent of the French firm from which you buy your flour.

You made the charge that we had utilized foreign resources for the purposes of purchasing rice and flour. You made the charge that essential imports of rice and flour were brought on commercial credit for the first time in the history of the country. I shall prove that this is not true. Factually there is no difference

[ආචාර්ය එන්. එම්. පෙරේරා]

between our manner of purchasing rice and flour and your manner of purchasing rice and flour. What is your Counterpart Fund? Let us inquire into that. What do you use it for? Is it not utilization of foreign aid for current consumption? Out of the Rs. 485 million you have got on the three aid programmes, not less than Rs. 200 million has been absorbed by pure consumption commodities. Rs. 120 million has been on flour. I have got the details here with me. All the details are given at page 28 of your book on 'Foreign Aid'. These are the details :

	Rs. (million)
"Textiles	.. 27.25
Tyres and Tubes	.. 19.72
Dried Fish	.. 4.43 "

These are all loans which you have to repay. You have also some other items such as dried chillies, paper, drugs, seed potatoes, and so on. I have not even included your motor spares.—[Interruption.]

ගරු මන්ත්‍රීතුමා

(කෙළරඹ වැන්නිනායක)

(The Hon. Wanninayake)

It is only a small part.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිති ආචාර්ය. ආර්. ජේ. පෙරේරා)

(Dr. N. M. Perera)

Small part.—[Interruption]. I do not know how small your parts are.

ගරු මන්ත්‍රීතුමා

(කෙළරඹ වැන්නිනායක)

(The Hon. Wanninayake)

Seed potatoes, tyres and tubes are not consumer articles.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිති ආචාර්ය. ආර්. ජේ. පෙරේරා)

(Dr. N. M. Perera)

They are not consumer articles? In point of fact that is one of our complaints. All the seed potatoes are going into the private market for private consumption.

ගරු මන්ත්‍රීතුමා

(කෙළරඹ වැන්නිනායක)

(The Hon. Wanninayake)

That is not correct.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිති ආචාර්ය. ආර්. ජේ. පෙරේරා)

(Dr. N. M. Perera)

What is really happening is this. Under the aid programmes each of the six countries—I say six countries because Australia in part and Canada fully signed agreements with us to provide loans. These loans are not credited. We cannot use that as credit in order to buy articles that we want in any country we want. They specify the articles that are available. That is why some time ago there was a howl in the papers that we have been importing from West Germany a large quantity of various bathroom fittings which are unserviceable in Ceylon. When credit is opened they insist on our buying from the U. K. That is what happens to the Counterpart Fund.

Articles are sold to us at prices fixed by these countries. You cannot get these articles at competitive prices fixed at world market prices. They fix the prices and also earmark the kind of goods that are available. Then what happens? The Government gets some importers and tell them, "Such and such goods are available. Are you prepared to buy them?" Those importers who want them deposit money in the Central Bank. The articles are presumed to come under the "B" category, and are also subject to FEEC. That money accumulates in what is called the Central Bank Counterpart Fund. These are consumer articles, industrial raw materials and machinery. These fall into three categories. Surely, the Hon. Minister will admit that this is in violation of his own principle which he has adumbrated. He charges us of that but we never did that. That is his own principle which he is violating. You are now using loans purely for consumption purposes. That is what you have been doing. Instead of making that charge against us this is a charge you should level against yourselves.

Moreover, some of these articles must be imported to Ceylon in the ships belonging to those countries that give us the loans. We cannot use even our own freighters. That is the condition. American goods have to be sent here in American ships and German goods in German ships, and so on. Such are the restrictions that are imposed. These are loans. Temporarily you are at an advantage because you are having more money for internal expenditure. What normally should have been bought out of foreign exchange you are now getting by way of loans and that money is being used for internal settlement of your debts. That is why the Hon. Minister says in his speech that the counterpart funds are going to set off the deficit in the Budget.

செல்வன் சீனிவாசன்

(திரு. ஷெல்டன் ஜயசிங்கன்)
(Mr. Shelton Jayasinghe)

Better than financing the deficit by Treasury Bills!

ஶலாபீச ஶன். ஶ. பீ. பெரேரா

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

How is it better? I shall come to that. Treasury Bills are internal loans, but now you have to pay back to a foreign country. So how could it be better? What is worse! This is present satisfaction for which future generations will have to pay. You are now utilizing for consumption purposes loan money for which the coming generations that did not consume the articles will have to pay; our children will have to pay for this. You are passing it onto the next Government.

ஶலாபீச ஶன். ஶ. பீ. பெரேரா

(கெளரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)

We will be the next Government, do not worry about that.

ஶலாபீச ஶன். ஶ. பீ. பெரேரா

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

We shall leave that to the gods. I am not quite so certain!

ஶலாபீச ஶன். ஶ. பீ. பெரேரா

(கெளரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)

That is so, you and I cannot decide.

ஶலாபீச ஶன். ஶ. பீ. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Mr. Finance Minister, you are really behaving like a gambler, living from day to day on foreign borrowed money. And what is worse, you are creating an inflation in this process, because normally the Government would have been forced to tax the people and take away a portion of otherwise consumption money. But what are you doing? You are now increasing the quantum that is available for consumption by this process. Actually you are increasing the inflationary process within the country.

The next point you made was that liquid foreign reserves were hardly adequate to finance the imports for four or five days. I have already dealt with that question, I do not think it is necessary for me to go back to it. But may I refer to a very interesting document to which I will have to refer once again towards the end of my speech. I am referring to a "Note on Recent Developments and the Exchange and Growth Outlook, 1967-71 of Ceylon." It is a report prepared by your own officials. I will have to quote extensively from this report to disprove everything that you have stood for. This what it says at page 13, paragraph 18:

"As forecast, Ceylon's liquid official reserves at year end were down again to the dangerously low level of Rs. 20 million, at which they had been in mid-1965.—

1967 that is. You are charging us for having only Rs. 300 million, and you are down to Rs. 20 million, according to your official advisers. It continues to say:

"Over the year as a whole, Ceylon had to draw on its reserves to the extent of Rs. 126 million, in addition to obtaining Rs. 75 million net in further drawings from the IMF."

[ආචාර්ය එන්. එම්. පෙරේරා]

This is what it says in paragraph 19:

"Having experienced a drastic fall in exchange earnings in 1966 with little prospect for a full recovery in 1967,—"

No hope of recovery in 1967!

"—having virtually no liquid exchange reserves, and confronted by a delay of uncertain length in the next meeting of the Aid Group, the Ceylon Government decided in early 1967 to reduce sharply the size of the import program for 1967."

The important point is that the Hon. Minister makes the charge against us that we did not leave enough foreign exchange reserves for even for four or five days. They are not leaving even that amount, on their own admission and that of their advisers.—[*Interruption*]. Liquid assets? This is what you also said: "Liquid foreign exchange reserves are hardly adequate for four to five days." The same thing is being repeated by your experts. So, where are we, Mr. Minister? We are where we were when we started. You are much worse off. That is not all. I have already shown how much worse off we are today than even in 1964. We have no reserves at all today; we have only debts, and our creditors can throttle us at any moment. We are completely at their mercy.

The food imports bill in 1967 was still 47 per cent of our total imports. My hon. Friend from Negombo (Mr. Denzil Fernando) was talking of the miracles that were taking place. He wanted to know whether this country has not made such tremendous progress when the import bill has been reduced to one-third. I do not suppose we can blame him for looking at figures in that way; it is his strong point. I do not blame him.

The food import bill in 1967 was still 47 per cent of total imports; it was 45.18 per cent in 1965/66, 49.02 per cent in 1964/65 and 48.16 per cent in 1963/64. So, in sum, there has been a very little difference. You have not made any appreciable impression on the position in the last

three and a half years. We are dependent on foreigners for our total food requirements as before notwithstanding this big food drive and so on.—[*Interruption*.]

In 1966, flour and rice cost us Rs. 387 million. You cut down the rice ration in order to save foreign exchange; but what is the net result? In 1967 flour and rice cost us Rs. 478 million. You have spent Rs. 100 million more in 1967 than in 1966.

එන්. ඩෙන්සිල් ප්‍රනාන්දු මයා. (මීගමුව)

(කි.රු. என். டென்சில் பெர்னாண்டோ—நீர் கொழுப்பு)

(Mr. N. Denzil Fernando—Negombo)

Prices are rising in the world market.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

That is all right. But why are you accusing other Governments?

ඩෙන්සිල් ප්‍රනාන්දු මයා.

(කි.රු. டென்சில் பெர்னாண்டோ)

(Mr. Denzil Fernando)

Price of sugar.

ආචාර්ය එන්. එම්. පෙරේරා

(කலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

What are you talking? The price of sugar is coming down.

Mr. Minister, I am meeting you last point. You said that ships were queuing outside the Colombo harbour—go outside and see whether ships are not there—and the country had to pay heavy demurrage. I admit that we do pay demurrage. In point of fact, I have the actual figures of demurrage charges over a period of time. I am not prepared to under-estimate the fact. I think all of us deplore the fact that we have to pay heavy demurrage and, what is worse, that it has to be paid in foreign exchange. That is why it is

so unsatisfactory, to say the least. In 1961/62 it was Rs. 4.7 million; in 1962/63 it was Rs. 3.7 million. 1963-64 Rs. 5.8 million, 1964-65 Rs. 7.8 million, 1965-66 Rs. 3.1 million, 1966-67 Rs. 3.6 million. Still it is a very unsatisfactory position, and I do think this can be remedied.

I have got here the explanations given by the Food Commissioner to the Public Accounts Committee and the Auditor-General. I am not satisfied that those explanations are satisfactory. I am quite convinced in my own mind that with a little foresight this can be remedied. All this is because food ships keep on accumulating at a particular time. They inform us in time. The food ships give the name, consignment and so on, and say, "We are ready to start". We have already got food ships in the harbour because the total amount of berths that have been provided are, I think afloat three berths and alongside two berths. That is all that has been given to the Food Department for the purpose of discharging food cargo.

ඉරු ඩඩ්ලි සේනානායක

(කෙළරඹ උද්ගී ජෙනෙරායාක)

(The Hon. Dudley Senanayake)

There are storage difficulties.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාත්‍රිති ආණ්. ආම්. ධෙරෙරා)

(Dr. N. M. Perera)

That is admitted. In addition, to that, there has been a tendency for the Minister of Industries to claim priority for his clinker in Galle, and they shove the food ships aside in order to discharge the clinker. All that means extra demurrage because demurrage is really paid on food ships. The foreign exchange can will be saved with a proper system of spacing out because knowledge is available in advance. From that point of view, your position is not much better than ours, and I do think, whatever the Government that changes and alterations should be made to improve the situation.

Now I come to the second part of my speech. Having dealt with the

question of their achievements for the last 3½ years, I would say they are certainly no better than what we were supposed to have been guilty of. In point of fact, this Government has gone from bad to worse. Their record is something not to be proud of but rather to be ashamed of. The whole strategy of this Government with regard to their campaign, their programming was drawn up by the World Bank authorities. Now, what did they have to say? This is neatly set out in this document "Note on Recent Developments and the Exchange and Growth Outlook, 1967-1971 of Ceylon. This is a document which sets out the projects, the prognostications and the anticipations with regard to this Government's programme and the distribution of their resources and so on, on the basis of which the Aid Group agrees to earmark various foreign exchange resources for this Government to continue. The World Bank virtually gave them the lines of development and they are quite prepared to carry them out. This is neatly set out at page 16 of this book let: Paragraph 23 says:

"... The basic aims of the joint effort between the Ceylon Government and the Aid Group remain the same: to accelerate economic growth to a more adequate rate."

Now, that is the basic strategy on which this Government has been functioning. This Government has worked out the whole programme on that basis. Now, would it be wrong to say that the Government really depend so much on the advice given by these bankers? There is not the slightest doubt about it. The removal of the subsidy was a part of this strategy. You will find that in an attempt to gloss over it, it is neatly said at page 10:

"The subject of food subsidies has played a central role in all discussions of Ceylon's economic viability."

That has been the main theme of their discussions with this Government.

"The general view, as exemplified by previous Bank reports..."

[ආචාර්ය එන්. එම්. පෙරේරා]

The previous Bank reports repeatedly referred to that. In point of fact, I read the first letter of the Hon. Minister of Finance sent to the World Bank in the very first Debate of the first Budget. There the Hon. Minister of Finance stated that it was too premature for them in that Budget to consider the question of food subsidy but that they would do it in the subsequent Budget. The report says :

"The general view, as exemplified by previous Bank reports, was that continuation of the Government's subsidy policy along the pattern of the past was incompatible with a determined effort to move the economy out of near-stagnation."

That is the basis on which they approached the whole question, that is, that the rice subsidy had to go. That is not all. I shall prove to you that they wanted a substantial reduction in consumption. It is not merely a question of taking away the subsidy; it was also a question of reducing consumption. And this pressure eventually succeeded. The question of a world shortage of rice and all sorts of matters were raised, a big hullabaloo was made, but anyway the fact is that they removed the subsidy.

ලදු ඩබ්ලි සේනානායක

(කෙළරව උද්ගි ජෙලුනායක)

(The Hon. Dudley Senanayake)

Was there not such a shortage ?

ලදු එම්. එච්. මොහමඩ් (කම්කරු හා රැකියා ඇමති)

(කෙළරව ං. ං. ං. ජුකම්කරු—ලොවුඩ්, ලොවුඩ් කාණ්, වීඳමෙආආ ආමෙආආ)

(The Hon. M. H. Mohamed—Minister of Labour and Employment)

How airily the hon. Member talks of these things !

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිභි ං. ං. ං. ලෙලෙලා)

(Dr. N. M. Perera)

I am reading from your own reports. You think they are wrong ? It is the rice subsidy that is the central

theme in the whole matter. That is stated quite clearly here. All other food subsidies were negligible in comparison to the rice subsidy, and therefore the removal of the rice subsidy, and therefore the removal of the subsidy, was fundamental to your strategy. That is what I am pointing out. And in keeping with that strategy you removed the rice subsidy.

I admit that the bankers wanted the complete removal of the rice subsidy. You removed half, and they were partially satisfied.

ලදු මන්ත්‍රීනායක

(කෙළරව වග්ගිනායක)

(The Hon. Wanninayake)

So we do not do everything they ask us to do.

ලදු ඩබ්ලි සේනානායක

(කෙළරව උද්ගි ජෙලුනායක)

(The Hon. Dudley Senanayake)

That was where you were disappointed.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිභි ං. ං. ං. ලෙලෙලා)

(Dr. N. M. Perera)

I am not. You will be surprised how much disappointment your move will cause you in the end.

The bankers argued that the rice subsidy was (a) a substantial fiscal burden, (b) it increased exchange payment for imports, and (c) it discouraged domestic production of possible substitutes for rice like yams and manioc. They wanted the people to eat yams and manioc in preference to rice. That is the position taken up by them.

ලදු එම්. ඩී. බණ්ඩා

(කෙළරව ං. ං. ං. ලෙලෙලා)

(The Hon. M. D. Banda)

With rice.

அவர்கள் உன். பி. பி. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

When the rice ration was actually cut they were very pleased, and the Government has been given its due mead of praise. I shall read it:

"In view of the wide ramifications of the rice subsidy, the Government's decision last December to cut it substantially is encouraging evidence of its determination to do what is necessary to establish conditions conducive to economic growth."

There is no reference here to any shortage of rice, or to such shortage being the reason for cutting the rice subsidy. They say that this was necessary as an inevitable concomitant of the whole strategic move for the purpose of creating the conditions conducive to economic growth.

ஒலேரத் தி இல.

(திரு. இலங்கரத்ன)

(Mr. Ilangaratne)

The Central Bank said the same thing.

அவர்கள் உன். பி. பி. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Yes, but these are the advisers of this Government on whom they are dependent, and if they are not pleased the Government will not get aid. That is the important question.

These advisers thought that this was the means of cutting down rice consumption. That is what they wanted. They wanted to save money. No doubt, from their own point of view, in order to encourage other imports—what they considered may be capital goods—they had to advise the cutting down of rice consumption. They say:

"Unless proven otherwise it seems reasonable to assume that price elasticity of the demand for rice is at least -0.1 . In this case, the total demand for rice would fall by about 100,000 tons."

On the basis of this cut of one measure of rice, this is what they expected. In fact, they are hoping

against hope that this will mean a saving of about Rs. 25 million. They say:

"Altogether, exchange savings may well be in the order of Rs. 25 million."

That is the position your advisers have taken. At paragraph 13 this is what they say:

"Over the next five years, it is tentatively estimated that the net cost to the Government of operating the entire food-subsidy scheme (including profits from the sale of sugar) will decline from Rs. 120 million in 1967 to Rs. 65 million in 1968."

That is what you expected. But what has happened actually? In point of fact, as a result of the price of rice going up this hope has been belied. So, the whole scheme has, therefore, gone, if I may use the word, wonky. All their anticipations have been belied. The actual position is as follows: In 1965-66 the actual net subsidy was 273.8 million. In 1966-67 the previous estimate was 307.3 million, but the provisional estimate was 193.0 million. In 1967-68 the original estimate was 217.5 million but the revised estimate for 1967-68 is 304.5 million. You get that at page 105 of the Central Bank Report. The whole thing is set out there. I do not want to delay the House by reading all the figures. They are given in Table II E5, food-subsidy 1965-66 to 1967-68.

In the light of this situation how is the Hon. Minister of Finance talking in this Budget about the growing prospects of the future? Talking about the great prospects this is what he said:

"The indications are that real product will increase by about 5 per cent in 1968."

You find that in Column 43 of the Hon. Minister's Budget speech.

ஒரு உண்மையை

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

I said the indications are.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிති என். எம். பெரேரா)

(Dr. N. M. Perera)

Why, are you not so optimistic?
He says further in his speech :

“From the information presently available, the growth prospects for the current year, 1968, are even more favourable than the performance of the economy in the previous year. The indications are that real product will increase by about 5 per cent in 1968.”—[OFFICIAL REPORT, 2nd August 1968; Vol. 80, c. 43.]

ශ්‍රී වන්නිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Indication.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Quite right! It is an indication. Not only that, in Column 49 you said :

“Earnings from exports are going to be higher.”

From where did the Hon. Minister get his figures? Because, according to the latest May Bulletin of the Central Bank, the earnings from tea for the period January to May 1968, are Rs. 77.7 million less.

ශ්‍රී වන්නිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Did not move.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Did not move? It is like your Government, it would not move at all. The figure in respect of rubber is Rs. 34.4 million less, and coconut products, Rs. 37.2 million more. The net balance is that you have lost Rs. 75 million in the last five months, and yet you come before this House in August and say that the prospects are very good for exports

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(திரு. டி. சொய்ஸா சிறிவர்தன)

(Mr. de Zoysa Siriwardena)

It is an indication.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Not only indication. He further says, in column 49 :

“The enhanced earnings from these exports are due to the good prices that are expected...”

That is a funny idea about good prices. I do not blame him. These are very inconveniencing facts. The Hon. Minister tells this House that they are expecting good prices. The Central Bank reports say that prices of exports have gone down. “And my good Friends—my good Friend from Negombo—are waiting for miracles. According to the Hon. Minister, 1967 was good, 1968 is better, 1969 will be still better and 1970 will be glorious. They are living in a world of their own—a paradise of their own.

What I want to ask is, do your advisers think the same? That is the crucial point. Your whole strategy has been made by the World Bank. They dictated to you. What do they think of the future? That is what I want to stress on this House and the country. Your advisers do not think in the same way. What do they think of the future of this country? Are they so optimistic as you are? What are their estimates of the import capacity and the economic growth in this country? While you are not prepared to tell the truth to the country, your experts are telling us. They are not trying to hide the fact.

Your whole plan will depend on the import capacity, total foreign exchange and the foreign aid. I am referring to paragraphs 24 at page 16 of the World Bank report on “Recent Developments and the Exchange and Growth Outlook, 1967-71 of Ceylon” :

“It is now estimated that over the period 1967-71 Ceylon will lose, from the declines in export prices below the 1965

level, about Rs. 1,000 million in export earnings roughly equivalent to two-thirds of all aid now assumed to be provided by the Group."

Your experts say so. These are the people who provided the report for the Aid Group. It is on this report that the aid comes. These are your prognostications, otherwise you will not get any money. If this report is unfavourable you are not likely to get any money from them. That is what they say. And now my good Friend, the Hon. Minister of Finance talks of bright prospects. They do not think there are bright prospects. So far as your export earnings are concerned these are the prognostications.

Then they go on to point out that partly because of this, partly because of the disappointing performance of exports, partly because of the delays in the flow of aid goods, Ceylon had to rely to a much larger extent than originally assumed on short and medium term borrowing particularly from the I. M. F. which will cause a heavy outflow of repayments in the second half of the 5-year period. So your prospects are by no means bright so far as your future is concerned. They continue to admit that these developments mean that the Ceylon stars have become much more unfavourable than it appeared to be in mid-1965.

In 1965 when they assumed office the whole world was with them. They would not even allow us to speak. They were so cocky and so confident. Today, their own advisers are thinking differently. My Hon. Friend, the Minister of State, gets up and says: "Please help us to bring down prices" That is what they have been reduced to after 3½ years. Their own advisers conclude that this country's import capacity will be quite inadequate for a satisfactory pace of economic growth. That is their final conclusion. I shall come to it in a moment. They are of opinion that "A growth rate, which is both a reasonable aim and possible of achievement, would require additional net capital inflow, beyond the U. S. \$50 million a year, of about \$ 175 million over the coming five years." That is their estimate

In addition to the 50 million dollars aid promised in the next five years, another 175 million dollars should be forthcoming if they are to maintain a reasonable rate of economic growth. That is based on the assumption that they will be able to make a substantial saving as a result of the cut in the food subsidy. On the contrary, I have pointed out from figures whatever the reason—that in one year when they should have expected a saving, actually they have spent Rs. 100 million more by way of foreign exchange on the purchase of rice and flour. The Authors of this note have certainly taken a realistic attitude.

This is what is stated at paragraph 26, page 17:

"Moreover, the outlook becomes less encouraging when net payments for services are deducted. These payments are expected to rise from Rs. 23 million in 1966 to Rs. 149 million in 1971, for largely the following reasons: it has been assumed that the moratorium on remittances of dividends and profits will be lifted from 1968 onwards and that the accumulated backlog will be released over 10 years; interest payments go up substantially as a result of external borrowing; private remittances will increase considerably as the agreement for the repatriation of Indians is being carried out. New exchange earnings are therefore, projected at Rs. 1,875 million for 1971. This is below the 1965 level of Rs. 1,902 million."

Therefore, their own advisers say that the outlook is far from encouraging when they consider all the payments that will have to be made and the fact that the actual foreign exchange commitments have increased rather than decreased. According to them, the net capital inflow will decline rapidly by 1971. This is their estimate of the capital inflow from 1967 to 1971:

1967—	Rs. 474 million
1968—	Rs. 452 million
1969—	Rs. 321 million
1970—	Rs. 134 million
1971—	Rs. 86 million

To continue:

"28. As is clearly evident from the table, Ceylon's net receipts of capital from abroad would, on present assumptions, start to decline rapidly after 1968.

[ආචාර්ය එන්. එම්. පෙරේරා]

This is the combined result of two developments: First, receipts fall after 1969 as disbursements from loans and credits from sources other than new official aid dwindle. Second, repayments rise sharply after 1968."

That will be the result of what is happening at the present moment, they draw two conclusions from it.

"Two conclusions can be drawn... First, Ceylon's import capacity reaches its peak in 1968 only marginally above the 1967 level. Second, import capacity in the last two years of the period under consideration is about 10 per cent below the 1967-68 level. In other words, even in the early part of the five-year period, Ceylon will get little help, by way of increased import capacity, to undertake the investments necessary to accelerate economic growth and to effect the improvements in the structure of the economy on which realization of the potential for import substitution depends."

Surely, could language be more explicit in pointing out the hopelessness of the position of the Government? This is the report of one of their own advisers. That is not all:

"In essence, it is difficult to see how Ceylon's economy can reach and maintain an adequate rate of growth, say 4-5 per cent a year...."

Mr. Minister of Finance, you gave us a fanciful idea of what is likely to be the rate of growth, but this is what you expert says:

"In essence, it is difficult to see how Ceylon's economy can reach and maintain an adequate rate of growth, say 4-5 per cent a year, within the limits of import capacity as now assumed. There would probably still be an initial spurt in 1967-68, but thereafter the rate of growth would rapidly decline. Present indications are that towards the end of the 1960's it might well fall back to a level barely adequate to maintain per capita incomes, as gross investment declines, probably below the inadequate amount of 1966."

That is the verdict given in this report. Notwithstanding the great strategy of the Minister the report says that the trend is a declining trend and in the end the per capita income also will decline. The report also says this:

"Thus, while new suppliers' credits might help in a limited way, Ceylon's ability to achieve more adequate economic

growth and donors' ability to minimize the gross amount required to help Ceylon to attain this aim—depends decisively on the availability of more aid on long-terms."

Suppliers' credit is only a temporary paliative. You have to pay back.

"The alternative would be an inevitable reversion to a state of near-stagnation."

That is the verdict.

That is the verdict. They are only sorry that, notwithstanding all the efforts made by the Aid Group, they will end where they began, with a stagnant economy. That is the final verdict in your own report.

ඩෙන්සිල් ප්‍රනාන්දු මයා.

(ති.රු. ධේන්සිල් පාණ්ඩෝ)

(Mr. Denzil Fernando)

It is for 1966-71.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිති ආචාර්ය. ආචාර්ය. පෙරේරා)

(Dr. N. M. Perera)

After that?

චතුර් ඩබ්ලිව් සේනානායක

(කෙරුම ධේනි ජයවර්ධන)

(The Hon. Dudley Senanayake)

From what report is that?

ආචාර්ය එන්. එම්. පෙරේරා

(කලාභිති ආචාර්ය. ආචාර්ය. පෙරේරා)

(Dr. N. M. Perera)

This is the report on which your Aid Group functions.

චතුර් ඩබ්ලිව් සේනානායක

(කෙරුම ධේනි ජයවර්ධන)

(The Hon. Dudley Senanayake)

Have you seen the latest Aid Group report?

අ. මා. 12.5

කමානායකතුමා

(ප්‍රධානායක ජනරජය)

(Mr. Speaker)

Order, please! The Deputy-Speaker will now take the Chair.

ஏதாவது கட்டுமானங்களை இலாபகரமாக ஓரத்தில் வைத்து, கிடைக்கக்கூடிய கட்டுமானங்களை [பி. சி. சிவசாமிநாயக்க] இலாபகரமாக வைக்கவேண்டும்.

அதன் பிறகு, சபாநாயகர் அவர்கள் அக்கிராசனத்தின்மீது நீங்கவே, உபநாயகர் அவர்கள் [திரு. எம். சிவசாமிநாயக்க] தலைமை தாங்கினார்கள்.

Whereupon Mr. SPEAKER left the Chair, and Mr. DEPUTY SPEAKER [Mr. M. SIVASATHAMPARAM] took the Chair.

சுருட்டி விட வேண்டுகிறேன்

(கௌரவ டட்ளி சேனநாயக்க)
(The Hon. Dudley Senanayake)

This is an old report.

சுருட்டி விட வேண்டுகிறேன்

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

If this is an old report, all I can say is that it is the one that has been given to Members. This is an old report. Anyhow, I would like to see disproof of this because they have argued cogently.

I have read out the relevant portions one by one. On the basis of those arguments and in the light of the capitalist framework on which you are proceeding, this is where you will end. You have now come back to where you started, a stagnant economy. That is their final verdict.— [Interruption.]

If the Hon. Minister has any new reports, he might as well provide us with copies. Anyway, I would like to see this report being refuted because this is the basis on which the Government has been functioning to date. This is the report which sets out and projects the import capacity up to 1971. That is the basis. Working on this basis in an existing capitalist structure, there is no way out.

This is nothing new. In 1947 my Good Friend started his Six-Year Plan. Where did he end? He ended in 1953 by increasing the price of a measure of rice to 70 cents and eating into a large number of benefits given to the poor people. That is how he ended, and of course the people gave their verdict in 1956.

They have come to the same position. They started with great expectations of breaking through this stagnant economy, and all that their advisers say is that with the present trends there is no way out unless they are able to get substantial help from the Aid Group abroad—and there is no likelihood of that. Therefore, even if they fall back upon a supply of credit, that is only a palliative and will not meet the situation in the long run. That is why they come to this final verdict.

I must say this is not an analysis that we accept. We on this side of the House never accepted this analysis. We think that, if you work on the basis of the capitalist structure, that is where you would land. But if you had gone ahead with a fully planned socialist development programme, that would have made a great deal of difference.

We shall break through this whole structure. Then we shall see the path to progress. That is the difference between this Government and us.

So long as you are wedded to this position you can never move much further than you have gone. You came to the same dead end in 1953, and in 1970 you will come to the same dead end. Some, of course, are waiting for miracles that never happen.

I do not want to deal with the whole question of this "mixed economy" idea. That was dealt with adequately by my good Friend and Colleague from Agalawatta. All I can say is that the Hon. Minister of Industries and Fisheries—he is not here—does not seem to understand what a mixed economy is.

சுருட்டி விட வேண்டுகிறேன்

(திரு. ஷெல்நாயக்க ஜயசிங்க)
(Mr. Shelton Jayasinghe)

இந்த ஒரு தகவல் தான் உண்மையான கருத்து.

சுருட்டி விட வேண்டுகிறேன்

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

ஒரு தகவல் தான் உண்மையான கருத்து. உண்மையான கருத்து தான் உண்மையான கருத்து.

[ආචාර්ය එන්. එම්. පෙරේරා]

As I understand it, a mixed economy means the existence of the public sector and the private sector in a transitional period on the way to socialism, but he is talking about the existence of Sama Samajism and capitalism. He does not know the elements. He has forgotten them. I do not blame him. All I can say is that there is no way out along the lines advocated, along the lines they have carved out for themselves and along the lines their bosses have carved out for them. All these have come to an end on their own admission. They have returned to the stagnant economy from which they started. The hon. Members at the back, instead of waiting for miracles, must think in terms of a lasting solution for the future of this country. That can only be provided by a socialist, planned development that we have advocated. That is the way out. That is the real answer to this situation, and I do hope that hon. Members will support us.—[Interruption.] I cannot provide education inside this Chamber. I am quite prepared to spend some time to educate my good Friend, the Parliamentary Secretary to the Minister of Industries and Fisheries, assuming that he is capable of imbibing all that I have to say. Sir, I do not want to take any more time of the House.

ගරු ඩඩ්ලි සේනානායක

(කෙළරඹ උඩුගි ජ්‍යෙෂ්ඨ නායක) (The Hon. Dudley Senanayake)

Sir, I think we can adjourn now and resume the debate again at 2 o'clock.

කථානායකතුමා

(ජපාතායකර් අචාර්ය) (Mr. Speaker)

Order, please. The Sitting is suspended till 2 P.M.

උපරිම ඊට අනුකූලව නවකාලීනව අත්සිටුවන ලදීන් අ. ස. 2ට නැවත පවත්වන ලදී.

අදාළවූ අමර්ච් ඉඩ පිහිටුම් සම්බන්ධයෙන්, ඒවායේ පි. ප. 2 මනිනු ලැබූ ආකාරයට වේ.

Sitting accordingly suspended till 2 P.M. and then resumed.

සෙනෙට් මන්ත්‍රී මණ්ඩලයෙන් ලත් සන්දේශය

ආදායම් විධාන වර්ධන සභාව MESSAGE FROM THE SENATE

කථානායකතුමා (ජපාතායකර් අචාර්ය) (Mr. Speaker)

A Message has been received from the Senate. The Clerk of the House will read it.

පහත දැක්වෙන සන්දේශය මන්ත්‍රී මණ්ඩලයේ ලේකම් විසින් කියවන ලදී.

ජපාතායකර් විසින් පිළිගැනීමට පත්වූ පණතක් පිළිබඳව සභාවේ සාකච්ඡා වූයේය.

The Clerk of the House read the following Message :

සෙනෙට් මන්ත්‍රී මණ්ඩලය මතු පලවන කෙටුම්පත් පහත සම්මත කළේන් ඊට නියෝජිත මන්ත්‍රී මණ්ඩලයේ එකඟව පිළිගැනීමට අවස්ථා කරනී :

“Local Authorities (Special Provisions).”

ප්‍රාදේශීය බල මණ්ඩල (විශේෂ විධිවිධාන) පනත් කෙටුම්පත [සෙනෙට්]

උදාහරණයක් ලෙසට ප්‍රධාන සභාවන් (විශේෂ උපදේශන) පනත් [සෙනෙට්]

LOCAL AUTHORITIES (SPECIAL PROVISIONS) BILL [SENATE]

උපරි දැක්වූ සහ අනුමතවූයේන් අදාළවන සහ විදේශ කෙටුම්පත පිළිබඳව ඇමතිවරුන් පාර්ලිමේන්තුවේ මන්ත්‍රී මණ්ඩලයේ ජ්‍යෙෂ්ඨ මන්ත්‍රීවරුන් විසින් විමර්ශනය කරනු ලැබූයේය.

සෙනෙට් මන්ත්‍රී මණ්ඩලයෙන් එකඟව පනත් කෙටුම්පත ඉදිරිපත් කෙළේය.

ඉරාජාතික අමාත්‍යවරුන් පිරිසට අමාත්‍යවරුන් පිරිසට, බෙහෙවින්ම ප්‍රධාන අමාත්‍යවරුන් පිරිසට පාර්ලිමේන්තුවේ කාර්යාලයට පැමිණීමට කෙළරඹ උඩුගි ජ්‍යෙෂ්ඨ නායක ජ්‍යෙෂ්ඨ මන්ත්‍රී මණ්ඩලයේ සාකච්ඡා වූයේය.

The Hon. J. R. Jayewardene, Minister of State and Parliamentary Secretary to the Prime Minister and Minister of Defence and External Affairs, sponsored the Bill sent by the Senate.

පනත් කෙටුම්පත පළමුවන වර කියවන ලදීත්, 1968 සැප්තැම්බර් 3 වන අගෙරුවාදා දෙවන වර කියවිය යුතුයයිද, එය මුද්‍රණය කළ යුතුයයිද, නියෝග කරන ලදී.

මහොතා முதன்முறை மதிப்பிடப்பட்டு, 1968 செப் பெம்பர் 3, செவ்வாய்க்கிழமை இரண்டாம் முறை மதிப்பிடப்படவும் அச்சிடப்படவும் கட்டளையிடப்பட்டது.

The Bill was read the First time and ordered to be read a Second time upon Tuesday, 3rd September 1968, and to be printed.

කථානායකතුමා

(சபாநாயகர் அவர்கள்)

(Mr. Speaker)

I shall look into the matter of Privilege raised by the Hon. Minister of Education and take appropriate action.

විසර්ජන පනත් කෙටුම්පත,
1968-69

ஒதுக்கீட்டு மசோதா, 1968-69

APPROPRIATION BILL, 1968-69

වරප්‍රසාද පිළිබඳ ප්‍රශ්නය:

சிறப்புரிமை விடயம் :

QUESTION OF PRIVILEGE

ගරු අයි. එම්. ආර්. ඒ. ඊරියගොල්ල (අධ්‍යාපන හා සංස්කෘතික කටයුතු පිළිබඳ දැමුණි)

(கௌரவ ஐ. எம். ஆர். ஏ. ஈரியகொல்ல—கல்வி, கலாசார விவகார அமைச்சர்)

(The Hon. I. M. R. A. Iriyagolle—Minister of Education and Cultural Affairs)

ගරු කථානායකතුමනි, පෙරේදා මා විසින් මෙම ගරු සභාවේදී පවත්වන ලද කථාව “ජනතා” පත්‍රය වාර්තා කර තිබෙන්නේ කියවන්නන් සම්පූර්ණ යෙහිම නොමග යන විධියටයි. එය වරප්‍රසාද කැඩීමක් හෙයින් ඒ වැරදි දෝචල් නිවැරදි කිරීමට ක්‍රමයක් යොදන ලෙස මා තමුන් නාන්සේගෙන් ඉල්ලා සිටිනවා. එක්කෝ ඒ වාර්තාකරුවා සිංහල නොතේරෙන කෙනෙක් එසේ නැත්නම් ඔහු ද්වේශ සහගතව මගේ කථාවේ අදහස වැරදි අන්දමට මහජනයාට අවබෝධ කර විමේ කල්පනාවෙන් ඒ වාර්තාව සකස් කර තිබෙනවා. මහජනයා සම්පූර්ණ යෙහිම නොමග යන ප්‍රකාශයක් එහි පළ වුණා. මා ඒ ගැන සැලකිල්ලක් නොදක් වූ නමුත් ඒ ගැන නිශ්ශබ්දව ඉන්නේ මන්දයි මගේ මිත්‍රයකු මගෙන් අසා එවා තුබුණා. එක්කෝ “ජනතා” පත්‍ර කාර්යාලයට සිංහල තේරෙන වාර්තාකරුවන් බඳවා ගන්නට ඕනෑ. එසේ නැත්නම් දෝශාලන පක්‍ෂවලින් අනුග්‍රහ නැති මධ්‍යස්ථ අයට මේ වැඩ පවරන්නට ඕනෑ. ඇමතිවරුන් තම අමාත්‍යාංශ ගැන විස්තර කරමින් කරන කථා හි හැටි වාර්තා කිරීමට කටයුතු යොදන ලෙස මා මතක් කරනවා.

අ. හා. 2.3

ගරු ඩඩ්ලි සේනානායක

(கௌரவ டட்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

Mr. Speaker, during the course of this Budget Debate various grounds have been traversed by hon. Members from both sides of the House. It is not my intention to endeavour to deal with all those matters because the Hon. Minister of Finance will be winding up this Debate. However, there are certain matters which, though strictly not within the purview of the budget proposals, were dealt with by hon. Members, and if I do wish to refer to some of those matters I hope you yourself, Mr. Speaker, and the House will bear with me. After that I propose to deal with the criticism of the Budget proper and also the proposals that have been placed before this House in the form of the Budget for the year 1968-69.

At the outset, I might speak a few words about the opening remarks of the hon. Member for Yatiyantota. (Dr. N. M. Perera). The House will recall that when the hon. Third Member for Colombo Central (Mr. Keuneman) was speaking about the compensation to the oil companies, the point he was making was that the legislation appropriating or nationalizing the companies had a procedure legally laid down for the determination of compensation and it was improper for this Government to negotiate outside that procedure. Then, of course, I myself and the Hon. Minister of Finance from this side of the

[ஓர் உதாரணம்]

House said, "What about your friend?" We did say about documents, but I must confess that although there are no documents as such there is the utterance of the hon. Member for Yatiyantota himself. I am referring to the Hansard of 21st September, 1965, wherein the hon. Member for Yatiyantota says that he admits he started negotiations. He says:

"On my part, I started on the basis of the last discussion—"

I am quoting his very words :

"—and I said I was prepared to recommend, if there was a reasonable agreement, up to Rs. 45 million.—"

These are the very words of the hon. Member in this House.

"—That was the position I took up with Mr. Byrnell."—[OFFICIAL REPORT, 21st September 1965 ; Vol. 63, c. 87].

Here is testimony to the fact that the hon. Member, when he was the Minister of Finance, went outside the procedure laid down in the law nationalizing the oil companies to negotiate with the oil companies.

My remark was in relation to the statement made by the hon. Third Member for Colombo Central (Mr. P. G. B. Keuneman) who said, "The National Government had no business to negotiate. The terms were laid down by legislation." So, although strictly there are no documents, what better document does he want than the HANZARD speech of the hon. Member for Yatiyantota? So much for that. I started with it because he commenced his speech protesting about—

உதாரணம் காட்டுகிறார்.

(திரு. டி. சொய்ஸா சிறிவர்தன)
(Mr. de Zoysa Siriwardena)

Documents.

ஓர் உதாரணம்

(கௌரவ டட்ளி சேனாயக்க)
(The Hon. Dudley Senanayake)

What—

உதாரணம் காட்டுகிறார்.

(திரு. டி. சொய்ஸா சிறிவர்தன)
(Mr. de Zoysa Siriwardena)

He did not deny the discussions.

ஓர் உதாரணம்

(கௌரவ டட்ளி சேனாயக்க)
(The Hon. Dudley Senanayake)

But this is in relation to the argument that there should be no negotiations.

Of course, I must apologize to certain hon. Members that it was not possible for me to be in this House to hear every speech. I did try to get a fair idea of what they said from other sources. I was here for a good part of the speech of the hon. Third Member for Colombo Central ; I was here practically for the whole of the speech of the hon. Member for Agalawatte (Dr. Colvin R. de Silva), except when I felt I needed a smoke. Yes, the hon. Member for Yatiyantota is coming in. I just referred to the question of the compensation to the oil companies. If you want I will go over the matter again.

உதாரணம் காட்டுகிறார்.

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

Of course, I did not deny.

ஓர் உதாரணம்

(கௌரவ டட்ளி சேனாயக்க)
(The Hon. Dudley Senanayake)

You did not deny. I explained that our remarks were in relation to the remark made by the hon. Third Member for Colombo Central that legislation laid down the procedure and that there should not have been any negotiation whatsoever. Our remarks were in relation to the fact that you also tried to negotiate and that we negotiated. The only difference was that we negotiated successfully.

உதாரணம் காட்டுகிறார்.

(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

On a higher basis.

ஒரு விலி சேனாநாயக

(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)

So much for that.

I was just saying that I was here for quite a good part of the speech of the hon. Member for Agalawatte and for practically the whole of the speech of the hon. Member for Yatiyantota except, as he knows, when going out for a smoke. And I can tell him that smoking a pipe takes a little longer than a cigarette. I can, however, say that what I listened to was the same story I have heard for 20 odd years. It was really not necessary for me to be here for every moment of it. I knew the development of the theme step by step, sentence by sentence, because I had heard it so often before.

I remember when I first heard this theme it was in 1947. I was here, the hon. Member for Yatiyantota will remember, as the new Minister of Agriculture, and there was the hon. Member for Agalawatta (Dr. Colvin R. de Silva), then I think the hon. Member for Wellawatte-Galkissa, going on, a marvellous flow of words sentences very involved but very grammatical flowing one after the other, and the whole theme was the same theme he enunciated yesterday.

In spite of their somesaults in practice and in theory they have stuck together. I can grant that. However, I remember these very words. The hon. Member for Agalawatta ended up by saying: "The revolution is just round the corner. Be careful, the revolution is about to overtake you." As he spokes yesterday of scissors, he spoke then of the scissors, how we will be caught like an arecanut between the *giray* so to speak. All those words I remember, and I must say—I was rather a novice then; I had just taken up the portfolio of Agriculture and Lands—I was terrified. I thought why on earth did I take the portfolio when the revolution is round the corner. But having heard this theme repeated on and off, 21 years have passed

and the revolution is still round the corner. What a revolution and what a corner!

Now they have strayed far. I think they have strayed out of the corner, come back to the corner and done various things. They have always sought, they have been thristing after an international flavour to their politics. No longer are they Stalinists or Moscowites or Chinities or whatever you may call them. But I remember at one time when the amoeba was splitting into various sections, the hon. Member for Agalawatta was the leader of what he called then the B. L. P. I. I think the hon. Member for Yatiyantota was not B. L. P. I. He thought his association was not good enough then.

ஒரு பி. பி. டி. டி. குகுவெர்டெனா

(கௌரவ டி. பி. டி. ஆர். குணவர்தன)
(The Hon. D. P. R. Gunawardena)

He was expelled.

ஒரு விலி சேனாநாயக

(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)

He was expelled, I think, by the hon. Member for Agalawatta. We are getting the secrets.

டி. ஸோய்சா சிரிவர்தன

(திரு. டி. சோய்ஸா சிறிவர்தன)
(Mr. de Zoysa Siriwardena)

What was he then?

ஒரு விலி சேனாநாயக

(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)

I am talking of the hon. Member for Agalawatta now. You can talk about him. He was the self-styled leader of the B. L. P. I.

What does the B. L. P. I. stand for? Bolshevik Leninist Party of India. It has nothing to do with Ceylon. Now of course he is a nationalist, a Ceylonese, a Sinhalese; he is for the Sinhala language, and all kinds of things for the Sinhalese people. But at that time he was not even Ceylonese. What is this potty place? he thought. B. L. P. I.—the Bolshevik Leninist Party of India.

[**ஓர் ஐக்கி ஷீ நாயகன்**]

Then, Mr. Speaker, in their search for some international alignment, they were hanging their coats on the peg of the Arab Socialism of Nasser. Nasser was their idol. Then, of course, they got on to Tito's socialism of Yugoslavia. They were wandering the world in search of a world leader. Of course, Tito is having his own ideas, and socialism is going through various changes as mentioned by the Hon. Minister of Industries.

ஓர் உத்தியோகமிகை

(**கௌரவ அங்கத்தவர் ஒருவர்**)

(An hon. Member)

Trotsky ?

ஓர் ஐக்கி ஷீ நாயகன்

(**கௌரவ டட்ளி சேனநாயக்க**)

(The Hon. Dudley Senanayake)

Trotsky was, of course, finished long ago. Then they have at last found a world leader, an international leader—Mrs. Sirimavo Bandaranaike!

Now, what is their theme? Right through these 20 or 30 odd years and their speeches today—I was here for the peroration of the hon. Member for Yatiyantota (Dr. N. M. Perera)—they have been talking of breaking the framework. “You must break the so-called colonial framework and have an entirely new framework.” Now, under Mrs. Sirimavo Bandaranaike, what is the framework they are going to break into?

We have it on the very good authority of the hon. Member for Dompe (Mr. F. R. Dias Bandaranaike) that you have decided one hundred per cent to follow the policies of the hon. Leader of the Opposition. One hundred per cent—all the policies!

Now, what are these policies? We have their Common Programme. This is going to break the framework. The hon. Member for Agalawatta (Dr. Colvin R. de Silva) poohooed the idea of a mixed economy. He asked, “What is this mixed economy? There are mixtures. Of course, even in Russia there is a small individual, sector but there is

no such thing as a mixed economy. You must break that.” I remember the hon. Member for Colombo South speaking of, “Nationalization”—that is another term they used at a certain stage of their development—“Nationalization of the commanding heights of the economy.”

I have heard all these words and these phrases. I need not sit down here to listen to their speeches. I can go outside and repeat the speeches because I have heard these for the last 20 or 30 odd years. What is their Common Programme by which they are going to break this economy? They are going to do away with the mixed economy and, according to their likes, have a real socialist economy.

I would not mention the irrelevant sections such as the one dealing with the change of the constitution. I will refer to one thing—Foreign Affairs:

“We shall pursue an independent foreign policy guided by Ceylon's national interest and based on (a) non-alignment with any military bloc;..”

The hon. Member for Akuressa (Dr. Wickremasinghe) and the hon. Third Member for Colombo Central (Mr. Keuneman) have actually subscribed to this. I am not blaming them. They have a perfect right to be aligned. If there is any party in this country totally, solely and hopelessly aligned, it is the party of the hon. Member for Akuressa (Dr. Wickremasinghe) and the Hon. Third Member for Colombo Central (Mr. Keuneman). And they have subscribed to a policy of non-alignment. The only rival in the field I can see in this matter of alignment is the hon. Member for Gampaha (Mr. S. D. Bandaranayake) whom you have suspended. But that is beside the question of economic policy.

Coming on to this mixed economy, the Common Programme states:

“The public and private sectors will be clearly demarcated within the context of the over-all plan in order to ensure that all spheres of the economy have the necessary stimuli for development.”

Yesterday they demolished this concept of a mixed economy. It is only this year that they entered into

this Common Programme and the mixed economy. They are getting ready to go to the polls. In fact, they can hardly wait to go to the polls because they say, "Resign, resign, we want to go to the polls."

What are they going to the polls on? On this very mixed economy they criticized and derided. One of the articles of the Common Programme which they signed—or did not sign, I do not know; the day was not auspicious and they postponed it, I think—talks of the public and private sectors.

Then again, what are these "commanding heights of the economy"? In Ceylon the commanding heights of the economy are the plantations and so on. Now, what does the Common Programme say about these plantations?

"Effective steps will be taken through national agencies to maximise the production of tea, rubber, coconut and other agricultural produce and to ensure that Agency Houses are so administered as to assist in the development of the national economy."

No nationalization of the Agency Houses. These are the commanding heights of the economy. Then you have subscribed, according to your speeches in the Budget Debate, to a policy that can never solve, in your own words, the economic problems that confront this country. Or, is this a ruse to come into power?

I say, tell the people the truth. Tell them you want to do this. Then let the people judge. Why uphold in your own conscience, in your hearts, this nationalization of the commanding heights of the economy, and put forward a Common Programme to deceive the masses? That is what I ask.

There will be the owners of plantations because they say:

"Owners of plantations who, unlike any other category of employers, at present resort to the law of criminal trespass in order to evict their employees, who are discontinued from service, will not be allowed to do so."

So, there will be all these plantations, the employers and the agency houses, but if there are any commanding heights in the economy of this country they are the plantations. Is this your policy? In your own words this Common Programme is useless, if we are to follow the speeches you made on this Budget.

"INDUSTRY. (a) The industrialisation of the country will be carried forward with the utmost vigour. The heavy and capital goods industries and suitable basic consumer industries will be state-owned. Other light industries will be assigned to co-operative and private enterprise."

It is a mixed economy but their speeches derided the mixed economy. Then again:

(b) The policy of Ceylonisation of ownership in the private sector will be actively pursued. Steps consistent with the national interest will be taken to obtain the best technical know-how from abroad."

This is going to be a very vast private sector. I need not quote any more to convince hon. Members of this House that either they are on the one hand seeking this coalition on false pretences or they made their speeches on this Budget oblivious of the commitments they have made in the Common Programme. It is the one or the other, we are free to presume.

Mr. Speaker, about all that theory of what should this be and what should that be, I do not propose to be dogmatic. I prefer a pragmatic approach about these things. In a changing world, a dynamic world as the one we are faced with rather than cling for ever to certain views one held and think they are the only solution, despite what we see around us, I entirely agree with what the Hon. Minister of Industries said: vast changes are taking place. In the so-called communist bloc there is an urge for liberalization. I need not mention it, you can see for yourselves what is happening. The hon. Member of the L.S.S.P. have sent a cable, I understand, if the papers are correct, to Czechoslovakia. Very good. There is an urge for liberalization;

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in Czechoslovakia they are also trying to have a certain amount of freedom of the press. However, let us forget that.

Vast changes are taking place in the so-called unadulterated capitalist countries; vast changes towards socialization are taking place. It has to come, it will come. The differences will get less and less when confronted with the problems of the world. Therefore, to dogmatically cling to certain views is utter nonsense and ill-behoves a political party that wishes to give leadership to the people of this country. So much for the theories expounded by the hon. Members for Agalawatta and Yatiyantota.

Then there was the Fair Member for Mirigama (Mrs. Obeyesekere). I was listening to a part of her contribution. Of course, the hon. Fair Member stated that the U.N.P. ladies are hopeless, and that is perhaps why I am a bachelor, and the S.L.F.P. ladies are very good! I wonder whether that was an invitation. But whatever it be, my only reply would be that I am not unaccustomed to coalitions.

Then there was the speech of the hon. Third Member for Colombo Central (Mr. Keuneman). I felt he was not the same man he was earlier. Something has happened to him. I have known him since 1947 in this House. He was a brilliant debater, he was an outstanding debater, fresh from his laurels in Cambridge University. But now I think he finds things difficult. He is not the same man. Perhaps we can guess the difficulties he has. I do not want to mention them here.

Before I get on to the Budget proposals I wish to dispose of certain red herrings that have been drawn across the trail of this Debate. Some of them came from professed reds.

The first one came from one who is not so red, and he opened the Debate for the Opposition. I refer to the hon. Member for Medawachchiya

(Mr. Maithripala Senanayake). The hon. Member for Medawachchiya made a certain accusation about advertisements to the papers. I was not surprised that the hon. Member was not careful about his facts. I have known him too for a long time—from 1947. When he first entered this House he did so as a member of the U.N.P. As he went on I noticed that his facts were not very correct. He was not concerned about the accuracy of his facts as long as he could get some propaganda through.

I was surprised, however, that a certain paper, relying on his false facts, chose to write an editorial. Come what may, they wanted to be critical. Of course, every paper is entitled to be critical. We have never tried to interfere with the right of a paper to criticize. In fact we were in the vanguard of the struggle to ensure for them the right to criticize.

What was said, and what are the facts? The hon. Member for Medawachchiya said that a letter had been sent on my directions in regards advertising in certain papers, and that certain allocations were to be made. Now what is the truth? My Permanent Secretary discussed the matter with me. We had a discussion about using the papers to inform the public about government activities and conveying even information that the Government wanted to convey. That is nothing undemocratic. It is happening—hon. Members will agree with me—even in countries which are thought to be models of democracy. And this letter was sent:

“The Ministry of Information and Broadcasting has, on the instructions of the Hon. Prime Minister, commenced a very extensive and intensive drive stressing the necessity for hard work and production to contribute to the economic development of the country. Part of this campaign will be by radio and by means of posters and also by Press advertisements. As far as Press advertisements are concerned I have been directed to take advantage of the Advertising Votes of public corporation.”

“I have been directed to take advantage of the Advertising Votes of public corporations.”

"For this purpose it is necessary to have for the year, about 400 pages in the newspapers. It is suggested that your Ministry take up 25 full pages and make them available to the Ministry of Information and Broadcasting for utilization in this campaign. I shall be glad to know what the distribution of these 25 pages will be as amongst the corporations under your Ministry.

As the campaign on the directions of the Hon. Prime Minister is to commence immediately, I shall be grateful for an immediate reply, indicating the allocation of pages as between corporations. Thereafter the Ministry of Information and Broadcasting will deal direct with the individual corporation, if you agree."

Two letters were sent: one to the Ministry of Industries and Fisheries which has a number of corporations, and the other to the Ministry of Nationalized Services. Now, that was what was done. The hon. Member for Medawachchiya comes out with astounding figures. From where he got these figure I do not know. He says, moneys have been allocated in this way:

	Rs.
"Daily News" ..	1,680,000
"Times of Ceylon" ..	1,260,000
"Daily Mirror" ..	350,000

That is the reason for that "Daily Mirror" editorial: "Come what may, we will go on criticizing". These are irresponsible utterances of the hon. Member for Medawachchiya, whom I have always known to be responsible. His figures are utterly absurd. These figures are not correct at all. I shall give you the correct figures, and those figures were not determined by me. I do not go into details of this nature. These are the figures given by the hon. Members for Medawachchiya:

	Rs.
"Sun" ..	672,000

Here is a bigger critic of the Government, getting, according to these figures, more than the "Daily Mirror".

	Rs.
"Observer" ..	1,008,000
"Dinamina" ..	1,159,000
"Lankadipa" ..	823,200
"Davasa" ..	672,000

"Davasa" is getting, according to this allocation, Rs. 672,000, which is more than what the "Daily Mirror," is getting! These figures are all wrong. I am quoting the wrong figures of the hon. Member for Medawachchiya, and after I have quoted the wrong figures I shall quote the correct figures.

	Rs.
"Thinakaran" ..	672,000
"Virakesari" ..	672,000

As against these, the actual figures are:

	Rs.
"Daily News" ..	54,000

According to his figures, "Daily News" has been allocated Rs. 1,680,000.

	Rs.
"Times of Ceylon" ..	25,200
"Times Weekender" ..	44,100
"Daily Mirror" ..	10,944

We shall be criticized more because that is less than the Rs. 350,000 which the hon. Member mentioned.

	Rs.
"Sun" ..	23,328
"Observer" ..	23,400
"Observer Magazine" ..	67,500
"Dinamina" ..	31,500
"Lankadipa" ..	24,300
"Dawasa" ..	23,328

Here is a paper that may have a grouse:

"Thinakaran" ..	No allocation
	Rs.
"Virakesari" ..	18,000

These are the correct figures. The hon. Member for Medawachchiya (Mr. Maithripala Senanayeke) gave figures running into millions.

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(An hon. Member)

He added a few noughts to the figures.

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(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

As I said earlier, a paper takes this up and says: This is Mr. Dudley Senanayake's democracy. But come what may we will continue to criticize.

The other day I was amazed when I read a certain editorial. Mr. Speaker, it is customary for the Minister of Finance, sometime before he makes his Budget Speech, to table the Estimates which give an inkling of the revenue under the present receipts—not according to the Budget he will be presenting—and details of expenditure. There was, you will remember, a gap of over Rs. 1,000 million between Rs. 2,000 million on existing receipts in the current year and Rs. 3,000 million contemplated expenditure. Having seen this gap, a paper said: What is the development? We are heading for bankruptcy. A Rs. 1,000 million gap!

I thought that anybody who had even an infant's knowledge of taxation and public finance would not have committed such a blunder, but it was subject of an editorial. I wonder what the person who wrote the editorial—I do not know who wrote it—said when a few days later the gap was bridged with hardly any effort.

I must say, Mr. Speaker, that newspaper, like alcohol, can sometimes be very intoxicating, and some persons get dispossessed of their normal mental faculties.

Then there is the red herring drawn by the Member for Dehiowita (Mr. D. P. R. Weerasekera). I must say that he subsequently saw me in the Lobby and said that he never intended to create a wrong impression.

Even before last, when I got home I was surprised to read the report of what the hon. Member had said in the House. I shall read out the report.

"Gems worth Rs. 4 million smuggled out, says M. P. Prominent personality connected with the smuggling of Rs. 4

million worth of gems out of the country a few days ago, Mr. Dhanapala Weerasekera, L.S.S.P. (Dehiowita), alleged in the House of Representatives this morning.

The Dehiowita M.P. said that this act of smuggling had been the subject of discussion at a top level police conference. The Prime Minister himself knew about it. But the authorities could not take any action because of the connections of the people involved. Mr. Weerasekera said that the informant had been asked to make his charge in writing. The man had refused because he did not want his throat cut."

Then, what Mr. Weerasekera is supposed to have said is within quotes: "I will not mention names because I cannot prove the charge."

He informed me in the Lobby today that this is not a correct report. —[Interruption.]—I was bewildered when I saw this. What is the implication in this? That there was an endeavour to smuggle Rs. 4 million worth of gems, that the police had got wind of it, that there was a conference with me, and that action could not be taken because a high U.N.Per personally was involved. Is not that the implication conveyed by this?

Now, Mr. Speaker, knowing that there was no conference as far as I was concerned, I was wondering whether the police knew anything about it and I asked the police; and they sent me this report a few days ago:

"With reference to the press report under the caption "Gems worth Rs. 4 million smuggled out" appearing in the "Observer", no information relating to the alleged smuggling of gems was received by any police officer recently. This matter therefore could not have been discussed by a conference of police officers."

But I had the assurance of the hon. Member for Dehiowita when he spoke to me this morning that that is not the impression he wished to convey. I am prepared to believe him because I know he of all people will be very circumspect because there was an unfounded allegation about

gems against him—I say, unfounded. So, of all things, on the disappearance of gems I know the hon. Member would not have liked to convey an impression of this nature.

Then the third red herring was about the Hon. Minister of Industries and Fisheries. The hon. Member for Kotte made a tremendous charge against the Minister of Industries and Fisheries that one Mr. Serasinghe who had something to do with their Industrial Exhibition that was expected to bring them votes but created their downfall, had written to the Prime Minister that he had been induced by both the Hon. Minister of Industries and Fisheries, and his wife, to give false evidence in the first Kolonnawa petition case against Mr. Samarasinghe who was the previous Member, and in return he was to get something, and that he did not get what was promised. That is the gist of it.

The hon. Member for Kotte said that a letter was sent to me. It is true I got a letter. There is a letter dated August 3rd, 1967. Over a year ago I got a letter. Although I should not have taken much notice of a letter of this nature about a Government servant who says that he went into the witness-box and under oath perjured himself to give false evidence in making a statement against a Minister of State—the Hon. Minister will bear testimony to the fact—I sent for him and said, “Look here. Please look at this letter. Please let me know what you have got to say about this deliberate falsehood.” This is the fact. I handed the matter to the C. I. D. I did not stop at that. Then statements were obtained from him. I have here with me a statement made by this particular individual. This is what he says :

“Regarding the election petition case where I say categorically that I was prevailed upon to give false evidence, I am in a position to prove this beyond reasonable doubt. At this stage I am not, in my own interest, interested to disclose my evidence or the names of witnesses as I am afraid that there may be repercussions.”

Mr. Speaker, this is the sort of charge that the hon. Member for Kotte (Mr. Stanley Tillekeratne) brings against an Hon. Minister of this House.

கலாநாயகர் குறிப்பு

(சபாநாயகர் அவர்கள்)

(Mr. Speaker)

As a matter of fact, if I was presiding that day I would not have allowed it.

ஆடு டிட்லி சேனானாயகர்

(கௌரவ டட்லி சேனானாயக்க)

(The Hon. Dudley Senanayake)

I know that. I was not here. So my first remark was, “How was this allowed?” An allegation of this nature against an hon. Member should be on a substantive motion. I am glad you have allowed me to talk about it because even my talking about it would have been out of Order. That is the nature of the charge. The hon. Member for Kotte must be very circumspect because we are aware of false allegations about him also. I am not prepared to believe them. I asked him and he denied. So I take his denial and say that it is a false allegation.

The hon. Members of the Opposition are now descending to this sort of thing as a result of their frustration and disappointment. They were to bring down the Government in six months, in one year and then in three years! As I said earlier they will have to wait five years. Whether they like it or not, they will have to wait five years. That is the fact.

Mr. Speaker, I get a precis of the criticisms in all the newspapers, although I do not have the time to read all of them. I have felt that the “Janadina” did, all this time, maintain a certain level. If there has been a lapse I have to take a certain course of action. Lately I saw—a report—I leave it to you to judge—that plumbago was not included in the FEEDS because the Senanayakes and Kotelwalas are going to benefit.

[ගරු ඩබ්ලිව් සේනානායක]

See the mischievous part of it all. In the introduction of the FEECS it was discussed thoroughly and decided that if traditional exports of a certain magnitude like tea, rubber and coconut were brought in the whole scheme would be spoiled. And all the other exports were to come under the FEEC Scheme. The mischievous part of all this is seen from the fact that I do not own even a billionth share in plumbago. It is true that the Senanayakes and Kotelawalas own shares, but I am a Senayayake who has not got even a small bit of plumbago. If you want to find a Senanayake who has got plumbago, look at that side! If you like to know, I can let anyone of you inspect all I possess. I have interests in coconut and rubber only. That is all, nothing else. I am sorry, I must confess, I have taken a long time in dealing with these matters.

Now I come to what the hon. Member for Yatiyantota said when he was quoting what the World Bank people had thought of us. I knew he was quoting from some moth-eaten report.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிති என். எம். பெரேரா)

(Dr. N. M. Perera)

What?

ගරු ඩබ්ලිව් සේනානායක

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

Here is the last report!

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Why do you not give it to us?

ගරු ඩබ්ලිව් සේනානායක

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

I do not know why you have not got it. This report is dated 26th January 1968. The hon. Member for Yatiyantota quoted from the 1967 report.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Yes, November, 1967. You have not sent it to us.

ගරු ඩබ්ලිව් සේනානායක

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

After quoting from it I will gift it to you. What does it say? I am quoting from the Summary of Conclusions. It says:

"Since 1965 considerable progress has been made. The atmosphere of crisis has been largely overcome and considerable success has been achieved in stepping up domestic production. On the whole, the Government's general policies have helped to channel scarce resources into increasingly productive uses. Fiscal and monetary policies have kept purchasing power from continuing to rise at higher rates than the growth of real resources. The annual import programs have been carefully manipulated so as to increase the proportion of capital and intermediate goods imports and the success thus achieved is reflected in the changing structure of imports."

I did not want to bring the World Bank reports to back my contentions. He brought a World Bank report to back his contentions and I am giving it to him from the World Bank report.

Then, on the next page it states:

"It is very much to the credit of the Government that since 1965 a holding operation has been transformed into a growth effort. This change was achieved in spite of the continuing decline of exports prices and delays in the arrival of aid-financed goods which did not start to flow in large quantities until 1967."

It goes on to say:

"The recent performance of the economy augurs well for the future. During 1967 impressive gains were recorded in the production of paddy rice and subsidiary foodstuffs."

In my speech I will tell you about 1968 also. So far as 1968 is concerned, prospects appear more promising than actual performance in 1967. I will give you some of the figures that are available up to date. So much for what the World Bank has said. He

quoted the World Bank against us. I said I will gift it to him. He can digest it, unpalatable thought it be.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி டான். எம். பெரேரா)

(Dr. N. M. Perera)

It is quite palatable.

ගුණ ඩඩ්ලි සේනානායක

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

Let us look at the general financial picture. Certainly a tremendous recovery has been made in these three years. What are the facts? Firstly, you have the situation in 1965, the terrible situation, where you are criticizing us sometimes for quoting paddy figures of 1965. Do you know that the Maha harvest of 1965 which we collected was your harvest? There was a terrible drought, a drought of such a nature that there was a big drop in production during Maha of 1964-65. That was the picture in 1965.

I remember that in an earlier speech in this Debate an hon. Member had the audacity to say that the crop in 1964 was a record. I agree that up to 1964 it was a record.

Now, what happened when we came in 1965? The 1965 crop was yours. When we formed the Government in March 1965, do you mean to say that the crop that we harvested was our crop? Not only that; in 1965 things were not so bad because the prices of our traditional exports did not decline so unfavourably. I would not call it a boom year—no one would call 1965 a boom year—for our exports. We would call it a not-too-bad year.

What happened in 1966-67? Firstly, there was a drop in the prices of our tea. Hon. Members are aware of the fact that we had to subsidize the tea industry at a certain stage. Hon. Members on both sides of the House were talking about the plight of the tea industry—the hon. Member for Devinuwara (Mr. R. J.

is nodding his head in approval. That was the plight of the tea industry. Then rubber prices also dropped. What was the consequence? In 1966-67 we lost Rs. 530 million in exchange as a result of the drop in prices of tea and rubber alone. That is the stark fact.

In addition to that, the price of rice in the international market rose. I do not know from where the hon. Member for Kolonnawa (Mr. T. B. Ilangaratne) got those prices that he quoted. I will pay double the price he quoted if he can get rice at that price. Let me tell this House that we had to pay £. 37 per ton in 1965. Today we are buying rice at anything between £. 70 to 80 per ton.

ඉලංගරත්න මයා.

(திரு. இலங்கரத்நன்)

(Mr. Ilangaratne)

I quoted the 1967 figures.

ගුණ ඩඩ්ලි සේනානායක

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

Are you denying what I am saying?

ඉලංගරත්න මයා.

(திரு. இலங்கரத்நன்)

(Mr. Ilangaratne)

I said, Rs. 640 per ton in 1967.

ගුණ ඩඩ්ලි සේනානායක

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

Now those are the stark facts. While we have been losing about Rs. 530 million in exchange these two years because of the drop in the prices of tea and rubber, the price of rice was almost double in the interim period. We have got to buy rice with the exchange we get from the sale of tea, coconut and rubber, and from other minor exports.

Faced with that difficulty, what has been the achievement? As I told the hon. Member for Yatiyantota, I do not want to quote from the World

[ஒரு நிமிஷ வேளையை]

Bank reports. He says they are prejudiced. He says we have sold ourselves to the World Bank. Your Yugoslavia also has sold itself to the World Bank. They also take aid from the World Bank. I shall not embarrass the hon. Third Member for Colombo Central (Mr. Keuneman). I dealt with him earlier. I am sorry he was not here.

What does the Central Bank report say? The hon. Member for Yatiyantota often quotes those figures with great gusto. I shall also quote from the Central Bank report for 1967, giving figures, to meet every one of his arguments.

I understand that the hon. Leader of the Opposition is not speaking. Therefore, I might take longer than the time allotted to me.

ද සොයිසා சிரிவர்தனா.

(திரு. டி. சொய்ஸா சிறிவர்தனா)

(Mr. de Zoysa Siriwardena)

That time was taken by the hon. Member for Yatiyantota.

ஒரு நிமிஷ வேளையை

(கௌரவ டட்ளி சேனாயக்க)

(The Hon. Dudley Senanayake)

You do not want me to go on?

கிணங்கி

(சபாநாயகர் அவர்கள்)

(Mr. Speaker)

The Hon. Prime Minister feels that he is entitled to her time.

ஒரு நிமிஷ வேளையை

(கௌரவ டட்ளி சேனாயக்க)

(The Hon. Dudley Senanayake)

But the hon. Member assured us that the hon. Member for Yatiyantota has taken her time.

Now look at the first page, the first paragraph itself, of the Central Bank report. It says:

"A substantial expansion in real output was the highlight of the economic situation in 1967. The foundation of this

expansion was firmly rooted in production for domestic use, unlike in past years when the good or bad performance of the economy depended mainly on export performance."

I spoke about the export performance. We went down on the export performance. It was the performance in the domestic sector that made us go forward.

"Not only was the output of the domestic sector substantially higher than in the previous year, but it was also sufficient to more than offset a further decline in the export sector and to provide a higher rate of growth than in the two previous years. Thus, Gross National Product recorded an increase of 4.9 per cent. at current factor cost prices, and an increase of 4.2 per cent at constant prices. The increase in the Gross Domestic Product at current prices was higher at 5.2 per cent."

Now, they are arguing that there was no growth. They say that all this talk of food production is nonsense. But I know that some Members have grudgingly admitted that there is production—the hon. Member for Devinuwara (Mr. de Mel) and others. If they have any doubts, let the doubting people come with me when I go round. I am sorry the hon. Member for Yatiyantota did not come with me when I went to his constituency. I would have removed all his doubts. I removed the doubts of his supporters. They were the first to hail me when I went there—his youth league.

சேல்டன் சிங்ஜிங்ஷே.

(திரு. ஷெல்டன் ஜயசிங்கம்)

(Mr. Shelton Jayasinghe)

He might lose his seat.

ஒரு நிமிஷ வேளையை

(கௌரவ டட்ளி சேனாயக்க)

(The Hon. Dudley Senanayake)

I shall not talk about that.

Now, Mr. Speaker, there has been this tremendous growth in spite of a fall in the earnings from the export sector. Then where did this growth occur? Please tell me where it occurred. You say it has never

occurred in industry. You say it has hardly occurred in agriculture. Then, for God's sake, where on earth did this growth occur? It must have occurred somewhere?

In the first paragraph here it is said that normally an increase in growth is due to an increase in the output of tea, rubber, or coconut. When these traditional exports have shown a decline where was this growth of 4 odd per cent? From where did this growth come? There must have been a tremendous growth, although hon. Members laughed at the Hon. Minister of State, in tourism. I shall analyse this growth before I conclude my speech.

Then, on the same page it says that the terms of trade had declined by 13.1 per cent in 1966. If you will look at the appendix, you will see there the terms of trade graph. You will see how it had declined. In 1966 it declined by 13.1 per cent, and by a further 9.4 per cent, reflecting a fall in export prices of 6.3 per cent and a rise in import prices of 3.4 per cent. Export earnings reached the lowest level since 1953. I want hon. Members to realize that. Export earnings in the year 1967 reached the lowest level since 1953. Look how much the population had expanded since 1953, while export earnings were the lowest since 1953. They were the lowest for 14 years, while the population had expanded for 14 years.

How have we been able to face this? You say there has not been internal production. Then how did we face this economic situation? I want to know that from hon. Members across.

Now, Mr. Speaker, the hon. Member for Agalawatta (Dr. Colvin R. de Silva) had his theory. All this, according to him, will do no good. The only solution is the one that he advocates. I referred to that, and I do not want to argue any more about it. But, as far as we are concerned, I say we had a pragmatic approach to this problem.

We found that our exchange earnings dropped gradually in the world market. The hon. Third Member for Colombo Central (Mr. Keuneman) asked, "What have you done about tea?" We are the only government which is doing something about tea. If you would like to know, we are about to stand together with India on various matters in order to see that our produce fetches fair prices and to see that there is no monopolistic exploitation of our producers. We are not a government committed to the nationalization of the commanding heights of the economy.

With the price of exports coming down, with the price of rice and other commodities going up on the world market, with nationalization and whatever you want, we have got to find substitutes for imports. That is what we are trying to do.

I will not mention the industrial expansion that we have had. The Hon. Minister of Industries and Fisheries spoke in this Budget Debate. If you want further facts and figures about that, you will find plenty in the Central Bank reports. Hon. Members who spoke from the Opposition said that these are industries which they started. They may have started industries but were not those industries, according to the hon. Member for Yatiyantota (Dr. N. M. Perera), *seeni-bola* industries?

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(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

No.

ගුරු ඩබ්ලිව් සේනානායක

(கௌரவ டட்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

Of course you so described them when you were in the Opposition then.

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(திரு. கெனமன்)

(Mr. Keuneman)

I analyzed and showed that three-fourths were beedi industries.

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(කෙළරව උද්ග්‍රී ජේනානායක)

(The Hon. Dudley Senanayake)

Who started them ?

කෙනමන් මයා.

(ති. කෙණමන්)

(Mr. Keuneman)

I do not know who started them but they are not *seenibola* industries. Beedi is not *seenibola* ?

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(කෙළරව උද්ග්‍රී ජේනානායක)

(The Hon. Dudley Senanayake)

So you say that what they started were beedi industries ?

කෙනමන් මයා.

(ති. කෙණමන්)

(Mr. Keuneman)

No. A number of beedi industries were brought in.

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(කෙළරව උද්ග්‍රී ජේනානායක)

(The Hon. Dudley Senanayake)

I was talking of what they started and you talk about beedi.—[*Interruption*]. But you know the truth. Let us not argue about that. Perhaps you will get a better opportunity during the Committee Stage to find out the exact increase in production in the industrial sector.

I want to talk about the agricultural sector. That is what I know more about. I am aware of the expansion in the industrial sector, but as the Hon. Minister of Industries and Fisheries spoke on that aspect of the matter I do not propose to deal with it. But let us take the agricultural sector.

They say that the expansion in that sector is just a Ceylon Broadcasting Corporation joke. But I have the figures with me.

We will consider the year 1963-64. It is true that there was a steady increase up to 1963 with occasional drops when there were droughts. The

peak production up to that time was in 1963-64 when the Maha and Yala crops brought a total of 50 505,000 bushels. In 1964-65 the yield dropped to 36,252,000 bushels. Do you know that there were speakers from the Opposition who said, "We brought it up to 50 million bushels and you dropped it to 36 million bushels" ? We came into office after the Maha crop was harvested. The drop was neither your fault nor ours. There was a terrific drought.

Now remember that the people had sustained a terrific blow. They had had droughts, cyclones and the rest of it, and they had been badly affected. They had no seed paddy because their crops had failed because of the droughts.

But in spite of that the year 1965-66 brought it up to 45,787,000 bushels. From 36 252,00 bushels we brought it up to 45,787,000 bushels. I am going to give you further proof of these figures in a different way, so that this cannot be mere figures supplied. I am determined to prove to you that there has been a phenomenal increase in the paddy production in this country beyond any doubt.

Then in the year 1966-67 we have a total of 54,961,750 bushels. That comprises the Maha of 1966-67 and the Yala of 1967. Now hon. Members will realize that the accelerated food production drive started really towards the end of 1966, after a tremendous blow to the cultivators in the previous year because of drought and various other things. In spite of the fact that the cultivators did not have the wherewithal like seed paddy and other things, we reached this record production the next year, the highest level Ceylon has ever reached. That is higher than 1964.

Then we come to the year 1967-68. This year is not yet complete because the Maha harvest is over and the Yaia harvest is to come. The Hon. Minister of Agriculture told me more than once that he has been so surprised by the figures that he has had them re-checked by the Department

of Census and Statistics. Why? Because in the Maha harvest alone that has been harvested for the year 1967-68 we have got 43,500,000 bushels. That is almost coming near the highest ever under you people for both crops. The Yala harvest is still to come and if you get the same Yala crop as last year—I have every confidence, having had a look in some areas, that the Yala crop this time will be more than last year; but let us say it would be the same as last year—then you get from both crops, Maha and Yaia, 64,400,000 bushels. What was our target? Our target was 61.2 million bushels. Our target for 1970, to make ourselves 75 per cent self-supporting, in 70 million bushels. My Colleague, the Hon. Minister of Agriculture, does not want me to tell you because he thinks that some bad luck may come, but is reaching that one year ahead. He is reaching it next year. They have gone down to the villages to plan the target next year, as the ultimate target which was fixed for 1970 was 70 million bushels.

Now you complained that those are mere figures. I came now to another way of showing it. You say that I would not quote the rice import figures. Your argument is, "well, imports have dropped because you have cut the rice ration." Let us look at the figures. Let us consider the total imported cereal consumption. Do you agree that it is a fair indication? Cereals—rice and flour; Let us consider the total imported cereal consumption for each year. That is rice plus flour. The total imported cereal consumption for 1964 was 834,210 tons—this is rice and flour. I am glad the Hon. Member is writing down the figures, and he will not be able to sleep tonight. In 1965, the drought year, the consumption went up to 912,523 tons; the figure for 1966 was 844,980 tons; for 1967, 785,000 tons and for 1968, on the present figures, consumption will be 697,000 tons. What a drop. This is not only rice, this is a drop in the consumption of imported rice and flour. If anybody still doubts that there has been an expansion in the paddy cultivation, well, I would not

say that there is something wrong but that must be because they refuse to admit it in spite of the glaring facts.

Now, hon. Members say on the one hand, "Oh, the cultivator is not getting anything. This is all nonsense." At the same time they are also saying, "Oh! The workers have to pay more for their essential articles; their cost of living is rising, they are sinking and water is going above their heads." Then whom are we paying, may I ask? You cannot have it both ways. The hon. Member for Yatiyantota said our local produce has increased. He said you cannot talk about import prices. Somebody said yesterday, I think it was the hon. Member for Dehiowita (Mr. Weerasekera) we should not talk of the increase in prices of imported goods; the prices of local goods have gone up but the producers of the goods have not got anything. They say the non-agricultural population is leading a miserable existence and that they are paying very much more for their essential goods. Then to whom are they paying this big sum?

Mr. Speaker, there is no doubt that there has been a tremendous expansion in the agricultural sector and if you want to know the actual figures I shall quote them to you. In page 2 of the Central Bank Report, paragraph 4 this is what is stated:

"The expansion took place substantially in domestic agriculture, banking and insurance, construction and manufacturing. In 1967, the net output of tea, rubber and coconut growing declined by 2.9 per cent. In contrast the expansion in domestic agriculture amounted to 19.2 per cent at current prices. Within this group the net output of paddy increased by 49.9 per cent....."

I am sorry the hon. Member for Dompe (Mr. F. R. Dias Bandaranaike) was not here, because there were some very important facts to prove these figures that I brought forward—not merely on our figures—about consumption imports, particularly rice and flour. To continue:

"Within this group the net output of paddy increased by 49.9 per cent, of milk and eggs by 4.5 per cent and of subsidiary goods by 5.3 per cent."

[මැ. ඩබ්ලිව් ජේනානායක]

Then again, at page 3, first paragraph:

".....In contrast, paddy production aided by high open market prices, intensified extension services and favourable weather conditions, recorded an all-time high of 55.1 million bushels, an increase of 20.6 per cent over the previous year's production of 45.7 million bushels."

I have tried to prove to you, not merely on the actual figures with regard to supply, but also on figures of consumption of imported cereals, including rice and flour, that in spite of the economic problems that I referred to earlier, the loss of exchange the rise in the prices of our imports, including rice, and various other factors, we have been able, in the current Budget and in the Budget that we are discussing, to allocate the highest amount for capital expenditure. I shall quote again from the Central Bank Report. This in respect of the current year.

"The capital expenditure of Government in 1966-67 (including capital items in recurrent votes and expenditure financed from extra-budgetary funds) was Rs. 702 million, which was Rs. 105 million higher than in the previous financial year. This was the highest level of capital expenditure reached so far in any financial year."

That is in the current Budget. In the coming Budget it is even more than that. My contention is that in spite of these economic difficulties, this scale of expenditure, particularly on the capital side, was not only voted on in the current Budget but also expended to a great extent; and the anticipation is that it will be expended to a fairly satisfactory extent. In the coming Budget too the capital expenditure has been increased.

Hon. Members are not prepared to grant that the agricultural population has had a better deal. All right. Say, for argument, that the agricultural population has not had a better deal. What about the others? What about the urban population? What about the tremendous rise in prices? All are not agriculturists. What about the

man in the town who has to pay? What about the worker who has no paddy field or other agricultural plot? They have to be supplied.

Let me take up that point. I refer to page 139 of the Central Bank Report. Although the cost of living has risen—I shall deal with that—wages have increased at a greater rate. I shall prove that with facts and figures, not by mere statements. Therefore the real income of the workers has risen in advance of the rise in the cost of living.

Last year on two occasions we had increases amounting to Rs. 35 a month to sections comprising government workers, corporation workers and local government service workers.

Then we used Emergency regulations to compel the private sector and the plantation industry to give increased wages, and I claimed on an earlier occasion that this is the only Government that used Emergency legislation to put up the wages of the workers.

This is what the Central Bank report for 1967 states at page 139:

"As a consequence of these increases the minimum wage rate indices for clerical and technical employees, minor employees and school teachers went by 14.5, 25.0 and 10.4 per cent respectively."

The hon. Member for Yatiyantota (Dr. N. M. Perera) spent a good deal of time on the cost of living index. Let us start from the point at which we handed over, that is in 1956. In 1956 the cost of living index was 100.2. Then we come to the point when you handed back to us, that is, in 1965.

ශාමදාස එන්. එම්. පෙරේරා

(කලාநிති என் எம். பெரேரா)

(Dr. N. M. Perera)

End of 1964.

මැ. ඩබ්ලිව් ජේනානායක

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

We formed our Government—

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிති என் எம். பெரேரா)
(Dr. N. M. Perera)
In March.

ලරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
Yes, in March.

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிති என் எம். பெரேரா)
(Dr. N. M. Perera)
So you cannot take the end of 1965.

ලරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
All right. You want the lower figure.

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிති என் எம். பெரேரா)
(Dr. N. M. Perera)
It is not a question of the lower figure but the correct time.

ලරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
In 1965 it was 112.2—an increase of 12 points.

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிதி என் எம். பெரேரா)
(Dr. N. M. Perera)
How many years?

ලරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
Nine years. But I am not talking about that. You talk much about the cost of living index having risen from 100.2 to 112.2 in 9 years. I remember a speech made by the hon. Member for Kolonnawa (Mr. Ilangaratne) as Minister of Finance in which he stated that in a developing economy the cost of living index goes

up. Then, our economy which is developing very much faster should send the cost of living up very much more.

What is it today? 120. You see that 112.2 became 120, which is less than 8 per cent. in these three and a half years. Will you grant that?

බර්නාඩ් සොයිසා මයා.
(திரு. பெர்னாட் சொய்ஸா)
(Mr. Bernard Soysa)
Why did you give up the base year?

ලරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
If you agree with the arithmetic, then you will appreciate the point I am trying to drive home. Will you agree with the arithmetic.

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிதி என் எம். பெரேரா)
(Dr. N. M. Perera)
Right. Right. Go ahead.

ලරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
It is less than 8 per cent. in three and a half years. Do you realize that in the meantime we have devalued? As for the merits of devaluation, I shall go into that question next. Do you realize that we devalued to the tune of 20 per cent?

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிதி என் எம். பெரேரா)
(Dr. N. M. Perera)
Yes. Yes.

ලරු ඩඩ්ලි සේනානායක
(கௌரவ டட்ளி சேனாநாயக்க)
(The Hon. Dudley Senanayake)
And what does that mean? Does the cost of living go down when you devalue?

ஊவாட்சி உள். உ. பி. பி. பி.

(கலாநிதி என் எம். பெரேரா)

(Dr. N. M. Perera)

Are you claiming that as a good thing?

ஊவாட்சி உள். உ. பி. பி. பி.

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

No, I am merely telling you that. The point I am making is that the cost of living must go up as a result of devaluation.

ஊவாட்சி உள். உ. பி. பி. பி.

(கலாநிதி என் எம். பெரேரா)

(Dr. N. M. Perera)

Whose fault is it?

ஊவாட்சி உள். உ. பி. பி. பி.

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

I shall deal with devaluation next. Are you agreed that the cost of living must go up with devaluation?

ஊவாட்சி உள். உ. பி. பி. பி.

(கலாநிதி என் எம். பெரேரா)

(Dr. N. M. Perera)

We said it so many times. That is our main charge against you.

ஊவாட்சி உள். உ. பி. பி. பி.

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

The cost of living must go up with devaluation. With devaluation we cannot send down the cost of living, because the simple process of devaluation is to increase in rupee terms the prices of articles, and correspondingly to increase in rupee terms the prices of our imports. That is devaluation. So, if you depend on imports of goods from outside, devaluation must send up their prices, and so also the cost of living.

Then you will ask, why did you want to devalue? That is the next point I want to deal with. I want to take you on step by step. Therefore, once we devalued we should have

expected an increase in the cost of living. We have an increase in the cost of living of less than 8 per cent. We have devalued by 20 per cent.

Of course, if you devalue, the cost of imports in rupee terms goes up. How can the rupee value go down? We have devalued to the tune of 20 per cent, but in spite of devaluation to the tune of 20 per cent the cost of living has gone up by less than 8 per cent.

There are many countries that have devalued. The hon. Member for Yatiyantota will bear me out. There are certain countries that devalued and got the wages frozen. He knows that. He is well aware of that. We, on the other hand, increased the wages of certain categories of employees. As I said earlier, using Emergency laws we increased the wages of workers in the private sector, including plantation workers.

Now you will ask, why did you devalue? We thrashed that out when we devalued. There were certain industries that were in the doldrums, namely, tea first and rubber second. Hon. Members on your side were complaining that estates might have to close down and there would be unemployment. There would not only be unemployment, but if we could not get exchange we could not even get the major imports that we needed.

Therefore, we had to take a balance, knowing that, on the one hand, the cost of living would go up, and, on the other, that if we did not devalue there would be the artificial value of the rupee, which we could not maintain, and on account of which there was tremendous leakage of currency.

I do not say that we have completely closed the outlets for the leakage of currency exchange. But you said that we would not be able to get any of the exchange that is going out. In the current Budget we are making use of some of the funds that are collected on the sale of FEECs, and in the coming Budget the

Hon. Minister has budgeted for no less than Rs. 360 million coming into the exchequer from the sale of FEECs. What was happening to that money? That money was going into the pockets of the blackmarketeer. Hon. Members will admit that. I do not say we are getting all the money that went into the hands of the blackmarketeer. Of course, to do that we would have had to devalue more—to the correct value of the rupee. That would have been very much more than the 20 per cent devaluation which we effected. If that had been done you would have howled about the shooting up of the cost of living.

We had to devalue in those circumstances in order to give a fillip to our export industries, some of which were in the doldrums. If we were not able to continue those industries it would have aggravated the problems of unemployment and the scarcity of exchange. To say that the cost of living has gone up as a result of devaluation is absurd. You do not expect to devalue and send the cost of living down. The immediate result is not to send the cost of living down. There is no man born who can bring the cost of living down by devaluation. Even the hon. Member for Yatiyantota (Dr. N. M. Perera) will not be able to do that. Unfortunately the hon. Member for Yatiyantota has not even the progeny who can do that.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிති என். எம். பெரேரா)

(Dr. N. M. Perera)

That is your fault also.

ශ්‍රී ඩඩ්ලි සේනානායක

(கௌரவ டட்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

Yes, both—but how do we know?

The next question I want to refer to is that of real wages. There are chapters and tables in this Central Bank report which you chose not to read, but which I shall read. I refer to Table 44 in the annual report of the Central Bank. There you find

four categories of employees, namely, technical and clerical employees, minor employees, all central government employees, and government school teachers. According to this table the index of real wage rates in 1965 for technical and clerical employees was 108.7. What is the index of real wage rates today? At the end of December 1967 it was 117.4 for technical and clerical employees. There has not merely been an increase in wages, that is, in rupees and cents, there has also been an increase in the purchasing power of those wage-earners.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

That is, calculating it on the basis of the consumers' index.

ශ්‍රී ඩඩ්ලි සේනානායක

(கௌரவ டட்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

That is why your mathematics is wrong. I am dealing in percentages.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Percentages of what? The purchasing power capacity of their wages depends upon the consumers' index. In 1965 it was 115.9 for minor employees; and as at December 1967 it was 136.6. Then, real wage index in respect of all Central Government employees for the year 1965 was 112.6.

කේනමන් මිය

(திரு. கௌமன்)

(Mr. Keuneman)

They took rice out of the consumers' index.

ශ්‍රී ඩඩ්ලි සේනානායක

(கௌரவ டட்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

I am talking of real wages.

ஶலாபீய உன். உமீ. பரேரூ

(கலாநிதி ஶன் ஶம். பெரேரா)

(Dr. N. M. Perera)

Otherwise how are you going to work out real wages ?

ஶலாபீய உன். உமீ. பரேரூ

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

Do not be so hasty ! Are you going to say that in these categories the actual costs of the necessities that go to make up the cost of living budget have increased more than the increases they have got in wages ?

ஶலாபீய உன். உமீ. பரேரூ

(கலாநிதி ஶன் ஶம். பெரேரா)

(Dr. N. M. Perera)

Certainly !

கௌமன் மீய.

(திரு. கௌமன்)

(Mr. Keuneman)

Absurd !

ஶலாபீய உன். உமீ. பரேரூ

(கலாநிதி ஶன் ஶம். பெரேரா)

(Dr. N. M. Perera)

Utterly unrealistic ! In the past you yourself condemned this index as unrealistic. It is much more unrealistic now.

ஶலாபீய உன். உமீ. பரேரூ

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

He refuses to admit the facts. The that is that real wages in a number of classes have improved. That is a stark fact. I have shown you, on the one hand, the agricultural expansion and the improvement of wages of that category. I have shown you, although my hon. Friend disagrees with me,—he must disagree for if he does not there is nothing for him to talk about—that in the agricultural sector real wages have increased because this Government has taken measures to see that they do not bear the full burden of the devaluation and various other things of that nature. Therefore, what is left of their case I cannot see

Then, of course, the hon. Member talked about taxation. That is their latest theme now. Their charge now is that we have eased the burden of the rich to tax the poor. This is an absolute falsehood. As a matter of fact, the Hon. Minister of Finance will come out with the details on the changes in taxation, income tax and so on. There has been no change in what we are getting in as revenue. Therefore, to say that the taxation on tobacco, arrack, with the poor consume, is to catch up the reliefs on the taxation of the rich is an absolute falsehood, because it is not catch up those. There is no change in our receipts as regards these reliefs in income tax and wealth tax, and so on. Therefore, it is to finance some other matters on which there is a deficit. Those are the stark facts.

Mr. Speaker, in the course of the Debate reference was also made to the question of aid. Aid has been decried ; the various other institutions including the World Bank has been decried. They asked, "Have you got any aid ?" Well you can realize the tune to which assistance has been obtained when I tell you that in the current Budget over Rs. 400 million is coming from these places in various forms. That is the situation. Mr. Speaker—

கலாநாயகர் அவர்கள்

(சபாநாயகர் அவர்கள்)

(Mr. Speaker)

How much longer will the Hon. Prime Minister take ?

ஶலாபீய உன். உமீ. பரேரூ

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

I am almost concluding my speech.

கலாநாயகர் அவர்கள்

(சபாநாயகர் அவர்கள்)

(Mr. Speaker)

If the Hon. Prime Minister want more time he can avail himself of a part of the time allotted to the Hon. Minister of Finance. I interrupted

ஆர். சி. ஜெயராஜன்

(கொள்கை அங்கத்தினர் ஒருவர்)

(Hon. Members)

Aye!

கலந்துகொள்ளுங்கள்

(சபாநாயகர் அவர்கள்)

(Mr. Speaker)

The sitting is suspended for half an hour. On resumption the Hon. Deputy Speaker will take the Chair.

4.30 மணிக்கு நிறுத்திவைக்கப்பட்டு 4.30 மணிக்கு மீண்டும் தொடங்கப்படும். (Mr. Speaker)

இதன்படி அமர்வு பி. ப. 4.30 மணிவரை இடைநிறுத்தப்பட்டு, மீண்டும் ஆரம்பமாகியற்று. உப சபாநாயகர் அவர்கள் [திரு. எம். சிவசுந்தரம்] தலைமை தாங்கினார்கள்.

Sitting accordingly suspended till 4.30 P.M., and then resumed, MR. DEPUTY SPEAKER [MR. M. SIVASITHAMPARAM] in the Chair.

ஃப். ஃப். டியஸ் பண்டாரநாயக்க

(திரு. எம். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

Mr. Deputy Speaker, the Hon. Prime Minister is usually the most delightful speaker in this House to follow in the course of any Debate because he is very engaging, relates to us a story of a political character, and tells us all manner of things which take our mind away from economics. The realities of the Budget and mundane affairs like that, he leaves entirely to his Colleague, the Minister of Finance. The Minister of Finance, usually speaking after me, makes a rip-roaring speech in Sinhala, in the course of which we enjoy ourselves very much. So it does not really matter. We all have a good time and the Debate is over.

The Prime Minister—I am glad he has come—made his speech. I have seldom heard him so loud and so angry as he was today. Why he was so angry I do not know. He now thinks he has turned the corner and real wages have gone up. Well, we have had a lot of difficulties in the

the past few years. Now those difficult times are over. We have turned the corner. That was the keynote of the Prime Minister's speech.

If the Prime Minister has turned the corner, frankly we should be pleased about it. If the Prime Minister thinks he has turned the corner, so much the better. Ultimately events, time and circumstances will show, and there will be an election at which we can judge how far round the corner we have turned and be able to measure it.

I do not propose to engage in polemics of that sort. It is pointless arguing and making prophecies about the Prime Minister—as to what the Prime Minister's corner is like or anything of that sort. It is perfectly all right. The Prime Minister's corner remains turned in the Prime Minister's own mind.

The Prime Minister says real wages have increased. That, of course, is an even easier matter to judge. After all, most of us receive wages. Not only the Prime Minister, all of us receive wages. Even Members of Parliament receive wages. Even you, Sir, receive wages. And why is it that, at a time when real wages have gone up, a motion has just been introduced in this House, sponsored by a Government Member of Parliament, supported by an Opposition Member of Parliament, demanding an increase of wages? If our real wages have all gone up so much, we should be fairly sensitive.

ஆர். டியூடலி சேனாயக்க

(கொள்கை டப்ளி சேனாயக்க)

(The Hon. Dudley Senanayake)

Their wages have not been increased for years.

ஃப். ஃப். டியஸ் பண்டாரநாயக்க

(திரு. எம். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

I know, but our real wages after all in 1968, according to the Prime Minister, are better than they were

in 1967. He says it has not been increased for years. Maybe years and years and years, but the fact remains that a sudden decision is taken in 1968 that the wages of Members of Parliament should be increased. Now this is at a time when, according to the Prime Minister, real wages have gone up. I do not know. Is it that we were less sensitive to real wages in 1967 than we are in 1968?

Of course, the moment the motion comes before the House, the Prime Minister may think real wages have not gone up so much as is now claimed, and he will promptly withdraw the motion and tell the Hon. Leader of the House, "Please do not take it up now; the time is not opportune."

Why is the time not opportune? It is precisely for the very reason, whatever the Prime Minister may state, that real wages in the country have not in fact gone up, according to what we feel in our own pockets.

It is not an argument built on what civil servants may say or what the Planning Secretariat gentlemen, living in their seventh floor seclusion above the reach of fire and fire-gaps, may think. It ultimately depends upon what everyone of us knows. It is something you cannot talk about. It is something you cannot pinpoint. The statistical formulae are not there.

If it is a question of opening a Central Bank report, reading statistics at each other, and saying, "You read some statistics, he read some other statistics, I have not read all the statistics", I do not think we are going to make any progress in this matter. We are all laymen. We are not experts. We are not here as mouthpieces of civil servants to come and argue, on the basis of the statistics that they present to us. Is the country going forward or is the country going backwards? Have we progressed or have we not progressed? Is this year a better year than the last year? Of course, no two years are ever identical. They have never been so. In different respects every year represents an advance on a previous year, regarding

of whatever Government is in office. In some respects there is also a retrogression, sometimes due to bad management, sometimes due to circumstances beyond anybody's control like the weather. There are so many circumstances. If we stop to analyse the situation today, is it as simple as saying we have turned the corner? I am happy the Hon. Prime Minister is confident. It is a good thing to have a Prime Minister who is confident. Even if he is, his confidence is misplaced. I think that happened to Sir John Kotelawela once before when he did not have the help of the Hon. Dudley Senanayake. He also had confidence which was totally misplaced.

பி. சி. சி. கெனமன் மொ. (மேலே கெனமன் மொ. மத்திய)

(திரு. பி. ஜி. பி. கெனமன்—கொழும்பு மத்திய மன்றம் அங்கத்தவர்)

(Mr. P. G. B. Keuneman—Third Colombo Central)

He skidded.

பி. சி. சி. கெனமன் மொ. (மேலே கெனமன் மொ. மத்திய)

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

He skidded round the corner, if I may use the language of my good friend, the hon. Third Member for Colombo Central.

I do not think it is fair for me to engage in polemics, to dig holes in certain sections of your speech. There are some sections on which I can pick holes. I do not propose to adopt that approach at all. I think it would be manifestly wrong for me to do that.

I shall take each of the statements in the Central Bank Report one by one and demonstrate that you have only presented part of the argument. I do not say that the Hon. Prime Minister consciously and deliberately misled the House. I am not saying that. I never said that and I never shall. But I do say that you can always take figures and argue in various ways. If you put it simply, why is it all about?

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The Gross National Product has gone up 2 to 3 per cent. It is rather like saying in layman's language, from the mat we fell to the ground and now we have got on to the mat. We have risen a great deal.

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(The Hon. Dudley Senanayake)

The Gross National Product recorded an increase of 4.9 per cent.

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(Mr. F. R. Dias Bandaranaike)

In real terms it is 2.7 per cent.

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(The Hon. Dudley Senanayake)

In real terms it is 4.2.

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(ති. කේනමන්)

(Mr. Keuneman)

Per capita is 2.7.

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(Dr. N. M. Perera)

It is 2.7.

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(The Hon. Dudley Senanayake)

No.

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(Mr. F. R. Dias Bandaranaike)

Let us not argue about this. My point is we have turned the corner at 2.7.

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(The Hon. Dudley Senanayake)

How can per capita be gross national product — [Inter-

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(Mr. F. R. Dias Bandaranaike)

Have you both finished ?

Even if the national product is as gross as it should be, I should still like to say this. You can always get figures to support your arguments. Every year there has been an increase in all these things. During one year or two, there has been a slight decline here and there. It even happened to you in the last two years. I do not blame you for it. I am merely stating a fact. Is it anything to be so cocky about, so proud about, to say, now we have turned the corner and everything is lovely in the garden, and therefore everything is fine ?

What we should like to point out in plain language is this. There have been gains and there have been losses. In certain different sectors of the economy there are matters in regard to which you have certainly done reasonably well. I do not know whether you can say you have done well by absolute standards, but there are gains and there are losses too. And the fact remains that on a balance, if you stop to argue about it, you can always look at the gains and say, we have done very well. If you want to be pessimistic you can look at the losses and say, yes, we have all these things on the other side ; see how badly we have done.

Mr. Deputy-Speaker, is that the function of a Budget ? Is it really our purpose to sit here in the House for a number of allotted days from 10 in the morning till 8 in the night, to look at these documents and say to ourselves, this is what has happened ? Or, are we here as a group of legislators to give our minds to the question of how best we can serve the nation by improving our performance, consciously and deliberately to a set plan ? That, I think, is what we have been trying to do. At least that is what we tried to do when the S.L.F.P. was in office. It may be we did it badly. I am not

trying to argue that our performance was better than yours. Nor am I trying to raise the age-old argument of saying, well, give the S.L.F.P. a chance and we can do better than what you are doing. I am not interested in that sort of argument. Our chance will come if the voters want us at the next election, and if you have not turned the corner as much as you think you have. That can wait.

I am now talking of the strategy of budgets and the methods we adopt.

Now, Mr. Deputy Speaker, cast your mind back for a couple of years when Mr. Wanninayake was new, when he was not a bit used to this, when he was absolutely new sitting in that chair. He first stood up here, I can remember, in a brand new grey lounge suit looking very handsome with Mrs. Wanninayake beaming down on him with great pride. I do not blame here. Why not? She had every reason to be proud. Mr. Wanninayake did a wonderful job. He produced a Budget!

On that day he had great confidence in the private sector. It was going to solve all the problems for him. I remember him standing up and saying, "The previous Government had no use for the private sector. The private sector was ruined, killed, destroyed, could not breathe, stifled", all because of either the incompetence, the lack of knowledge or perhaps designed villainy of the S.L.F.P. and its associates under whom the private sector was virtually destroyed.

And he said, "One of the main purposes of the National Government is to harness the private sector and get the private sector going, encourage the private sector." And he held out some carrots. Development rebates on income tax, I think, was one such, special leases was another. Tax holidays were extended. Approved savings was another one. These were the carrots, the water in the watering-can

which was going to make the private sector grow, flourish and bloom and come to the rescue of the national economy. What has happened to that watering-can, the water in it, and the blooms?

After two years of Mr. Wanninayake's budgeting it seems to me that a certain disenchantment has crept into his tone in relation to the private sector. First and foremost, he says, no future ventures will have tax holidays. He says, as far as savings reliefs are concerned, they are abolished. No approved savings. In regard to wealth tax on surplus investment in government securities, they are gone for a six—to use cricketing parlance.

What has become of the special leases? After a desultory debate in this House, they disappeared, including the allocations given to some Members of Parliament who benefitted from them.

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(තිரு. කෙනමන්)

(Mr. Keuneman)

The timber also disappeared!

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(Mr. F. R. Dias Bandaranaike)

The timber also has gone.

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(කෙරු වැන්නිනායක)

(The Hon. Wanninayake)

But they paid for it.

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(Mr. F. R. Dias Bandaranaike)

Some of them even got prosecuted in the magistrate's court and had to pay royalty, and those include some of your own Ministers. They felled timber and were transporting more than they were permitted to do. They were prosecuted in the magistrate's court and had to pay four times the value. There were some to

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whom that happened in the days before the special leases were cancelled by you, Mr. Minister.—[*Interruption*]. Find out from your Colleagues which one it is, but I am not bluffing. I am not blaming them either because, after all, they paid the fines like gentlemen in the magistrate's court!

So, Sir, these are the things that happened. The private sector was going to flourish and solve the nation's problems. But what happened? This time the Hon. Minister of Finance tells us, "Well, I am going to stop all these tax holidays in the future except in regard to those who have already committed themselves. In regard to those who have made irrevocable commitments for the future, the tax holidays will not be cancelled. Their tax holidays will persist."

This is a nice enough thing because those who got in at the ground floor in the early days are now going to be all right; the future ones will not be all right. In other words, the existing private sector is going to be safeguarded and protected; the future private sector shall not be allowed to come into existence.

With regard to the special leases: lands were given to F.A.R.M.S. Ltd. I myself picked on F.A.R.M.S. Ltd. as an example, but I applied it generally to all the special leases and I said that if the Government changed, these leases would not be permitted to continue and would be cancelled—of course, assuming that you have not turned the corner. If you have turned the corner, you can keep them going for another five years.

But what has happened to F.A.R.M.S. Ltd.? Did it require a vicious or evil fiend or an incompetent S.L.F.P. to destroy it? Shares which started at Rs. 2 have plummeted downwards. They have found by experience that merely purchasing vehicles for their managers at Rs. 75,000—an M.G. Magnet car—for them to go round supervising their lands, is not enough.

F.A.R.M.S. Limited started growing various products that were originally intended to supply the deficiencies in vegetables. They also thought in terms of starting off on deep litter ventures to commence poultry production on a grand scale. They were supposed to solve the problems of the middle classes through their F.A.R.M. retail outlet shops. May I ask you, Mr. Minister, to consider the fate of F.A.R.M.S. Limited today. Lands were allocated to various persons in your private sector for animal husbandry purposes along the banks of the Mahaweli-ganga. They were to produce sufficient milk to sustain the Perakum *yugaya* inside the Perakum tin. But in practice how many people have started animal husbandry projects at all? Land allocated for animal husbandry is trying to grow as much paddy as it can. That is what it is being used for. Why pretend? Go round and see it for yourself. If paddy production was your only objective, then why not?

The Hon. Prime Minister talked of poor old Moosajee. He is doing a grand job, I do not know why these people are criticizing him. Poor old Moosajee! අනේ නාකිපවේ මුසාජී; ආයි අපි කවුරුන් මෙහි ඉඳගෙන බනින්නේ. And what is poor old Moosajee doing? Is he producing the forage necessary to provide provender for animals. He has grown a small quantity of Indian corn. Indian corn is not bad. Indian corn is very nice. We like it notwithstanding that it is Indian. It is sweet corn. But having grown this, the bulk of his production is still paddy. Was Moosajee given land to grow paddy in Mahiyangana? Was that the objective for which you gave it? Was the lease executed. This is the private sector in whom you placed your trust and confidence. The country was going to grow on a magnificent scale under the impetus of the private sector through inducements that you held out. Why have those inducements been withdrawn now?

I accept what the Prime Minister says, that the amount of tax which you are going to get after the withdrawal of these incentives will not diminish, more substantially, at least on your estimate. You think so because the Commissioner of Inland Revenue, Mr. Sittambalam, has told you that. In practice it is almost impossible to assess that because the development rebates being knocked out can result in substantial changes. In other words, the amount of investment to be done with the development rebate is a question entirely in the discretion of each and every taxpayer, according to his tax. If he finds that he has paid a lot of money, there is nothing to stop him making investments in more and more machinery, more and more buildings and more and more fixed assets, and thereby reducing the incidence of his tax liability. You are now withdrawing that. Why are you withdrawing it? There can only be one reason, and that is, you are not satisfied with the performance under the existing setup of your private sector. In other words, you are realizing that the incentive of avoiding tax payment is the only incentive operating today in the so-called private sector. The whole purpose of all these things is to avoid tax.

Take the private industrialists. To my mind it makes little difference whether it was licensed by the hon. Maitripala Senanayake or by the hon. Member for Avissawella, the Minister of Industries. I am not prepared to argue that a licence granted by one is bad, while the licence granted by the other is good. I am not quite certain whether in all these cases licences should ever have been issued at all. That is a different part of the story. But in regard to the cases in which licences have already been issued, what has happened? It was pointed out to this House that today manufacturers holding a total, virtual monopoly are charging a price worthy of the best monopolists in any part of the world.

Where have we had a situation of our grey cloth selling at Rs. 4, manufactured in Ceylon, Madras

Ceylon" today becomes your excuse for charging higher prices. I refer to the local industrialists. I refer to the Wellawatte Spinning & Weaving Mills with Mr. N. U. Jayawardena in control at some point with the Captains. I refer to Velonas—sorry—I refer to a number of people producing cloth. And why are these people given monopoly prices. Shirt manufacturers are charging Rs. 25 to Rs. 30 for a shirt, sometimes even as much as Rs. 50, whereas the c.i.f. ceiling on the value of a yard of textile imported into this country has been frozen at either Rs. 2 or Re. 1 as the case may be. Why? Is that our labour is the most expensive in the world? Here we are proud of the fact that we are exporting shirts, not to Manhattan perhaps, but to Moscow.

If we are able to do all this—these are the gains you have made under the private sector—can one believe that the Minister of Finance is not disenchanted when he introduces tax proposals the objective of which is that if he can to curb and destroy the monopoly position held by the private sector. And has the private sector distinguished itself. We have introduced salmonella back into the D. C. trade, even if it is a singleton-salmonella.

We find merchant princes in Ceylon. I think at the moment their affairs are being investigated by the Exchange Controller with a view to prosecution. I hope it happens. The Bribery Commissioner today is investigating 700 cases—pending—effecting very important persons. I do not know who has taken his place after the recent elevation to the Supreme Court Bench, but whoever it is there is a lot of work to be done. It is amazing, even, sometimes very big concerns, like the B. C. C. for example are at the moment under investigation in regard to very important considerations.

These are matters which show how well our private sector is operating. In other words what does all this go to show? The Hon. Minister of Finance who depended a lot on the

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private sector and who told us, the whole trouble with you is you are not using your private sector—I remember the Hon. Minister saying, the whole trouble with you is you are not using your private sector enough.—[Interruption].

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(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

There is ample proof that you have not used your private sector. There is clear proof that you have not used it effectively.

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(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

And there is clear proof today that you are determined to squeeze your private sector till there is nothing left—on your own budget.

We are going in strange directions. On the one hand the Hon. Minister of Finance rubbed his private sector, encouraged his private sector, anointed his private sector, he lubricated his private sector, he rubbed carrots on his private sector, and the private sector is still diminishing and failing. I do not think it is entirely due to age either; some of the oldest things in the private sector are also failing. So ultimately this whole budget is a disenchanting budget. It is a budget which starts on the assumption of declaring somewhat sadly, "Maybe we have done well in certain things but I am not satisfied with others." Even the existing concerns which were given an initial tax holiday for a certain period, the Minister found it necessary to cut it. Cutting the private sector again! If this is the whole purpose of this assumption, what do we have left of that dapper Gentleman in the grey lounge suit of the first Budget? Having hastened to virtually throw up all his proposals he has had to eat them as if it were his own vomit. What does a Budget amount to

We are here debating the rupee expenditures, the rupee incomes and the rupee revenues of the Government in anticipation. The Hon. Minister tells us: This is the expected revenue in the coming year. Here is the expected expenditure. And I am presenting the nation with a Bill. And this is the Bill which he presents to us and asks us to counter-sign and approve.

When I first became Minister of Finance in 1960, even I was not quite certain exactly how a budget worked and how a budget was constructed, and I took a little trouble to find out. I must say that ultimately I found that the truth of the matter was that civil servants have it all cut and dry for you any way. The expenditure is laid out. In each department there is a group of civil servants who work out the expenditures, and they usually make it a point to ask for a little more than they need on the simple assumption that the Minister of Finance at the last Treasury conference would cut down some of it. You can safely assume that it is 10 per cent exaggerated anyway. On each item, in case you need some expenditure, something is provided. But expenditures never drop. I think it was Northcote Parkinson who wrote a book called the "Law of Profits" in which he laid down the second Parkinson law that expenditure always rises to meet the income. I think it is very true in regard to budgeting, in Ceylon as well as in other countries. Expenditures never drop.

If you stop to examine your own Budget, Mr. Minister, can you tell us in plain language what we are voting money for? We are voting money to keep the government service machine going. That is substantially the purpose of this. The whole of what you describe as recurrent expenditure represents the nation's bill for keeping that machine moving, or at least stationary if it is not moving. As far as development expenditure is concerned, even Vote 7 does not tell you the expenditure going on development. It tells

you nothing more than the amount of money that is being set apart for what is described as development expenditure, but it is not really development expenditure at all. A very large proportion, for example, of the health expenditure—[*Interruption*]. Whether the Minister is the Hon. M. D. H. Jayawardena or the Hon. E. L. Senanayake—it does not matter who the Minister is—it is amazing how little money is spent on drugs, on payments to nurses, on payments to doctors, and how much money is spent on keeping the accounts of hospital linen, for keeping tabs on providing nurses' uniforms, on the routine expenditure of keeping the system going. The amount of money that actually goes into the curing of a patient or the provision of a drug, is relatively little. When any of us talk in terms of hospital services, the natural instinct is to think in terms of a magnificent social service effort, dedicated men and women concentrating all their best efforts on saving a life, acting fast, providing drugs. But the true picture is quite different. I think the Hon. Minister of Scientific Research and Housing realizes how true my statement is that he leaves the Chamber.

The same is true in every department. We spend money on stationery, we spend money on office furniture, we spend money on the establishment. Civil servants will find a lot of reasons as to why there should be more and more civil servants, as to why their work should be split—Northcote Parkinson's first law in action! Ministers have no time to go into these things. Whole lists are collected, a little bit is cut off here and there; the civil servants heave a sigh of relief that no more was cut than has been cut. And they continue on the even tenor of their ways.

Now, for all this you present the nation with a Bill. And what is that Bill? You tell us, there is going to be a deficit, or a record deficit, of Rs. 900 million which is going to be financed. How is it going to be financed? Very simple. Anyone can do it. You do not

need to be an expert or a Finance Minister. All you have got to do is to say, "Some of it is foreign aid; some of it is domestic borrowings and a bit of it is new taxation, perhaps of a very small order."

You can get it, but are you trying to tell me that you have turned the corner by getting it? That is the question.

After all, you can always borrow money, if you are prepared to pay interest that is high enough. I know of nobody even in private life who has ever said, "I cannot borrow money." You can—if you are prepared to pay for it. You may not get it at a low rate of interest. If you go to a Chettiar you may have to pay an interest of 10 per cent a month on a promissory note or a cheque.

And you are proud of the fact that you are getting the money. What is the difficulty? If you cannot raise your loans all you have to do is to adjust your rates of interest at the Central Bank, and you can rest assured that the lists will be subscribed.

I checked it up the other day when you floated a loan of Rs. 125 million at the Central Bank. The newspapers reported that the lists were open for subscription at 10 in the morning and were fully subscribed by 12 noon. I was most interested to see how this was done. Perfectly simple. The Central Bank varied its investments and transferred some money from the Post Office Savings Bank Reserve; it bought up the entire loan and said, "The loan has been subscribed." Of course, the loan was subscribed. The money is available. But have you turned the corner?

Foreign aid—there hangs another tale. All governments, whether yours or ours, have changed their attitude in regard to foreign aid from time to time.

There was a time when the Minister of State was very proud that the U.N.P. did not rely on foreign aid as part of its Budget.

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I, on the contrary, took the view that foreign aid should be part of the Budget but with one important distinction—that it was to be used for capital purposes.

I never suggested that we should eat foreign aid. I suggested that we should build on the foreign aid received, and I certainly preferred that it should be subject to the approval and control of this House.

The Minister of State in those days said, "No, this is all wrong. You must never borrow and put it in your Budget. You must not finance deficits that way. You must be able to make both ends meet without getting foreigners to put both your ends together." That was the view of the Minister of State.

In our time we did borrow. We borrowed from the Russians; we borrowed from the Americans; and we had a line of credit from Czechoslovakia.

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(කෙළවර වන්නීන්ගේ)

(The Hon. Wanninayake)

You borrowed from the I.M.F. also.

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(ශ්‍රී. ආර්. ඩයස් බණ්ඩාරනායක)

(Mr. F. R. Dias Bandaranaike)

Yes, we borrowed from the I.M.F. Rs. 54 million twice, free of any conditions. All true. We also borrowed from Yugoslavia. I think they made five trawlers for the Minister of Land when he was Minister of Fisheries. They built the first trawler wrong but they righted it and he was quite happy to accept it from them.

But all these were not things that the Minister of Land was getting ready to eat. He did not plan to eat his trawlers. He did not plan to eat the Hardware Factory at Yakkala. It was not his intention to eat the National Textile Corporation. We were not planning to consume any one of these items of foreign aid negotiated by the S.L.F.P. and its associates. Indeed, you even benefited

to the extent of the Thulhiriya Mill in the Prime Minister's constituency negotiated on a line of credit by the hon. Member for Yatiyantota (Dr. N. M. Perera) when he was Minister of Finance.

Let us be fair about his. We certainly got foreign aid—for capital purposes not for consumption. We were prepared to borrow from the World Bank, from the International Bank for Reconstruction and Development, for the Maskeliya Oya Hydro-Electric Scheme, Stage IIB. Later we went to Canada. But the Hydro-Electric Scheme was financed by the World Bank at the very realistic interest rate of 5 per cent at that time. We were not going to eat that up.

Now, what are you doing?—[*Interruption*]. We borrowed from the I.M.F. certainly. We borrowed back our own money, our own deposits, free of conditions, and utilized them.—[*Interruption*]. I shall come to that when I deal with your speech specifically in a moment. Till then I hope the hon. Parliamentary Secretary to the Minister of Industries and Fisheries will hold his head in patience, however bald.

What is important is this. Today the patterns of utilization of foreign aid have changed completely and beyond recognition. You say you are borrowing from the World Bank. You are not borrowing from the World Bank. You are borrowing from the Consortium, a group of countries where the World Bank has acted as a broker in bringing them together and writing advertisements on your behalf to persuade the donor countries, the giving countries, to lend money to you on interest. The World Bank is really negotiating loans for you from a group of countries.

What shape and form do these loans take? They take the shape and form of consumption money and consumption goods. Call it commodity aid if you like. I laughed at it once before and said that you were getting commodities for commodity aid. That

also is true, funnily enough. But everyone of these items which the Hon. Minister of Finance proudly states, in his Budget Speech, he can get in the form of foreign aid is for consumption. He is getting us consumption items on interest terms which will have to be paid for year by year. In other words what we eat and consume today is to be paid for in the years to come, and according to the figures in his Budget Speech when you borrowed Rs. 27 million in 1967 you had to pay back approximately Rs. 4 million in the same year as interest already due. In other words you have reached the stage when in each year, against the amount we borrow, approximately one-seventh of what we borrow will have to be paid back as interest without any utilization.

Your capital obligations keep on mounting. How much longer can you go on doing this? The Hon. Prime Minister says he has turned the corner. If of course you are talking of the artificial prosperity that comes, the best analogy to illustrate the present state of things, the best analogy that the people can understand is the analogy of ordinary folks at home.

Take any little homestead. You can be as broke as you like. You can be bankrupt. You can have no money at all. The breadwinner may be out of job. The wife and the kids may not have anything to eat or wear. But supposing the breadwinner comes home and says, "Look, I have got some money. I borrowed it, but let us not worry about that. Let us eat, drink and be merry now. We have got a lot of money in the house. Let us go on a shopping spree. Let us buy what we can." Is that not exactly the situation you are in today?

The World Bank as your broker runs around to the consortium countries, writes an advertisement about how marvellously Ceylon is preserving democracy, notwithstanding the utterances of the Hon. Minister of Education against the press

of it being a nice little stable country in South East Asia tucked away at the bottom of India with the next stop in the South Pole, where economic recovery is taking place, and says, therefore give them land rovers, jeeps, gypsies and whatever you like as commodity aid. For a every jeep and gypsy that you are importing, the bill is being presented year by year, and, now, we have reached the stage when one-seventh of the money you are getting is being paid back every year as interest. Work out what one-seventh is in terms of percentages and see for yourself whether it is a profitable deal.

I think the Hon. Prime Minister's decision to build the textile mill at Thulhiriya was perfectly correct. It makes sense to anybody because that is a capital earning item. It is a capital item of infinite use to this country. Not one, we can afford to have three or four like that. Indeed if others are prepared to give us I will be the last person in the world to object. It does not matter to me whether a U.N.P. Government puts it up or whether a S.L.F.P. Government puts it up or in what constituency it is put up. Those considerations are irrelevant to us. What is important from the country's point of view is that capital goods coming into this country must be encouraged, but certainly not by way of your consortium and that type of thing, not by the type of thing by which you are mortgaging the future to eternity, to pay for a pretence of prosperity which is not even prosperity, and which is not even producing results.

Let us face this question in all honesty. Take the investment that you have put into this country in the previous year in the form of an increase in the public debt both national and foreign. The public debt has gone up by louse and bounds. It is now over Rs. 5,000 million. I am not going to bother about exact figures. It is not necessary for my argument. But you know that what I am saying is true. It increased during the S.L.F.P. period also. I am not disputing that. But as pointed

[ඒජ්. ආච්. වයස් බණ්ඩාරනායක මයා.]

out to you the increase was related to capital goods. In your period a very large slice of your public debt, particularly your foreign debt, is not related even in the slightest degree to productive ventures or productive enterprises. We have no quarrel with the Tyre and Tube Factory, negotiated by the hon. Member for Medawachchiya (Mr. Maithripala Senanayake) when he was Minister of Industries and ceremonially opened by the present Hon. Minister of Industries and Fisheries. We have no objection to your opening up good ventures necessary for this country—Steel Mill at Oruwela, Hardware Factory at Yakkala and so on. We do not mind even if the Hon. Minister wants to start a Chipboard Factory opposite “Boralugoda” at Hanwella in his own electorate. I am not arguing against that. But may I say this. Every one of these ventures is capable of earning money, but they will also have to be capable of earning more than 12 per cent in order to pay their way to meet the bill with which you have saddled the nation for the future.

In this situation the Hon. Prime Minister told us that we have turned the corner. Has he really turned the corner?—[Interruption]. Well, he says, yes. He has every right to say so. He can think so. I have no objection to that. We are here to present facts fairly to the country. Let the country decide at the appropriate time, as it surely will. If the Hon. Prime Minister is right he will be returned with an overwhelming majority. Then he will not have to rely on his friends in the C.T.K.P. to keep him in office. I am sorry, Sir I referred to the “Ceylon Tamil Kingdom party”; that is the correct translation of Ilankai Tamil Arasu Kadchi. The Ceylon Tamil Kingdom Party will not be necessary to help him to keep him in office when that stage is reached.

But as far as we can see the national debt is rising at such a pace that for every grain of rice you are importing into this country, for

every ounce of fertilizer that is going towards your food production drive, for every single item of imports, our future is mortgaged against a bill which will be presented to this nation year by year. Well, if you are going on the assumption that your foreign aid resources are going to increase proportionately by which other countries are going to keep on paying interest to themselves for ever without your being in any sense more viable or capable of paying it, I think you are wrong. Countries will certainly help you to enable Ceylon to get on her own feet and to enable us to become capable of paying back our debts in ever increasing volumes out of our own resources, out of our own hard work, out of investments created for us. But hitherto that has not been happening. All that you have been doing is to multiply our indebtedness at rates of interest which we can ill-afford to pay and create the burden of amortization payments and repayments which it is certainly beyond the capacity of Ceylon to bear with your attempts at contractionary financing. Today, with all your efforts, even you are constrained to say, though you make excuses for it, that the country is not progressing forward. Take the export products. The Hon. Prime Minister talked of a decline in terms of trade. The fact is that even volumes are dropping apart from prices. You got to concede that even the things which have kept us going for so long—tea is one major product—have dropped in production. Production figures are dropping. It is bad enough that we have to compete with East Africa, India and other countries. Because our paddy production has increased and subsidiary foodstuffs somewhat, you think the country is fine. I am inclined to agree with the Hon. Prime Minister that there are gains and losses and if he thinks there are gains well and good.

I was not here when he spoke about flour imports. But I got the figures noted down for me by my

good Friend the hon. Member for Minuwangoda who was kind enough to do it. I have not studied these figures. I have not had a chance to go into them and analyse them. But I should still like to tell the Hon. Prime Minister, if you take the imports of flour alone you find that they have practically doubled during the same period.

செ. டி. டி. சேனநாயக்க

(கௌரவ டப்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

No!

சி. பி. டி. டி. சேனநாயக்க

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

The figures were read out by the hon. Member for Devinuwara in the course of his speech. I do not know whether the Hon. Prime Minister read them.

செ. டி. டி. சேனநாயக்க

(கௌரவ டப்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

Part of it was meant to build up stocks.

சி. பி. டி. டி. சேனநாயக்க

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

These figures were given to you long before I started speaking. They were given to you on 17.8.68 in the course of the speech of the hon. Member for Devinuwara. He was quoting them from the Administration Report of the Food Commissioner and he said he would like the Hon. Minister to give a clear-cut reply. Here are the figures: In 1964, the imports of flour were 252,299 tons at a cost of Rs. 99,719,955. In 1966, they were 264,057 tons at a cost of Rs. 121,147,666. In 1967, they shot up to 517,130 tons valued at Rs. 234,396,608.

செ. டி. டி. சேனநாயக்க

(கௌரவ டப்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

Can I correct you?

சி. பி. டி. டி. சேனநாயக்க

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

I have no objection.

செ. டி. டி. சேனநாயக்க

(கௌரவ டப்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

The imports of flour shot up to build up stocks. What matters are not the imports. In relation to stocks what matters is the monthly consumption.

சி. பி. டி. டி. சேனநாயக்க

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

I rather think that the Hon. Prime Minister is giving figures according to the instructions he got from the Food Commissioner or other civil servants. I appreciate that. This is my point. The flour that comes into this country is not being exported to India in vallams, though I know there are some theories like that by some people like the hon. Member for Dambadeniya (Mr. R. G. Senanayake). I myself have never held that view. Nor do I think the flour is eaten by weavils or demented cockroaches who are grown at Chalmers' Granaries with a completely white surface. There are types of cockroaches which have never seen the light of day, almost of European appearance. But this is the position. I do tell the Hon. Prime Minister, if this flour was imported, does he expect anyone to accept the figures in this House without further investigation? Of course, I do not contradict the Hon. Prime Minister, I am not saying that he is deliberately giving us figures that are wrong—

செ. டி. டி. சேனநாயக்க

(கௌரவ டப்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

We shall discuss it in the Committee stage.

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(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)
(Mr. F. R. Dias Bandaranaike)

I prefer to discuss and meet the argument now that import figures certainly do not bear out this theory of diminishing consumption. The Hon. Prime Minister's argument is that there is diminishing consumption of rice and flour. My respectful submission is, it cannot be so. The amount of rice and flour consumed in this country must necessarily be the same although the Hon. Prime Minister may be right in his argument—if he can show it—that the larger component of it is composed of local rice. That is how the argument started.

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(கௌரவ டட்ளி சேனாயக்க)
(The Hon. Dudley Senanayake)
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එෆ්. ආර්. ඩයස් මහේ මාර්ගායක මය.
(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)
(Mr. F. R. Dias Bandaranaike)

The Prime Minister's objective was to show that there is a larger component of locally produced rice in the diet of our people, proving the success of his food drive. That was where the argument started. Now, the Hon. Prime Minister produced figures to show a diminishing consumption issue from Chalmers Granaries. I myself do not have much confidence in the figures of Chalmers Granaries: that, he himself should know because he himself recently caused a special investigation to be made by Mr. L. B. Rajakaruna, the Food Commissioner, on his finding that the figures for the import of foodstuffs could not be reconciled between the foreign exchange being paid out by the Central Bank, the amount said to be off-loaded from the ships, and the amount taken into Chalmers Granaries and issued from there. When the Prime Minister himself found that the figures were incapable of reconciliation, is it not correct that he himself ordered a special investigation to go into the

matter, to reconcile the figures? Therefore, how can we depend on figures said to have been issued from 'Chalmers Granaries' as the basis for the argument?

I myself will tell you a story from my own experience. When I was Minister of Food in 1963 I came across a situation where the tally clerks had reported the unloading of a ship—the total value of the bags unloaded had been tallied and accounted for. But on certain information I organized and conducted a raid into the hold of the ship and found a whole lot of bags stacked there, not unloaded. The figures showed that they all had been unloaded, but by some arrangement somewhere a large part of the stocks was in the hold of the ship waiting to be forwarded to some other country. Of course, on discovery the ship's agents agreed that this money should be written back and that the Ceylon Government should not have to pay for that amount. How many such cases pass undetected?

The fact is that import figures are not invented by the hon. Member for Devinuwara (Mr. R. J. G. de Mel); they are taken from the Food Commissioner's—his brother-in-law's—report, schedule 'B' of Mr. P. A. Silva's report. It was a family matter—[Interruption]. Does it matter even if they fight each other in the courts or anywhere else? I do not mind it.

These are figures produced by a government official—an official now elevated to the position of Permanent Secretary, Ministry of Commerce.

The net results remain; your public debt inflates itself, you incur liabilities, and therefore is not our country very much in the situation of an ordinary, common household, living beyond its means, financing itself by borrowing money locally and from abroad, and which we can only hope to repay not by our own efforts but if we borrow a little more? I believe, most people who engage in rolling money do exactly

that: they dip into one fund here and hope to replace it with some other money from somewhere else and roll it a little more and more. And so far you have been rolling merrily on! Then the question is this: does that make this country prosperous? Does that make us turn the corner—to use the language of the Hon. Prime Minister? Well, I am glad he thinks so. I personally am extremely doubtful of the situation, where a country is supposed to be pulling itself up by its boot straps or anything else, if your whole objective is to depend on this type of consumption expenditure being financed by borrowings.

Now, the Hon. Minister of State made his speech long ago decrying the use of foreign aid as part of the budget. The real rationale behind his argument was, even for production purposes if you are going to use money in this way, it is a dangerous utilization of money. Do not do it. He himself argued that way at that time, if I remember rightly: "You do it now, saying it is capital, you will do it tomorrow for consumption". Have we not reached that stage now? Is there any single item of foreign imports which you are financing which is not related to, in some form or another, our earnings from tea, coconut and rubber, not to the proceeds of sales of Hentley shirts to Moscow, not to the proceeds of sales of Exile batteries to Czechoslovakia from the Browns Group, but dependent entirely upon your Commodity Aid? You talk of your food drive efforts. Have you ever costed and seen for yourself, in relation to the foreign component of the investment you are putting in, how much we have got to repay in the future year by year? Whether it is taken in the form of land development vehicles, kachcheri jeeps, mini-mokes, little tractors, walking tractors, big tractors or Sathiyawadi tractors, it does not matter. Sathiyawadi does not pay for it. The country pays for it, for the commodity aid. This is the solution, and we keep on paying, and the day Uncle Sam decides that you are not good boys

any more, that you are not giving him enough help and support in Vietnam—Harper's Magazine thinks you are giving him secret support—

ஒரு விஷி சேனாயகை

(கௌரவ டட்ளி சேனாயக்க)

(The Hon. Dudley Senanayake)

Harper's?

ஃப். ஃர். டியஸ் வந்தவரையகை இய.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

Somebody from Harper's Magazine said so.

ஒரு விஷி சேனாயகை

(கௌரவ டட்ளி சேனாயக்க)

(The Hon. Dudley Senanayake)

So, that is your authority?

ஃப். ஃர். டியஸ் வந்தவரையகை இய.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

I am also telling you.

ஒரு விஷி சேனாயகை

(கௌரவ டட்ளி சேனாயக்க)

(The Hon. Dudley Senanayake)

If Harper's Magazine says something it is true?

ஃப். ஃர். டியஸ் வந்தவரையகை இய.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

The Prime Minister is talking of Harper's Magazine. I am also talking about that.

Harper's Magazine says that this Government is giving only secret support. The day Harper's Magazine changes its mind and says you are not doing it, the Americans might complain bitterly and say to themselves, "Why should we support these gentlemen who like to live on loans and expect us to pay their loans also year after year?" That is what you are doing. More aid is being given to you to pay off former loans amounting to one-seventh.

[ඒෆ්. ආර්. ඩයස් බණ්ඩාරනායක]

Whether it is buses for the Minister of Nationalized Services, items of equipment, bridges and the like coming to my Good Friend the Minister of Public Works, bits and pieces collected in the form of water pumps and other things for the Minister of Land, or hotel equipment which is not produced in Ceylon—commodes and the like—coming to the tourist boss, the Minister of State, all this is commodity aid for which we are going to pay in the future. This is the basis of your Budget.

You can wave a magic wand and say “abracadabra”. You can say to yourself, “With domestic borrowings where I can manipulate the rate of interest and get my loan subscribed tomorrow; only half an hour would do. I can go to the Consortium in Tokio or Rio de Janeiro or wherever else it is.” If that is the position, all I can say is that we do not think you are turning the corner. We think that after you have been turned out by the backdoor it will be very necessary for a proper financial management to replace you, to take your place and to solve the problems of this country in some intelligent and rational way.

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(කෙනෙරාච්චි වැන්නිනායක)

(The Hon. Wanninayake)

You tried it once.

ඒෆ්. ආර්. ඩයස් බණ්ඩාරනායක මයා.

(ශ්‍රී. ආර්. ඩයස් බණ්ඩාරනායක)

(Mr. F. R. Dias Bandaranaike)

No. I am afraid we did not. That is the tragedy of it. We did a great deal, and I think you succeeded at that time. We were thrown out of office. We do not mind. But with all that, may I say this? The investment made during that period, what you talk of as squandermania by the S. L. F. P., is the only bit of solid investment on which you are depending for your survival now. The Insurance Corporation of my Good Friend the hon. Member for Kolonnawa (Mr. Ilangaratne), the nationalized Transport

Board of my good Friend the hon. Member for Madawachchiya (Mr. Maithripala Senanayake), the Petroleum Corporation again of my Good Friend the hon. Member for Kolonnawa, are the ventures which are keeping you going today and but for which you would be millions short of your objective.

We have no objection to investments such as those, but when you leave what will we have? A mountain of debts, a mountain of indebtedness, for which a mountain of further debts will be the only hope.

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(කෙනෙරාච්චි වැන්නිනායක)

(The Hon. Wanninayake)

We are paying your debts now.

ඒෆ්. ආර්. ඩයස් බණ්ඩාරනායක මයා.

(ශ්‍රී. ආර්. ඩයස් බණ්ඩාරනායක)

(Mr. F. R. Dias Bandaranaike)

You are not paying our debts. You are paying your own debts. You are still paying your own debts. And if you have to pay more than what you have already to pay, God help us. If this is the situation, if this is the financial policy, this is what the pundits of the Central Bank are doing for you. Is this the plan implementation and the planning apparatus you talk about by which you have given up hope in your private sector and resorted to massive borrowings as a means of keeping yourself in office? That is all you have done.

To get back to other matters. We have had light-hearted moments in the course of this Debate—many of them. We have had the remarks of the Minister of Education on how he is going to provide us with 2,600 English teachers by the year 1970 and solve the problems of education. While he is very strongly Sinhala only, he is a little bit of English also, and he tells us that the whole trouble is the press—the gentlemen up there in the box; hey do not tell the truth. The “Daily News” is not as bad as the others but that has its weak

moments. As for the "Davasa", his thoughts about it are even unprintable in the "Davasa". The Hon. Minister seems to regard my remarks about him as being in some way offensive to him. I must say that they were never intended to be so. I am very fond of my good friend, the Hon. Minister of Education. I think education, even if it has suffered under him, has certainly been very interesting during the last few years. Even the students have had something to hoot about. The situation is not entirely unenjoyable from a student point of view. After all, we have been students ourselves and so has the Hon. Minister. But the Hon. Minister seems to think in some way that we were making nasty cracks at him personally. That is not correct.

I appreciate very much that from his heights the Hon. Minister considers that schools are well administered. So long as the schoolmaster, cane in hand stands by and sees, that all the children are seated in their desks in an orderly manner, and so long as the teachers are not playing the truant but attending conferences in the Malay Street offices of the Minister of Education, the Minister thinks the children are learning something—automatic imbibing of education. The Hon. Minister is hardly concerned with the content of education or with the quality of education.

Recently he ordered the publication of a text book said to be for the teaching of English in the G. C. E. Ordinary Level classes. The whole purpose of this text book was to teach English and once it was printed at great cost—my information is at Rs. 70,000—the Hon. Minister for no apparent reason withdrew this textbook from circulation and set back the education of all S. S. C. students by one year in English. Why? One does not know his reasons.

When I sought to interrupt the Hon. Minister in the course of his speech and ask him that question, he

said, raise it at Committee stage. My point is, why is he afraid of questions if he is so concerned with the teaching of English. He is going to give us 2,600 more teachers. I only hope he will not give us 2,600 more teachers like the English teachers I have got in Dompe. If he does, the children will never learn English because though these teachers are supposed to be English teachers, not one of them have the confidence even to speak any English because they lack practice. They may have passed an examination in English but they still have no capacity to teach. I do not blame them. They have never been taught to teacher English properly. If you do not teach your teachers, I do not see how merely churning out a group of people who are said to have passed an examination—pupil teachers' or otherwise—is going to solve the problem. The Hon. Minister is not concerned with that.

The Minister says, I am maintaining discipline; I will see that the teachers sit at their desks for the allotted number of hours. I do not mind if they twiddle their thumbs or twiddle their toes—they shall sit there and the students shall sit before them and I hope by this process they will learn something. Is it surprising that we still feel that after 100 years of Education by the Education Department we have never had anything quite as unique as the Hon. Minister of Education.

My good friend, the Hon. Minister of Industries also raised a very light-hearted remark in the course of his discussion when he referred to *jus primae noctis* with reference to the foudal overlords of Dompe. I myself, Sir, do not know very much about this. May be I was too young. So, I took the trouble to inquire about this from such paternal relations as I was able to locate to gather information. My paternal ancestors are no more but I managed to locate an elderly gentleman among my paternal relations and asked him. And, he said, yes, you

[එෆ්. ආර්. ඩයස් බණ්ඩාරනායක මය.]
 know what the Hon. Minister of Industries says is not entirely false. Some of the overlords in feudal Dompe may have done things like that, exercised their *jus primae noctis*, but their normal technique apparently was to charter the ferry which may have been operated by the ancestors of the Hon. Minister of State and exercised their rights across the river in Hewagamkorale—a matter perhaps which the Hon. Minister may be able to verify by consulting perhaps some of his own maternal relations. So, you will see for yourself, Mr. Speaker, this type of light-hearted remarks does creep into a Debate sometimes. We do not mind. It helps us little perhaps to keep our minds on less serious topics. But I am grateful to the Hon. Minister that in spite of this digression on what he knows much better than I do by virtue of his age and experience, I must say I am grateful to him for having decided, for whatever reasons, that bigamy is not a good thing and that bigamists should be discharged from performance of their duties in the National Textile Corporation. So it seems to me that from either side of the river, whether at the receiving end of the *jus primae noctis* or at the giving end of it, we hold common views in regard to the undesirability of bigamy. That is established.

We can argue on a very good-hearted spirit. The remark I made about the ancestors of the Hon. Minister of State is not really mine. Actually, I quoted from my good Friend the Hon. Minister of Industries and Fisheries, the Member for Avissawella. If, however, I have hurt the feelings of my good Friend the Hon. Minister of State I can assure him that I meant no harm at all. I was merely quoting—

ශ්‍රී ජේ. ආර්. ජයවර්ධන

(කෙළරව ශ්‍රේ. ඥා. ඉයවර්තන)

(The Hon. J. R. Jayewardene)

I am one of the heirs

එෆ්. ආර්. ඩයස් බණ්ඩාරනායක මය.
 (තිල. ආ. ඥා. ධයස් පණ්ඩාරනායක)
 (Mr. F. R. Dias Bandaranaike)
 Of what? *Jus primae noctis*? No wonder he is peculiar; it happened on water! That is the reason for it.

ශ්‍රී ජේ. ආර්. ජයවර්ධන

(කෙළරව ශ්‍රේ. ඥා. ඉයවර්තන)

(The Hon. J. R. Jayewardene)

Water or the water-front?

එෆ්. ආර්. ඩයස් බණ්ඩාරනායක මය.
 (තිල. ආ. ඥා. ධයස් පණ්ඩාරනායක)
 (Mr. F. R. Dias Bandaranaike)

I really do not know, but I assume that that is the reason why the Hon. Minister of State is as peculiar as he is.

පී. බී. සුබසිංහ මය.

(තිල. ඊ. පී. ප්‍රසාද)

(Mr. T. B. Subasinghe)

It happened in a paddy-boat.

එෆ්. ආර්. ඩයස් බණ්ඩාරනායක මය.
 (තිල. ආ. ඥා. ධයස් පණ්ඩාරනායක)
 (Mr. F. R. Dias Bandaranaike)

My good Friend the hon. Member for Katugampola (Mr. Subasinghe) thinks it happened in a padda-boat!

We have come to the end of a happy debate in which everybody has said a lot of things about the Budget. The Prime Minister was, perhaps not as happy as he should have been. He should have been glad if he has turned the corner. He should have been in a pleasant frame of mind. But he went into a long rigmarole about the Common Programme and what he thought of the Common Programme, and attacked my good Friend the hon. Member for—I nearly said Dehiwala-Galkissa—Agalawatta (Dr. Colvin R. de Silva) and my good Friend the hon. Member for Yatiyantota (Dr. N. M. Perera), and told them that by signing the Common Programme they have gone back on a number of things they stood for in the past.

He need not have gone as far as that. He has got to look only to his left to see that there are people who do go back on what they say. There is nothing in that. There is no harm.

Of course, I can joint with my good Friend the Hon. Minister of Education in saying things against the press because the press has been trying to cause a little trouble on our side in recent times by trying to suggest that there is a division in our camp. All I can say is that there is no division in that sense. We do not criticize one another, but we are sufficiently able and disciplined to criticize our own former mistakes—ours or their own, it makes no difference.

I remember once when I proposed the rice cut in 1962, my foremost antagonist whom I had to face in this House, above all others, even more than my good Friend the Hon. Minister of Land, Irrigation and Power who was supposed to be on the same side, was my good Friend the hon. Member for Yatiyantota. I had to face a barrage of criticisms from him. At that time I accepted them and withdrew the rice cut. If he now were to tell me, "Look, you are the man who withdrew the rice cut. You changed your mind on that occasion", I would not regard that as an attack on me. I would not regard it as a criticism of me. I regard it as a correction. I am proud that I at least have been capable of taking the criticism in that way, of appreciating it; when an error on my part is pointer out to be willing to remedy it.

I should like to inform this House that, in the same spirit, we do not attack each other. If my remarks in the course of the last Throne Speech Debate are understood in the sense of being a criticism of my good Friend the hon. Member for Yatiyantota, that is wrong. I notice that a lady who is somewhat sensitive, did make such a remark in my constituency. It does not worry me over much. The people of Dombegge are

quite capable looking after themselves and looking after her also.

But this is the point: there is no criticism in saying that today the political parties in association with the Sri Lanka Freedom Party are not in support of parity of status for language that they are not in support of theories against religion that they are not in support of revolutionary methods of gaining power as opposed to parliamentary processes and that they do support our leader, Mrs. Bandaranaike because that statement is a fact.

Is it an insult to anyone to make those remarks? Is it in any sense a criticism of the fraternal parties to say that? My respectful submission is, no, of course not, just as much as it is no criticism to say that the Hon. Member for Avissawella, the Hon. Minister of Industries and Fisheries, now admires the Senanayakes. I mean it is a nice thing. From his point of view it is the highest compliment that I can pay him, that he now admires the Senanayakes. That exactly is what has happened.

In conclusion, before I finish, I should like to deal with one or two little matters and tell you something in regard to a remark made by the Hon. Minister of State. He asked us, "What are your solutions?" Now, I do not pretend to speak on behalf of all the parties we represent here on this question because we have not put our heads together on it all. The question of putting our heads together will only arise on a future date if it turns out that the Prime Minister has not turned the corner very satisfactorily, in that he skids round the bend. I think there are others in the band wagon who might help him along in that skid sometimes.

What are our solutions? I do not mind telling you frankly that I myself have always taken the view that there is no private sector in Ceylon. I am not saying that by way of cracking a joke on the words "private sector" with Rubicon and

[මැරි. ආර්. සයස් බණ්ඩාරනායක මය.]
 other variations. But in all honesty I say that there is just no private sector in Ceylon. I myself am not averse to having a private sector in Ceylon. If a real, healthy, genuine private sector could be generated I would be very happy about it. But at the moment what have you got? You have got a bunch of people calling themselves the private sector, whose only objective is to get rich quick not on the basis of their own effort, not on the basis of their investment, not on the basis of building up a long term project which is going to be profitable in perpetuity, but whose only objective is a quick turnover for their money built upon, directly, or indirectly, Government preference, some preference given by you. That is the private sector as it exists today. There is no one I know of who makes profit under the label of private sector except where it goes on the basis of a preference, a licence, an advantage given by the State enabling that person to make unconscionable profits at the expense of the community, not built on effort, not built on knowledge, not built on management skill and certainly not creating a lasting investment for the future.

There may be one exception to that. That might be the pre-zero investment of the British, long before they ever thought that Dominion Status would come our way. At that time the British started to engage in plantation and they set up a permanent and lasting investment, an investment which for them was very profitable indeed. They got their money back I think 200 times once every ten years. You know it and we know it. Subject to that exception I challenge you to show any private sector which depends on its own. Our private sector whether it derives from import of Carr's biscuits in the days goneby or whether it derives upon the manufacture of *amude lensuwa* by Velona or whether it depends upon the assembly of Japanese motor cars, every one of them depends on Government preference alone and I am glad that

the Hon. Minister of Finance has at long last begun to realize the true nature of the private sector and because of the disenchantment shown in his Budget, I would venture to think that the time would not be far off when you will find Ministers who said exactly the opposite once changing round and saying that, like the hon. Member for Yatiyantota and certain others they too are in complete agreement with some of the views at least of the S. L. F. P. I think that will happen. I think that will happen on your side too. I think the time is not very far off when the peasants of the Wannu will make it plain to their Wanninayake that it is one thing to be producing Budgets which have no relevance or meaning to people in their areas—I have talked to some of them they looked at me and asked me what do you think of this great man's Budget? I was appearing for some U. N. P. clients in the Moho courts where they told me it was published in Sinhalese "We read the first bit; it seemed to us that it was a clever document. We do not think our Minister really understood it all. What does it matter? After all the great thing is he is a good man. We like him very much. Only, if he does not come next time we cannot vote for the U. N. P." So, therefore, it is the duty of the Minister, even if he produces an incomprehensible budget, and even if he is disenchanting the private sector, not to give it up, to keep on at it. And he will find little by little that the affection of the people does not depend on his financial competence, as I find myself in Dompe. I find my financial competence is not in issue. I find the people of Dompe will vote for me however rotten a finance Minister I was. And I trust the people of Yapahuwa will continue to vote for you however incompetent a Finance Minister you may turn out to be.

So looking at it from that angle, we are going round and round. Every year we produce a budget. We solve

no national problem; you have solved none; we too failed to solve any. How much longer do you think the country will wait for us. Students all over the country are rising, new generations of them. The Hon. Prime Minister says the wages have gone up except in Parliament. Of course the Prime Minister is all right. A few others who had fathers to leave them something are all right. But those who had no fathers like that are in trouble.

You claim you have raised rice production. It is true up to a time. There has been good production in three areas Tissamaharama, Amparai and certain portions of Girithale. In Polonnaruwa increases have been due to added fertilizer. Certainly there have been some gains, but is it spectacular enough for you to crow about? Suppose you do become self-sufficient in paddy—or be 75 per cent self-sufficient as you later modified—well, if your statistics is right, it could be a great achievement. But as I have shown you, you are running the country more and more into debt, day by day.

The public debt is swelling. Actually the surplus on your Budget ought to be used to reduce your public debt and bring it down to national proportions. Far from doing that you are moving in the opposite direction.

Your Budget is merely a fiction. In the Budget we are debating the least important part of the financial affairs of this country. Foreign exchange matters are not under your control at all—for example, your FEECs scheme about which so much has been said by your future Minister of Industries. He also talked about Treasury Bills. “There you are the S. L. F. P. introduced Treasury Bills; this time this Government does not rely on Treasury Bills.” How marvellous! And yet the hon. Parliamentary Secretary who is far too shrewd a financier thinks that he can fool any of us with that kind of talk. I am surprised. You know perfectly well that it is admitted in the Budget Speech that the inflationary impact on the money supply was 9 per cent last year. In the words of Mr. Wan-

nayake himself, you are perfectly well aware that you have now created a machinery for automatic devaluation at any time in any amount you want, and the amount of the devaluation represents the exact extent to which the value of the rupee declines. [Interruption.] The margin by which it is coming down is a different matter I am speaking of the existing margin. And your laughter proves that you do not believe that the margins will come down. 350 million rupees is the expectation of the Hon. Minister from his FEECs scheme. That is the extent by which you have increased the money circulation. By this same technique you have produced an inflationary impact upon the economy. What are we doing? Going round in circles. I can understand if you had some conscious strategy, if you had a plan. But you haven't a plan. Your plan merely is to go *ad hoc* according to the schemes put up for you by individual civil servants, planners, and economists, some of whom are related to some of the great private sector people who are in grave trouble today.— [Interruption.] I will tell you. We intended to concentrate on public sector development, because we do not have faith and confidence in your private sector. I will say that straightway. But is your scheme working at all? I am afraid, if you stopped to analyse it, you only got to look at the face of the Hon. Minister of State to realize just how sad he is about the present situation and about the direction in which you are going. Whatever it is, the Minister of State may not hold views akin to ours. I do not think he does. In economic terms we may hold almost diametrically opposite views, but at least foreign exchange is a reality that you cannot be blind to. He knows, even if no one else does. He does not fool himself with his own talk about turning the corner, about how the country is on the right road, how they are well set for elections in 1970.

The Prime Minister must guard against the dangers, not of fooling the country but of fooling himself,

[ஓபி. ஈர். மிஸர் மன மருடாடக மக.]

merely because officials tell him that all the problems are solved. The Prime Minister is capable of making a virtue out of anything. If there is an inflationary tendency he will make a virtue out of that: "Why, we pumped more money into the economy. We gave people higher wages. We did not impose wage restraints." Then, if he imposed wage restraints he will say: "We hold the line"—like Horatius holding the bridge! "We hold the line and refuse to let go. The unconscionable trade union demands were resisted." And if he cannot resist them, he will say: "See, how gracious we were. We conceded the demands. We sent up the real wages" You cannot have it both ways.

The Hon. Minister of State engages in a conversation pretending not to hear. I can understand his dilemma. What can he do? As an economist, you cannot gainsay these things. He knows the country is going down the gadarene slope, that the Prime Minister's optimism will get him nowhere. I think he would like to share the Prime Minister's optimism. So he puts up a bogus front and pretends that he is helping the Prime Minister to the best of his capacity. But he knows in his heart of hearts that the U. N. P. approach to this problem is doomed and he knows that you cannot hold the line.

Whether under capitalism or socialism, without first establishing your foreign exchange base on a sound footing, which is not being done—[Interruption]. Regardless of capitalism or socialism, let it be Czechoslovakia, Poland, Hungary, or the U.S.A., balance of payments remain balance of payments, and balance of payment problems have to be solved. And there are various ways of solving them. The techniques way differ, but the root causes, the economic factors, are realities which cannot be ignored.

You can talk about production. The people in the villages have a far shrewder assessment than you know, of the real situation in the country. Why do you not, some of you, try the experiment of going into the

villages and telling them that their real wages have gone up? See what they tell you. Go and ask them. Why does not the hon. Parliamentary Secretary to the Minister of Nationalized Services go to the Kurunegala bus depot and tell the workers: "Why are you bothered? Your real wages have gone up. You all are far better off now than you were ever before. You have more money in your pockets. You can buy more food, you can buy all the onions you want, all the clothes you want. Your children are better off now than they have been ever before"? Go and tell them See if they believe you. Ask them: "Do you think the Prime Minister is right that he has turned the corner, that everything in the garden is lovely and prosperous?" That is the question. After all, this kind of argument producing documents, quoting figures, telling Dr. N. M. Perera "You were wrong in talking about the gross national product; it should have been the percapita income."—does it mean anything? I remember once, the hon. Member for Nikaweratiya, when he was Parliamentary Secretary acting for the Minister of Finance, asked the Member for Yatiyantota, "What is G. N. P.?" I thought it was the most relevant question that had ever been asked in this House, because, quite frankly, to nine-tenths of the Members of this House G. N. P. is another dirty word.

மரு மன்திமருடக

(மகரவ அங்கத்தவர் ஒருவர்)

(An hon. Member)

Like U.N.P!

ஓபி. ஈர். மிஸர் மன மருடாடக மக.

(திரு. எப். ஆர். டயல் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

Almost as bad as U.N.P! It means nothing; it achieves nothing; its calculation is meaningless; and it does not prove a damn thing—pardon me. It does not prove anything at all. The truth of the matter is that we are getting mixed up in esoteric formulae which are being thrust down our throats by the Central Bank and the planners. Why do they not tell us

in plain language what it is all about? The sooner we drop this Mumbo Jumbo the better for all concerned.

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(කෙනෙමන් වරයා)

(The Hon. Wanninayake)

Why did you not drop it when you had the chance?

එස්. ආර්. ඩයස් බණ්ඩාරනායක මයා.

(ශ්‍රී ජී. ආර්. ඩයස් බණ්ඩාරනායක මයා)

(Mr. F. R. Dias Bandaranaike)

I have been trying to knock out the bad institutional framework inch by inch. Even the little bit of knocking out of this business of the old system of Loan Fund Expenditure was mine. The bringing in of the Votes 1 to 7, the present structure of the Budget, was mine. Little by little I have been trying to improve the structural framework in which we live and move.

I myself declared earlier that I do not admit the autonomy of the Central Bank and that I have resented the right of the Central Bank to claim to be independent of the Minister of Finance. I am not in favour of preserving this rubbishy framework bequeathed to us by our former imperialist masters.

I think it is about time you took charge and control of your own destinies. I do not know how free you are to do it. Those in debt cannot afford to be independent, for someone else can wave an I.O.U. in the face, and that is the situation in which you are now placed. At any moment a summons might be served, and if that were to happen you may find yourself without an answer.

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(ශ්‍රී ජී. කෙනෙමන්)

(Mr. Keuneman)

He cannot even abscond.

එස්. ආර්. ඩයස් බණ්ඩාරනායක මයා.

(ශ්‍රී ජී. ආර්. ඩයස් බණ්ඩාරනායක මයා)

(Mr. F. R. Dias Bandaranaike)

He could abscond up to a point. Yaphuwa is a lovely place, but you will not solve the problem that way.

So what are your gains? What are your losses. You have gained a little perhaps in food production—[Interruption]. You have gained the unconditional support of the Federal Party. Thanks to the S.L.F.P., you have gained the support of the Federal Party who are tied to you like millstones round your neck for all time, even if you turn the corner—[Interruption]. No, no, the Tamil Congress have given up nothing. They are in the same position in which they were before. The Federal Party have given up district councils in order to tie themselves to you with hoops of steel.

I am also glad to see that a certain amount of their arrogance in regard to linguistic demands is falling off. I notice there is no member of the Federal Party present in the House just now. I think they saw the hon. Member for Jaffna (Mr. G. G. Ponnambalam) coming in and they ran away. That is understandable. He is winning all along the line, as far as the Federal Party is concerned.

Even you, Sir, Mr. Deputy Speaker, have done marvellously. You have preserved the independence of the Chair with a great distinction of which I am proud as a Member of this House. I am glad to see that you have refused to be tongue-tied in situations in which you ought not to be tongue-tied.

Recently I was appearing against my good Friend the hon. Member for Vaddukkoddai (Mr. A. Amirthalingam) in a labour tribunal case in Hatton. It became necessary for me to produce a certified copy of a rural court case from the Ginigathhena court. The certified copy was issued to me in Sinhalese. So I produced it. My good Friend the hon. Member for Vaddukkoddai objected strongly saying he did not understand a word of that Mumbo Jumbo.

I understood his requiring a translation, but I certainly did not think he had a right to refer to the Sinhala language as Mumbo Jumbo. So I told

[ඊ.ඒ. ආර්. බයස් බණ්ඩාරනායක මය.]

him. I can understand his dissatisfactions, his resentments, his frustrations, because, after all, he first tried to have a deal with Mumbo and failed; then he tried to have a deal with Jumbo and that also failed! Then he made his excuses and said he must run back to Parliament in order to reply to my good Friend the hon. Member for Jaffna, who had lambasted him on the District Councils White Paper.

So you see, Mr. Deputy Speaker, these are the aims. I am very happy about this. In this year, the fourth year of Mr. Dudley Senanayake's United National Party Government, it is an outstanding achievement. It may not be an economic achievement, but I think it could mean a great deal, in economic terms. It means that for the first time the Tamil community has no choice but to co-operate with a major Sinhalese party without putting forward demands, and thereby, perhaps unconsciously and unwillingly, almost without design, consolidating national unity to a very great degree for Mr. Dudley Senanayake. We certainly shall give him every help to consolidate that position. We have already said so. We are not fishing. We have no bait to hold out. We have no carrots. And as far as our own parties are concerned, as I indicated to the Hon. Prime Minister—he does not think our common programme amounts to much—

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(කෙනරවු උද්ගී ජෙනෙරායක)

(The Hon. Dudley Senanayake)

I think it amounts to a lot, but the hon. Member for Yatiyantota does not think so.

ඊ.ඒ. ආර්. බයස් බණ්ඩාරනායක මය.

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(Mr. F. R. Dias Bandaranaike)

No, no. He does. He signed it.

ශ්‍රී ඩබ්ලිව් සේනානායක

(කෙනරවු උද්ගී ජෙනෙරායක)

(The Hon. Dudley Senanayake)

Did you listen to his speech?

ඊ.ඒ. ආර්. බයස් බණ්ඩාරනායක මය.

(ශ්‍රී. ආර්. ආර්. උයස් බණ්ඩාරනායක)

(Mr. F. R. Dias Bandaranaike)

What has he said in his speech?

ශ්‍රී ඩබ්ලිව් සේනානායක

(කෙනරවු උද්ගී ජෙනෙරායක)

(The Hon. Dudley Senanayake)

I understood all right.

ඊ.ඒ. ආර්. බයස් බණ්ඩාරනායක මය.

(ශ්‍රී. ආර්. ආර්. උයස් බණ්ඩාරනායක)

(Mr. F. R. Dias Bandaranaike)

I can assure you, without any hesitation, that he does.

Really, I have very little more to add. I think the Hon. Prime Minister has this to his credit this year: he has ditched the Federal Party to where it belongs. He has brought a smile back to the face of the hon. Member for Jaffna. He has made us happy by giving us freedom of speech, which he guaranteed to every single person in this country in the fair name of democracy. He has kept Members of Parliament happy by telling them that their real wages would be put up tomorrow, if not today. Cars might come, even without the tyres coming on commodity aid, for which we shall pay later.

And there is only one thing left for the Hon. Prime Minister to do and that is to turn the corner. And I have no doubt in my own mind that when it comes—

ශ්‍රී ඩබ්ලිව් සේනානායක

(කෙනරවු උද්ගී ජෙනෙරායක)

(The Hon. Dudley Senanayake)

The revolution is round the corner.

ඊ.ඒ. ආර්. බයස් බණ්ඩාරනායක මය.

(ශ්‍රී. ආර්. ආර්. උයස් බණ්ඩාරනායක)

(Mr. F. R. Dias Bandaranaike)

There is no revolution round the corner.

ශ්‍රී ඩබ්ලිව් සේනානායක

(කෙනරවු උද්ගී ජෙනෙරායක)

(The Hon. Dudley Senanayake)

The hon. Member for Agalawatta.

එස්. ஃபீ. டியஸ் பண்டாரநாயக்க மஹா.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

They will follow the parliamentary road with Mrs. Bandaranaike, as we all have followed the parliamentary road.

ஃபீ. டியஸ் பண்டாரநாயக்க மஹா.

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

We accept that.

එස්. ஃபீ. டியஸ் பண்டாரநாயக்க மஹா.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

Of course, they do. He accepts it. He tells it to you himself. Why do you want to try and make out a difference between us? We are all saying the same thing.

I would like to add just one word. Actually, in some respects I am probably less acceptable to the people of this country than most hon. Members. I am not a Buddhist. I never said I was. I am a believer in religion my own religion. I stand by it and there it is. In regard to religion, their position is far stronger than mine.

ஒரு விபிளி பேர்நாயக்க

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

Oh yes, very much stronger.

එස්. ஃபீ. டியஸ் பண்டாரநாயக்க மஹா.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

Exactly, so. Then what is the problem? Why are you arguing that we are against each other, that we are attacking each other?

ஒரு சி. பி. டி. சில்வா

(கௌரவ சி. பி. டி. சில்வா)

(The Hon. C. P. de Silva)

They are agreed with each other. No, I was not.

ஃபீ. டியஸ் பண்டாரநாயக்க மஹா.

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

They are trying to create a difference.

එස්. ஃபீ. டியஸ் பண்டாரநாயக்க மஹா.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

They are trying to put us at loggerheads against each other.

ஏ. ஸா. 6.5

நிர்வாகக் கமிட்டியினர்

(உப சபாநாயகர் அவர்கள்)

(Mr. Deputy Speaker)

Order, please! Mr. Speaker will now take the Chair.

ஏதாவது நிர்வாகக் கமிட்டியினர் உரையாகவே
ஒரு உரையாகவே உரையாகவே உரையாகவே

அதன் பிறகு உபசபாநாயகர் அவர்கள் அக்கிராசனத்
திலிருந்து நீங்கவே, சபாநாயகர் அவர்கள் தலைமை
தாங்கினார்கள்.

[Whereupon MR. DEPUTY SPEAKER left the Chair, and MR. SPEAKER took the Chair.]

එස්. ஃபீ. டியஸ் பண்டாரநாயக்க மஹா.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

Mr. Speaker, I thought I must finish, but now that you have come back, I must certainly express my thanks to you and to your Deputy for the manner in which you conducted this Debate and helped to maintain good humour all round, even at difficult moments, especially when my good Friend the Hon Minister of Education was on his feet. You maintained the even tenor of this Debate right through even when the Hon. Prime Minister was getting very angry.

ஒரு விபிளி பேர்நாயக்க

(கௌரவ டட்ளி சேனாநாயக்க)

(The Hon. Dudley Senanayake)

එෆ්. ආර්. ඩයස් බණ්ඩාරනායක මයා.

(සිරු. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

I am sorry. Then shall I say, when the Hon. Prime Minister was speaking very loudly though with a good humour in the closing stages of his speech in the full confidence of how he is going to win the next General Election, turn the corner, smash us all, and full of suspicious that our friends on this side of the House are revolutionaries which in fact they are not.

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(கௌரவ டட்ளி சேனநாயக்க)

(The Hon. Dudley Senanayake)

I congratulate you for converting them.

එෆ්. ආර්. ඩයස් බණ්ඩාරනායක මයා.

(சிரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

There is no conversion necessary. They are with us.—[Interruption]. I am grateful to my good Friend, the Hon. Minister of Land, Irrigation and Power, for bringing them into the S.L.F.P. to start with. What is he worried about? He must share the credit even if he has not been able to irrigate anything. At least this is one respect in which his efforts have been fruitful.

So you see for yourself that ultimately we have come to the end of the Debate. I am prepared to take a bet with you that you will win this Budget, on numbers. I do not think, when it comes to the vote, you are going to lose. I will tell you why you are going to win. You are going to win because most of the people on your side have no alternative but to vote for you. There is nothing very much that they can do. Even the federalists will do that. They could not do anything about it on the Throne Speech. They are now well and truly stuck with you. I think this is the happiest moment from our angle in the S.L.F.P. Something which we have been trying to achieve has been achieved by you.—[Interruption]. They are no more stuck

Both got stuck in respect of their own choice. See how beautifully they have stuck even with you!

Mr. Speaker, those are my comments. I have nothing further to add. I would like to wish the Hon. Prime Minister better luck next year, less public debt, more strength to his elbow, a very successful harvest, good photography, bright sunlight, and I hope more real wages—not for him, his father has left him enough, but for the country.

අ. හා. 6.10

ශ්‍රී වන්චිනායක

(கௌரவ வன்விநாயக்க)

(The Hon. Wanninayake)

Mr. Speaker, I must thank you and all hon. Members on both sides of this House for their participation in this Debate. As usual the contributions made have been of a varied nature, some no doubt constructive in part, others not so constructive, some even destructive and cynical.

By and large the speeches were conducted with good humour, and I think hon. Members on both sides of the House did make good contributions to this Debate. My task as usual has been considerably lightened by contributions made by the hon. Members on this side of the House, my Ministerial Colleagues, and particularly by the Hon. Prime Minister. He dealt with various provisions of the Budget and criticisms that were levelled at the Budget somewhat exhaustively. The hon. Member for Dompe (Mr. F. R. Dias Bandaranaike) is not here. I want to pay him a compliment. It was pleasant listening to the hon. Member for Dompe today. He was in a very genial mood. He was also very humorous and paid great compliments all round, as far as I could see. He also gave the House the impression that if he had another innings he would know how to put right the finances of this country. Anybody listening to him, anybody not knowing his past, would have thought, "Here is a man who should be the Finance Minister not only of Ceylon but of the entire

world." He had his chance. In one shot he became the power behind the throne. He was virtually the Prime Minister of this country in 1960. What he said at that time went down with the chief of that party and with everybody in that party. Being in that advantageous position, he presented more than one Budget in this House. I shall come to his Budgets in a short time. But at the end he could not get his own Colleagues to agree to the measures he proposed. They first agreed and later disagreed and he ran away saying that he would never come back even to plant grass. Of course, he came back. He came back to grow grass and went out and

that I was trying to put them right in three years. I did not undertake to do that. He said, in effect, "You undertook to correct them in three years and you have not corrected them yet." It is true that I pointed out defects in the economy at the time I saw them, but I did not undertake to correct them overnight. After nine years of deterioration—

ஈலாபீச லன். லி. லேபேரூ

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

What about the nine years before that?

ஈலாபீச லன். லி. லேபேரூ

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

What happened before that? Surely, in 1956 when we handed over this country to you, the balance of payments was not bad, the cost of living was not so high, we had internal savings, there were no import and export controls and we handed over to you a free economy with everything found.

ஈலாபீச லன். லி. லேபேரூ

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

In 1953 controls were reintroduced.

ஈலாபீச லன். லி. லேபேரூ

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

I did point out some of the defects but I did not undertake to correct them overnight. You read my Budget Speeches. I never make wild promises like that. Nine years of deterioration, conscious or unconscious, cannot be put right in two or three years. Pygmies can destroy, it requires a giant to build, but even a giant cannot build without a sufficient amount of time. I want to point out to you the damage done to the economy of this country by the previous regime. The hon. Member for Yatiyantota had pointed out those defects earlier. I have noted some of those defects. I have noted some of those defects he said. I have only to

ஈலாபீச லன். லி. லேபேரூ

(கௌரவ அங்கத்தவர்கள்)

(Hon. Members)

Ate grass!

ஈலாபீச லன். லி. லேபேரூ

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

And they went out in a body. So that, Sir, one must be careful. Particularly in his case he is on a very weak wicket. He had his innings, he had his chance. But today, while listening to the profound financial and economic theories he propounded, I thought, if he had only practised 25 per cent of what he preached today this country would not be in the plight in which it is today. If, in certain aspects of our economy we are facing a difficult situation today, I deliberately make the charge that that situation was created by the previous regimes in this country, and the hon. Member for Dompe must take 75 per cent of the responsibility for that situation.

We are talking of various problems that confront the country today: cost of living, devaluation, falling external assets, balance of payments difficulties, and so on. My hon. Friend, the hon. Member for Yatiyantota, referred to them and said, "You referred to them in your first Budget Speech" and he inferred that

[ගරු මන්ත්‍රීතුමා]

read some of his comments on the Budgets presented by the previous Finance Ministers, and I need not make any comments at all. Today, my hon. Friend from Yatiyantota had to play a very difficult role. He has had many difficult roles to play in this House. Today what was the role he had to play, having condemned the budgets presented by the M.E.P. Government and the S.L.F.P. Governments? For well nigh six to seven years, every year, year in and year out, he condemned those budgets. Of course, he joined us in the condemnation of those budgets when we were on that side of the House. Today, he had to play the role of defender of those budgets, including his own Budget. Sir, undoubtedly it is a difficult role to play, and in doing so he never made a distinction between the budgets presented by his predecessors and his own, but took them together and said, "Look, this is our performance" and so on. It is indeed a very difficult role to play having condemned all those budgets in very severe terms during the past. It is not so easy to defend what he had criticized earlier.—[*Interruption*]. I will come to those things.

Sir, I do not want to take much of the time of the House. It is true that the prices have gone up. The Hon. Prime Minister himself pointed to the fact that prices had gone up from what they were in 1956. The hon. Member for Kotte (Mr. Stanley Tillekeratne) quoted certain figures and added that the prices of certain commodities have risen from what they were in 1956. That is only a part of the picture. If you want to give the people of this country an idea of the correct picture please quote the prices of these same articles in 1956, 1965 and in 1968. Then you will see the difference and you will also see that your argument comes down like a pack of cards. I am not blaming them. There were certain circumstances which sent up the cost of living. We grant that the prices of certain items have gone up. Practically everywhere in the world it is so.

I agree with the theory propounded by the hon. Member for Dompe (Mr. Felix Dias Bandaranaike) that in a developing economy, where you are investing more money on development, a certain rise in prices is inevitable, so that just saying that the prices in 1965 were these, and the prices in 1968 were these, will not show a complete picture. Give the figures for 1965, 1965 and 1968, because then you will see the changes that have taken place. I am not blaming them. That is the natural phenomenon. I accept the fact that the prices have risen, not only in our country but in every other country in the world. I think that those who have visited other countries will surely agree with me when I say that the ratio of the rise in prices in our country is the lowest in the world as far as is known. That is no justification—

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(කලාநிதி என் எம். பெரேரா)

(Dr. N. M. Perera)

That is better. That is the kind of argument we also advanced against you.

කෙනමත් මයා.

(திரு. கௌமன்)

(Mr. Keuneman)

Now crack a joke.

ගරු මන්ත්‍රීතුමා

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

It is true that as a result of devaluation the prices of various commodities went up. They must go up. When you devalue you cannot expect the prices to come down. That is not devaluation. Then to cushion that rise, to give some relief to certain income groups against the evil effects of devaluation, we did take certain steps. No reference was made to these steps by the hon. Member for Yatiyantota. They do not even refer to them. We took certain definite measures to cushion the evil effects of devaluation and the rising prices. I understand that they do not

mention any of these things at their propaganda meetings.—[*Interruption*]. Whatever you may do in Parliament, at least tell the people the things that the Government has the truth; tell them that these are done.

I do not want to delay the House any longer on this matter but I would like to say that from October 1967 the Government pays an interim allowance of Rs. 20 to those earning a basic salary of Rs. 100 or less per month and Rs. 10 to those whose basic monthly salaries are between Rs. 100 and Rs. 300. Again, after the devaluation of the rupee, the Government brought about a further relief measure by introducing an interim devaluation allowance of Rs. 15 per month for recipients of basic monthly wages of less than Rs. 300, effective from December 1967.

That was not all. There were so many other things. You will find that in the commercial sector some agreements were made between the employers and the employees which gave some benefit to the commercial sector employees. Then in the estate sector there were some adjustments that were made and, as the Prime Minister, pointed out, he took the initiative almost to compel the employers to pay an increased allowance to employees to cushion them against the effects of devaluation. Then in the rural sector the guaranteed price for paddy was increased from Rs. 12 to Rs. 14. Then the guaranteed price of a number of other articles was increased. I will come to that when I come to food production.

You cannot tot up either side and say one is equal to the other. It depends on each individual. What I am saying is that we have not been unconscious of the hardships that the people will have to suffer as a result of devaluation and we have taken steps to cushion it as far as possible within the resources available to the Government.

As I said, I agree with the suggestion put forward by the hon. Member for Dompe (Mr. F. R. Dias Bandaranaike) when he was Minister of

Finance. I will read that. I will come to that. He said in a developing economy a certain amount of inflationary financing or rise in prices is inevitable and that you cannot do without it. Perhaps we are in a stage of development. We should try and control this inflationary financing as much as possible. But a certain measure of rise in the prices cannot be altogether avoided. It is happening all over the world and particularly in the developing countries of the world.

Then a word about devaluation. Everybody takes it for granted that the U. N. P. and this National Government should be blamed for devaluation. The facts should be otherwise. It is true that we had to take the step to devalue the currency but the causes for that date back to their times. It was the collective effect of economic and financial bungling over eight to nine years that compelled us almost to resort to this devaluation. I will come to that later.

කෙනෙක් මයා.

(திரு. கௌமன்)

(Mr. Keuneman)

In 1948 also the U. N. P. devalued.

බැර වන්තිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

In 1948 there was no party government as such. They just started.

I must say this categorically, that it is true that we took the step of devaluation but the causes of devaluation were not ours.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

The fault is ours?

බැර වන්තිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Of course. It is the collective effect of a series of, shall I say financial and economic misdeeds

[මැ. මන්තිකයක]

under the the previous regimes that brought about this plight wherein we had to do this devaluation, I will come to that later on.

I am sorry the hon. Member for Dompe is not here. I would like to read his own words in HANSARD. This is what the then Minister of Finance the hon. Member for Dompe, said in his Budget Speech for 1962-63. He has now forgotten it. I am sorry he is not here :

"The excess of recurrent expenditure over revenue is the most disturbing feature of the Budget for the last few years. Recurrent expenditure has exceeded revenue by the following amounts since 1956-57 :"—[OFFICIAL REPORT, 26th July 1962 ; Vol. 47, c. 1339.]

The figures he gave are wrong. I have got the correct figures. They may have been provisional figures. I have got the final figures. Now, this is how they brought about the crisis that led up to devaluation. The recurrent expenditure exceeded revenue by Rs. 47 million in 1957-58.—(Interruption). I am referring to your Speech in 1962-63 before you saw enchantment.

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(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

Before I resigned.

මැ. මන්තිකයක

(கௌரவ வன்னினாயக்க)

(The Hon. Wanninayake)

This is what you said :

"The excess of recurrent expenditure over revenue is the most disturbing feature of the Budget for the last few years. Recurrent expenditure has exceeded revenue by the following amounts since 1956-57."—[OFFICIAL REPORT, 26th July 1962 ; Vol. 47, c. 1339.]

I am glad he unconsciously paid us a compliment. In 1956-57, and before that, revenue expenditure was not only met by current revenue but there was a surplus to be used for development expenditure.

These are the figures he gave :

1957-58	—	Rs. 47 million
1958-59	—	170 million
1959-60	—	Rs. 178 million
1960-61	—	Rs. 68 million

—[OFFICIAL REPORT, 26th July 1962 ; Vol. 47, c. 1339.]

But the figures are not these. I have got the correct figures here. In 1954-55 there was a revenue surplus of Rs. 294 million. Neither the hon. Member for Dompe nor any hon. Member on the other side had anything to do with the year 1954-55. Those who had something to do with the finances of that year are all on this side. In 1955-56 there was a surplus revenue of Rs. 243 million. That is why the hon. Member for Dompe was compelled to make that compliment even in an indirect way. In 1956-57 it was again a surplus of Rs. 156 million, and in 1957-58 it was more or less a balance. In 1959-60, the deficit was Rs. 108 million, then it goes down to 27 million rupees and in 1961-62 there was a pick-up and reached Rs. 75 million, and in 1964-65 it was Rs. 13 million.

I must say in fairness to the hon. Member for Yatiyantota that he did make a conscious attempt to reduce the expansionary financing deficit in his budget but he did not anticipate any provision till it turned out to be about Rs. 36 million. I shall come to that later.

In 1966-67 the surplus was Rs. 60 million, and in 1967-68 the surplus is Rs. 19 million. In 1968-69 the anticipation is about Rs. 42 million. If you will see my Budget Speech—I do not know how it will turn out later on—I have saved at least Rs. 40 million odd out of current revenue to be spent on development.

What is more relevant is what is stated in the other column. The expansionary impact of budget deficit adjusted in a change in counterpart funds. This is where you allowed the country to come down the economic slope to devaluation.

The hon. Member for Yatiyantota has made this point in his Budget Speech. That by continuing expansionary deficit financing beyond that point, this country will be brought to the brink of financial disaster. I shall read your speech in due course.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிதி என் எம். பெரேரா)

(Dr. N. M. Perera)

You started deficit financing.

ලරු චන්තිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

This is what has ruined the economy of this country. And the hon. Member comes and makes these airy statements.

Consider these figures: in 1954-55 there was no expansionary deficit financing. In 1955-56 the amount of expansionary deficit financing was Rs. 6 million; in 1956-57 it was Rs. 148 million; in 1957-58 it was Rs. 108 million; in 1958-59 it was Rs. 189 million, in 1959-60 it was Rs. 251 million; They were improving on their own records in 1960-61 it was Rs. 234 million; in 1961-62 it was Rs. 190 million; in 1962-63 it was Rs. 162 million; in 1963-64 it was Rs. 163 million; in 1964-65—that was the year in which my good Friend the hon. Member for Yatiyantota was Finance Minister—it came down to Rs. 35 million, partly due to the drought—

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என் எம். பெரேரா)

(Dr. N. M. Perera)

Drought only? What about my proposals?

ලරු චන්තිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Giving credit where credit is due, I shall say, because of my implementation of your proposals we escaped the tragedy of earlier Budgets and managed to keep the expansionary deficit at Rs. 35 million. And the

hon. Member for Dompe has the audacity to come here and say, "Look, we did very well during our time; you are ruining the country." Before he came in just now I said, "We had to take the step of devaluation because it was forced on us by the economic and financial bungling of previous years."—[Interruption]. That is the truth and I shall prove it to you by quoting the words of this hon. Member for Yatiyantota himself.

When we are going the slope, Sir, it is not possible to arrest the journey suddenly. In 1965-66 the figure of inflationary deficit financing was Rs. 122 million. In 1966-67 it was Rs. 55 million in 1967-68 we hope it will be less than Rs. 100 million.

I have quoted the figures about which the hon. Member for Dompe was boasting and saying, "Look at what we did." I shall tell the hon. Member in the words of the hon. Member for Yatiyantota himself what he thought about the expansionary deficit form of budgeting. I am not saying that the hon. Member for Dompe was responsible for everything but he was responsible for a large part of it. He seems to think that this problem began during our period, whereas all this money was being just thrown into the economy of the country without corresponding development. That is how the situation arose. We had to take the brunt for the financial misdeeds of the earlier Ministers of Finance.

Consider the Treasury Bill limits. He was twitting the hon. Parliamentary Secretary to the Minister of Industries and Fisheries in regard to this. What happened actually? In 1956 the Treasury Bill limit in this country was Rs. 200 million? By a Resolution of Parliament dated 9.4.59 this limit was increased to Rs. 350 million; by a Resolution dated 29.10.59 it was increased to Rs. 450 million—twice in the same year by a Resolution of 23.8.62 it was increased to Rs. 650 million

[ශ්‍රී ලංකා විනයයක]

Resolution dated 8.6.61 it was increased to Rs. 750 million; by a Resolution dated 14.12.61 it was increased to Rs. 1,000 million; by a Resolution dated 21.3.63 it was increased to Rs. 1,150 million; by Section 116 of the Finance Act, No. 11 of 1963 it was increased to Rs. 1,250 million; by a Resolution dated 28.8.64 it was increased to Rs. 1,500 million. That was the last shot they had at increasing the Treasury Bill limit. And luckily for this country they were not there thereafter. Otherwise the Treasury Bill limit would have gone up some more.

The hon. Member was also talking about the Public Debt. The Public Debt has to be viewed from certain angles. We must know what fraction of the Public Debt goes into capital formation. That is an important sector.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Tell us.

ශ්‍රී ලංකා විනයයක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

I will tell you how. Did you use this money you borrowed to productive ends or to finance deficits by expansionary financing? There are a number of factors. The mere fact that the public debt has gone up is not the criterion. It is a question as to how you have used this money and what returns you are getting and whether you are able to get the necessary money to pay the capital and interest. We say that we can pay the capital and interest out of the investments we have made.

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(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

That is what you say.

ශ්‍රී ලංකා විනයයක

(கலாநிதி என். எம். பெரேரா)

(The Hon. Wanninayake)

We say we can. Look at all the funds we have borrowed from the I. M. F. It says in this footnote that certain payments have been made.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Why not? I mentioned that. Rs. 90 million have been paid back.

ශ්‍රී ලංකා විනයයක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

We owe an obligation to pay back. Otherwise, do you think they will give us money back again?

එෆ්. ආර්. ඩයස් බණ්ඩාරනායක මයා.

(திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க)

(Mr. F. R. Dias Bandaranaike)

You roll out of the next loan.

ශ්‍රී ලංකා විනයයක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Only, now we are paying your debts.

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(திரு. ஸ்டான்லி திலக்கரத்ன)

(Mr. Stanley Tillekeratne)

We will have to pay your debts.

ශ්‍රී ලංකා විනයයක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Those are internal debts; do not worry about it. The hon. Member for Dompe frowns upon aid from the I. M. F., the World Bank and others. But this is what he said in 1963. He says that very boldly. I noticed today, Sir, that he was in a very genial mood. He was humorous as usual, but his sarcasm and invective were not there. This was his speech those days when he was the cock of the walk:

“I resorted to borrowing on two occasions—two credit tranches—

No chance of payment at all no.—

—as they are called from the I. M. F. each of which amounted to 53.8 millions”

And so he goes on. He says he kept down the external assets by borrowing from the I. M. F. He had no chance of repayment to the I. M. F. because these credit tranches will fall for repayment in the course of three to five years. I do not know how he knew that his Government would not be there to pay it. That is the spirit in which he spoke.

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(*திரு. எப். ஆர். டயஸ் பண்டாரநாயக்க*)

(Mr. F. R. Dias Bandaranaike)

The same spirit that you are following now.

ශ්‍රී. වන් නිනායක

(*கௌரவ வன்னிநாயக்க*)

(The Hon. Wanninayake)

He said these credit tranches would fall for payment in the course of three to five years—when he would not be there. He does not say that in his speech, but that is what it amounts to. That was the spirit in which he borrowed. We are paying what he borrowed; we have to pay. After all, we are honouring the obligations of various Finance Ministers of this country. I will honour the obligation; do not worry.

I see the results of some of our development expenditure in the fields of agriculture and industries, however much you may not like to hear it. We have one objective in getting foreign aid: our idea is not to be forever dependent upon this foreign aid. Our purpose in getting foreign aid is to use it and get rid of this dependence as early as possible. Why, earlier, during the bad old days of the U. N. P. we took any notice of this foreign aid. During the period of my hon. Colleague, he as Finance Minister put it aside in a separate account. His argument was, somebody has given us a gift, we can use it if we need it to balance our annual or monthly accounts. Tell him that with the present he has given we have

done this work. If he likes, let him give us another present; otherwise let him just keep quiet.” It was in that spirit that we got foreign aid, and we never brought it into the Budget. My good Friend is talking so much against foreign aid now. He was the person who first introduced foreign aid into the Budget, because he found he could not even balance it. He is now talking so much against foreign aid, I. M. F. loans, I. B. R. D. loans, Suppliers credit, and what not. He was the first one who brought it into the Budget. We never wanted it for our Budget provisions.

Now we come to the food production drive. I do not know why some Members of the Opposition—I do not say all—want to decry and belittle this performance. I must say some are appreciative of the progress made; others just do not see. One has only to go round the country—there is no need to look at these statistics either by the Central Bank or the C. B. C.—to see the progress made in the agricultural sector. It will be seen that the stage is set for a further jump forward.

There is a saying that people are apt to believe what is pleasant to them but not what is true. I think all of us at one time or another suffer from it, that is, we believe what is pleasant for us and not what is true. Perhaps, it is unpleasant for Members of the Opposition to believe and to speak about the progress made in the field of agriculture under the present regime.

As a result of this expansion in food production and also in the field of industry, certain results we have been able to achieve. In 1967—I do not wish to go over the entire ground—Ceylon's real product in per capita terms increased by 2 per cent, and the gross national product increased by 4 per cent. The most important contribution towards the increase came from agriculture. Although the real value of tea and coconut declined, the real value of rubber, paddy, livestock, fish and other foodstuffs increased significantly by almost 10

[மட மந்திரிமக]

per cent. The most prominent increase was in paddy production by 20 per cent. The increase in paddy production and subsidiary foodstuffs is attributable to a number of factors — (1) higher guaranteed prices, (2) higher intake of fertilizer, (3) increased use of high quality seed paddy, (4) more storing facilities, and (5) more vigorous agricultural propaganda by the Government.

This campaign to belittle the food drive, I do think, is not in the interest of anybody. I do not say everybody is doing that. I know a member of Members on that side who participated with us in the food drive. There is no doubt that the stage is now set for a further leap forward in the field of food production, and I think it is up to every one of us to give every co-operation to make it the success that it deserves to be.

Then I come to industrial production. There has been an expansion in the field of industrial production. The Minister of Industries gave a detailed account of that. Some Members of the Opposition are having sceptical. In fact some of them quoted figures and went into raptures over what had been done in their regime in the field of industry. I shall give an account of the legacy that we inherited in the field of industry.

Industries are like wives. If you can have a good wife, it is a good thing; otherwise, better not to have one at all. The fair Member for Mirigama said in the course of her speech that it is useless having a barren woman even with a fat dowry. It is useless having something called industries, even with some equipment, if they are not in a state to produce, if they are barren.

The hon. Member for Kotte (Mr. Stanley Tillekeratne) went into raptures about the performance of the previous Government in the field of industry. Even just now somebody asked: "What are you doing? You are reaping the benefits of the industries we started". On the one hand they say, "You are not getting anything out of these industries."

are running at a loss." On the other hand they say "You are now reaping the benefits of the industries we started, and with that money trying to balance your Budget."

There is a reference to these industries by the hon. Member for Dompe when he was Minister of Finance. I will read that also.

மட மந்திரிமக

(கௌரவ அங்கத்தவர் ஒருவர்)

(An hon. Member)

There he is coming!

மட மந்திரிமக

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

I was telling the House how you were lyrical, rhapsodical and went into raptures over the performance of the previous Government in the field of industry, and told us what a legacy you handed over to the present Government. I want to quote what you yourself said in your Budget Speech of 1962-63:

"The current account of the Government shows a deficit rather than a surplus."

Of course, right through that was the case. There is a long analysis; it is very interesting. I do not want to read the whole thing, but this is the relevant sentence:

"In addition, due to various reasons, including lack of experience and requisite skills, inadequate planning and inefficient operation."

மட மந்திரிமக

(திரு. ஸ்டான்லி திலக்கரத்ன)

(Mr. Stanley Tillekeratne)

Yes, it was a pioneering effort.

மட மந்திரிமக

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

The hon. Member for Dompe continues:

"I regret to inform hon. Members of this House—a matter which I suppose you should study well—"

I think he did not care for the Minister of Industries at the time. I do not know who it was. He continues:

—“that most public corporations do not show profits.”

சீலேந்திர திலேகரத்ன **மெ.**

(திரு. ஸ்டான்லி திலக்கரத்ன)

(Mr. Stanley Tillekeratne)

That was a very honest statement.

வெ. வன்னினாயக்க

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

You are not satisfied with that? I will do something more to satisfy you! Now, I must confess, if after listening to this the hon. Member for Kotte is not satisfied, nothing will satisfy him!

சேரீசீ ராஜபக்ஷ **மெ.** (உல்கிரிசல)

(திரு. ஜோர்ஜ் ராஜபக்ஷ—முல்கிரிகல)

(Mr. George Rajapaksa—MulKirigala)

He is not easily satisfied!

வெ. வன்னினாயக்க

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Here is a first class analysis of the industries of the S. L. F. P. Government by one who is considered to be a very qualified economist. I will read that also. There is a lot to quote, but there is no time. This is the relevant passage!

“I have already indicated to you that when you talk about a high proportion or the satisfactory increase of the industrial share of the gross national product, you must also bear in mind that you have invested not less than Rs. 100 million in various corporations for which we are getting absolutely no return.”

This is one of the best assessments we have had.

“In the Minerals Corporation you have invested Rs. 8 million for which you have nothing to show by way of an end-product. In the Small Industries Corporation you have invested Rs. 1.8 million and you have nothing to show by way of an end-product.”

No end-products; all on the way.

“In the Eastern Paper Mills you have invested Rs. 29 million, and the accumulated losses of the Eastern Paper Mills are Rs. 8 million. You have invested Rs. 15.7 million on Paranthan Chemicals; but what is the return for that? In the Kantalai Sugar Corporation you have invested Rs. 28.9 million so far. What is the return you have got? You have produced a few hundred tons at an enormous cost to the taxpayers of this country.”

We were the taxpayers at that time.

At that stage an hon. Member of the Government tried to defend the Government and intervened, “That is the beginning.”

“The beginning? You started three years back, and a fine beginning this is!

In the Plywoods Corporation you have invested Rs. 2.8 million and you still continue not to show any profits. In the Bus Corporation—apart from nearly Rs. 80 million spent—our accumulated losses come to Rs. 28 million.

“The total is well over Rs. 100 million, entirely due—”

This is very relevant—

“—entirely due to bad management, bad planning, inefficiency, incompetence and corruption, worst of all, corruption.”

Sir, can you have a more authoritative analysis of the industries which the previous Government passed on to us as a legacy?

வெ. வந்திரேசனே

(கௌரவ அங்கத்தவர் ஒருவர்)

(An hon. Member)

Who is the economist you have quoted?

வெ. வன்னினாயக்க

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

“DR. N. M. PERERA: I have quoted from HANSARD of 20th August 1963, Vol. 52, columns 2753-4.”

Yet today some of the members of the S.L.F.P. come here and go into raptures about the rich industrial legacy we inherited.

I say, Sir, if you cannot have a good wife, do not have a wife at all. That is much better. As the hon.

[සඳු මන් නිකායක]

Fair Member for Mirigama (Mrs. Obeyesekere) said, "Don't take a barren woman as a wife even if she is accompanied with a fat dowry, because if the woman does not produce, what is the use of the dowry?" Similarly, what is the use of getting industrial machinery and things like that if you cannot make them produce?

Industries had been started in the wrong place, at the wrong time and all in the wrong way, and it must be said to the credit of the present Minister of Industries and Fisheries (Hon. D. P. R. Gunawardena) that he is re-organizing the whole thing. After all, organizing a thing is easy. But re-organizing a thing that has been badly done is very difficult. And that is what the Hon. Minister is doing: he is re-organizing, re-conditioning, streamlining — and showing profits. The detailed account of the activities of the various corporations he gave in his speech must convince you that a lot is being done in that field. We must give credit where credit is due. There is no doubt that there is an increase in industrial production as a result of the higher allocations and incentives we gave.

Now, I come to taxation. All hon. Members who spoke did not deal with the question of taxation. A few Members did, and they tried to make out that we have helped the rich and not helped the middle class and lower classes. That is not true. Until the recent Taxation Commission was appointed, taxation in Ceylon had not been examined or studied as a whole in all its aspects. Generally what had happened was that from time to time *ad hoc* adjustments to various taxes had been made in order to meet immediate problems. And I do not think anybody aided *ad hoc* taxes more than the hon. Member for Dompe did. We shall come to that later. Our tax system was involved as a result of these *ad hoc* changes. Hence I appointed a Taxation Commission. I have got their report.

Having studied their recommendations and also the various reports made to me by various people, and having taken into account the views expressed by the various Ministries and also the effect of devaluation and the FEECs scheme, before the introduction of which the recommendations were made, in my Budget speech I proposed some changes in taxation. Certain other recommendations particularly those regarding tax administration, are under consideration, and suitable action will be taken as early as possible.

Certain criticisms were made about my proposals. Let me take them up one by one, because they are important.

A number of Members of the Opposition made the point that undue concessions have been proposed for the higher income groups. That is not correct. As I stated in my speech, those who made these criticisms have not taken into account two important factors: (a) the amount of wealth tax each individual has to pay, and (b) the abolition of savings relief. I shall give you a more detailed account from the notes that I have got. Hon. Members have not taken into account these two important factors in this connection.

Hon. Members will observe from the tax schedules which I have tabled on the 2nd of August that the burden of wealth tax in the higher income groups is being almost doubled. This is because of the abolition of savings relief, so that the wealth tax payable will no longer be eligible for savings relief.

The other factor that has to be borne in mind is the abolition of savings relief. Most of the taxpayers in the higher income groups availed themselves of the savings relief scheme and thereby reduced their tax liability. This is evident from the fact that a sum of Rs. 117 million was invested by individuals in government securities and in special deposits since the introduction of the savings relief scheme.

Hon. Members will observe, therefore, that the upper income brackets are considered as a whole. The total taxes payable under the existing system and under the proposed system will be about the same and there will be no loss to revenue where this category is concerned.

Then there was some criticism made by the hon. Member for Colombo South, (Mr. Bernard Soysa)—who is not here unfortunately—about the tax holiday for hotel projects. The hon. Member for Colombo South stated that the Government was seeking to abolish the tax holiday for new hotel projects—a concession which was offered by the Government only in June this year—and that the recommendations of the Taxation Inquiry Commission were known to the Government when legislation was passed in June. That is not correct.

I would point out that the legislation which was passed in June this year gave effect to the concessions which were announced by the Government as far back as March 1966 and outlined in the White Paper entitled "Government Policy on Private Foreign Investment."

The tax holiday for hotel projects as well as the other concessions for tourism are not being removed. The repeal of the tax holiday as announced in the Budget applies only to—(a) new undertakings engaged in the production of goods or articles; (b) undertakings of deep sea fishing; (c) companies to which the Government makes a contribution of capital; and (d) agricultural undertakings under the Special Leases Scheme as from a date to be announced later.

In this connection, I would refer to the recommendation of the Taxation Inquiry Commission on the question of the tax holiday. Although the commission recommended the repeal of the tax holiday, it advocated the grant of the tax holiday "to those enterprises where capital allowances are generally not due or are not in

proportion to the capital employed and Government as a matter of conscious policy desires to encourage such enterprises." One such example is tourism.

I shall now come to the question of savings relief. The hon. Member for Colombo South (Mr. Bernard Soysa) pointed out that some taxpayers without paying their taxes had invested these monies in approved savings and obtained relief. This cannot be so because the Commissioner has power to seize these monies when the tax is in default and such a concession to postpone the payment of tax due would not be granted in any circumstances.

There is a further deterrent in the automatic penalty of 5 per cent which attaches to the non-payment of tax on the due date.

The hon. Member for Divulapitiya (Mr. Lakshman Jayakody) mentioned that the present Government is withdrawing all the tax concessions which are now in force and would thereby put an end to all business ventures. That is not correct. I think this should get on record as a reply to the criticism he made.

The hon. Parliamentary Secretary to the Ministry of Industries has already explained to the House that indefinite tax concessions for new industries are not desirable particularly when protection is being afforded to them through the Government's import policy.

The tax holiday is not considered a desirable feature particularly when regard is had to the other incentives which are provided both for new undertakings and for expansion of existing undertakings—an equally important factor in economic development. These incentives are the grant of lump sum depreciation allowances and development rebates. The purpose of these incentives is to enable profits to be utilized to recoup the capital employed; and where a loan has to be raised, for the repayment of that loan from future profits the effect being to exempt such profits

[රු. මන්තිකයක]

from tax. In the case of new undertakings there are very few cases where the tax holiday becomes effective as deductions in the first five years could exceed the income. Where the income exceeds the total investment, there is really no need for an incentive. In addition to this, the indefinite carry forward of losses which also includes depreciation allowances and rebates is also an attractive incentive which is not found in the tax laws of most countries.

I wish to assure the House, however, that industrial undertakings which are enjoying the tax holiday will get this concession for the full five year period. Besides, undertakings which had taken irrevocable steps before the Budget to commence operations before 31 March 1969 will also be eligible for the tax holiday.

In the case of agricultural undertakings under the Special Leases Scheme, steps are being taken to have the dates gazetted. All the undertakings which are gazetted before a date to be specified will enjoy the tax holiday.

I would also point out that the three year tax holiday for industrial exports is not being withdrawn.

Hon. Members will thus see that the statement made by the hon. Member for Divulapitiya, namely that the present Government has removed all the tax concessions available to local industrialists, is incorrect.

The hon. Member for Kolonnawa (Mr. T. B. Ilangaratne) made the point that the present Government has reduced not only the income tax but also the estate duty.

There has been no reduction in the rates of estate duty but the exemption limit was raised from Rs. 20,000 to Rs. 50,000. This was for the purpose of giving relief in the smaller cases. I think the whole House agreed to that.

Where the total value of the estate of a deceased person exceeds Rs. 50,000, there is no reduction in the estate duty payable.

I shall now come to the question of textiles. The hon. Member for Yatiyantota (Dr. N. M. Perera) did not understand what I said in my Budget Speech; either he did not understand or he did not want to understand.

What I said was :

"In order to moderate the rise—"

Moderate the rise.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

To whom ?

රු. මන්තිකයක

(කෙළරඹ වන්නිநாயக்க)

(The Hon. Wanninayake)

"—in the price of textiles arising from the devaluation of the rupee and the operation of the Foreign Exchange Entitlement Certificate Scheme, I propose to abolish the present import duty of 25 cts. per yard on the following varieties of textiles: Printed fabric, White poplin Dyed poplin. Long cloth."—[OFFICIAL REPORT, 2nd August, 1968; Vol. 80, c. 109]

These comprise about 80 to 85 per cent of the imports.

ආචාර්ය එන්. එම්. පෙරේරා

(කலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Agreed. To moderate the rise for whom? Is it the consumer? Who gets the benefit?

රු. මන්තිකයක

(කෙළරඹ වන්නිநாயக்க)

(The Hon. Wanninayake)

I requested the Hon. Minister of State to work out the figures. Before he could work out the figures on the basis of my import reduction you carried on propoganda both inside this House and outside just as you did in the case of the district councils. Long before the District Councils Bill was introduced you carried on propoganda in the countryside.

ආචාර්ය එන්. එම්. පෙරේරා
(කලාநிති என். எம். பெரேரா)
(Dr. N. M. Perera)
Quite right.

ශ්‍රී මන්ත්‍රීනායක
(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)

When we went to our electorates the people asked, "What about the D. C. Bill?", and we said, "We do not know about it. It is not yet ready." In fact, when the draft of the D. C. Bill was placed before the House annexed to the White Paper that was presented you yourself had nothing very much to say.

You see, the Minister of State does not rush into things. He was making a cold calculation. Today what is the position? There have been no increase in respect of these four varieties.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)

That is not correct. Your Order No. 11 increased the prices.

ශ්‍රී මන්ත්‍රීනායක
(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)
Before the Budget.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)
No. Your Order No. 14.

ශ්‍රී ජේ. ආර්. ජයවර්ධන
(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)
I have not signed any Gazette Notification yet.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)
There are two orders. Your Gazette Notification is not necessary for the Salu Sala to increase the prices.

ශ්‍රී ජේ. ආර්. ජයවර්ධන
(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)
I fix the prices.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)
You do not fix the prices?

ශ්‍රී ජේ. ආර්. ජයවර්ධන
(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)
Oh, yes!

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)
Your Order No. 11—

ශ්‍රී ජේ. ආර්. ජයවර්ධන
(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)
What date?

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)
That was prior to the Budget.

ශ්‍රී ජේ. ආර්. ජයවර්ධන
(கௌரவ ஜே. ஆர். ஜயவர்தன)
(The Hon. J. R. Jayewardene)
What is the date, my dear?

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)
I cannot tell you off hand.

ශ්‍රී මන්ත්‍රීනායක
(கௌரவ வன்னிநாயக்க)
(The Hon. Wanninayake)
These four categories which comprise 80 to 85 per cent of the imports are sold at the old rate.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)
What is the old rate? That is the point I like to know.

சுரு வந்தியாகை

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Ninety three per cent of these four categories—

சுருவீச உன். பி. பி. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Agreed. Your 25 per cent benefit does not reach the consumer. That is my position.

சுரு வந்தியாகை

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Surely, the effects of devaluation are there. We have not increased the prices of textile.

சுருவீச உன். பி. பி. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

The benefit has not gone to the consumer. That is all what I am saying.

சுரு வந்தியாகை

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

The one common feature in most of the speeches from that side of the House was: "You are not doing anything for the poor man, the underdog." By that they are trying to show the people that they are the champions of the underdog and that we are their enemies.

I think the tax concession that I have extended to the middle-class people is very considerable and about two-thirds of that category of people are public servants. There is a reduction of about one-third to one-fourth in the income tax that they are paying. These people have been suffering and I think that everybody will appreciate the tax concession that has been given to them in the field of taxation.

Sir, these hon. Members have all forgotten about the tax concessions that I gave in my first Budget of 1965. What did I do? I abolished—they have forgotten all these—

சுருவீச உன். பி. பி. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

You have abolished the tax on alavangoes.

சுரு வந்தியாகை

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Yes. I abolished the total import duty on kerosene oil, on chillies—

சுருவீச உன். பி. பி. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

How much? One rupee for 1 cwt.

சுரு வந்தியாகை

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Wait. Whatever it may be I abolished the total import duties on kerosene oil, chillies, potatoes—now only seed potatoes are coming in. We are growing potatoes—Bombay and red onions, dhall, gram and peas, small agricultural implements, such as mammoties, alavangoes and various other things.

சுருவீச உன். பி. பி. பெரேரா

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

What is the point if the consumer has not benefited?

சுரு வந்தியாகை

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

You are forgetting that this concession I allowed in 1965 I continued in 1966, continued in 1967, continued in 1968 and there is no proposal to change it in 1969.

ආචාර්ය එන්. එම්. පෙරේරා

(කලාநிති என். எம். பெரேரா)

(Dr. N. M. Perera)

All go to the middleman and not to the consumer.

ශ්‍රී මන් නිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

It would have been worse if I had not reduced these.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

No, because the price of chillies is Rs. 3.50 now. So where is the benefit?

ශ්‍රී මන් නිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

You say you were for the underdog, you were trying to help the poor man, this Government is trying to cast burdens on the poor. By this Budget I have not cast any burdens on the poor man. After all, indirect effects there may be.

Take some earlier typical budgets. Take the Budget for 1960-61 which introduced the 10 cents stamp for open letters. That brought Rs. 2.5 million. In the 1961-62 Budget the banderol duty on matches increased by 1½ cents per box. Is that good?

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

That was done by your Ambassador in Indonesia.

ශ්‍රී මන් නිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

No. In 1961-62 the hon. Member for Dompe was there. There was an increase in import duty on tobacco and manufactured cigarettes by Rs. 8 a pound. I increased it by Rs. 4.50

Import duty on liquor was increased by 5 cents per bottle. What was imported from other countries was increased by 5 cents per bottle. But he whacked the local fellow hard. Import duty and local excise on beer was increased by Rs. 3 per gallon. That is for the local fellow. That was in 1961-62, by My good Friend, the hon. Member for Dompe.

Here is another one. Tax free allowance for children and dependants was reduced from Rs. 1,000 to Rs. 500 per child. That is how he treated the children of this country.

This is the worst. He could not have done worse than this. In one shot he increased the price of sugar and flour both by 5 cents per pound and he got Rs. 42.5 million in 1961-62. I will tell you in what background you increased this. They increased this when they were making a large profit on these things. They were making a profit as big as Rs. 29.6 million when they increased this. The then Minister said, "I am making a big profit but I cannot pass the benefit of this to the consumer", and he raised it. Rs. 42.5 million !

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

What year was this?

ශ්‍රී මන් නිනායක

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

1961-62.

He increased in one shot the price of sugar and flour by 5 cents per pound. And these are the people who come and tell us that we are hitting the poor man.

ආචාර්ය එන්. එම්. පෙරේරා

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

What is the profit you are making on sugar? Rs. 280 million.

சுரு வந்தியாயகன

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Here is another one—National Development Tax of 4 per cent on persons in receipt of aggregate emoluments not less than Rs. 300. I do not think this was implemented. I think the Minister realized that there was no national development possible and therefore he cancelled that. He had a Ten-Year Plan, a Three-Year Plan and One-Year Plan. All went for a six. So he thought it was not fair to tax and he withdrew the National Development Tax. He is sensible sometimes. He is not always that bad.

Here is another one—registration tax on self-employed people, Rs. 50 to Rs. 300 per month. I do not think that was implemented. Then there was a land tax.

Here is the other one—increase of import duties on cement by 50 cents. That is all right. And sarees by 10 per cent. What is worse, sarongs by 20 per cent. When we have no sarees and sarongs, what are you going to have?—[Interruption]. He does not stop at once: sarees 10 per cent and sarongs 20 per cent. Of course, he has been softer on the sarees, I must say, than on the sarongs. It is a terrible situation. There are some more things like that. I would not read all.

There was a reduction in the rice ration by half a measure.—[Interruption]. Yes, we reduced the ration by one measure but we gave the people a free measure of rice.

What hon. Members opposite do not realize is that there are thousands and thousands of poor people in this country, but they do not mix with the poor people. There are thousands and thousands of poor people in Yapahuwa and other areas who do not have the money to buy one measure of rice. How can they buy two measures?

சுரு வந்தியாயகன

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

That is why you cut the measure of rice?

சுரு வந்தியாயகன

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Then, Sir, take kerosene. That has been the pet item of that Government. Even my hon. Friend the Member for Yatiyantota raised the duty on kerosene, but he asked somebody else to bear the brunt of it—the Petroleum Corporation.

சுரு வந்தியாயகன

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

I took it off the source—I did not raise the price.

சுரு வந்தியாயகன

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

What I want to say is that this Government is alive to the needs of the common man and it will do everything it can to meet his needs within the resources available to it.

சுரு வந்தியாயகன

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

Only, the common man is not interested in you.

சுரு வந்தியாயகன

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

How can you say that? Under the circumstances we are placed in, without prejudice to the national interest of the country everything possible will be done. The Opposition, I admit, talks more about the poor man but does very much less than what we do.

சுரு வந்தியாயகன

(கலாநிதி என். எம். பெரேரா)

(Dr. N. M. Perera)

This can be judged by the results of the by-elections.

ශ්‍රී ලංකා විනයාය

(கௌரவ வன்னிநாயக்க)

(The Hon. Wanninayake)

Performance of the Economy: well, this has been gone into. But there is no doubt that the performance of the economy in 1967 was much better than that it was in 1966.

My hon. Friends appreciate these things but they do not go about the country and carry out propaganda to say that we lost Rs. 525 million foreign exchange in the two years 1966 and 1967 as against the level of foreign earnings in 1965. But for some assistance that we got from other countries and for some counter-measures we took, any Government would have received a knock out blow in those circumstances.

There are certain other factors. Last year the money supply remained under control although there were indications of too much expansion towards the end of the year. The supply situation in 1967 was better even though imported supplies were lower than in 1966. That is because of internal production.

The balance of payments position continued to cause concern. Import substitution measures both in food production and industry were beginning to show results in spite of what the Opposition says. Devaluation was one of the measures implemented towards correcting the disequilibrium in the balance of payments.

Capital formation: what was the position of capital formation last year? My hon. friend referred to everything else but capital formation. In the earlier Budget Debate he starts with capital formation and goes on to other things.

Domestic capital formation was Rs. 1,237 million in 1967 as against Rs. 1,058 million in 1966. This is a 17 per cent increase.

Commercial bank credit: A satisfactory feature was bank lending to the private sector. These are important facts.

The gross commercial bank credit to the private sector increased by Rs. 105 million in 1967 as against Rs. 92 million in 1966. In 1967 loans and overdrafts to the private sector increased by Rs. 134 million as against the increase of Rs. 65 million in 1966. This additional credit means a higher level of economic activity.

Advance credit for industrial purposes increased by Rs. 32 million; for commercial purposes, by Rs. 30 million, for financial purposes, by Rs. 8 million; and for agricultural purposes, by Rs. 62 million.

Consider the time and savings deposits of the private sector with the commercial banks in 1967. It is rather impressive. Bank deposits increased by Rs. 73 million in 1967 in contrast to a decline of Rs. 8 million in 1966. Savings deposits increased by Rs. 28 million as compared to Rs. 8 million in 1966. Ninety-one per cent of the savings deposits with the banks came from individuals.

Now, there are certain factors that helped individuals to make these deposits, namely, the increase in the interest rates and the increase in the number of branches of banks. These helped to increase bank deposits.

Savings Certificates and savings deposits in the Post Office Savings Bank and the Ceylon Savings Bank also increased in 1967.

Many improvements have been effected in the planning and plan implementation organizations.

Consider the import pattern. That is an important thing. There is a change in the import pattern of this country. An encouraging feature in the pattern of imports in 1967 was the marked shift away from the import of consumption goods towards the import of investment goods and raw materials. The volume of imports of fertilizer, chemicals, iron, steel and machinery has increased. The Table on page 161 of the Central Bank Report for 1967 is very revealing.

[මේ වත්තිකාසක]

These are the figures: the total import of consumer goods decreased from 57.2 per cent in 1966 to 53.6 per cent in 1967. The total import of intermediate goods increased from 23.2 per cent in 1966 to 25.4 per cent in 1967. The total import of investment goods increased from 17.8 per cent in 1966 to 19.0 per cent in 1967. So, there is a very encouraging change in the import pattern of this country from consumer goods to intermediate and investment goods.

Now I come to the Budget. Here I give the broad figures with adjustment. In the Budget the total provision has increased. The current expenditure has increased from Rs. 2,019 million, which is the figure originally provided in the current year, to Rs. 2,294. That is an increase of Rs. 275 million. Gross capital expenditure has gone up from Rs. 783 million to Rs. 1,024 million, an increase of Rs. 241 million.

Then, I have increased the provision in respect of a number of Ministries. I do not wish to consider all the Ministries, but take, for instance, the Ministry of Land, Irrigation and Power. There the provision has gone up from Rs. 383 million to Rs. 423 million. Provision in respect of the Ministry of Home Affairs has gone up from Rs. 67 million to Rs. 78 million. In respect of the Health Ministry, it has gone up from Rs. 191 million to Rs. 221 million. In respect of the Ministry of Industries and Fisheries, it has gone up from Rs. 162 million to Rs. 208 million. In respect of the Ministry of Local Government, it has gone up from Rs. 76 million to Rs. 97 million. In regard to the Ministry of Agriculture and Food, it has gone up from Rs. 382 to Rs. 505 million. In regard to the Ministry of Education and Cultural Affairs, it has gone up from Rs. 420 million to Rs. 480 million. In regard to the Ministry of Public Works, Posts and Telecommunications, it has gone up from Rs. 200 million to Rs. 278 million.

One of the important features of this Budget is that at least in the original estimates I have tried to effect savings from current revenue.

One of the important features of budgeting is to save something from current revenue after meeting the current expenditure, to be spent on development. What was the financial blunder, the economic blunder, committed continuously by previous Governments? They put us into a difficulty and forced us to devalue the currency of this country. I have tried to do better. I have saved Rs. 40 million to be spent on development, on expansion in the broad sense.

I do not want to take much of your time. It is impossible to present a budget that can please everybody, every section of the people, according to their ideas. How can it be done? A Finance Minister who can follow all the ideologies of all sections of the people has not yet been born. Why, there were inherent contradictions in the ranks of the Opposition itself, as will be seen if the relevant speeches are read. One accused us of having given the rich incentives to invest. Another statement was that otherwise the rich people would not have used their money on agricultural and other development. What did the Member for Colombo South (Mr. Bernard Soysa) say? That the private sector will never deliver the goods, that we attempted to get the private sector to do this, and failed.

I cannot produce a budget which can satisfy this point of view and that point of view. That is impossible. The hon. Member for Dambadeniya (Mr. R. G. Senanayake) came out with his own theory. The member for Gampaha (Mr. S. D. Bandaranayake) came out with his own theories. More and more these contradictions come up to the surface. Once again I say we inherited a very difficult legacy. We were able to conserve our foreign exchange, and the undue fall in our foreign earnings made our task even more difficult. We are doing all we can to save the situation.

There was another criticism made—that this Budget did not create sufficient excitement. It created no excitement before the Budget, in the course of the Budget and after the Budget. I am satisfied. That is one of my objectives also, because this Government has decided on this course of action with due regard to the material and social progress of this country. I did not want to make radical changes in that programme and thereby excite the people, though some people did try to agitate them on arrack, cigarettes etc. If they were not agitated, I for one must confess I am happy, because that is one of the objectives I had behind these proposals. I wanted these proposals to go through without agitation.

I do not want to take any more of your time. I have some more to say, but I suppose I will get a chance of speaking later. I am confident that if these proposals are implemented in the way they should be, in the way we want them to be implemented, they will go a fair way towards improving the material and social condition of the people of this country.

“පහත් කෙටුම්පත දන් දෙවන වර කියවිය යුතුය” යන ප්‍රශ්නය විමසන ලදී.

“මජොතා இப்பொழுது இரண்டாம் முறை மதிப்பிடப்படுமா” எனும் வினா விடுக்கப்பட்டது.

Question put, “That the Bill be now read a Second time.”

කටහමට අනුව “පස” මන්ත්‍රීන්ට ජය බව කථනායකතුමා විසින් ප්‍රකාශ කරන ලදී.

சுரல்களில்லையடி “ஆய்” என்றவர்களுக்கு வெற்றியென சார்பாகக் அவர்களால் லரகடனப்படுத்தப்பட்டது.

MR. SPEAKER, having collected the Voices, declared that the “Ayes” had it.

ආචාර්ය එන්. එම්. පෙරේරා
(கலாநிதி என். எம். பெரேரா)
(Dr. N. M. Perera)
Divide!

ද සොසිකා සිරිවර්ධන මයා.
(திரு. டி. சொய்வா சிறிவர்தன)
(Mr. de Zoysa Siriwardena)
By name!

මන්ත්‍රී මණ්ඩලය මතු පළ වන අන්දමට—පස 84; බිරුද්ධ 48; අනුවෙන්—බෙදුණේ ය:

சபை பிரிந்து : சார்பாக 84 ; எதிராக 48

The House divided : Ayes 84, Noes, 48 ;

පසව
சார்பாக
AYES

ගරු ඩඩ්ලි සේනානායක
கௌரவ டட்லி சேனநாயக்க
The Hon. Dudley Senanayake

ගරු එම්. ඩී. එච්. ජයවර්ධන
கௌரவ எம். டி. ஏச். ஜயவர்தன
The Hon. M. D. H. Jayawardena

ගරු අයි. එම්. ආර්. ඒ. ඊයියොලේල
கௌரவ ஐ. எம். ஆர். ஏ. சரியகொல்ல
The Hon. I. M. R. A. Iriyagolle

ගරු මොන්ටේගු ජයවික්‍රම
கௌரவ மொன்டேகு ஜயவிக்ஶிரம
The Hon. Montague Jayewickreme

ගරු එන්. එච්. ඒ. එම්. කරුණරත්න
கௌரவ என். ஏச். ஏ. எம். கருணரத்ன
The Hon. N. H. A. M. Karunaratne

ගරු සී. පී. ද සිල්වා
கௌரவ சி. பி. டி. சில்வா
The Hon. C. P. de Silva

ගරු ඩී. පී. ආර්. ගුණවර්ධන
கௌரவ டி. பி. ஆர். குணவர்தன
The Hon. D. P. R. Gunawardena

ගරු ආචාර්ය ඩබ්ලිව්. දහනායක
கௌரவ கலாநிதி டபிள்யூ. தஹநாயக்க
The Hon. Dr. W. Dahanayake

ගරු ජේ. ආර්. ජයවර්ධන
கௌரவ ஜே. ஆர். ஜயவர்தன
The Hon. J. R. Jayewardene

ගරු හීගු ප්‍රනාන්දු
கௌரவ ஹிபு பெர்னாண்டோ
The Hon. Hugh Fernando

பதிலு

சார்பாக

AYES

அரு. உத்தி. டி. வந்தியா

கௌரவ எம். டி. பண்டா
The Hon. M. D. Banda

அரு. உத்தி. உத்தி. மொகமேதீ

கௌரவ எம். எச். முகம்மது
The Hon. M. H. Mohamed

அரு. டி. டி. வந்தியாயக

கௌரவ டி. பி. வந்தியாயக
The Hon. U. B. Wanninayake

அரு. டி. டி. சுகாதாசா, உத்தி. டி. டி.

கௌரவ டி. எ. சுகாதாசா, எம். பி. டி.
The Hon. V. A. Sugathadasa, M.B.E.

அரு. டி. உத்தி. சேனாயக

கௌரவ டி. எல். சேனாயக
The Hon. E. L. Senanayake

அரு. டி. உத்தி. டி. ஹுரூல்

கௌரவ டி. எல். பி. ஹுரூல்
The Hon. E. L. B. Hurulle

டி. பி. அத்தபத்து

திரு. டி. பி. அத்தபத்து
Mr. D. P. Atapattu

பி. பி. இம்புலானா

திரு. பி. சி. இம்புலானா
Mr. P. C. Imbulana

விமலா கன்னங்கரா, உத்தி. டி. டி.

திருமதி விமலா கன்னங்கரா, எம். பி. டி.
Mrs. Wimala Kannangara, M.B.E.

டி. ஷெல்டன் ஜயசிங்க

திரு. டி. ஷெல்டன் ஜயசிங்க
Mr. D. Shelton Jayasinghe

உத்தி. டி. டி. ஜயசிங்க, உத்தி. டி. டி.

திரு. எஸ். டி. ஜயசிங்க, உத்தி. டி. டி.
Mr. S. de S. Jayasinghe, O.B.E.

காமனி ஜயசூரிய

திரு. காமனி ஜயசூரிய
Mr. Gamani Jayasuriya

உத்தி. டி. டி. டாசனாயக

திரு. எல். பி. டாசனாயக
Mr. L. B. Dassanayaka

உத்தி. உத்தி. உத்தி. நயினா மரிகாரர்

திரு. எம். எச். எம். நயினா மரிகாரர்
Mr. M. H. M. Naina Marikar

உத்தி. டி. பி. பெரிசு, உத்தி. டி. டி.

திரு. எஸ். எ. பீரிஸ், உத்தி. டி. டி.
Mr. S. A. Peiris, O.B.E.

டி. டி. பிரேமடாசா

திரு. டி. பிரேமடாசா
Mr. R. Premadasa

டி. டி. பெலிமணா

திரு. டி. டி. பெலிமணா
Mr. C. R. Beligammana

உத்தி. உத்தி. முஸ்தபா

திரு. எம். எம். முஸ்தபா
Mr. M. M. Mustapha

விஜயபால மெண்டிசு

திரு. விஜயபால மெண்டிசு
Mr. Wijayapala Mendis

உத்தி. விமலசேனா

திரு. என். விமலசேனா
Mr. N. Wimalasena

டி. பி. வெலகெடெரா

திரு. டி. பி. வெலகெடெரா
Mr. D. B. Welagedera

டி. பி. சேனவிரத்னா

திரு. சி. பி. சேனவிரத்னா
Mr. C. P. J. Seneviratne

டி. அன்னமலைய

திரு. வி. அன்னமலைய
Mr. V. Annamalay

உத்தி. பாலாபுரம் அப்துல் காஃபூர், உத்தி. டி. டி.

திரு. எம். பாலாபுரம் அப்துல் காஃபூர், எம். பி. டி.
Mr. M. Falli Abdul Caffoor, M.B.E.

உத்தி. அப்துல் காஃபூர்

திரு. எம். அப்துல் காஃபூர்
Mr. M. Abdul Bakeer Markar

உத்தி. டி. அபேயகோனசேகரா

திரு. ஜோர்ஜ் அபேயகோனசேகரா
Mr. George Abeyagoonasekera

பண்பு

சார்பாக

AYES

பி. பி. அபெயுண்டர் மெ.

திரு. எஸ். எஸ். அபயசந்தர

Mr. S. S. Abeyundera

பி. பி. அமரசிரி மெ.

திரு. எம். எஸ். அமரசிரி

Mr. M. S. Amarasiri

சுதந்திரப் படை மெ.

திரு. சுகததாச அரம்பவெல

Mr. Sugathadasa Arambewala

அலிக் அலுவிகாரை மெ.

திரு. அலிக் அலுவிகாரை

Mr. Alick Aluvihare

டி. பி. அட்டி கல மெ.

திரு. டி. பி. அட்டி கல

Mr. D. P. Attygalle

சி. பி. டிரிசுரி மெ.

திரு. சி. எம். டிரிசுரி

Mr. C. F. W. Edirisuriya

பி. பி. அகநாயக மெ.

திரு. எச். பி. அகநாயக

Mr. H. B. Ekanayake

பி. பி. கதிர்வெலுப்பில் மெ.

திரு. எஸ். கதிர்வெலுப்பில்

Mr. S. Kathiravelupillai

சந்திரா கருணரத்ன மெ.

திரு. சந்திரா கருணரத்ன

Mr. Chandra Karunaratne

பி. பி. கலரத்ன மெ.

திரு. எச். கலரத்ன

Mr. H. Kularatne

சுசீலினி பி. பி. சேல்வநாயகம் மெ.

திரு. எஸ். ஜே. வி. சேல்வநாயகம், டியூ. லி.

Mr. S. J. V. Chelvanayakam, Q.C.

சுசீலினி வெர்னன் ஜொன்சுன் மெ.

திரு. வேணன் ஜொன்சுன், டியூ. லி.

Mr. Vernon Jonklaas, Q.C.

பி. பி. டே. டே. மெ.

திரு. எம். ஏ. டே. மெ.

Mr. M. A. Daniel

டி. டி. திலகரத்ன மெ.

திரு. டி. டி. திலகரத்ன

Mr. D. E. Tillekeratne

சி. பி. தண்டமன் மெ.

திரு. எஸ். தண்டமன்

Mr. S. Thondaman

கே. வி. தேவநாயகம் மெ.

திரு. கே. டி. தேவநாயகம்

Mr. K. W. Devanayagam

டி. பி. தர்மதாச மெ.

திரு. டி. பி. தர்மதாச மெ.

Mr. R. M. Dharmadasa Banda

டி. பி. தர்மலிங்கம் மெ.

திரு. வி. தர்மலிங்கம்

Mr. V. Dharmalingam

டே. எம். வி. நாகநாதன் மெ.

திரு. டே. எம். வி. நாகநாதன்

Dr. E. M. V. Naganathan

பி. பி. பிலப்பி மெ.

திரு. பி. பிலப்பி

Mr. A. Pillapitiya

பி. பி. பெர்ரா மெ.

திரு. பெர்ரா

Mr. Festus Perera

பி. பி. பரிசு மெ.

திரு. பி. பரிசு

Mr. G. J. Paris Perera

பி. பி. பன்னம்பலம் மெ.

திரு. பி. பி. பன்னம்பலம், டியூ. லி.

Mr. G. G. Ponnambalam, Q.C.

பி. பி. டென்சில் மெ.

திரு. டென்சில்

Mr. Denzil Fernando

பி. பி. ரஸ்கின் மெ.

திரு. எம். ரஸ்கின்

Mr. M. Ruskin Fernando

பண்பு

சாங்பாக
AYES

வகிலி. பி. சி. வன்டா மிய.

திரு. டபிள்யு. எம். ஜி. றீ. பண்டா
Mr. W. M. G. T. Banda

பி. பி. சி. வன்டா மிய.

திரு. டி. எம். றீ. பண்டா
Mr. D. M. T. Bandara

பி. பி. சி. வன்டா மிய.

திரு. சி. என். மத்திய
Mr. C. N. Mathew

பி. சி. வன்டா மிய.

திரு. பி. ஜி. முத்துபண்டா
Mr. P. G. Muthubanda

பி. சி. வன்டா மிய.

திரு. எம். இசுதீன் முகம்மது
Mr. M. Izzadeen Mohamed

பி. சி. வன்டா மிய.

ஜனாப. எம். ஈ. எச். முகம்மது அலி
Mr. M. E. H. Mohamed Ali

பி. சி. வன்டா மிய.

திரு. டி. றண்டாங்க
Mr. D. B. Ranatunga

பி. சி. வன்டா மிய., பி. சி. சி.

திரு. டொனால்ட் ஜே. றானாவீரா, எம். பி. சி.
Mr. Donald J. Ranaweera, M.B.E.

பி. சி. வன்டா மிய.

வைத்திய கலாநிதி ஏ. இரத்தப்பால
Dr. A. Ratnapala

பி. சி. வன்டா மிய.

திரு. சி. இராசதுரை
Mr. C. Rajadurai

பி. சி. வன்டா மிய.

திரு. எஸ். எம். இராசமாணிக்கம்
Mr. S. M. Rasamanckam

பி. சி. வன்டா மிய.

திரு. எஸ். பி. லேனா
Mr. S. B. Lenawa

பி. சி. வன்டா மிய.

திரு. டி. பி. விஜேதுங்க
Mr. D. B. Wijetunga

பி. சி. வன்டா மிய.

திரு. ஆர். பி. விஜேசிரி
Mr. R. P. Wijesiri

பி. சி. வன்டா மிய.

திரு. எட்மண்ட் விஜேசுரியா
Mr. Edmund Wijesuriya

பி. சி. வன்டா மிய.

திரு. பி. பி. ஏ. வீரககோன்
Mr. P. B. A. Weerakoon

பி. சி. வன்டா மிய.

வைத்திய கலாநிதி எம். எச். சத்தாசேன
Dr. M. H. Saddhasena

பி. சி. வன்டா மிய.

ஜனாப. ஏ. லத்தீப் சின்னாலைப்பை
Mr. A. Latiff Sinnalebbe

பி. சி. வன்டா மிய.

திரு. ஜே. எல். சிறிசேன
Mr. J. L. Sirisena

பி. சி. வன்டா மிய.

திரு. எம். சிவசிதம்பரம்
Mr. M. Sivasithamparam

பி. சி. வன்டா மிய., பி. சி. சி.

திரு. ஆர். சிங்கல்டன் சமன், சி. பி. சி.
Mr. R. Singleton-Salmon, C.B.E.

பி. சி. வன்டா மிய.

ஜனாப. ஏ. சி. எஸ். ஹமீத்
Mr. A. C. S. Hameed

பி. சி. வன்டா மிய.

திரு. எஸ். பி. ஹேரத்
Mr. S. B. Herat

විදුලිම

எதிராக

Notes

ආර්. එම්. අප්පුහාමි මය.

திரு. ஆர். எம். அப்புஹாமி
Mr. R. M. Appuhamy

ඒ. එල්. අබ්දුල් මජීඩ් මය.

ஐ. அ. ஏ. எல். அப்துல் மஜீது
Mr. A. L. Abdul Majeed

එම්. සී. අහමේ මය.

ஐ. அ. எம். சி. அகமட்
Mr. M. C. Ahamed

බබ්ලිට්. පී. ජී. ආරියදාස මය.

திரு. டபிள்யூ. பி. ஜி. ஆரியதாஸ
Mr. W. P. G. Ariyadasa

ටී. බී. ඉලංගරත්න මය.

தி. ரீ. பி. இலங்கரத்தன
Mr. T. B. Ilangaratne

ජේ. පී. ඔබේසේකර මය.

திருமதி ஜே. பி. ஒபயசேகர
Mrs. J. P. Obeyesekere

පී. බී. ජී. කලුගල්ල මය.

திரு. பி. பி. ஜி. கலுக்கல்ல
Mr. P. B. G. Kalugalle

එච්. ජී. ඒ. කාරියවසම් මය.

திரு. எச். ஜி. ஏ. காரியவசம்
Mr. H. G. A. Kariyawasam

රජා කුලතිලක මය.

திரு. இராஜா குலத்திலக
Mr. Raja Kulatilake

පී. ජී. බී. කෙනමන් මය.

திரு. பி. ஜி. பி. கெனமன்
Mr. P. G. B. Keuneman

චමලී චොල්ඩේ මය.

திரு. சமனி குணவர்தன
Mr. Cholmondeley Goonewardene

ලෙස්ලී චොල්ඩේ මය.

திரு. லெஸ்லி குணவர்தன
Mr. Leslie Goonewardene

සෝමවීර චන්ද්‍රසිරි මය.

திரு. சேமவீர சந்திரசிரி
Mr. Somaweera Chandrasiri

එෆ්. ආර්. ඩයස් බණ්ඩාරනායක මය.

திரு. எவ். ஆர். டயஸ் பண்டாரநாயக்க
Mr. F. R. Dias Bandaranaike

ස්ටැන්ලි තිලකරත්න මය.

திரு. ஸ்ரான்லி திலகரத்தன
Mr. Stanley Tillekeratne

බී. එස්. තුඩුවේ මය.

திரு. பி. வை. துடாவே
Mr. B. Y. Tudawe

එම්. තේන්නකෝන් මය.

திரு. எம். தென்னக்கோன்
Mr. M. Tennakoon

පී. එම්. කේ. තේන්නකෝන් මය.

திரு. பி. எம். கே. தென்னக்கோன்
Mr. P. M. K. Tennakoon

නීල් ද අල්විස් මය.

திரு. நீல த அல்விஸ்
Mr. Neal de Alwis

ආර්. ජේ. ජී. ද මැල් මය.

திரு. ஆர். ஜே. ஜி. டி. மெல்
Mr. R. J. G. de Mel

ආඩ්වින් කොල්වින් ආර්. ද සිල්වා

கலாநிதி கொல்வின் ஆர். டி. சில்வா
Dr. Colvin R. de Silva

එල්. සී. ද සිල්වා මය.

திரு. எல். சி. டி. சில்வா
Mr. L. C. de Silva

එම්. පී. ද සොයිසා සිරිවර්ධන මය.

திரு. எம். பி. டி. சொயசா சிறிவர்தன
Mr. M. P. de Zoysa Siriwardena

බබ්ලිට්. ඒ. ධර්මදාස මය.

திரு. டபிள்யூ. ஏ. தர்மதாச
Mr. W. A. Dharmadasa

එම්. එම්. නවරත්න මය.

திரு. எச். எம். நவரத்தன
Mr. H. W. Nawaratna

ඩී. පී. පස්කුවල් මය.

திரு. டி. பி. பஸ்குவல்
Mr. D. T. Pasqual

பேரவ

எதிராக

Noss

மன். கி. கி. பெரேரா மன்.

திரு. கே. டி. பெரேரா

Mr. K. D. D. Perera

கலாநிதி மன். பி. பெரேரா

கலாநிதி என். எம். பெரேரா

Dr. N. M. Perera

கார். பி. பெரேரா மன்.

திரு. ஆர். எஸ். பெரேரா

Mr. R. S. Perera

கி. பி. பெரேரா மன்.

திரு. பி. எச். பண்டார

Mr. B. H. Bandara

கார். கி. ரத்னமலல மன்.

திரு. ஆர். பி. இரத்தனமலல

Mr. R. B. Ratnamalala

மன். கி. ரத்னாயக மன்.

திரு. கே. பி. இரத்தனாயக

Mr. K. B. Ratnayake

பி. பி. ரத்னவத் மன்.

திரு. பி. எம். ஈ. இரத்தவத்

Mrs. M. E. Ratwatte

கார். ஜே. ராஜபக்ச மன்.

திரு. ஜோர்ஜ் இராஜபக்ச

Mr. George Rajapaksa

ரத்னசிரி விக்கிரமநாயக மன்.

திரு. இரத்தினசிரி விக்கிரமநாயக

Mr. Ratnasiri Wickramanayake

பெர்சி விக்கிரமசிங்க மன்.

திரு. பெர்சி விக்கிரமசிங்க

Mr. Percy Wickremasinghe

பெர்சி விக்கிரமசிங்க மன்.

டொக்டர் எஸ். ஏ. விக்கிரமசிங்க

Dr. S. A. Wickremasinghe

மன். பி. பி. விஜேரத்ன மன்.

திரு. கே. எம். விஜேரத்ன பண்டார

Mr. K. Y. M. Wijeratne Banda

லீலரத்ன விஜேசிங்க மன்.

திரு. லீலரத்ன விஜேசிங்க

Mr. Leelaratne Wijesinghe

பி. பி. விஜேசுந்தர மன்.

திரு. பி. பி. விஜேசுந்தர

Mr. P. B. Wijesundara

கி. பி. கார். வீரசேகர மன்.

திரு. டி. பி. ஆர். வீரசேகர

Mr. D. P. R. Weerasesekera

கார். வெலேகாம மன்.

திரு. இராஜா வெலேகாம

Mr. Raja Welagama

மன். மென்ட் சிசேசேன மன்.

திரு. ஹேமச்சந்திர சிசேசேன

Mr. Hemachandra Sirisena

பி. பி. சூசிசிங்க மன்.

திரு. டி. பி. சூசிசிங்க

Mr. T. B. Subasinghe

மன். சோமரத்ன சேனரத் மன்.

திரு. சோமரத்ன சேனரத்

Mr. Somaratne Senarath

மெத்ரிபால சேனாயக மன்.

திரு. மெத்ரிபால சேனாயக

Mr. Maithripala Senanayake

கார். சி. சேனாயக மன்.

திரு. ஆர். ஜி. சேனாயக

Mr. R. G. Senanayake

பெர்னாட் சோயசா மன்.

திரு. பெர்னாட் சோயசா

Mr. Bernard Soysa

පනත් කෙළවරි පන ඊට අනුකූලව පදවන වර කියවන ලදී.

පනත් කෙළවරි පන, අංක 57 දරණ සුවිසල් නියෝගය යටතේ, 1968 අගෝස්තු 27 වන අභ්‍යන්තරව පවත්වන පූර්ව මන්ත්‍රී මණ්ඩල කාරක සභාවට පවරන ලදී.

අනුප්‍රාප්ති, මර්ධන මාර්ගය මගින් මහජන මණ්ඩලයට පැවරුණු බව පෙන්වනු ලැබේ.

මර්ධන, නීතියට පත්වන ම. 57 මණ්ඩල, නීති. මාර්ගයට පත්වන මණ්ඩලයට පැවරුණු බව පෙන්වනු ලැබේ.

Bill accordingly read a Second time.

Bill committed to a Committee of the whole House under Standing Order No. 57 for Tuesday next.

කල් තැබීම

ඉத்தිவைப்பு ADJOURNMENT

බී. ජී. ජී. ද සිල්වා
(කෙනෙසා ජී. ජී. ජී. සිල්වා)
(The Hon. C. P. de Silva)
I move,

"That the House do now adjourn."

ඉන්දිය විවේක ලදීත්, සභා සම්මත විය.
මේ විවේකයට පැමිණි ආණ්ඩුකරුවන්ගේ සංඛ්‍යාව
Question put, and agreed to.

මන්ත්‍රී මණ්ඩලය ඊට අනුකූලව අ. සා 7.40ට, අද දින සභා සම්මතය අනුව, 1968 අගෝස්තු 27 වන අභ්‍යන්තරව පවත්වන මණ්ඩලයට පැවරුණු බව පෙන්වනු ලැබේ.

අනුප්‍රාප්ති. පී. පී. 7.40 ජන සභා සම්මතය මගින් මාර්ගය මගින් මහජන මණ්ඩලයට පැවරුණු බව පෙන්වනු ලැබේ, 1968 ඉක්බිති 27, සේවාවට පැවරුණු බව පෙන්වනු ලැබේ. 10 මණ්ඩලයට පැවරුණු බව පෙන්වනු ලැබේ.

Adjourned accordingly at 7.40 P.M. until 10 A.M. on Tuesday, 27th August, 1968, pursuant to the Resolution of the House this Day.

ප්‍රශ්නවලට ලිඛිත පිළිතුරු
 வினாக்களுக்கு எழுத்துமூல விடைகள்
 WRITTEN ANSWERS TO QUESTIONS

අනුරාධපුර සංරක්ෂණ මණ්ඩලය :
සේවකයින්

அனூராதபுரப் பாதுகாப்புச் சபை : ஊழியர்
 ANURADHAPURA PRESERVATION BOARD :
 EMPLOYEES

102/68

එස්. ඩී. බණ්ඩාරනායක මයා. (ගම්පහ)
 (திரு. எஸ். டி. பண்டாரநாயக்க—கம்பஹை)
 (Mr. S. D. Bandaranayake—Gampaha)
 විද්‍යාත්මක පර්යේෂණ හා නිවාස

ඇමතිගෙන් ඇසූ ප්‍රශ්නය: අනුරාධපුර සංරක්ෂණ මණ්ඩලය විසුරුවා හරින විට මණ්ඩලයේ සේවකයින්ගේ අනාගතය පිළිබඳව එතුමා ගන්නා පියවර කුමක්ද?

விஞ்ஞான ஆய்வு, வீடமைப்பு அமைச்சரைக் கேட்ட வினா : அனூராதபுரப் பாதுகாப்புச் சபையை கலைக்கும் போது, சபையின் ஊழியர்களின் எதிர்காலம் சம்பந்தமாக அவர் எடுக்கும் நடவடிக்கை என்ன?

asked the Minister of Scientific Research and Housing: When the Anuradhapura Preservation Board is dissolved, what action does he propose to take in regard to the future of its employees?

ගරු එම්. ඩී. එච්. ජයවර්ධන (විද්‍යාත්මක පර්යේෂණ හා නිවාස ඇමති)

(கௌரவ எம். டி. எச். ஜயவர்தன—விஞ்ஞான ஆய்வு, வீடமைப்பு அமைச்சர்)

(The Hon. M. D. H. Jayawardena—Minister of Scientific Research and Housing)

අනුරාධපුර සංරක්ෂණ මණ්ඩලය විසුරුවා හරින අවසාවේදී එම කාරණය ගැන සලකා බලනු ලැබේ.

The matter will be given due consideration at the time of dissolving the Anuradhapura Preservation Board.

ර. වැ. දේ. ඔවර්සියර්වරුන් යටතේ වැඩ කරන කම්කරුවන්

அ. க. தி. ஓவசியரின் ஊழியர்
 EMPLOYEE: OF P.W.D. OVERSEER:

112/68

එස්. ඩී. බණ්ඩාරනායක මයා.

(திரு. எஸ். டி. பண்டாரநாயக்க).
 (Mr. S. D. Bandaranayake)

රජයේ වැඩ, තැපැල් සහ විදුලි සංදේශ ඇමතිගෙන් ඇසූ ප්‍රශ්නය: (අ) රජයේ වැඩ දෙපාර්තමේන්තුවේ ඔවර්සියර් මහතූන් යටතේ වැඩ කරන කම්කරු මහතූන්ට, ඉංජිනේරු වැටුප් පඩි පාලක සභාව මගින් සම්මත කරන ලද වැටුප් සහ වෙනත් අයිතිවාසිකම් ඔවර්සියර් මහතූන් විසින් එම කම්කරුවන්ට නොදෙන බව එතුමා දන්නවාද? (ආ) රුපියලේ වටිනාකම අඩුකිරීම නිසා 1967 නොවැම්බර් මස සිට දිනකට යන 40 බැගින්, වැඩකරන කම්කරු මහතූන්ට ගෙවීමට නියම කර ඇති නමුත් ඒ මුදල් තවම ගෙවා නැති බවත්, අර්ථ සාධක මුදල් පවා කම්කරුවන් විශාල පිරිසකට ලැබෙන්නේ නැති බවත් එතුමා දන්නේද? (ඉ) ලංකා කම්කරු සමිති සම්මේලනයට ඒකාබද්ධ රජයට ගොවි කම්කරු සමිතිය මගින් කම්කරු අමාත්‍යාංශයේ ස්ඵර් ලේකම් තුමා වෙත දන්වා යවා ඇති පරිදි, මෙපමණ කල් මේ කම්කරුවන්ට ලැබිය යුතු වැටුප් මුදල්, අතිකාල දීමනා, රුපියලේ වටිනාකම අඩු කිරීමේදී ගෙවිය යුතු මුදල් හා අළු සාධක මුදල් ආදිය වහාම ලබාදීම සඳහා එතුමා අවශ්‍ය පියවර වහාම ගන්නවාද?

அரசாங்கக் கட்டுவோலை, தபால், தந்திப் போக்குவரத்து அமைச்சரைக் கேட்ட வினா : (அ) அரசாங்க கட்டுவோலைத் திணைக்களத்தின் ஓவசியர்மார்களுக்குக் கீழ் கடமையாற்றும் தொழிலாளர்களுக்கு, பொறியியற் சம்பள நிர்ணயச் சபையினால் நிறைவேற்றப்பட்ட சம்பளமும், மற்றும் உரிமைகளும் ஓவசியர்மாரினால் வழங்கப்படுவதில்லை என்பதை அவர் அறிவாரா? (ஆ) ரூபாளின் மதிப்பைக் குறைத்ததனால் 1967 நவம்பர் மாதம் முதல், தொழிலாளர்களுக்கு நாளொன்றுக்கு 40 சதம் வழங்கப்பட வேண்டுமென நியமஞ் செய்யப்பட்டுள்ள போதிலும், அந்தப்பணம் இன்னும் கொடுபடவில்லை என்பதையும், ஊழியர் சேர்வாய நிதிதானும் பெருந்தொகை

kind dues as brought to the notice of the Parliament Secretary to the Minister of Labour by the Hon. the Member for ... which is an affiliated body of the ... Union of Trade Unions?

(The Hon. Member for ...)
Minister of Public Works and
Telecommunications



(a) No. (b) No. (c) No. These are matters for the Labour Department. However, the Director of Public Works will send a Circular to the Road Overseers to employ their workers on farms and conditions not less favourable than those prescribed by law.

asked the Minister of Public Works and Telecommunications ...
the matter that the workers ...
Public Works Department ...
paid the wages fixed by the ...
nearly workers' wages ...
that various other rights are ...
denied to them? (b) Is he aware ...
that the deviation allowance of ...
40 cts per item due with effect from ...
November 1981 has not been paid to ...
these workers? and over the ...
deviant fund contributions have not ...
been effected; in respect of a large ...
number of them? (c) Will he take ...
necessary action without delay to ...
obtain for these workers the arrears ...
of wages, overtime payments, de- ...
viation allowance and provident ...