



LABOUR CONDITIONS IN CEYLON, MAURITIUS, AND MALAYA

REPORT BY

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(Labour Adviser to the Secretary of State for the Colonies)

Presented by the Secretary of State for the Colonies to Parliament

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THE COLONIAL OFFICE,
LONDON.

31st March, 1942.

The Right Honourable VISCOUNT CRANBORNE, P.C., M.P.

MY LORD,

I have the honour to present herewith my report on labour conditions in Ceylon, Mauritius, and Malaya, which were the countries included in my terms of reference.

Extent of Investigation.—I append an itinerary of my travels in each Colony, showing distances covered and investigations carried out.

Form of Report.—Owing to the marked differences between the conditions and circumstances of the three Colonies, I present my report in three separate sections.

Acknowledgment.—I desire to express my appreciation of the help afforded me in my work by the Governments concerned, and also by the local Associations, Chambers, etc., as well as numerous members of the public, who in many cases went to much trouble to facilitate my task. I carried out my investigations informally, and thus had the advantage of a large amount of confidential information.

I was accompanied throughout my tour by Mr. H. Nield of the Colonial Office staff, who was of great assistance to me in the collection of material and the compilation of my report.

I have the honour to be,

My Lord,

Your Lordship's most obedient servant,

G. ST. J. ORDE BROWNE,
Labour Adviser.

ITINERARY.

Ceylon.

66 days were spent in Ceylon.

Approximate distances travelled—by road...	2,900 miles
by rail ...	220 miles
Estates, mines, factories, etc., visited ...	32
Institutions visited	8
Harbours	3
Meetings with employers and employees ...	34
Other Conferences	13

Mauritius.

28 days were spent in Mauritius.

Approximate distances travelled—by road...	300 miles.
Estates, factories, and workshops visited ...	11
Institutions	9
Meetings with employers and employees ...	13
Other Conferences	11

Malaya.

45 days were spent in Malaya.

Approximate distances travelled—by road...	650 miles.
by rail ...	800 miles.
Estates, mines, factories, etc., visited ...	39
Institutions visited	9
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(In addition to the above, numerous discussions and memoranda furnished valuable information.)

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REPORT ON CONDITIONS OF LABOUR IN CEYLON.

Introductory.

1. Ceylon lies a few degrees north of the Equator and has an area of just over 25,000 square miles. The Island is mountainous, rising to a height of 8,292 feet, and, in consequence, there is a great variety of climate. This has proved very favourable to plantation crops, particularly tea, which is now the staple industry of the Island. Rainfall varies widely and the south-west quarter of the Island is very fertile and well watered. The northern half is flatter and dryer, with an annual rainfall of about 50 inches over the greater part, but considerably less in a few localities. The contrast between the northern and southern halves has led to the former being usually alluded to as the "dry zone," although its rainfall would be regarded in many countries as enviable. A serious obstacle to development exists in the form of malaria which is very prevalent in the north and forms a constant handicap to schemes for settlement which would otherwise be very promising. On the reduction of this scourge must depend the successful development of large areas of land much needed by the increasing population.

2. Owing to these conditions, most of the tea gardens are in the South Central Highlands, rubber occupying an intermediate position, with coconuts in the low country. The prosperity engendered by this valuable development has facilitated the construction of a fine transport system; in addition to over 1,000 miles of railway, there are nearly 5,000 miles of metalled roads, most of them tarred or surface-treated. The construction of these roads involves some fine feats of engineering, enabling the traveller to enjoy some magnificent scenery among mountains at times rather alarmingly precipitous. The development of this fine road system, following the introduction of motor transport, has had a considerable effect on plantation conditions, as will be explained later in this report. The natural charm of the Island, with its most attractive people, renders the study of its potentialities a fascinating one.

3. The Government of Ceylon was, in 1931, changed from Crown Colony type to a constitutional system, based on a democratic electorate in territorial divisions, in contradistinction to the communal representation which was a feature of the former system. The Council consists of three Official Members, 50 Elected Members, and eight Members nominated by the Governor. The Council, working through committees, elects seven Ministers, each of whom is in charge of a certain group of subjects, one of these being Labour, Industry, and Commerce. It thus follows that labour administration and policy are directed by the Minister, through the Controller of Labour, though the status of the latter, like that of other public servants, is a matter reserved for the Governor. There is thus a wide measure of popular control and labour policy is evolved by the Board of Ministers. The Labour Department is also mainly staffed by Ceylonese.

Survey of past conditions.

4. The development of the principal industries of Ceylon and the establishment of the wage-earning system require discussion, since they provide a background which largely explains the characteristics of the existing situation. The history of the growth of plantations in Ceylon is in most ways similar to that of various other countries, and the problems which arise are all to be met elsewhere. Unfortunately, local conditions in Ceylon have introduced a strong political element into labour questions, with the consequent importation of extraneous elements and considerations, which must confuse and embitter relations. A survey from the economic rather than the political standpoint is therefore very desirable.

5. The first impact of the European colonizing system was in the shape of a limited effort by the Portuguese, followed by the Dutch administration, established at various points around the coast. This led to some agricultural activity, cinnamon and coconut plantations being established, particularly in the southern part of the Island.

6. The Sinhalese of that day was however mainly a peasant proprietor, living on subsistence agriculture; he was part of a well-ordered society, having an ancient civilization as its background, and he therefore probably felt little need for novelties imported from Europe. The wages offered by the newcomers, however, were welcome to the poorer element of the population, while they also supplied the means for gratifying a growing taste for European products. The Sinhalese therefore provided the labour for most classes of work, and is still to be found doing so in the southern extremity of the Island; for instance, the port of Galle employs Sinhalese for certain types of work which, in the port of Colombo, are regarded as suitable only for Indian labourers.

7. The occupation of the Island by the British in 1796, with the annexation of the Kingdom of Kandy in 1816, resulted in new development. The plantation area was increased and, in particular, coffee was introduced. This plant demanded a higher altitude than that of the earlier products and, in consequence, the clearing of large areas in the South Central Highlands was undertaken, followed by the establishment of plantations in a climate decidedly different from that of the coast. The Sinhalese and Kandyan labourer showed himself prepared to undertake a limited amount of such work, particularly in the form of the preliminary clearing of the bush; he declined however to establish himself there permanently so as to provide a constant reliable labour force necessary for such a crop as coffee; furthermore, he had the usual characteristics of the worker who is part peasant-proprietor and part wage-earner. He regarded his employment as secondary and subsidiary to the cultivation of his own land and he refused to contemplate any prolonged absence from his family; social observances and obligations also necessitated periodical absence from work. Fortunate in being the inhabitant of a fertile and well-watered country, he had found existence easy in the past, and saw no reason why he should exert himself in distasteful conditions in order to obtain money for which he had no particular use. The enterprising coffee planter therefore found himself in possession of a most promising proposition without the labour necessary to develop it. The situation was thus similar to that which arose in many other parts of the world; an indigenous population, comfortably situated, refused to supply the labour necessary to exploit the resources of a fertile country. Kandyan resentment of any influx of the lowland people served to restrict the labour supply still further.

8. The remedy was the importation of a more amenable labour force from elsewhere; the neighbouring Tamils of Southern India, struggling for a meagre existence in a stern country, welcomed the opportunity to earn wages in surroundings which were far pleasanter than those to which they were accustomed. The importation of Indian labour to supply the industrial deficiencies of the local population was thus established, as in the case of Mauritius, Natal, British Guiana, Fiji, and various other countries.

9. The collapse of the coffee industry owing to disease and its replacement by tea, in the latter part of the 19th century, entailed a severe trial for the plantation industry. The triumphant establishment of the new product and its high position in the modern commercial world must reflect credit upon the European capital and enterprise and the Indian labour which created Ceylon's premier industry. The change introduced a modification in the

previous position, owing to the fact that tea was not as exacting in the matter of temperature as coffee; it was therefore not restricted to the former coffee areas but was gradually established at lower altitudes. To this extent it facilitated the employment of Sinhalese labour, and the proportion of the latter now to be found on tea estates varies mainly according to altitude.

10. About this time another important change was taking place which has materially affected the management of labour. Early development had occurred through the medium of proprietor planters; the owner himself cleared the land and created the estate on which he resided. Doubtless inclined to autocratic methods, he was closely identified with the plantation and could decide for himself upon any improvements or alterations that might be indicated, without reference to other authority. The management of the labour force, and all decisions, rested with him, and he was not compelled to carry out the orders of a distant directorate oblivious of local conditions. There has however been a steady change in the direction of company flotations to replace personal ownership. This has entailed a change in the management of estates, from the independent proprietor to the employee of the distant board of directors. Statements of expenditure have to be prepared and approved long in advance of requirements, and the difficulties arising from local peculiarities may not be understood by a remote authority. An accompanying change has taken place in the status of the Coast Agent who, as his name implies, was originally the selling or forwarding agent for the up-country proprietor; with the change to company control, he tends to be the mouthpiece of the distant directorate, sometimes giving what are virtually orders as to the management of the estate, the permissible size of the labour force, the expenditure justifiable, and other important points. Friction tends to arise in cases where the Coast Agent has had no practical experience on an estate, more so than in the case of the Board of Management, which generally includes retired planters.

11. Another new feature was introduced in consequence of the sudden enormous demand for rubber, which followed the invention of the pneumatic tyre; the tree was found to grow well in Ceylon and large plantations were established, sometimes in combination with other crops. The extreme fluctuations of the rubber market have rendered the success of these plantations precarious; the trees, however, are well established and the product forms an important part of Ceylon's wealth.

12. The labour force employed in these activities continued to be largely Tamil and the most recent estimate of the numbers of Indian labourers employed on estates is some 660,000. In early days these men were brought over from India under little control or supervision and the living conditions on estates must have been, as a rule, decidedly bad; subsequently, action by the Government of India exacted continuous improvements, until a comparatively high standard was reached. (For details, see section on "Conditions on Plantations"). The immigrant labourer was regarded as a temporary resident only, to be returned to India when he so desired, or when he was no longer required. The usual characteristics of a migrant labour force were developed; besides housing, hospital accommodation was provided, and travelling expenses from and back to India were paid by the employer. Since tea cultivation admits of the employment of considerable numbers of women and young people, the labour lines were not the exclusively bachelor establishments so often to be found in the case of migrant workers; nevertheless, the type of building was the long "range" of adjoining rooms, ill-adapted to family life. These still survive, though modern practice is replacing them by a more attractive and suitable pattern.

13. In this way there arose the large resident Tamil population of the estates, the bulk of them long established, and a considerable proportion actually born there. The link with India, however, persists and is largely due to the highly developed family organisation and caste system obtaining among the Tamils; periodical visits to India are, therefore, almost essential, and the possibility of an eventual return there in old age is probably never quite forgotten. Ownership of property, family observances, the arrangement of marriages, and similar ties all serve to maintain the connection with India.

14. The picture thus outlined is therefore of an originally migrant labour force in process of becoming stabilised; the increasing tendency towards the encouragement of family life and the growing numbers of children born on estates, tend to lead the labour force definitely to become resident. A certain valuable and, indeed, essential measure of elasticity is provided by the movement normally perpetually taking place between India and Ceylon; decrease in employment results in fewer newcomers arriving and the return of more old residents; additional activity at once attracts fresh blood from the Indian villages; seasonal fluctuations, in particular, are well met by a proportion of the labour force going home for a few months' holiday.

15. The effect of the War has been to provide a steady market for tea, while the demand for rubber has much increased; coconuts have however been most adversely affected, the normal sale in India having been greatly reduced. The plantations producing this crop are in consequence in difficulties, while the village grower also finds his crop almost unsaleable.

The Present Position.

16. There are thus now two different elements in the Ceylon labour market; firstly, the indigenous labourer, still essentially a cultivator or peasant proprietor; secondly, a migrant labour force, which is increasingly tending to become stabilised and resident.

17. The characteristics of these two elements are those which will be found in any country where similar conditions exist. The villager is independent in his outlook and discriminating in the type of work and the conditions which he is prepared to accept; furthermore, the proximity of his home maintains his strong interest outside the plantation. He is thus less regular and reliable in coming to work, while his anxiety about his own crops often makes him withdraw his labour at the very season when it is most wanted by his employer. The alternative of life in the village community renders him partially independent of wage earning and not entirely subject to the economic pressure which might force him to accept any type of work. This independence, however, is being threatened by various influences. A rapid increase in population leads to growing competition for available employment; a rise in the standard of living demands the earning of more money; and the comparatively limited area of first class agricultural land intensifies the difficulty of an increasing village population making a living from it—an effect enhanced by the falling market price of most of the products on which the peasant proprietor relies. There is, in consequence, less reluctance to seek employment of a type formerly regarded with distaste, and Sinhalese politicians show a tendency to regard with some jealousy the large amount of employment absorbed by Indian workers.

18. The immigrant labourer has, again, the characteristics of his type. Separated from his home by a considerable distance, he has no distracting interests near at hand and is therefore more closely identified with the plantation on which he resides. He is consequently far more regular in attendance at work and can be relied upon during the busy season; he has

fewer distractions in the form of celebrations of family observances, and is generally more amenable. Furthermore, he has come to Ceylon with the definite intention of earning wages over a considerable period and is reluctant to return home before he has acquired what is, to him, a satisfactory sum of money. His home conditions are more arduous and exacting than those of the Ceylon villager, and he is therefore accustomed to harder and more continuous work; in addition he will face climatic conditions which the Sinhalese labourer finds unpleasant, if not disabling.

19. Apart from these characteristics, there is a wide difference in the status of the two types; the indigenous worker is largely independent of his employer; if he is the true type of village labourer, coming to work each day from his home nearby, he will require no accommodation on the estate, his family will receive medical attention from some Government institution, and his children will be educated at the local school. He involves no expense for travelling on repatriation and presents no problem of occupation outside his working hours. By contrast the migrant worker entails a far heavier burden on his employer. He must be housed, his food supplies at reasonable rates must be secured, the various wants of his family must be catered for, his travelling must be financed, and his perpetual presence in large numbers on the property constitutes a small administrative problem. The employment of immigrant labour thus constitutes a heavy charge on the estate and greatly increases the overhead cost of management.

20. This analysis of the characteristics of the two classes will reveal their essential differences; the fact that one class happens to be Sinhalese while the other is Tamil is an accident which in no way affects the economic position involved.

21. The foregoing description perhaps suggests too definite a distinction between the two classes of workers, owing to the fact that the situation is being presented from the point of view of the plantations. There is however a large immigrant population employed in the towns and elsewhere; these consist chiefly of various classes of skilled workers, shopkeepers, clerks, and other men of some education. In addition, there is a large labour force employed on the waterfront, in warehouses, and various forms of manual labour, where a marked degree of training, if not skill, is required. Lastly, there are certain jobs, such as conservancy work, which were in the past almost entirely undertaken by Tamil labour. The number of Indians thus employed, otherwise than on the plantations, is estimated at 160,000. The majority of this class have come from India direct to the work that they are doing, but there is also some infiltration from the estate labourers, though probably only to a small extent. In many cases also, men are to be found who are of Indian or other overseas origin but whose families have been for one or more generations in Ceylon and have, therefore, become identified with the Island, though they cannot be termed Sinhalese.

22. The growth of the population and a menacing unemployment problem has led to an increasing discrimination between the immigrant and resident labourer. The Ceylon Government, in an effort to protect the interests of its own people, has introduced a preferential policy, requiring the employment of a definite percentage of Ceylonese in the various Government undertakings, and this has already had an appreciable effect. Economic pressure has reinforced this, and many tasks are now undertaken by Ceylonese which were formerly performed exclusively by Indians. The proportion of Ceylonese to Indians on plantations is also certainly rising, and in all directions the Islander is gaining ground in the labour market.

23. Comparison between the capacity and qualities of the immigrant and the resident labourer is not easy, and considerable divergence of views exists. Primarily, allowance must be made for the essential difference, owing to

circumstances, between the resident migrant labourer and the worker from the village, as set forth above; apart from this there appears to be little ground to support any marked discrimination. The general consensus of opinion appears to be that the Sinhalese is a better craftsman or skilled worker, but that, for sustained hard work, the Tamil is more reliable. Against this view must be set the fact that some of the hardest work in Ceylon is done by Sinhalese, e.g., the exacting plumbago mining, and the heavy work connected with the loading of ships in the port of Galle. The alleged fastidiousness of the Sinhalese is contradicted by the increasing numbers in which they are employed on conservancy work and similar unattractive duties. The irresponsibility or independence, sometimes alleged to their disadvantage, is probably attributable to their peasant-proprietor mentality and is likely to be eliminated by economic pressure. The only instance which I met, where Ceylonese had proved incapable of performing a task even after careful training, was the stoking of certain naval vessels where, after a fair trial, it was found necessary to employ more expensive Lascars from Bombay. With this exception, I found no reason to suppose that the Ceylonese labourer is not capable of performing any of the various tasks to be found in the Island.

Conditions on Plantations.

24. The plantation industries of Ceylon include various products, the most important being tea, with rubber and coconuts in the second and third places; cocoa and cinnamon are grown on a small scale. Some tobacco is grown, but by the villagers rather than as a plantation crop, and betel, arecanut, cardamoms, kapok, and various other products are produced in a similar way. The important rice crop, which goes far to provide the food of the Island, is also grown by the peasant agriculturalist.

25. Tea flourishes mainly in the Highlands, where it replaced the former coffee crop when this was exterminated by disease; since, however, it tolerates a lower altitude than coffee it is not confined to the Highlands, many estates combining it with rubber. It is grown at elevations from sea-level to 6,000 ft., the best article coming from the higher areas. The rainfall required is from 80 to 120 inches annually; production may vary between 300 to 1,200 lb. of made tea per acre. The labour requirement is about $\frac{1}{8}$ th worker per acre. The tea industry is the mainstay of Ceylon, the product being well established in the world market; in existing conditions it commands a satisfactory price, though export is now handicapped by shipping difficulties. The industry is highly organised, careful attention and scientific investigation having been devoted to every stage of manufacture, though additional knowledge is constantly being acquired. The Tea Research Institute is well staffed and equipped, providing service for the improvement and safeguarding of the industry. Soil erosion presents a serious problem owing to the fact that the plant flourishes on steep hill-sides, very liable to scouring of the soil in heavy rain, such as is characteristic of the tea districts. The plant requires care and attention, much of it being skilled; the operations of plucking and pruning must be carried out by trained workers, while the subsequent processes in the factory, in withering, rolling, fermenting, drying, and sorting of the leaves, require most careful control. Since the value of the product depends upon the elusive and delicate quality of flavour, long experience and training are necessary to secure the best results. Much of the field work is done by women, and an expert plucker earns good wages. The nature of the work is pleasant and easy; the machinery required in the factory is simple, involving no arduous labour and giving rise to no acute occupational disease.

26. The tea industry shows marked signs of its history. Established on the foundations of the former coffee plantations, its organisation still reflects an economy based upon horse or ox transport. When supervision was from the saddle and when the product was carried to the factory on the human back, distances were, of necessity, limited; now, motor vehicles operating over a network of roads greatly extend the scope of the economic unit. The change has produced a tendency towards combination and merging, though not to the extent that might have been expected; there is still a certain degree of duplication and overlapping. An additional advantage would accrue from such a change owing to the fact that existing tea factories are, in many instances, adapted from buildings originally erected to meet the requirements of the coffee plant; they are thus, in some cases, not well suited to their present purpose.

27. Rubber was established in Ceylon at a much later date than tea, in response to the boom created by motor cars and the pneumatic tyre. At certain periods it has paid extremely well but the wide variations in price have entailed spells of depression; at the time of writing the industry was profiting from the demand created by the War.

28. The work on a rubber estate is not of an arduous nature, though a certain degree of skill is required in tapping. The collection of the latex, its transport to the factory, and the subsequent coagulation and machining there, entail no exacting work and involve no injurious conditions. The industry maintains its own Institute for scientific research and this has led to the introduction of improved methods, resulting in a great increase in production per acre. (A more detailed account of the work on a rubber plantation will be found in the report on Malaya.)

29. Coconuts have, in the past, provided steady profits; the tree does extremely well in Ceylon and seems unusually free from disease as compared with other countries. Production costs are therefore low and the crop is in consequence widely grown on a small scale by the villagers, in addition to the plantation system. The market has suffered a severe restriction owing to the War and the industry is in consequence much depressed. It is essentially a low-country product, most of the plantations being near the coast.

30. The principal product of the industry is copra but there is also a large output of coconut oil and desiccated coconut; coir fibre, derived from the husk, is made up into twine and rope which normally finds a ready market, though this has dwindled since the War. The production of high-grade charcoal from the shell, for use in gas masks, does not seem to be of great importance in Ceylon. The subsidiary properties of the tree, for local use, are fully utilized; the leaf is neatly plaited for thatching and the liquor derived from the tree is widely appreciated. The manufacture of the products is simple and does not present objectionable features; the machinery used in connection with coir is, however, primitive in type and therefore often lacking in safeguards.

Conditions in the Mines.

31. Mining in Ceylon is on a small scale and is so far confined to plumbago and precious stones. Plumbago is normally produced on a limited scale but the increased demand which has resulted from the War has led to additional activity. The mineral is mostly mined by primitive methods at no great depth; there is, however, one property where the lowest levels are 1,500 feet down. The conditions vary considerably, the larger mines having installed electric lighting, efficient ventilation, and modern machinery; in consequence the conditions below ground are, for the most part, not unduly trying. Descent

is by means of windlass and tub or, where the shaft slopes, by overhead cable and travelling bucket. In the remoter and newer parts of the large mines, and throughout some of the small mines, a more primitive method is in use. This consists of wide ladders, some 30 feet in length, with rungs 3 feet apart; these are used, not only for access, but also for the removal of plumbago and waste material. A man is seated on each rung, and filled baskets are passed up from one to another, right to the top. Thirty feet is found to be the practicable length of such a ladder and a platform is therefore cut before the next ladder is installed; thus, where several hundred feet must be descended there will be a series of ladders and platforms, involving a considerable labour force. Illumination is by primitive oil lamp and ventilation is most indifferent. Again, shafts and winzes under construction may also produce bad conditions; at the end of one such passage I noticed that a stay of even ten minutes was enough to produce a perceptible change in the air. In such parts of the mines, eating and smoking become distasteful and the workers, therefore, complete their shift without refreshment save water.

32. In such conditions the heavy work of hewing and drilling must be additionally arduous. Shifts tend to be unduly long, especially in view of the time and difficulty involved in descent and ascent. The sanitary arrangements are primitive and medical arrangements consist of well-equipped first-aid posts in the larger mines, and a modest equipment of first-aid remedies in the smaller mines. Accidents appear to be rare and the workmen exhibited no conspicuous signs of distress; but the industry is undoubtedly in need of closer supervision and inspection from the point of view of safety as well as of working conditions. In conversation with the Minister I ascertained that this fact was appreciated and that suitable steps for improvement are being given consideration. An innovation which might be tried would be the introduction of the saline beverage provided in the mines of the Rand as a remedy for the exhaustion which follows excessive sweating. (A solution of one ounce of lime-juice and ten ounces of salt, in sixty gallons of water.)

33. Gems are found as alluvial deposits and are mostly worked in shallow pits; the nature of the soil in certain places necessitates timbering and this is said to be, in some instances, inadequately carried out. The industry produces a luxury article and in consequence it has, for the present, largely fallen into abeyance.

34. The supervision of mining is carried out by an Inspector of Mines, as far as technicalities are concerned; the Labour Department is not responsible for the conditions of work; and statistical records and detailed figures connected with the industry are consequently difficult to obtain. This is due to the fact that the great bulk of the labour employed in the mines is Sinhalese, and therefore does not come within the scope of the legislation provided for the protection of the Indian labourer.

The Kangany System.

35. An unusual arrangement exists in Ceylon which is a survival of the original organisation of labour by families. When Tamil workers were introduced from Southern India a convenient method of recruitment was found to be through headmen who collected parties, chiefly consisting of their relatives up to a somewhat remote degree. The party so collected would be brought to employing establishments where the headman, locally known as a "Kangany," was virtually responsible for the organisation and output of the labour. A kind of elementary efficiency bonus was established in the form of a small daily payment to the Kangany for each worker who turned out; this is still known as "pence money," a name which discloses the antiquity of the system, since the English coinage has not been used in Ceylon for

some 60 years. The Kangany also paid the expenses of the party travelling from India, subsequently recovering this from the labourers; he was, in fact, much like the "worker-recruiter" of modern parlance. In addition to these functions he acted in a paternal capacity to his group, settling quarrels and arranging family affairs; furthermore, he advanced money for festivals or other occasions such as marriages, funerals, etc.; In some cases he kept a shop on the estate which catered for the various wants of the labourers and their families. The issue of rice to which labourers were entitled and the modern introduction of such features as the provision of meals for school children, further added to the activities of the Kangany. The combination of these various functions in the person of the Kangany naturally placed him in an authoritative position; starting with the strong family influence derived from the Tamil social system, his power was strengthened by his authority on the estate. As the go-between, through whom the Manager dealt with the labourers, he could materially influence the position of anyone on the estate, while his position as financier gave him a further hold; most of the work-people were in debt to him, some of them for considerable amounts.

36. This system probably started on modest lines and gradually extended its scope until one Kangany might be in charge of several hundred workers. The position, no doubt, varied largely on different plantations, according to the ability of the Superintendent to speak Tamil and the degree of direct interest taken by him in his labour force.

37. The foregoing description is applicable mainly to the former position when the labourer was still indentured. With the abolition of that system the necessity for actual recruiting largely disappeared. The labour force has largely become stabilised and resident on the plantations; such movement as went on, therefore, became more the taking of a periodical holiday in India with a subsequent return to Ceylon, rather than the importation of fresh workers. A need for additional hands would be reported by existing workers to their homes, and would meet with an adequate response from the Indian villages, while such surplus as might occur would be absorbed by men taking prolonged holiday.

38. The Kangany as worker-recruiter therefore virtually disappeared, but he continued his functions as headman, patriarch, money-lender, and shop-keeper, according to circumstances. In some instances he might render valuable service both to the estate and to the workers; in other cases, however, too many openings undeniably existed for tyranny, extortion, or embezzlement.

39. The changing situation on the plantations and a more critical attitude on the part of the labourers led to criticism of the Kangany system; its value was diminishing while its possible attendant evils became emphasised. At the present time, therefore, a great variation exists between estates; in some cases, the Kangany system has been entirely abolished and the work has been dealt with direct by the muster roll; elsewhere the Kangany are still in charge of some of the workers, others being on the estate muster roll. In a few cases the original system is still to be found in full force.

40. Opinions on the institution of the Kangany are very varied; in some quarters he is still stoutly defended, while other authorities are bitterly hostile. Instances are readily produced of oppression and misappropriation on the part of particular Kanganyes; probably, however, such offenders form only a small proportion of the total.

41. The solution of the problem would appear to lie in an evolution such as is actually taking place on many plantations; the numerous activities of

the Kangany can be dispensed with or undertaken by other people. Recruiting in the strict sense of the term no longer exists and the collection of additional labour, should this become necessary, could probably be arranged through exchanges; "pence money" might take the form of an efficiency bonus to the worker himself, according to the regularity of his attendance; supervision of work could be carried out by overseers, appointed and paid as such; and advances of money, when clearly justified, might be made on a limited scale by the employer. In particular, the Kangany's shop on the estate, with its suggestion of "truck" and compulsory purchases, should clearly be abolished; it could be replaced by either a contractor, selling at fixed announced prices or, better, a Co-operative Society.

42. The immediate abolition, by law, of the whole Kangany system is advocated in some quarters. Such a step seems scarcely advisable or feasible since, as has been indicated above, the system already appears to be moribund, surviving only where it still serves some useful purpose. A preferable course would appear to be its replacement, as suggested above, more or less rapidly, according to the circumstances of the case; this would be a process of evolution not involving the ponderous machinery of the law, and the penalizing of the survivors of a system which rendered good service in the past.

The Tundu System.

43. A remarkable feature of the history of labour in Ceylon was the system known as the "tundu"; although long abolished it was of too much importance to be allowed to pass without mention. This institution arose in the first instance from the debt for travelling expenses owed by the labourer to the Kangany; this was subsequently increased by further loans for festivals, marriages, etc., or by credit purchases at a shop, until it formed a considerable load of debt on the shoulders of the labourer. In many cases, the sum involved was clearly more than the man would ever be able to repay; it was therefore debited against him, and in the case of the transfer of his services to another plantation the new employer paid the amount to the old and obtained a corresponding right to the services of the man. These transactions were legally recognized and were recorded on special documents.

44. The system was, in fact, a thoroughly objectionable form of peonage, the vicious features of which were partially obscured by the moderation with which it was applied. The fact that the system was as impracticable financially as it was obnoxious morally was gradually recognized. On 8th July, 1921, the General Committee of the Planters' Association considered the question and, to their credit, passed a resolution in favour of the complete abolition of the "tundu" system; the necessary legal action followed and the system was abolished by Ordinance No. 43 of 1921, which came into operation on 17th December of that year. By its terms debts amounting to some £4,000,000 sterling were cancelled without compensation, and any attempt to revive the institution of the "tundu" was penalized. The far-reaching effects of this most important measure must have been of great value in improving relations between employer and labourer; it is a curious fact that this notable reform now appears to be largely forgotten or ignored in Ceylon.

Housing.

45. The standard of housing in Ceylon is, for a tropical country, high; in the villages, a soundly built small cottage is the usual type, walls being of wattle and daub or brick, and the roof being plaited coconut leaves or tiles; the cottages are well plastered and whitewashed, and neat and attractive in appearance. Good use is made of local materials and the houses are excellent

value at low cost. A more ambitious type of building is common, money being readily spent on housing in Ceylon. The standard of accommodation for the agricultural community is higher than that obtaining in almost any other part of the British Colonial Empire.

Urban Housing Conditions.

46. In the principal cities, conditions in certain parts need improvement; while houses are substantially built and generally in good repair, overbuilding is common and back-to-back construction limits ventilation; the standard of sanitation is better than might be expected and Ceylon is, in fact, in this matter decidedly superior to many of the towns of India, Africa, and the West Indies. The main evil is overcrowding; visits by day, repeated at night, suggested that this existed to a serious degree, though here again, conditions were by no means as bad as those to be found in various other countries. Rents in Colombo tend to be high, and men without families therefore frequently live in a community, each contributing from 50 cents to Re. 1 monthly as rent, and sharing the services of a common cook. There is some antagonism between the various sections of the population in Colombo, and they are inclined to accuse each other of overcrowding and a general low standard of living; personal inspection led me to the conclusion that these accusations were mostly exaggerated.

47. The undeniable existence of overcrowding has long been recognized, and a detailed and interesting survey of the town of Colombo was made by Mr. Clifford Holliday in 1940. This includes an extensive programme for the abolition of slum areas and the erection of buildings suitable for the poorer classes of the population. The City authorities are actively pursuing the matter and a rebuilding plan has been prepared which takes into account the necessity for moderate rentals, apart from any economic return. Unfortunately, a considerable section of the urban dwellers has so long been accustomed to living in overcrowded conditions that prolonged education will be required, in addition to the provision of new buildings.

48. The standard of urban accommodation is still somewhat low in comparison with that of other countries. For instance, the city of Port Elizabeth in South Africa has recently introduced two types of houses for Africans, one consisting of three living rooms, the largest being 16 feet by 10 feet, with stove, cupboards, lock-up store, wash-house, water-closet, and electric light; the other, a smaller type, having two living rooms, 10 feet by 13 feet, with stove, cupboards, lock-up store, wash-house, and water-closet. This compares favourably with Mr. Holliday's suggested standard of 150 sq. ft. for a living room, and 100 sq. ft. for a bedroom, though the Town Improvement Ordinance raises this to 120 sq. ft. as a minimum. The impossibility of housing the lowest paid workers on an economic rental is well understood in South Africa. "It has been bitter experience overseas that the poorest classes cannot afford to pay the rents which must be charged if houses of minimum standard are to be provided for them. Some form of subsidy is a vital necessity." ("Race Relations"—No. 4, 1940. Institute of Race Relations; Lovedale Press, Union of South Africa.)

Housing on Plantations.

49. Housing conditions on plantations vary greatly, all degrees, from quite good to very bad, existing. The matter has been receiving increasing attention of late years and the Planters' Association states that its members have spent Rs. 50,000,000 on housing during the last five years. The requirements of the Government of India necessitate the provision of housing for

Tamil labourers and standard requirements have been laid down by the Medical Department. Unfortunately, the traditional type is the long "range" consisting of a row of small rooms, the minimum size of which is fixed at 10 feet by 12 feet; the front verandah usually gives a little additional accommodation and sometimes, but not always, a small kitchen is arranged in the back verandah. Walls are generally of stone or cement blocks with a roof of corrugated iron, the floor being of concrete or plastered cow dung, the latter forming a satisfactory and popular material, with the advantage of being vermin proof. This type may be regarded as the oldest and worst, the majority of estates having introduced various improvements. It was interesting to observe a general tendency to adopt a smaller unit than the old ten or twelve room range; the number was being limited to six or four rooms, while in a number of cases a cottage type of two semi-detached dwellings had been adopted. Other improvements include the addition of a second room or the provision of a well-constructed kitchen; the best instances provided quite attractive little homes for married couples with one or two children, and may be regarded as very satisfactory. This tendency has been evolved locally without reference to Government requirements and in ignorance of the results arrived at by experience and scientific research in other countries. Unfortunately, many properties are situated in such hilly country that suitable space for a number of dwellings can only be found with difficulty; frequently considerable excavation and levelling is necessary. This adds greatly to the difficulty and expense of providing new housing, and seriously prejudices the adoption of progressive ideas. A general improvement has, however, been going on, and the accommodation provided on many plantations is decidedly in advance of the regulation requirements.

50. As has occurred elsewhere, there has been a tendency to make use of permanent and expensive materials in the construction of labour lines; concrete and corrugated iron constitute buildings which represent a large outlay and are unlikely to need replacement for a lengthy period; this is most unfortunate in those cases where the type adopted is already an obsolete one. Conditions vary greatly according to locality and generalizations are therefore impossible; in many cases, however, local materials such as bricks and tiles might be used and would prove both better and cheaper. In the case of quarters not intended to be permanent, buildings of wattle and daub, with coconut leaf thatch will, if well constructed, prove quite satisfactory for limited periods; these can, of course, be erected for a mere fraction of the cost of the concrete and iron structure and they have the advantage of being popular with the work-people.

51. Sanitation is generally good; on a few estates, where local conditions were favourable, excellent water-borne systems have been installed, the design of which is well suited to the habits of the users. Elsewhere, the bucket system is in use, and is less objectionable than usual owing to the comparative scarcity of the house fly in most parts of Ceylon. Deep pits are also in use and give good results. Generally it may be said that on the majority of the larger plantations the sanitary standard is good, though in some smaller properties conditions are bad.

52. Water-supply is in most cases good, particularly in the hills, where small streams are numerous; heavy rainfall, however, is liable to produce flooding and interruption, while the possibilities of contamination are often serious. The provision of bathing facilities, other than those formed by a river or stream, is rare; I saw no swimming pool of the type so popular with the African labourer, and even shower baths were exceptional. Facilities for washing clothes usually consisted of a stand pipe, or failing this, the nearby river.

53. Provision for amusement varies greatly; a few of the larger estates maintain children's playgrounds, recreation rooms, or clubs, while a court for volley-ball is frequently to be found.

54. The foregoing description applies chiefly to the large estates up-country with a big resident labour force. The coconut plantations near the coast employ far more Ceylonese labour which, in most cases, comes from the neighbouring villages, the resident labour force being correspondingly reduced. On the rubber and tea estates of the mid-country the proportion between village labour and resident workers varies, the preponderance of Tamils tending to increase with the altitude. The fact that much of the legislation affecting labourers applies only to Indians, thus emphasizes the importance of provision for housing and amenities on the up-country properties. Consequently, the best provision for these needs is usually to be found in the Highlands; though on certain low-country properties the equipment is good.

Housing on Mines.

55. Plumbago mining is mostly carried on by Ceylonese though a proportion of Tamil labour is to be found upon some of the up-country properties. In consequence the resident labour force is, in most cases, small and only a limited amount of accommodation is required. The nature of the housing resembles that on the plantations, though one example was visited where housing consisted of two-storied buildings, containing rooms holding ten men each, living under bachelor conditions. Gem pits are worked on a small scale by local labour and the question of housing, therefore, does not arise.

Medical Arrangements.

56. Medical aid is provided on a large scale, there being over 100 Government hospitals and almost as many private hospitals maintained by estates; in addition, there are over 700 Government dispensaries and nearly as many on estates. Special campaigns are carried on by the Medical Department against malaria, ankylostomiasis, leprosy, smallpox, filariasis, and yaws; of these, malaria presents a serious problem in connection with any project involving the clearing of bush land but it is not of such great importance on most plantations nor among urban labourers. Maternity work is well provided for and some 750 qualified midwives are maintained, of which the plantations are responsible for 170. Public health is maintained by 23 Medical Officers of Health, 55 Field Medical Officers, and 310 Sanitary Assistants.

57. From the foregoing figures it will be observed that the medical requirements of the Island are well provided for; it is, in fact, from the point of view of the manual worker, decidedly in advance of most tropical countries. An incidental contribution lies in the excellent road system which greatly facilitates the movement of both medical staff and patients. This fact ensures that medical aid is readily available in all the employment areas, and even the smaller estates, with only a modest equipment, can still be regarded as well catered for.

58. The inspection of medical conditions on estates was formerly carried out by three Inspecting Medical Officers and two Assistants; a change has recently been made and these duties have now been transferred to Medical Officers of Health and Field Medical Officers. In practice, an inspection does not appear to take place quite as often as might be desired; on several estates conditions of housing and sanitation decidedly required the attention of the Medical Officer; examination of records at the Labour Department indicated that the period between inspections might be two years or more,

while instances were found where it was as much as four. The importance of the matter is emphasized by the fact that it is usually the smaller and more remote properties that require attention; large undertakings can generally be trusted to maintain satisfactory conditions. With due deference to professional opinion, I must also express a doubt about the advisability of no provision being made for Medical Specialists in labour conditions; the peculiar problems connected with the accommodation of labourers, the occurrence of industrial diseases, the relation between diet and output, and various other technicalities, are outside the scope of the ordinary medical practitioner, who has had no opportunity to familiarize himself with modern practice in the great employing countries and the literature connected therewith. In the section "Labour Department*", I therefore advise consideration of the retention of at least one Medical Specialist to deal with labour conditions, preferably selected from officers who have had an opportunity for the travel and study necessary for an up-to-date knowledge of the subject.

59. Venereal disease clinics exist in Colombo, Kandy, and Galle; in the first of these there is a clinic at the port for the benefit of seamen, in accordance with the requirements of the Brussels Agreement of 1924. This, however, was not supplemented by notices in the appropriate languages, specifying the whereabouts of the clinic and the hours of opening; according to the Agreement, these should be posted in conspicuous places where they are likely to attract the attention of seamen of various nationalities. Their absence is presumably the explanation for the fact that in 1938 only 54 seamen came for treatment, although the port of Colombo, in a normal year, is visited by nearly 3,000 ships.

60. Immigrants into Ceylon are under the surveillance of the Port Health Officers; labourers coming from India are examined at the Mandapam and Tataparai Camps, though these establishments are in abeyance at present owing to the ban on immigration.

Employers' Responsibilities.

61. The position of the employer under existing legislation merits careful examination, since the present position seems to have been evolved during a number of years, not as a result of a deliberate and accepted policy but rather as unperceived development. Conditions of service had begun to receive the attention of the Legislature far back in the last century (the Ordinance on Contracts for Hire and Service dates from 1866), but the main impetus to improve living conditions came from the gradually increasing requirements of the Government of India. (The Ordinance relating to Estate Labour (Indian) was passed in 1889 and amended in 1890, 1909, 1921, 1927, 1932, and 1941.) Early improvements were chiefly connected with housing and medical attention, but the standard and scope of requirements grew, until employers were called upon to provide hospitals, schools, maternity arrangements, creches, and various other amenities, representing, as a whole, considerable responsibility and expense. Since estate labour had, from earliest times, been mainly imported from India, the logical arrangement was for the employer to provide the necessary accommodation, for there was hardly any possibility of housing the newcomers in neighbouring villages or otherwise utilizing local resources. From this beginning, additional requirements followed logically, until they reached their present formidable size. The Indian Government were naturally concerned only with ensuring satisfactory conditions for their nationals; it mattered little to them whether the responsibility for these was borne by the Government of Ceylon or the individual employer. In the early stages, the employer had himself accepted the duty of providing some

sort of housing, and there was therefore a general tendency to regard him as being liable for subsequent increased responsibilities. The result of this development is a somewhat curious position, where the employer is expected to undertake various duties which, in most other countries, are regarded as falling properly upon the Government. Thus, the estate must set aside a piece of ground and thereon erect and maintain a school, for the supervision of which the manager is largely responsible, the Government's share being the payment of a generally inadequate contribution to the teacher's salary. Similarly, hospitals on the larger properties are frequently fine and costly buildings with an appropriate staff, the cost of upkeep amounting to an appreciable sum. Additional expenses and duties are entailed by the provision of maternity arrangements, creches, etc.

62. While the employer's responsibility for the welfare of his work-people may be fully admitted, there is something anomalous about an arrangement whereby the supervision and management of such institutions as a school or a hospital must be undertaken by an estate manager who has none of the technical qualifications necessary and who is, in any case, fully occupied in carrying out his normal work. The generally good standard to be found on the larger plantations reflects credit upon the employers but does not weaken the argument that the Government has, in the past, largely escaped a burden, part of which, at least, it should have borne. A factor which has materially affected the position has been the development of motor transport and the consequent construction of a fine road system. There is thus no longer the former necessity for an estate to be largely self-contained and self-supporting and a measure of centralization is now possible in many districts. Consequently, the existing waste of money, effort, and efficiency in maintaining numerous small schools and hospitals could largely be eliminated by grouping these around central institutions, which would admit of a higher standard of inspection and supervision by the appropriate Government Officers. Where such arrangements proved feasible, the estates benefiting might well be asked for an annual contribution to upkeep, in return for their release from responsibility in such matters. Changes of this nature could obviously only be introduced slowly, and in certain areas the existing system will, no doubt, survive for a considerable time; nevertheless, it seems inevitable that there must eventually be a change-over to State management of education, public health, and welfare measures, instead of a system which leaves these mainly to private control.

63. The principle might be extended and applied to the question of estate housing. The present arrangement entails the dependence of the worker upon the employer for his house, which may be attractive or unattractive, suitable or unsuitable, good, bad, or indifferent, according to the standard set by the management, as controlled by the requirements of the law and the supervision of the Labour Department. There is also the important consideration that the employer, in being compelled to provide housing, is thus put in the position of being landlord as well; it therefore follows that dismissal of a workman (which, in the existing state of the law, is the one and only remedy left to the employer against an unsatisfactory workman) entails, not only the end of his employment, but also the loss of his home. There is the further point that the accommodation of the labourers is on privately owned land; the manager therefore naturally considers himself entitled to exercise a measure of control over the behaviour of the tenants, and the presence, in the lines, of persons other than his employees. These two features have given rise to considerable friction already and appear likely to prove even more troublesome in the future.

64. On many of the estates in the low country the labour force is to be found largely accommodated in neighbouring villages, since there is a much

more numerous native population than exists in the uplands; while this arrangement has certain unsatisfactory features, it is undeniably a more normal condition, which avoids much friction and misunderstanding between employer and worker. Such an arrangement would, in most cases, be impossible for properties up-country, firstly, owing to the absence of existing villages, and, secondly, owing to the lack of land for the erection of new ones. In certain districts, plantations adjoin one another continuously over wide areas, while the hilly nature of the country further restricts choice of site. In spite of such difficulties, however, there would appear to be much in favour of the creation of model villages under local Government auspices, to provide accommodation for the bulk of the work-people in the area. Here would also be placed the necessary hospital, school, shopping centre, places of worship, entertainment halls, and other requirements of the small community. Where the distance to work was appreciable a motor bus service should surmount the difficulty. Such an arrangement would absolve the employer from considerable responsibility and expense; it would free him from numerous duties imposed upon him by law, which are quite outside his normal avocations, and it would eliminate constant sources of friction over security of tenure and accessibility to labour lines. The large saving entailed would justify a substantial increase in wages, which would enable the labourer to pay for housing to suit his tastes and requirements; he would be in a far more independent position and would have the benefit of a higher standard in social services, amenities, and amusements. The very real difficulty of providing sites for such villages might be got over by negotiation between the local authority and the employers; the advantages of the change to the latter would be so considerable that they might well be prepared, in consultation, to part with some of their land to facilitate such a scheme. The area acquired would not be great and its loss would, in any case, be partially compensated by the recovery of the ground previously occupied by the estate labour lines, hospital, school, etc. There would no doubt always remain on the estates a nucleus of skilled and higher-paid employees, whose duties might necessitate their being readily available.

65. Such a radical alteration in long-established arrangements could naturally only be introduced very gradually. A considerable sum of money has been spent in providing accommodation on estates, and any rapid change would involve the waste of most of this; in addition, heavy expenditure would be entailed in the building of the new settlements, some of it unremunerative. There is also the aforementioned difficulty of finding a suitable site, which is especially formidable in the hill districts. It is not suggested therefore that such an alteration could be adopted as a programme for early or general fulfilment; the proposal is rather, that development on these lines should be regarded as natural and desirable, to be attained by degrees, where possible.

66. Dealing with existing conditions, there is the burning question of security of tenure for the labourer's home. In many cases the workman has resided for a number of years on the plantation, has his wife and family with him, and possibly owns an allotment garden and some livestock; if therefore he is discharged with a month's notice he is faced with the problem of finding, not only fresh employment, but also other accommodation for his family and possessions, which may often be difficult. Dismissal is therefore a very severe punishment for the man, corresponding hardship also being inflicted on the family. On the other side, the employer finds himself compelled by law to maintain housing of a certain standard which involves him in considerable expenditure; he therefore cannot afford to maintain any accommodation in excess of the actual requirements of his labour force. Consequently, he naturally resents the occupation of any part

of his premises by people who are of no service to the estate; they may, indeed, be for some reason definitely obnoxious. Equally, if he is to retain any control, he must be free to discharge an unsatisfactory worker or to reduce the whole number of his employees in the case of essential retrenchment. The interests of the two parties therefore appear to be irreconcilable, owing to the essential defects of the system. While the great majority of employers appear to be tolerant and considerate in such cases, instances of undeniable hardship are to be found, and in any circumstances the eviction of a family must be a most unpopular and provocative undertaking.

67. An alteration of the existing law, with a view to giving the worker-tenant a somewhat greater measure of security, would probably do much to improve the situation. I therefore recommend a change in procedure, substituting civil process for action under the criminal law; I further recommend the introduction of a provision rendering eviction illegal until some other accommodation for the evicted persons has been found and, in addition, giving them rights to compensation for growing crops. Another change which might be advantageous in this connection is a revision of the employer's rights of punishment; the former system of fines by employers for shortcomings on the part of the workers was completely abolished some years ago. This was regarded as conferring a valuable benefit upon the worker; in actuality, however, it has scarcely proved to be so. The employer is left with no remedy against the labourer save that of discharge, the severity of which has just been detailed. There are, however, numerous cases in which a workman may be generally satisfactory but may be guilty of some behaviour which necessitates a definite mark of disapproval; if this can only take the form of dismissal there must arise instances where this serious penalty is inflicted for derelictions which might well be dealt with more lightly. I therefore recommend the sanctioning of fining on a strictly limited scale by the employer, such fines to take effect only after concurrence by the Labour Officer, appeal lying to the District Wages Committee, which should have the power of increasing the fine if it considers the appeal to be groundless or frivolous; the money involved should be paid into a central Welfare Fund, to be expended on benefits to the manual labourers generally.

68. Considering now the probable future developments of the existing situation, the increasing stabilisation of the former migrant labour force is undeniable, and it appears unlikely that there will be any further large ingress of newcomers from India. Indeed, the tendency will probably be for a proportion of the Tamil labourers now in Ceylon to return to India, their places being taken by Ceylonese workers. Established custom may influence employers against this tendency, but the logic of utilizing a labour force near at hand, rather than one imported from a distance, is so obvious that it would seem certain to prevail. Furthermore, the employment of a greater proportion of village labour would, to that degree, relieve the estates of the heavy burden entailed by the full maintenance of the labourers and their families. Such a development would accord well with the foregoing suggestion of an increase in village housing for labourers; the Ceylonese worker will desire something more of the nature of a cottage suited to family life, in place of the "labour lines" of the past. There seems indeed a likelihood of a permanent displacement of population to a limited degree, to accord with the demand for labour.

Financial Resources of Companies.

69. In view of foregoing references to expenditure by plantations, some consideration of the resources of the larger companies is desirable, especially as published results often present the position in a manner that leads to erroneous conclusions.

70. The financial system of the Ceylon planting industry (and also that of Malaya) is somewhat peculiar, in that the practice in the majority of cases is to pay for development and improvement from the early profits, instead of raising further capital for such purposes as soon as production begins. This of course results in enhanced capital value, at the expense of the dividends of the original shareholder. After the first non-productive years of waiting, the plantation, if all goes well, pays a gradually increasing interest, which later represents profits from the period of development. A high rate in any particular year thus does not necessarily mean that the plantation has been a paying proposition, since the average yield over the whole period of its existence may be disappointing.

71. An examination of the position of the principal companies shows this characteristic clearly. In 1940, the twenty principal tea and rubber companies paid dividends varying from 7 per cent. to 28 per cent., and in one case, 55 per cent. But if these figures are adjusted to a payment on capital, together with reserves put back into development and improvement, they are materially reduced; the 55 per cent. falls to 14 per cent., and most of the companies prove to be paying from 9 per cent. to 12 per cent. In view of the long delay in results, and the speculative nature of the investment, these returns cannot be considered very attractive; furthermore, these companies are the most successful survivors, and do not reflect the situation of the poorer propositions, or of course, those that have failed and fallen out.

72. In fact, rubber, and to a lesser degree, tea, involve considerable risk; the high dividends which sometimes attract notice serve as a magnet to the investor, since they are of course large for the market price of the shares; but a longer view makes them doubtfully desirable to the cautious capitalist.

73. The extreme fluctuations in market prices of the various commodities is shown in the Table in Appendix III*, and in Diagram 1†. It will be observed that rubber varied between nearly three shillings and slightly less than two pence; tea between 17.3 and 7.6 pence; copra, between 6.0 and 1.65; while other commodities also moved erratically. There is the further consideration that unforeseen changes may result in complete disaster; without taking account of unexpected scientific developments such as synthetic competition, an instance is afforded by the East African rubber plantations where thousands of acres were planted, only to become a total and permanent loss, owing to the sustained fall in price.

74. Tropical products are, in fact, highly speculative as a whole, and their attraction is largely that of a gamble. They are thus peculiarly ill-suited to any form of State control or exploitation, the more so, since the article must compete in the world market, and cannot be utilized within one economic unit, as is possible, for instance, in the case of Russia, where the home market is the dominating consideration. Any alternative system of development in place of the existing capitalistic one, presents formidable difficulties of organisation.

Wages and Cost of Living.

75. The determination of any accurate figures for the cost of living in Ceylon presents much difficulty; conditions vary widely between the town dweller, the agricultural peasant, and the estate worker. The first of these had to take account of the heavy item of rent, which is very much smaller in the case of the second, and absent in the last; again, on the plantations, fuel is free and there is a small issue of rice free, while there is also the arrangement whereby additional rice can be purchased at what is usually an advantageous figure. Again, certain wild or semi-wild products help to reduce expenses, though against this must be set extra clothing necessitated by a colder climate.

* Page 42.

† Facing page 50.

76. Considerable attention has been directed to the subject, the first attempt at an accurate assessment being made in 1927 by Mr. Ranganatham, the then Agent to the Government of India; while valuable as a preliminary investigation, this budget was open to criticism in certain directions, and since its compilation prices have varied considerably; it is, in consequence, now generally regarded as being too low. This was followed by an economic survey of village life, carried out by the Department of Labour, Industry and Commerce, the result of which was published in Bulletin No. 6 of 1937, providing much valuable information. A continuous survey of the cost of living of the manual labourer in Colombo is now carried on by the Department of Industries and Commerce. Their latest survey was based upon careful investigation of the daily expenditure of 351 families, while test purchases are being made weekly to check prices. The investigations are carried out with great care and attention to detail, though in certain cases the assessment and weighting might be criticized. The resultant Index is published periodically in the Ceylon Trade Journal, and upon this is based the war bonus to Government employees, this being fixed by the Treasury. Another investigation has recently been undertaken into the family budget of estate workers; this was carried out by Mr. Rajanayagam, Deputy Controller of Labour. This examines all sources of income and expenditure in great detail for 1,511 workers in 516 families.

77. I also received a careful and detailed estimate of the labourer's expenses and his diet scale from a section of planters up-country, which provided interesting comments on other estimates. I regret to say that my requests to various delegations for the production of estimates or typical budgets met with no response.

78. The cost of living in Colombo has been carefully estimated in the aforementioned investigation by the Department of Commerce. The average composition of the 351 families under review gives a figure of 5.64 members; their monthly income is estimated at Rs.39.14 for the head of the family and Rs.8.95 for the remainder, or a total of Rs.48.09. The itemized details of monthly expenditure are summarized as follows:

	Rs.
Food	27.64
Fuel and Light	3.31
House Rent	8.42
Clothing	4.41
Miscellaneous	8.97
	<hr/>
Total	52.75
	<hr/>

There is thus an over-expenditure of Rs.4.66. The compiler, however, states, "there is reason to believe that there has been a tendency slightly to understate incomes. The deficit shown in the above budget cannot therefore be taken as an established fact". Some doubt must be felt about certain miscellaneous items, notably tobacco at Rs.1.74, when account is taken of the extreme cheapness of the article in Ceylon; other items are also greatly in advance of estimates from other sources.

79. There appears to be a lack of co-ordination between the various Departments involved in the compilation of these figures and the subsequent action necessary. As mentioned above, the Statistical Section of the Department of Commerce furnishes an Index figure, and upon this the Treasury base their notification to employing Departments. This procedure had, I found, led to the omission of any notification to the officers responsible for labour employed by the Naval, Military, and Air Force authorities. In consequence, no

equivalent action had been taken in the case of the latter, and matters would have presumably drifted on until attention was attracted by disturbances and strikes. Steps were promptly taken to deal with the situation as soon as I drew attention to it; but the incident presented an unfortunate example of a lack of co-ordination that might well produce serious results. A preferable arrangement would appear to be for the Statistical Branch to continue the compilation of the figures with the co-operation of the Labour Department in practical investigation; the resultant figure would be submitted to the Treasury for approval, after which the Labour Department would be responsible for the appropriate notification, not only to the Government Departments, but also to private employers, thus ensuring that all concerned are kept informed of any change.

80. Coming now to actual rates of pay on the plantations, these are governed by the Minimum Wages Ordinance in the case of Indians. At the beginning of 1939 the minimum wages for a day of 9 hours, less 1 hour for the mid-day meal, were as follows:—

	<i>Men</i>	<i>Women</i>	<i>Juveniles</i>
Up country ...	49 cents	39 cents	29 cents
Mid country ...	43 cents	35 cents	25 cents
Low country ...	41 cents	33 cents	24 cents

By Gazette Notice No. 233 of 12th May, 1939, the mid and low country rates were increased; the rates were again revised in February, 1941, one more change being introduced in January, 1942, bringing wages up to the following rates:—

	<i>Men</i>	<i>Women</i>	<i>Juveniles</i>
Up country ...	57 cents	46 cents	35 cents
Mid country ...	55 cents	44 cents	34 cents
Low country ...	53 cents	43 cents	33 cents

plus a cost of living allowance at the rate of 5 cents for a man, 4 cents for a woman, and 3 cents for a juvenile, as at 1st January, 1942.

81. Between the beginning of 1939 and February, 1941, therefore, the rates of wages were increased in varying amounts from 10 to 25 per cent. These figures represent in every case the minimum wage, and on most estates an industrious worker can earn considerably more; opportunities also generally exist for growing vegetables, or keeping pigs and poultry. In addition to the above, the Indian plantation labourer is entitled to a food issue of $\frac{1}{4}$ th of a bushel of rice monthly (about 8 lb.) and the right to buy additional rice, up to 56 lb. monthly, at the rate of Rs.4.80 per bushel (approximately 64 lb.), the market price of rice in May, 1941, being Rs.6.25. Furthermore, the free issue of 8 lb. of rice applies to widows with non-working children and the issue of a daily free meal or, alternatively, rice for each non-working child. The Maternity Benefits Ordinance became law in July, 1939, but it has not yet come into operation; in spite of this, however, a considerable number of plantations are already complying with its terms—for details see section on "Legislation".

82. It may be of interest to compare the rates of wages paid on estates in Southern India. The following figures have been obtained from 13 districts; the equivalent in Ceylon money for a man is 31 to 44 cents daily and for a woman 25 to 31 cents daily; a detailed comparison shows a balance in favour of the Ceylon rates of approximately 22 per cent. in the case of the men, 60 per cent. in the case of the women, while the juvenile worker in Ceylon earns about 80 per cent. of the Indian man's wages.

83. The foregoing rates and privileges apply to the immigrant Tamil labourer; the Ceylonese worker is not so protected and therefore requires separate consideration. Owing to this fact, detailed figures are not easily obtained and an approximation only is possible. It appears that, in practice, where a mixed labour force of Tamils and Ceylonese is employed, the rates tend to be the same for both. Where only Ceylonese labour is employed there is a tendency to pay less than the minimum rate secured for the Tamil, but particularly in the case of women and young people. In this case, at least, the Indian worker does not have a depressant effect on wages, as is sometimes alleged.

Wages on Mines.

84. The supervision of mines does not come under the Labour Department, as the bulk of labour employed is Ceylonese; the Agent for the Government of India is not concerned and the legislation for the protection of the Tamil labourer does not apply. The fluctuating nature of the industry and the inevitable variations which must result, will be shown by the fact that at the beginning of 1940 there were 642 registered mines; 1,317 new mines were registered during the year and 762 mines were closed down. The great majority of these are very small concerns and conditions must vary widely. Generally, the daily wage earned by the plumbago miner appears to be between 60 and 70 cents.

85. *Conclusions.*—Considering the various rates of pay in the different occupations the production of actual figures is not easy, since circumstances vary so widely; the situation is further obscured by the existence of intermittent employment on a considerable scale. There seems, however, to be little doubt that the lowest paid urban workers, even when in continuous employment, receive a wage which is not really adequate for a decent standard of living.

86. Existing rates of pay are largely affected by the presence of unemployment and part-time work; the standard of living also obviously plays an important part. Here, reference must be made to the oft-repeated accusation that the Indian immigrant exercises a depressant effect, owing to his readiness to accept very limited accommodation at a meagre rent, since his family has been left behind in India. On this subject Sir Edward Jackson, in his Report on Immigration, published in 1938 (Ceylon Government Press, Colombo, price Rs.1.25), remarks (page 19), "lower expenditure on the part of the Indian worker will enable him to support himself on earnings which would not be sufficient for the urban Ceylonese with a wife and children or without the economies which the Indian is able to make by communal life". He goes on to state, however, "I was satisfied that . . . undercutting in wages by the Indian, even if it exists at all, is no considerable factor influencing employment". With due deference to the authoritative opinion thus expressed, I cannot altogether agree with the conclusion. It is true that the Indian worker, even if living as a bachelor, saves a proportion of his wages and remits them to his family in the home village; this, however, is not likely to be equal to the cost of supporting a family in urban conditions in Ceylon. It is also true that I was unable to find any instance, with the exception of rickshaw pullers, barbers, and washermen, where the Indian definitely accepted lower pay than the Ceylonese. Nevertheless, the presence of a large number of men living a communal existence, under bachelor conditions, very cheaply, must assuredly have a generally depressant effect on the rate of wages.

87. The crux of the question is clearly the payment of rent. The survey made by the Department of Commerce gives the proportion of income spent by the average family in rent as almost 16 per cent.; comparing this with

the figure paid by the bachelor Indian worker, which may be as low as Re.1 monthly (about 2 to 3 per cent. of his income), the extra expense entailed for Ceylonese will be obvious.

88. This inequality would be largely redressed by steps taken to reduce rents for family accommodation. This should be achieved, in a great measure, by the extensive programme of building now being carried out by the Municipality; the beneficial effect of this in virtually increasing wages, by reducing rentals, should go far to justify the uneconomic rent contemplated by the Council, even from a purely financial point of view.

89. The reduction in the large number of unemployed now to be found in the towns would also effect some improvement; this aspect of the problem is examined in the section on "Unemployment"*

90. Expenses of estate workers are naturally considerably lower than those of urban dwellers. The survey by Mr. Rajanayagam gives income for an equivalent adult male up-country as Rs.11.30, with expenditure Rs.10.56; mid-country Rs.10.47 and Rs.10.19; and low-country Rs.9.70 and Rs.8.94. These figures for expenditure may be compared with figures in Mr. Ranganathan's budget of Rs.11.20 for adult male labourers up-country, although this is estimated with the price of rice at Rs.6.40 a bushel as compared with the present fixed price of Rs.4.80. The figures given in the Family Budget Report are average figures and individual cases may vary greatly; thus, a husband and wife alone might earn considerably more than the estimated figures, particularly if the woman is a good plucker; if, on the contrary, they have, say, four children below employable age, they may have difficulty in meeting expenses, even though the cost of the children's food is partly met by the estate, medical and educational facilities being provided free. But such cases must be considered exceptional, for the Report indicates that in all three districts there is an excess of income over expenditure which is confirmed by the fact that considerable sums of money are remitted annually by estate labourers to India.

91. Considering now the income and expenditure of the villager, the economic survey conducted by the Bureau of Industry and Commerce gives particulars of five districts. These vary so widely and are so largely concerned with local produce that it is impossible to arrive at estimates in cash.

92. Examining the position of the estate worker, attention is attracted to the issue of a kind of basic ration in the shape of a small quantity of rice free and the right to purchase a further amount at a fixed rate, usually advantageous to the labourer. The latter provision constitutes a somewhat crude attempt at compensating for changes in the cost of living, this, however, taking into consideration only the fluctuations in the price of rice as the staple food. While the arrangement no doubt serves a useful purpose, it cannot be regarded as a satisfactory solution. At some periods, as at present, the difference between the fixed and the market prices is definitely in favour of the labourer; in the past, however, there have been times when the market price fell below the fixed rate. In the latter case the distance to the urban market might cause the labourer to continue buying from the estate at the higher figure, when the latter was making a profit out of the labourer. The fixing and operation of the figure involves much controversy, and general satisfaction with the result is rare; I heard many criticisms of the arrangement.

93. Regarding the matter, now, from a dietetic point of view, the arrangement encourages the consumption of rice and the desirability of this is doubtful. A survey of the labourers' diet was recently carried out by Dr. Nicholl, with interesting results. The diet contains sufficient calories

to enable a man to perform hard work on it; against this, it is deficient in animal proteins, calcium, and vitamins A and B₂; the conclusion is drawn that the scale should be modified in favour of roots, fresh vegetables, milk and fish. The inference is that the issue of the bushel of rice of 64 lb., to which the labourer is entitled, partly free but mainly on purchase, encourages the maintenance of the already undue prominence of this item in the diet scale.

94. Existing practice is however well established, and diet is notoriously a subject on which most workers are conservative; any drastic change would therefore probably be most unpopular. Apparently, in practice, the labourer frequently exchanges part of his rice, purchased usually at an advantageous price, for equivalents in the form of vegetables, etc. This might be encouraged by the increased sale of such commodities in estate or co-operative shops. The obvious remedy of paying part of the benefit accruing to the worker in the form of purchase at a reduced price, in cash, would be unlikely to effect a real improvement in the dietary, owing to the tendency of the Tamil to grudge expenditure of cash on food. A gradual advance might be secured by means of suitable teaching in the schools, with a view to encouraging a wiser choice of diet.

Unemployment.

95. The question of unemployment in Ceylon can be divided under certain headings (a) urban unemployed, chiefly in Colombo, (b) superfluous labour on plantations, (c) rural unemployed.

96. Unemployment in Colombo has already become a formidable problem; the compilation of exact figures is, however, difficult since actual and complete unemployment is probably comparatively limited, the principal evil being partial or intermittent employment. Colombo being a busy port, waterfront labour forms an important part of the city's activities. This type of work is, of course, notoriously liable to fluctuations, with the inevitable result of a proportion of intermittent employment. In practice, however, organisation on the waterfront appears to be well developed; the system is an intricate one, presenting an interesting example of an immense amount of highly specialized manual labour enabling sorting and stowage of cargo to be carried out with a degree of discrimination seldom attainable. Trade Unions control the bulk of the labour and negotiate with the employers successfully; the general absence of friction and strikes testifies to the satisfactory relations existing. Outside the essential organisation, however, there is a considerable body of men constantly seeking such work though only able to obtain it at exceptionally busy periods.

97. There is also a large amount of unemployment in other occupations in Colombo, including a high proportion of the upper grades of labour. The Employment Exchange had, at the end of 1940, the following numbers of applicants on its books: professional and technical, 471; clerical, 4,489; skilled, 14,874; semi-skilled, 6,531; and unskilled, 8,806; making a total of 35,531, of which 1,959 were women. The surprisingly large numbers of clerical and skilled work seekers forms a depressing feature of the situation; the small proportion of unskilled is probably due to the fact that only a limited percentage of such men register their names. Consequently, actual figures are impossible to obtain and estimates from various sources varied widely; probably the total figure is twice or thrice the number registered. The situation is obscured by the fact that the majority of such men do obtain work intermittently; in some cases, again, men who have jobs with which they are not satisfied will register with the Exchange in the hope of improving their conditions.

98. Unemployment relief works on a considerable scale are in existence, having been started in 1931. The nature of the work has mostly been reclamation of land; my inspection of the operations at the air port showed the genuine utility of these, while elsewhere a swampy area in Colombo was being drained and levelled to provide a large and valuable area for building or other purposes. The cost of these relief works will, in future, be borne by the Government of Ceylon, the local authorities being responsible for the relief of the destitute who are incapable of work; hitherto, the cost of relief has been shared by the Government and the local authorities in varying proportions according as the property improved belongs to the one or the other; the position will be governed by the Poor Relief Ordinance, now under consideration. Expenditure has been increasing steadily, amounting in 1938 to Rs.227,954, in 1939 to Rs.384,892, and in 1940 to Rs.421,181.03.

99. The number employed has grown steadily, although there was a slight decrease in 1940; in 1938, 1,057 men were employed, in 1939 the number was 1,300, and in 1940 the number was 1,225. A startling fact is the statement, in the Report of the Controller of Labour for 1940, that the 1,225 men in employment have all been registered since 1931; such work, in fact, shows every sign of being regarded as a permanency by the employees who are now beginning to ask for an incremental scale, pensions, separation allowances, travelling expenses, etc., while a special Trade Union has been formed for one section. This, however, is not altogether surprising in view of the fact that the wages paid are slightly higher than the ruling rate, while certain concessions, such as separation allowances, in some cases, form an additional attraction. Men also appear to be treated with great consideration in such matters as unpunctuality, irregular attendance, refusal to work, etc. I must add, however, that my own inspection suggested a satisfactory standard of performance and good management of the labour by the overseers. Some review of the situation would be advisable since the present position seems likely to encourage the steady growth of a permanent body of Government employees quite outside actual requirements; the essential object of providing work for men only until they are able to find some other form of employment appears to have become obscured.

100. The growth of unemployment in the urban areas has embittered the controversy over the preference given to Ceylonese labourers as against Indian immigrants. The Ceylon Government definitely adopted this policy when they discharged a proportion of daily paid Indian workers in Government service; this led to the establishment of a ban on migration by the Indian Government in view of what they regarded as the declared policy of the Government of Ceylon. As a measure for the reduction of unemployment, the repatriation of workless men to their homes in another country is normal procedure for which parallels could be found without difficulty. The further step of discrimination against a particular class, race, or nationality, with the consequent discharge of numbers actually in employment, is a stronger measure of exceptional nature.

101. Considering, now, the question of surplus labour on the plantations, this is mainly due to the interruption of communication between India and Ceylon. Were normal intercourse resumed, the situation would probably largely adjust itself, since there is, undoubtedly, a number of men in Ceylon who are most anxious to visit their homes in India.

102. Unemployment in rural areas is of a different nature from the problem of the towns and plantations, since it concerns the peasant proprietor or subsistence agriculturalist and not the wage earner. There is, firstly, the question of the increasing difficulty which the villager finds in disposing

of his produce; the little income formerly derived from the ownership of a few coconut trees has virtually disappeared owing to the depression prevailing in that industry. In various other directions the country people are finding difficulty in the sale of their surplus produce on which they depend for cash. They are, in fact, in the position of being able to grow most of the food that they need, but having considerable difficulty in obtaining the money with which to buy their additional requirements. This position would naturally be largely improved by any recovery in the various markets; there is however, in addition, the undeniable fact that good agricultural land is restricted, and required to carry such a large population that little more than a bare living can be extracted from it, while no reserve against adversity can be attempted. Furthermore, there is the serious consideration that the population of Ceylon is increasing by about 100,000 per annum; this additional population must be provided for and unless the standard of living is to be continuously depressed additional land will be essential. The alternative of a large measure of industrialisation could scarcely be carried out on a scale which would provide more than a very partial remedy. Since such a policy would, in any case, be doubtfully desirable, the problem therefore resolves itself into the discovery of additional agricultural resources.

103. Here it is necessary to recall the fact that the great part of the population and the existing agricultural activities are concentrated in the south-west quarter of the Island, where the rainfall is heaviest. To the north and east lies the "dry zone" with a scanty population and a low figure of production. The term "dry" is, however, accurate only in comparison with the more fertile areas of the Island; it has an annual rainfall of 50-75 inches with even more in certain spots; it would in fact be highly esteemed and readily exploited in many countries. Clear evidence of its possibilities exists in the numerous large artificial reservoirs or "tanks" which bear eloquent testimony to the engineering ability and enterprise of the Ceylonese of former days. The revival of this ancient system of irrigation would provide great areas well suited to cultivation. The principal difficulty appears to lie in the severe outbreaks of malaria which follow the first clearing of the bush which at present covers the land in question.

104. The Government of Ceylon is fully alive to such possibilities and the Minister for Agriculture outlined to me plans for development on a large scale; the complications and difficulties likely to arise are clearly visualized, and colonization on well-organised lines is the object in view. A beginning has already been made, while the Labour Department has also initiated some experiments with a view to a partial solution of the unemployment problem. There appears to be, however, an opening for organisation on an even wider scale and particularly for more co-operation with other Departments. The recruiting of colonists is a matter of some delicacy and great importance; careful selection, combined with all possible training, will go far to ensure success. Here the Education Department might render most valuable assistance. I was impressed by the practical outlook of this Department and the efforts made to create and maintain an agricultural bias in the schools; I saw rural elementary scholars actually engaged in cultivation, in surroundings which testified to the keen interest and pride taken in such work. Furthermore I visited the Teachers' Training Centre, where a course was in progress for teachers drawn from actual work in the schools; the variety of practical work being done and the obvious enthusiasm of the students were most refreshing. Such a background should contribute most valuably to the production of potential settlers; the creation of scholarships or bursaries for scholars showing special promise should give additional encouragement. Another source of recruits should be the Borstal Institute at Welapitywela

where the boys are given a considerable amount of agricultural training. Efforts might also be made by the Labour Department to induce suitable men among the unemployed to engage in the colonization scheme.

105. The problem of the initial outbreak of malaria could perhaps be dealt with by the formation of a small carefully selected body of pioneers; these men should receive high wages and be employed under close supervision in carefully planned camps, with the provision of all possible safeguards to secure them against infection. They might then carry out the initial clearing and such anti-mosquito measures as might be feasible, leaving the land thus prepared available for occupation by the prospective colonists.

106. The Ceylon authorities are alive to the necessity for the initial support of the colonists until such time as they are able to establish themselves; the need for a hospital, school, church, temple, etc., is recognized, and facilities for recreation will not be overlooked. The launching of such a scheme on large scale lines should therefore serve as a genuine measure for relief of unemployment, and the experience gained should enable further development to be undertaken, thus providing an outlet for the increasing population.

107. In connection with projects such as the foregoing, Co-operative Societies should prove very valuable. In this connection, the Sitang Colonial Scheme in Burma should provide useful experience; it controls 120,000 acres producing 80,000 tons of paddy annually (Bulletin No. 5, The Reserve Bank of India of 1939). The Report states, "every colonization scheme should from the outset provide for the marketing of the Colonists' produce . . . consumers' co-operative societies should be a part . . ." (page 52). The Co-operative Department of Ceylon appears to be well organised for such a purpose and is already operating on a wide scale. Examination of the working of individual instances of such societies suggested that some simplification in the system of accounting might facilitate establishment and conduct of such undertakings. In one instance I found that 16 different books had to be kept up, even the smallest transaction involving several entries, with appropriate accounting and auditing (this elaboration of detail is a noticeable feature of Ceylon, where a hotel will find it necessary to ask for the signature of a numbered voucher, complete with carbon copy, for a box of matches value one halfpenny). In other countries Co-operative Societies are quite successfully conducted with a far simpler system, and consideration must be given to discover possibilities for reducing complications which must at present be a formidable obstacle to the creation of new Societies. One way of eliminating much pay accounting would be the introduction of books of tickets of various values, the cost of the book being the only item requiring entry; this system works very satisfactorily elsewhere and might well merit adoption in Ceylon.

108. Existing unemployment is dealt with by an Exchange with headquarters in Colombo. Examination of the organisation of the office showed it to be well managed, applicants being classified in a card index according to ability and qualifications. During 1940, employers' notifications of vacancies amounted to 1,303, of which 1,208 cases were registered, 95 being refused. These afforded work for 4,119 persons for Government employment and 1,817 for private employers; of these, 4,172 were for regular work and 1,764 were temporary; the total number being found employment thus amounting to 5,936. The foregoing figures testify to the valuable service rendered by the Exchange but they do not, of course, include any indication of the length of time for which each job was held by an applicant, a point of some importance. The Exchange is widely criticized on the score of the unsatisfactory type of person supplied, the lack of qualifications being the main source of complaint: This is no doubt to some extent inevitable if only on account of the deterioration which is such a deplorable accompaniment of continued

unemployment. There is, however, another cause in the general lack of definite standards of efficiency. Few opportunities exist which will enable men to secure some certificate which would be recognized as guaranteeing a certain standard of performance; consequently an applicant for a post may claim to be a competent typist, cook, fitter, etc., without evidence to support the claim beyond a character given by a previous employer, which may or may not be reliable. The Exchange has no means of testing the abilities of applicants and employers must therefore proceed by trial and error. The introduction of a general system of certificates of efficiency by schools, colleges, firms employing apprentices, and other authorities would be of great value to all concerned.

109. A conspicuous instance of this need occurs in the case of domestic servants; the complaint is often heard that such work was formerly chiefly undertaken by Sinhalese but that these have, of late years, been largely ousted. There is an Ordinance governing the registration of domestic servants which provides for strict supervision of all those so employed. This is said to work well but, though it fulfils a useful function in guaranteeing a good character, it has no bearing upon efficiency. Enquiry at the Employment Exchange revealed a sustained dearth of cooks, and applicants for posts had in some cases failed to retain them owing to inefficiency. Domestic service is of importance in Ceylon, where in addition to private employment there is a large tourist traffic catered for by numerous hotels and restaurants. There is thus a conspicuous opening for a Domestic Training College which would conduct courses of instruction for cooks, waiters, valets, ladies' maids, nurses, etc., with the issue of a certificate on the satisfactory completion of the course. The Dundas Civic Centre in the Bahamas provides an instance of a highly successful organisation on these lines which has enabled the local inhabitants to capture the lucrative tourist business formerly in the hands of immigrants.

Indian Immigration.

110. At the time of my visit, a difference between the Governments of India and Ceylon had led to the imposition of restrictions on migration which precluded the normal flow of labour between the two countries; the consequent difficulty which attended the Tamil labourer's usual practice of returning home periodically had aroused considerable discontent. Employers were also faced with the problem of finding employment for numbers above their real requirements, and an economically unsound position was arising. The matter has since been the subject of discussions between the two Governments, but unexpected developments consequent upon the course of the War have introduced further complications, and a final settlement has not been reached.

111. Presumably some solution of the disagreement between the Governments of India and Ceylon will be reached in due course; the recognition of established obligations should admit of reconciliation with measures to deal with Ceylon's growing unemployment problem. A solution of the disagreement is much to be desired, not only for the avoidance of economic difficulties and individual hardship, but also for the elimination of a cause of serious friction among the various elements of the population of the Island.

Pension Schemes.

112. A general Old Age Pension Scheme, even on very modest lines, appears to be quite beyond the financial resources of Ceylon, though the necessary calculations and investigations have not yet been made. There

remains the possibility of some more limited scheme to deal primarily with the old workman, and therefore connected with the main industries of the Island.

113. The cess on estates, to provide funds for importing labour, seems unlikely to be fully required again; in any case, it affords a model on which might be based the collection of the employer's contribution. Other contributions might be made by the Government, as to one-third, and the worker himself, as to one-third. A scheme on these lines would provide a modest pension for old workers without an unduly heavy call being made on any one of the three parties; it should also be remembered that a number of employers already have pension schemes of their own, a burden of which the proposed plan would relieve them.

114. Obviously a large amount of accounting would be involved and the casual or intermittent worker is a puzzling feature; the scheme might well be suitable for tea and rubber, but present difficulties in the case of those industries in which intermittent employment is a constant feature. There is furthermore the difficulty of incorporating the immigrant labourer, with his periodical absences, sometimes for lengthy periods, and his eventual return to his home. In spite of these difficulties, it seems to offer an advance beneficial in itself, even though limited, while the experience so gained should admit of an extension as seems desirable.

115. In any case, the subject is a highly technical one, and a well-founded estimate would only be possible after careful investigation and the collection of all the essential statistics without which the launching of any scheme would be attended by great financial risk. The services of an expert to carry out a survey, and make recommendations, appear essential before any definite proposal could be considered. The same remarks apply to the problems of insurance against sickness and unemployment.

Trade Unions.

116. The appearance and growth of Trade Unions in Ceylon has occurred under exceptional circumstances, since the movement has originated rather from above than from the workers themselves. The unfortunate differences which have arisen, owing to the somewhat conflicting position of the Ceylonese labourer and the Indian immigrant, have resulted in marked political activity on both sides. The normal homogeneity of the manual labourers is thus severed by the division into two parties, with different aspirations and objects. This division has been accentuated by the long series of legislative provisions enacted to satisfy the requirements of the Indian Government; since these, in most cases, applied only to the immigrant labourer, a wide measure of discrimination was thereby introduced. The situation is also affected by the terms of the Ceylon Constitution of 1931, which established virtual adult suffrage; in consequence of this the labourer became an important figure as a voter, and there was thus a tendency for politicians to identify themselves with labour and trade union movements in order to secure the support of such bodies. The actual material conditions of living of the worker consequently tend to be overlooked, in favour of abstract claims to concessions or privileges of importance to the leaders. It is a noticeable feature of Trade union delegations in Ceylon that they seldom include any actual worker employed in the industry which they claim to represent; the delegates usually prove, on enquiry, to be lawyers, school-masters, journalists, ex-Government employees, and similar persons of education. Another noticeable feature of the numerous delegations that I met was that on no occasion did they include a woman member, and this in spite of the fact that female labour is an important feature in Ceylon, frequently commanding good

wages. In view of the fact that the bulk of the manual labourers are illiterate and unsophisticated this state of affairs is, no doubt, to some extent comprehensible and inevitable, but it is unfortunate.

117. In this connection the views expressed by the Royal Commission on Labour in India are to the point. Describing Trade Unions they say (Report of Royal Commission on Labour in India; Cmd. 3883, 1931*) on page 319, "at the bottom of the scale come those Unions which represent little or nothing more than the one or two men (generally drawn from the professional classes) who fill the leading offices. A few such Unions can fairly be described as having had their main evidence of reality in notepaper headings. The object is to give a platform and a name to the leaders. The members, if not imaginary, are convened on the rare occasions when the endorsement of some resolution is required . . . on a higher lever come what may be described as the ad hoc Unions, i.e., organisations designed to secure some definite and immediate object. These, though they may be organised by independent persons, have their origin in the genuine need of the workers. The most common form is the strike committee formed to carry on a strike, and committees charged with the responsibility of formulating demands after the strike has begun. With the end of the dispute, particularly if the workers are unsuccessful, the Union either disappears or enters a state of suspended animation, from which it may be revived by a subsequent dispute". On page 327, "One of the first needs therefore is the training of the members themselves. There is too great a tendency to allow the members to remain passive supporters of the Union instead of making them an active force". On page 329, "The Unions, if they are to increase their strength, must find organisers from within the ranks of labour. This does not mean that the Trade Union officials must be actually working in the industry with which the Union is connected. No man who is doing a day's work in a factory or a mine, or on a railway, can find the time or energy necessary for the work. Further, the actual worker, even with the best of employers, cannot display sufficient independence to defend adequately the Union's interests. What is required is the whole-time official who has been an actual worker".

118. The Trade Union Law of Ceylon requires that 50 per cent. of any executive shall be workers actually engaged in the industry concerned; the Trade Union officials whom I met assured me that this provision was scrupulously observed but that the labourers themselves were ignorant and inarticulate, and that they were therefore unable to present their own case, and required spokesmen on their behalf. With this contention I am unable to agree, and I consider it unduly depreciatory of the shrewdness and commonsense of the Ceylonese worker. In other countries I have had very useful discussions direct with labourers of a more ignorant and primitive type than those of Ceylon; similarly, in my various visits to places of employment in the Island I had numerous interesting conversations with actual workers, though unfortunately, of necessity, only through interpreters. This feature of Trade Unionism as it at present exists in Ceylon, is a distinct weakness; if a healthy representative organisation is to be evolved, the close association of the workers themselves is clearly essential. The present leaders cannot hope to secure the wholehearted support of their members unless the latter feel themselves identified with the executive; nor can the Unions acquire the respect of the employers unless the latter regard them as genuinely representative of their employes.

119. The latter point is of considerable importance in connection with the difficult question of access to estate labour lines. Complaints are frequent

* H.M. Stationery Office, 4s. 6d. net.

that Trade Union officials are prevented from visiting workers in their homes, and are threatened with prosecution as trespassers if they attempt to do so. The employer's reply to this grievance is that he is perfectly prepared to discuss matters with a genuine representative of his own workers, nominated by them, or, alternatively, with an accredited and competent official of a well-recognized Union; he objects, however, to the presence on his estate of strangers who have no claim to be manual labourers and who purport to be the local representatives of some Union which may have scarcely any membership among his labourers; their claim that unionism cannot progress unless they have the opportunity for preaching it to the labourers he regards as an excuse for political activities of a possibly inflammatory nature. The plantation is, in any case, legally open to inspection by the Agent to the Government of India, as well as the Controller of Labour, and the employer not unnaturally feels that he is entitled to restrict the degree of interference to which he is subject. The position of the Trade Unions would be greatly strengthened were they more truly representative of the workers and better able to concentrate upon the improvement of actual labour conditions rather than the attainment of political aspirations.

120. Signs are not lacking to suggest that the labourer is beginning to show inclination and ability for combination. Numerous instances of co-operative societies are to be found, in some cases in the form of shops on estates; other instances exist, such as welfare committees for the regulation of the affairs of the labourers on the plantation; one example of the latter which I investigated conducted its proceedings and the election of its officers most methodically, detailed records being kept of all transactions. Other instances were afforded by sports clubs, thrift societies, Boy Scout troops, and similar activities. In most, but by no means all, of these organisations, the encouragement and advice of the employer played an important part; in any case, they serve to show a decided aptitude for combination. Clearly, therefore, men who have displayed some ability in such capacities should form useful leaders to represent the views of their fellows. The addition of this talent to Trade Union executives would go far to strengthen the position of these with both workers and employers, and serve to contradict the charge that the Union leaders are "outsiders" and have no qualifications as representatives of the workers. The legal position of Trade Unionism in Ceylon is satisfactorily established by Ordinance No. 14 of 1935. There is, however, one omission in this, in that no provision is made for the regulation of peaceful picketing. Some such measure is most desirable in a country such as Ceylon where crowds are apt to be easily excited; the clear statement of the purpose and justifiability of peaceful picketing should definitely distinguish between legitimate Trade Union activities and the resort to mob violence of which they are at present liable to be accused. It would also go far to clarify the position for the police and facilitate their difficult task of maintaining order at times of industrial tension.

Labour Department.

121. The Labour Department appeared to me to be well staffed. Mr. Gimson, the Controller, has his headquarters Office in Colombo, which is obviously the most suitable place. (Since the date of my visit, Mr. Gimson has been promoted to the post of Chief Secretary, Hong Kong.) At this headquarters Office there is a Deputy Controller and two additional Deputies; it should be explained that the headquarters Office also undertakes the labour requirements for the City and Port of Colombo. There is, in addition, a large and efficient clerical staff; there are also three Labour Inspectors. Furthermore, there is the Employment Exchange with Manager, Assistant Manager, and necessary clerical staff. In other parts of the Island there

are Labour Offices at Kandy, Hatton, and Badulla, each under a Deputy Controller with a Labour Inspector attached, also one clerk and one peon. There is also a Labour Inspector at Galle. There is a special Unemployment Officer with headquarters in Colombo to deal not only with the general problem but with the settlement schemes under consideration in connection with the relief of unemployment.

122. This staffing and distribution appeared to be working satisfactorily, though the Deputy Controller at Hatton, whose work included the Nuwara Eliya area, seemed to me to have more work than he could reasonably accomplish. There also appeared to be a need for additional attention to Trincomalee and possibly Jaffna.

123. There is a definite need for a Medical Officer to specialize in labour problems in close co-operation with the Labour Department. Valuable work is being done at present by the general Government Medical Staff but better results could be obtained were an officer able to concentrate upon problems such as nutrition, maternity work, child welfare, etc., with particular reference to conditions of labour. I therefore recommend the appointment of a specially selected Medical Officer to be seconded for full-time duties with the Labour Department. This would, of course, postulate close connection with the Medical Department, co-operation with which is essential for the work of the Labour Department.

124. There is also a conspicuous need for a Factory Inspector. The draft of the new Factories Bill has been published in the Gazette and will presumably shortly become law; in any case, the numerous industries in Colombo and elsewhere are much in need of expert inspection. Since this is a technical question, requiring special training, I recommend the appointment of an Inspector to be obtained, if possible, from the Ministry of Labour in London.

125. The desirability of a Statistical Branch for the Labour Department was brought to my attention. There is already a general Statistical Department doing a large amount of most useful work; this, however, naturally does not deal with the special requirements of the Labour Department, and the compilation of the particular returns which they require must therefore be carried out by a special request to the Statistical Department. I recommend the formation of a small section in the Labour Department to deal with their own special statistical work; this should not entail any interruption of the present contact with the Statistical Department, whose assistance generally will be of the greatest value to the Labour Department.

Legislation.

126. The principal legislation dealing with labour in Ceylon is as follows:—

Chapter 59 of the Laws, Contracts for Hire and Service.—The original Ordinance was passed in 1866 and amended in seven subsequent Ordinances, of various dates, up to 1927. This regulates contracts of service, establishing a verbal contract of one month and requiring a written contract for any longer period; wages shall be payable monthly; a verbal contract shall be assumed to be a daily one unless otherwise specified. Penalties are introduced for giving false characters and making false statements in connection with employment. Any servant who falls ill is entitled to lodging, food, and medical care at the expense of his employer.

127. *Chapter 108 of the Laws, Employment of Women, Young Persons and Children, Ordinance No. 6 of 1923, supplemented by Ordinances Nos. 16 of 1940 and 46 of 1941.*—A "child" means a person under the age of 14 years; a "young person" is a person who has ceased to be a child and is

under the age of 18. No child may be employed in any industrial undertaking, or upon a ship unless with a member of the same family; no young person or woman may be employed at night in an industrial undertaking; a Magistrate can authorize search where suspicion of contravention of the Ordinance appears well-founded. (This Ordinance was introduced to give effect to the International Draft Conventions Nos. 4, 5, 6, and 7, and it includes the provisos and exceptions embodied in those Conventions.)

128. *Chapter 109 of the Laws, Employment of Females in Mines, Ordinance No. 13 of 1937.*—This prohibits the employment of any female in manual labour underground.

129. *Chapter 110 of the Laws, Industrial Disputes (Conciliation) Ordinance, No. 3 of 1931.*—This empowers the Governor to appoint a Commission to inquire into any matter relating to industry which he may refer to it. The Ordinance also authorizes the Controller of Labour to set up Conciliation Boards, consisting of a Chairman, and members to represent in equal numbers the parties to the dispute. The conclusions of the Board are published by the Controller of Labour in English, Sinhalese, and Tamil, and within 14 days there must be a notice signifying the acceptance or rejection of the settlement by the parties. Such a settlement can only be repudiated by either party on 14 days' notice; otherwise both employer and workman are bound by its terms and any failure to comply with these renders the offender liable to a fine of Rs.200. I recommend the addition of arrangements for regulating the position of employees of the Government and of local authorities.

130. *Chapter 111 of the Laws, Indian Immigrant Labour Ordinance, No. 1 of 1923, and No. 26 of 1937.*—This regulates the arrangements for assisted immigrant labour. It established an Immigration Fund, authorizing the necessary raising of funds from various sources, including the employers; the collection of labour is regulated, accommodation, subsistence, and transport of immigrants is to be arranged free of any charge to them, and contracts are limited to one month. Regulations follow detailing requirements under the terms of the Ordinance.

131. *Chapter 112 of the Laws, Estate Labour (Indian) Ordinance, No. 13 of 1889, amended six times, at varying dates, up to 1941.*—This established a verbal contract of one month, with monthly payment of wages not later than the tenth day of ensuing month. Wages are a first charge on an estate. A discharge certificate, in a prescribed form, must be given to every labourer on ending his services; a fraud in connection with these discharge certificates renders the offender liable to a fine of Rs.1,000, or six months' imprisonment. Ordinance No. 15 of 1941 introduced an amendment requiring the provision of a separate room for each married couple with children not above the age of twelve. I recommend the addition of a clause requiring two rooms to be provided for families containing children above the age of infancy.

132. *Chapter 114 of the Laws, Minimum Wages (Indian Labour), Ordinance No. 27 of 1927, amended by No. 34 of 1935.*—This Ordinance establishes overtime rates for a day's labour exceeding 9 hours; it prohibits employment of any child above the age of 10 years; enables the Governor to appoint in any Revenue District an Estate Wages Board, to fix minimum rates in its area; empowers the Board of Indian Immigrant Labour to vary the rate fixed by any Estate Wages Board; orders the issue, on every estate, of one-eighth of a bushel of rice free to every Indian male labourer above the age of 16 employed on an estate, and every resident Indian widow having a child less than 10 years old, or alternatively, one free meal daily, as approved by the Controller, may be issued to each child below the age of 10 years resident on the estate, offences being punishable by a fine of up to Rs.100

for each offence; records and accounts must be kept at all places of employment to enable the Controller to ensure enforcement of the provisions of the Ordinance; translations into Tamil of the various Ordinances relative to labourers must be exhibited in a conspicuous place on each estate. I recommend the raising of the age of employment from 10 years to 12 years, and to 14 years where adequate educational facilities exist.

133. *Chapter 115 of the Laws, Registration of Domestic Servants Ordinance, No. 28 of 1871, amended by No. 18 of 1936.*—The Ordinance establishes a register of domestic servants, under the control of the Inspector General of Police. The Ordinance may be applied to towns and districts by the Governor, by Proclamation in the Government Gazette. (This has been done for eleven areas.) Every servant must attend before the Registrar and furnish him with information regarding his age, country, previous service, and such other particulars as the Registrar may require; these are entered in a pocket register which is given to the servants; intending servants must similarly appear; the Registrar can refuse registration to anyone who does not appear to be a fit and proper person to enter domestic service, reporting his refusal to the Inspector General of Police. No employer may engage a servant without the production of the pocket register, in which must be entered the date of engagement and discharge of the servant, together with a character of the servant; refusal to enter the latter must be explained in writing to the Registrar. Conviction for certain offences specified in a schedule may be entered by the Registrar in the pocket register. Offences by masters and servants in connection with these registers are punishable by a fine up to Rs.20; wilful falsification or destruction of a register is punishable with imprisonment up to one year, or a fine of Rs.500, or, in the case of an offence by an officer of the Registration Department, heavier penalties. A scale of fees for the various entries in the register authorizes a charge of 25 cents, or for the issue of a duplicate pocket register, one rupee.

134. *Chapter 116 of the Laws, Trade Unions Ordinance, No. 14 of 1935, supplemented by Regulations in 1935.*—This Ordinance follows generally the legislation to be found in the majority of Colonies. Certain features may be mentioned. Registration is compulsory, the Registrar being appointed by the Governor; the Registrar may only refuse registration if he is convinced that any one of the objects of the rules or constitution of the Union is unlawful or conflicts with the provisions of the Ordinance; appeal from such refusal of registration may be made to a District Court, with subsequent appeal to the Supreme Court. A registered Trade Union is protected from actions for tort. One half of the officers of a registered Trade Union shall be persons engaged in the industry concerned. The funds of a Trade Union may not be applied to the payment of any judicial fine or penalty, and expenditure on political objects is permissible only from a separate fund. Annual returns of audited accounts shall be furnished to the Registrar. There is no provision for legalized peaceful picketing. I recommend the introduction of provisions governing peaceful picketing; I also recommend alteration of the proportion of officers of a Union actually employed in the industry concerned from one-half to two-thirds, but these to be, or to have been, actually employed.

135. *Chapter 117 of the Laws, Workmen's Compensation Ordinance, No. 19 of 1934.*—This Ordinance, in the main, follows the lines adopted in many other Colonial territories; certain features may be noted. Compensation is not payable for injuries which do not disable for more than seven days, nor for accidents due to the influence of drink or drugs or the wilful disobedience of safety regulations or devices, where such accidents do not result in death. Compensation is payable at a figure based on the monthly wages of the workmen, as calculated in a schedule, death being assessed at

amounts varying from Rs.400 to Rs.5,000, permanent total disablement Rs.700 to Rs.6,500, and temporary disablement varying from half the monthly wages up to Rs.30, minors receiving rather smaller payments. Compensation is recoverable from a contractor or from his principal. The Ordinance is administered by Commissioners, appointed by the Governor, who have the powers of a Civil Court. Employers must report accidents to the Commissioners within 14 days. Compensation cannot be assigned, attached, or charged; contracting out is not permitted. I recommend an amendment to this Ordinance to provide for a reduction of the essential period of incapacity from seven days to three days.

136. *The Shops Regulation Ordinance, No. 66 of 1938, amended by No. 18 of 1940.*—This Ordinance regulates employment of persons and shops, and controls the hours of business. It lays down that the working day shall not exceed nine hours, or 50 hours in any one week, including meal-times; one whole day's holiday and one half-day's holiday in each week must be allowed without deduction of wages. Each employee shall take an annual holiday of seven days with full wages and shall be entitled to another 14 days on account of private business, ill-health, or other reasonable cause. A rest period of half-an-hour is prescribed after four hours' continuous employment; no person under the age of 14 years shall be employed in a shop and no person between the ages of 14 and 18, and no woman, shall be employed in a shop before 6 a.m. or after 8 p.m. No employee, other than a member of the family of the owner, shall reside in the shop; provisions are made for lighting, washing, and sanitary conveniences; seats must be provided for female employees. The Minister is authorized to make orders for the closing of shops during certain hours, such orders to be approved by the State Council and the Governor. The owner of a shop shall exhibit a list of employees. Provision is made for inspection by officers to be appointed by the Governor. The Executive Committee can make Rules under the Ordinance. Offences are punishable by a fine of Rs.25 or one month's imprisonment, or, for a third or subsequent offence, a fine of Rs.100 and/or six months' imprisonment.

137. The amending Ordinance places the responsibility for necessary inspection on the Labour Department, reduces the working hours from nine to eight for the day, and from 50 to 45 for the week, and permits employment of females and young persons in hotels and restaurants up to 10 p.m. A closing Order was applied, dated 23rd July, 1940, to Kandy, Colombo, and Galle; this made provision for public holidays and provided exemptions during the presence of passenger ships in the Port of Colombo. This Order excludes from its provisions a variety of businesses, including hotels, restaurants, petrol stations, undertakers, cinemas, newsagents, etc., though these remain subject to the general provisions of the Ordinance. I recommend reconsideration of the terms of this Ordinance with a view to simplification of requirements, and I further recommend the introduction of a separate Ordinance to deal with hotels, restaurants, petrol service stations, cinemas, newsagents, and similar businesses whose nature renders them doubtfully amenable to the Regulations devised for shops. (See comments in the section on "Urban Housing Conditions"*)

138. *Maternity Benefits Ordinance, No. 32 of 1939.*—The Ordinance provides that no woman worker shall be employed for four weeks following confinement; maternity benefit, at the rate of 50 cents per diem, is payable over six weeks—two weeks before and four weeks following confinement. The employer is not liable for payment of that benefit unless he has employed the woman for at least nine months before confinement. Right to maternity benefit is not to be affected by notices of dismissal given without sufficient

cause. The Governor may appoint Inspectors for the carrying-out of the Ordinance and the Executive Committee may make Rules for putting the Ordinance into effect. Offences by employers are punishable by a fine of Rs.500. This Ordinance has been passed but has not yet been applied by Regulations drawn by the Executive Committee as required. I recommend the early application of this Ordinance.

139. *Ordinance 48 of 1939, Children and Young Persons Ordinance*, is of importance but has not yet been brought into operation. This establishes Juvenile Courts and provides for the appointment of Magistrates of either sex. The Court shall sit in a different building from the usual Court House; Press reports of proceedings are not allowed. Rules of procedure are laid down; a parent or guardian must, if possible, be present; young offenders shall not be committed to prison but can be sent to an approved school, remand home, etc. Young male offenders may be given six strokes with the cane. A Juvenile Court has power to deal with any young person in need of care and protection. Rules for the conduct of remand homes and approved schools are laid down. Part IV regulates the employment of children and young persons. No child under the age of 12 may be employed. Children under 14 may not be employed so as to conflict with school attendance or at night or in any occupation likely to be injurious. Part V makes provision for the protection of young persons against moral and physical danger. For the purposes of the Ordinance "a child" is below the age of 14, and "a young person" below the age of 16. The Ordinance is a lengthy one and should be consulted for details. I recommend the early application of this Ordinance also.

140. *Wages Boards Ordinance, No. 27 of 1941*.—This Ordinance authorizes the Minister to establish a Wages Board for any trade, the Board to consist of the Controller of Labour, and members representing employers and workers in equal proportion, women being eligible. Such Boards are authorized to hold enquiries and are given the powers of a District Court to enforce attendance or production of documents. A Wages Board may constitute a district Wages Committee for any area or district to which it may refer any matter under consideration. Wages Boards may fix minimum rates of wages for time-work or piece-work, and their decision is binding upon all employers. Wages Boards may also fix the number of hours constituting a normal working day, specify a weekly holiday and the number of days for an annual holiday. Special cases of non-able-bodied workers are subject to the decision of the Controller. Every employer is required to keep a register showing particulars of all his employees with details of work, wages, hours, holidays, and maternity benefits. Offences by employers concerning wages are punishable with a fine of Rs.1,000 and/or six months' imprisonment; other offences may be punished by a fine of Rs.500 and/or six months' imprisonment. The Governor may appoint officers to give effect to the provisions of the Ordinance, and these are authorized to inspect premises, examine registers, etc. The Executive Committee may make Regulations for the carrying out of the Ordinance. This Ordinance has not been applied by the necessary Rules. I recommend that this should be done.

141. Legislation is under consideration for the amendment of the Industrial Disputes Conciliation Ordinance, the Indian Immigration Ordinance, the Minimum Wages Ordinance, and the Trade Unions Ordinance. New legislation is under consideration for a Factories Bill and an Ordinance dealing with the ejection of estate labourers.

142. Generally, I strongly recommend the extension of existing legislation, at present applicable only to Indian workers, to cover all classes, thus eliminating the considerable measure of racial distinction now existing.

Appendix I.

REVENUE AND EXPENDITURE.

Year.						Total Revenue.	Total Expenditure.
						Rs.*	Rs.
1933-34 ...	...	...	...	...	...	104,100,361	93,444,581
1934-35 ...	...	...	...	...	...	98,993,551	107,286,124
1935-36 ...	...	...	...	...	...	102,770,506	109,740,474
1936-37 ...	...	...	...	...	...	119,196,899	108,778,780
1937-38 ...	...	...	...	...	...	113,347,590	115,337,266
1938-39 ...	...	...	...	...	...	115,883,040	127,050,750
1939-40 ...	...	...	...	...	...	128,052,310	129,504,965
1940-41 ...	...	...	...	...	...	117,900,260	128,419,446

*Re. 1 = 1s. 6d.

Appendix II.

AGRICULTURAL SUMMARY.

Product.	Acreages, 1940 (estimated only).	Quantity exported, 1940.		Value. Rs.
		Tons.		
Coconuts ...	1,100,000 (a)	(f) 172,187.3	—	23,048,582
Rice ...	850,000 (b)	—	—	—
Rubber ...	604,197 (c)	90,572.83	—	116,193,346
Tea ...	553,845 (d)	109,986.40	—	207,910,143
Chenas (vegetable and other crops)	140,000 (e)	—	—	—
Arecanuts ...	69,000 (e)	4,875.8	—	1,389,595
Palmyra ...	50,000 (e)	148.0	—	5,604
Cacao ...	34,000 (e)	41,063.0	—	1,899,297
Citronella ...	33,000 (e)	595.85 (g)	—	1,109,830
Cinnamon ...	26,000 (e)	520.9	—	157,794
Tobacco ...	14,000 (e)	391.0	—	315,942
Cardamoms ...	6,000 (e)	126.7	—	419,770

(a) Based on the results of the partial Census of Production, 1929.

(b) Based on the statistics collected for 1937-1938.

(c) Based on the Rubber Controller's Survey for 1939.

(d) Based on the Tea Export Controller's Report for 1939-1940.

(e) Based on the results of the Censuses of Production, 1921 and 1924.

(f) Coconut products—in addition 6,726,915 fresh nuts were exported.

(g) Citronella oil.

Appendix III.

AVERAGE PRICES OF PRINCIPAL COMMODITIES.

	1925.	1926.	1927.	1928.	1929.	1930.	1931.	1932
Tea, pence per lb. ...	17.3	17.5	17.2	15.3	14.6	13.5	10.3	7.6
Rubber, pence per lb. ...	35.0	23.0	17.0	10.0	9.0	4.5	2.5	1.9
Desiccated Coconut, pence per lb. ...	3.6	3.6	3.4	3.4	2.9	2.3	1.8	1.9
Copra, £'s per candy (560 lbs.) ...	6.0	5.9	5.75	5.7	4.8	3.9	2.6	3.15
Plumbago, £'s per ton ...	15.8	17.7	23.65	14.1	16.8	15.25	13.65	12.65
	1933.	1934.	1935.	1936.	1937.	1938.	1939.	1940
Tea, pence per lb. ...	9.7	11.9	11.8	12.0	13.7	13.6	13.7	14.0
Rubber, pence per lb. ...	2.7	5.5	5.4	7.4	9.0	6.7	8.9	9.9
Desiccated Coconut, pence per lb. ...	1.4	1.1	1.8	1.9	1.8	1.1	1.6	1.4
Copra, £'s per candy (560 lbs.) ...	2.2	1.65	2.85	3.6	3.5	2.05	2.55	2.9
Plumbago, £'s per ton ...	9.5	10.95	11.1	8.4	9.9	11.1	11.7	—

Appendix IV.

PRINCIPAL OCCUPATIONS IN CEYLON AND AVERAGE RATES OF WAGES.

Government Employment.

<i>Railway.</i>					<i>Rs. per annum.</i>	
Foreman	...	...	...	...	4,800-7,200	
Engine Drivers—						
Class I	...	...	...	...	2,700-3,660	
Class II	...	...	...	...	1,800-2,568	
Firemen	...	...	...	...	1,320-1,740	
Head Guards	...	...	...	...	1,200-3,240	
Junior Guards	...	...	...	...	840-1,080	
Signalmen	...	...	...	...	540- 840	
Labourers—					<i>Rs. per diem.</i>	
Skilled	...	...	...	...	1.60-4.24	
Semi-skilled	...	...	...	...	0.96-1.60	
Unskilled	...	...	...	...	0.64-1.12	
<i>Factory Labour (Government).</i>					<i>Cents. per hour</i>	
Semi-skilled labour	...	...	...	...	12-20	} 48-hour week.
Unskilled labour	...	...	...	...	8-14	
Trade apprentices	...	...	...	...	10-18	
Women and boys	...	...	...	...	3-10	
<i>Non-Factory Labour (Government).</i>					<i>Rs. per diem.</i>	
Skilled labour	...	...	...	...	1.60-4.24	} <i>The hours laid down for a regular day vary in accordance with the class of work the labourer is employed on, and such hours are fixed Departmentally.</i>
Semi-skilled labour	...	...	...	...	0.96-1.60	
Unskilled labour	...	...	...	...	0.64-1.12	
Trade apprentices	...	...	...	...	0.80-1.44	
Women and boys	...	...	...	...	0.24-0.80	
<i>Post and Telegraph Office.</i>					<i>Rs. per annum.</i>	
Postal Probationers	...	...	...	...	3,200-4,100	
Postal Clerical Service—						
Special Class	...	...	...	...	3,550-4,000	
Class I	...	...	...	...	2,544-3,300	
" II	...	...	...	...	672-2,436	
" III	...	...	...	...	480-1,200	
Counter Clerks	...	...	...	...	408- 540	
Signallers	...	...	...	...	672-3,300	
Telephonists	...	...	...	...	420- 720	
Postmen, Colombo	...	...	...	...	360- 480	
Provinces	...	...	...	...	270- 450	
<i>Government Clerical Service (General).</i>					<i>Rs. per annum.</i>	
Special Class	...	...	...	...	3,750-4,200	
Class I	...	...	...	...	2,568-3,528	
Class II	...	...	...	...	720-2,448	
Class III	...	...	...	...	480-1,200	
<i>Other Government Occupations.</i>					<i>Rs. per annum.</i>	
Prison Jailers—						
Class I	...	...	...	...	2,400- 3,600	
Class II	...	...	...	...	1,260- 2,100	
Electrical Engineers	...	...	...	...	7,200-12,096	
Lorry Drivers	...	...	...	...	612- 756	
Timekeepers	...	...	...	...	480- 1,200	
Stenographers	...	...	...	...	936- 1,908	
Binders	...	...	...	...	360- 480	
Peons	...	...	...	...	300- 420	
Messengers...	...	...	...	...	360- 480	

Other Occupations.

<i>Agriculture.</i>					<i>Men.</i>		<i>Women.</i>	
<i>Paddy :</i>					<i>Per diem.</i>		<i>Per diem.</i>	
Ploughing	...	...	...	...	40 cents—Re. 1			—
Sowing and Transplanting	...	...	...	...	30 cents—Re. 1			25–75 cents.
Weeding	...	...	...	...	30–80 cents			20–75 cents.
Reaping and Harvesting	...	...	...	...	35 cents—Re. 1			20–75 cents.
Other Agricultural labour	...	...	...	...	50 cents—Re. 1			30–75 cents.
<i>Estate Labour (Indian).</i>					<i>Men.</i>		<i>Women.</i>	
<i>(Tappers and Pluckers).</i>					<i>cents p.d.</i>		<i>cents p.d.</i>	
Up-country	...	...	...	...	62		51	40
Mid-country	...	...	...	...	60		49	39
Low-country	...	...	...	...	58		48	28
<i>Estate Labour (Sinhalese).</i>					<i>Average earnings p.d.</i>			
					<i>Tappers.</i>		<i>Pluckers.</i>	
					<i>Men.</i>		<i>Child. Women.</i>	
					<i>cents.</i>		<i>cents.</i>	
Kalutara	...	...	...	...	50	45	—	36
Galle	...	...	...	...	47	45	—	30
Maltara	...	...	...	...	50	48	—	30
								} <i>Piece-work.</i>
<i>Industry.</i>					<i>Men.</i>			
					<i>Per diem.</i>			
Carpenters (rural)	...	...	...	...	75 cents—Rs. 2.			
“ (urban)	...	...	...	...	Re. 1—Rs. 2.			
Blacksmiths	...	...	...	...	75 cents—Rs. 2.25			
Masons	...	...	...	...	Re. 1—Rs. 2.			
Bricklayers	...	...	...	...	75 cents—Rs. 2.			
Sawyers	...	...	...	...	75 cents—Rs. 2.			
					<i>Rs. per mensem.</i>			
Bus Drivers	...	...	...	...	30–40 (or casual—Rs. 2 per diem).			
Ordinary Drivers	...	...	...	...	40			
<i>Hotel Employment.</i>								
Cooks	...	...	...	...	14			
Table Boys	...	...	...	...	17–50			
Room Boys	...	...	...	...	16			
Lift Attendants	...	...	...	...	12			
Page Boys	...	...	...	...	10			
<i>Trade.</i>					<i>Men.</i>		<i>Women.</i>	
					<i>cents—Re.</i>		<i>Junior Assts.</i>	
Salesmen	...	...	...	...	40 cents—Re. 1.50	36 cents	15–50 cents	} <i>per diem.</i>
Labourers (Transporting)	...	...	...	...	30 cents—Re. 1	36–50 cents	25–40 cents	
Messengers	...	...	...	...	50 cents—Re. 1			
<i>Domestic Service.</i>					<i>Men.</i>		<i>Women.</i>	
					<i>Rs.</i>		<i>Junior Assts.</i>	
Appus	...	...	...	...	Rs. 10–37.50			
Ayahs	...	...	...	...	—	Rs. 9–30		
Cooks	...	...	...	...	Rs. 7.50–30	Rs. 6–15		Rs. 6–12
Gardeners	...	...	...	...	Rs. 5–22.50			
Kitchen Labourers	...	...	...	...	Rs. 8–20	Rs. 9–15		
Watchers	...	...	...	...	Rs. 7.50–22.50			
<i>Waterfront Labour (Port of Colombo).</i>								
Labourers handling unloading of rice cargo	...	...	...	...	Rs. 20 per mensem.			
Labourers dealing with export cargo	...	...	...	...	Rs. 30–40 per mensem.			
Labourers handling coal cargo	...	...	...	...	Average Rs. 2 per diem.			
Labourers in Rice Granaries	...	...	...	...	Rs. 30–35 per mensem.			
Labourers (unskilled) employed in water boats	...	...	...	...	Rs. 8 per mensem.			
Labourers employed on launches	...	...	...	...	Rs. 22.50 per mensem.			
Lightermen	...	...	...	...	Rs. 20–25 per mensem.			
Crane men	...	...	...	...	75 cents—Rs. 1.50 per diem.			
<i>Labour in the Port of Galle.</i>								
Labourers employed in mooring of ships, buoys, and all work appertaining to the harbour.					Rs. 1.15 per diem (plus 21 cents per diem meals money).		Hours of duty : 6 a.m.—6 p.m. (1 hour for mid-day meal).	

Appendix V.

COST OF LIVING ALLOWANCES GRANTED TO GOVERNMENT EMPLOYEES.

(When the average for three successive months of the cost of living index for the Colombo Working Classes is above 115 but not above 150, a cost of living allowance, calculated at the rates indicated below, is paid to Government employees receiving remuneration at Rs. 100 a month or less. When the index figure rises above 150 the whole scheme will be reconsidered. The existing scheme took effect from 1st March, 1941.)

<i>Average of the cost of living index for the Colombo Working Classes for 3 successive months.</i>	<i>Rate of allowance on the first Rs. 30 of an employee's monthly remuneration.</i>	<i>Rate of allowance on the second Rs. 30 of an employee's monthly remuneration.</i>
115 and below	No allowance	No allowance
Above 115 but not above 120 ...	5%	2½%
Above 120 but not above 125 ...	8%	4%
Above 125 but not above 130 ...	11%	5½%
Above 130 but not above 135 ...	14%	7%
Above 135 but not above 140 ...	17%	8½%
Above 140 but not above 145 ...	20%	10%
Above 145 but not above 150 ...	23%	11½%

Computed in each case up to the last completed rupee.

Appendix VI.

MIGRATION FIGURES OF INDIAN ESTATE LABOURERS TRAVELLING BETWEEN CEYLON AND INDIA.

Year	Total Resident	Assisted Immigrants			Emigrants		
		Returning	New	Total	Assisted	Unassisted	Total
1921	445,611	16,068	6,297	22,365	—	23,512	23,512
1922	448,544	37,493	40,143	77,636	—	37,629	37,629
1923	446,167	46,272	43,587	89,859	2	42,038	42,040
1924	562,045	62,474	91,515	153,989	571	50,448	51,019
1925	618,149	57,570	68,015	125,585	1,851	53,203	55,054
1926	666,931	51,330	50,416	101,746	2,442	61,265	63,707
1927	719,552	66,055	93,343	159,398	2,302	87,481	89,783
1928	739,316	62,139	71,573	133,712	3,492	93,596	97,088
1929	740,130	59,404	45,691	105,095	3,183	101,228	104,411
1930	734,747	56,639	34,783	91,422	7,462*	98,728	106,190
1931	682,358	45,389	22,948	68,337	15,707*	75,866	91,573
1932	650,577	37,837	13,032	50,869	14,338*	58,157	72,495
1933	609,535	26,926	5,972	32,898	42,343*	46,626	88,969
1934	688,741	69,310	71,297	140,607	2,304	52,481	54,785
1935	674,024	36,997	6,021	43,018	6,252	43,036	49,288
1936	659,311	35,832	4,971	40,803	5,396	39,747	45,143
1937	677,897	42,216	9,211	51,427	10,322	37,605	47,927
1938	682,570	41,008	6,202	47,210	3,004	43,803	46,807
1939	678,908	25,425	3,834	29,259	2,975	31,714	34,689
1940	688,179	2,955	363	3,318	5,560	12,578	18,138
Totals	12,813,292	879,339	689,214	1,568,553	129,506	1,099,741	1,220,247

* Includes labourers repatriated under the Rubber Scheme, 1930, and the Tea Scheme, 1932.

Appendix VII.

PLANTATION LABOUR AND HOUSING.

Annual Return showing the Labour Strength and Position of Housing on Tea, Rubber, Cacao, Cardamoms, and Coconut Estates which employed Indian Labour during 1940.

Number of Estates which employed Indian labour	1,536
Number of Estates for which statistics secured	1,476

Labour Strength of the Estates.

Number of labourers employed :—

Indians—Resident	458,237
Non-resident	702
Non-Indians—Resident	41,090
Non-resident	55,891
Number of Unemployed Young and Aged Dependants of the Labourers.	
Indians	213,186
Non-Indians	16,724

Housing Particulars.

Labourers' Rooms on the Estates.

	Number.	Cost. Rs.
Permanently built as at 31st December, 1940.		
Up to standard as required by Medical Department	191,417	78,884,589
Not up to that standard	18,580	5,746,023
Permanently built or fully re-built.		
After 1st January, 1922	182,121	73,515,980
During 1940	4,943	1,808,393
Temporarily built as at 31st December, 1940	3,344	326,146

Appendix VIII.

CLASSIFICATION TABLE OF LABOUR EMPLOYED BY GOVERNMENT DEPARTMENTS AND LOCAL BODIES IN MAY, 1941.

	Skilled				Semi-Skilled				Unskilled				Total			
	Ceylonese	Non-Ceylonese	Total	Percentage of Non-Ceylonese	Ceylonese	Non-Ceylonese	Total	Percentage of Non-Ceylonese	Ceylonese	Non-Ceylonese	Total	Percentage of Non-Ceylonese	Ceylonese	Non-Ceylonese	Total	Percentage of Non-Ceylonese
<i>Government Departments.</i>																
Ceylon Government Railway ...	2,384	172	2,556	6.73	1,579	441	2,020	21.83	3,879	890	4,769	18.66	7,842	1,503	9,345	16.08
Government Press ...	—	—	—	—	5	3	8	37.5	23	3	26	12	28	6	34	18
Electrical Department ...	211	16	227	7.05	144	48	192	25	285	79	364	21.7	640	143	783	18.26
Colombo Port Commission ...	653	126	779	16.17	779	306	1,085	28.21	385	107	492	21.75	1,817	539	2,356	22.88
Survey Department ...	166	1	167	.6	25	—	25	—	1,439	5	1,444	.35	1,630	6	1,636	.37
General Post Office ...	219	14	233	6	157	29	186	15.6	615	112	727	15.4	991	155	1,146	13.52
Public Works Department ...	1,053	24	1,077	2.23	1,034	140	1,174	11.92	7,376	316	7,692	4.11	9,463	480	9,943	4.83
Irrigation Department ...	210	6	216	2.8	125	—	125	—	2,346	32	2,378	1.35	2,681	38	2,719	1.4
Forest Department ...	4	—	4	—	26	—	26	—	658	1	659	.15	688	1	689	.16
Medical Department ...	29	—	29	—	24	16	40	40	909	344	1,253	27	962	360	1,322	27
	4,929	359	5,288		3,898	983	4,881		17,915	1,889	19,804		26,742	3,231	29,973	
<i>Municipal Councils.</i>																
Colombo ...	451	126	577	21.8	247	305	552	55.3	842	1,791	2,633	68	1,540	2,222	3,762	59.1
Galle ...	35	1	36	2.8	—	—	—	—	209	14	233	6.3	244	15	259	5.8
Kandy ...	38	10	48	21	21	—	21	—	72	352	424	85	131	362	493	73
	524	137	661		268	305	573		1,123	2,157	3,280		1,915	2,599	4,514	

Appendix IX.

TRADE UNION STATISTICS

Statement showing the Increase or Decrease in Membership of Trade Unions and their Financial position (1940)

Registered Number	Date of Registration	Name of Union	Number of Members at the end of the Year			Funds. Balance at the end of year
			Males	Females	Total	
1	31.1.36	The Employers' Federation of Ceylon	8	—	8	Rs. 654.38
2	3.2.36	The Employers' Federation of Ceylon (Colombo Harbour interests)	31	—	31	698.09
3	5.2.36	Stores and Mills Association	31	—	31	1,578.55
4	5.2.36	General Importers and Distributors Association	7	—	7	24.83
5	7.2.36	The Master Printers Association of Ceylon	7	—	7	608.70
6	7.2.36	Sinhalese Chauffeurs Association	102	—	102	1,414.70
7	17.2.36	Galle Labour Union	58	—	58	28.87
8	28.2.36	The Ceylon Railway Clerical Association	Certificate cancelled			
9	3.3.36	Ceylon Civil Service Association	Certificate cancelled			
10	5.3.36	The Fort Mount Bus Drivers Association	Certificate cancelled			
11	11.3.36	The Ceylon Fertilizer Employers Association	3	—	3	—
12	16.3.36	The Ceylon Public Service Association	Certificate cancelled			
13	16.3.36	Ceylon Railway Guards and Engineers' Association	Certificate cancelled			
14	18.3.36	Ceylon Mercantile Union	190	7	197	3,353.96
15	31.3.36	Chilaw District Labour Union	552	146	698	17.01
16	8.4.36	Ceylon Engineers Employers' Association	5	—	5	1,645.88
17	8.4.36	The Ceylon Hotels and Associated Trades Association	9	—	9	130.00
18	23.4.36	The Ceylon Motor Employers' Association	7	—	7	400.66
19	24.4.36	The Ceylon Hotels Club Employers' Union	222	—	222	239.95
20	11.5.36	All Ceylon Domestic Servants' Union	Certificate of Registration cancelled			
21	20.5.36	Kandy Municipal Technical Association	Return not received			
22	30.5.36	The Ceylon Railway Uniform Staff Union	Certificate cancelled in 1937			
23	10.6.36	The Fort Mount Omnibus Owners Association	16	3	19	2.80
24	17.6.36	The Ceylon Labour Union	5,071	35	5,106	15.00
25	9.7.36	The Government Minor Employees Union	Certificate cancelled in 1937			
26	17.10.36	The Ceylon Printers' Union	175	—	175	18.50
27	26.10.36	The All Ceylon Bus and Lorry Owners' Union	Return not received			
28	25.11.36	Nawalapitiya Labour Union	Return not received			
29	21.1.37	The All Ceylon Trade Union Congress	Return not received			

30	1.3.37	All Ceylon Tailors' Union	Dissolved in 1937		
31	11.3.37	Ceylon Tamil Chauffeurs' Association	39	—	39
32	22.3.37	The North-Ceylon Workman's Union	100	—	100
33	22.7.37	Commercial Company Workers' Union	Not in existence		
34	2.10.37	Surveyors Association of Ceylon	151	—	151
35	23.10.37	Indian Kanganies' and Labourers Association of Ceylon	Return not received yet		
36	16.11.37	The Ratmalana Railway Workers' Union	Return not received yet		
37	16.11.37	The All-Ceylon Head Kanganies Association	647	1	648
38	15.12.37	Ceylon Chauffeurs' Union	188	—	188
39	5.1.38	Wellewatte Mill Workers' Union	Return not received		
40	15.1.38	Galle-Matara Motor Bus Management Society	Not functioning—activities suspended		
41	27.7.38	The Ceylon Cinema Workers' Union	Return not received		
42	23.11.38	Panadura Bus Owners' Association			
43	10.1.40	The Ceylon Indian Workers' Federation			
44	31.1.40	The Ceylon Indian Workers' Union Congress			
45	8.3.40	The Ceylon Indian Salavai Thozilalan Maha Sabha			
46	29.3.40	The Educational Suppliers' Association of Ceylon			
47	17.5.40	The Galle Municipal Workers' Union			
48	22.6.40	The All Ceylon Estate Workers' Union, Kandy			
49	25.6.40	Ceylon Indian Congress Labour Union			
50	1.7.40	B.C.C. Hultsdorf Mill Labour Union			
51	2.7.40	The Estate Indian Labourers' Association of Ceylon			
52	9.8.40	All Ceylon Press Workers' Union			
53	9.8.40	All Ceylon Hotel Workers' Union			
54	15.8.40	Labour Union Anuradhapura			
55	26.8.40	All Ceylon Harbour Workers' Union			
56	4.9.40	All Ceylon Beedi Workers' Union			
57	23.9.40	All Ceylon Nattama Workers' Union			
58	1.10.40	Harrisons and Crossfield Mill Workers Union			
59	25.10.40	C. W. Mackie & Co., Workers' Union			
60	19.11.40	Lipton & Co., Workers' Union			
61	19.11.40	Ratmalana Unemployment Relief Scheme Workers' Union			
62	19.11.40	Brook Bond Mill Workers' Union			
63	19.11.40	The Ceylon Singer Employees Union			
64	26.11.40	All Ceylon Bungalow Workers' Union			
65	26.11.40	All Ceylon Domestic Servants Union			
66	10.12.40	Cargo Boat Despatch Workers Union			
67	21.12.40	All Ceylon Toddy Tappers Union			
			Particulars not yet available		

Note.—The only Union maintaining a political fund is No. 24, The Ceylon Labour Union. To this 988 members contributed, the balance at the end of 1940 being Rs. 1808.41.

Appendix X.

WORKMEN'S COMPENSATION.

Proceedings before the Commissioner for Workmen's Compensation for the year ended 31st December, 1940.
Return of Cases filed.

Application for	Pending at commencement.	Filed during 1939.	Withdrawn.	Dismissed at preliminary inquiry under Regs. 13 & 14	Settled by agreement.	Allowed ex parte.	Allowed.	Dismissed after inquiry.	Total disposed of.	Pending at the close of the year.	Stamp Fee.
<i>Award of Compensation</i>											Rs.
Fatal accidents	7	22	1	4	—	—	11	1	17	12	50.0
Permanent disablement...	18	45	3	—	10	—	16	13	42	21	68.0
Temporary disablement	—	2	—	—	—	—	1	—	1	1	1.0
Totals	25	69	4	4	10	—	28	14	60	34	119.0
Review under Sec. 8	—	1	—	—	—	—	1	—	1	—	0.50
Commutation under Sec. 9	—	—	—	—	—	—	—	—	—	—	—
Distribution of Compensation under Sec. 12	—	4	—	—	—	1	—	—	1	3	5.0
Recovery of Compensation under Sec. 41	—	—	—	—	—	—	—	—	—	—	—
Applications for indemnification	1	1	1	—	—	—	1	—	2	—	—
Applications for summoning witnesses	—	19	—	—	—	—	—	—	—	—	11.75
Totals	1	25	1	—	—	1	2	—	4	3	17.25

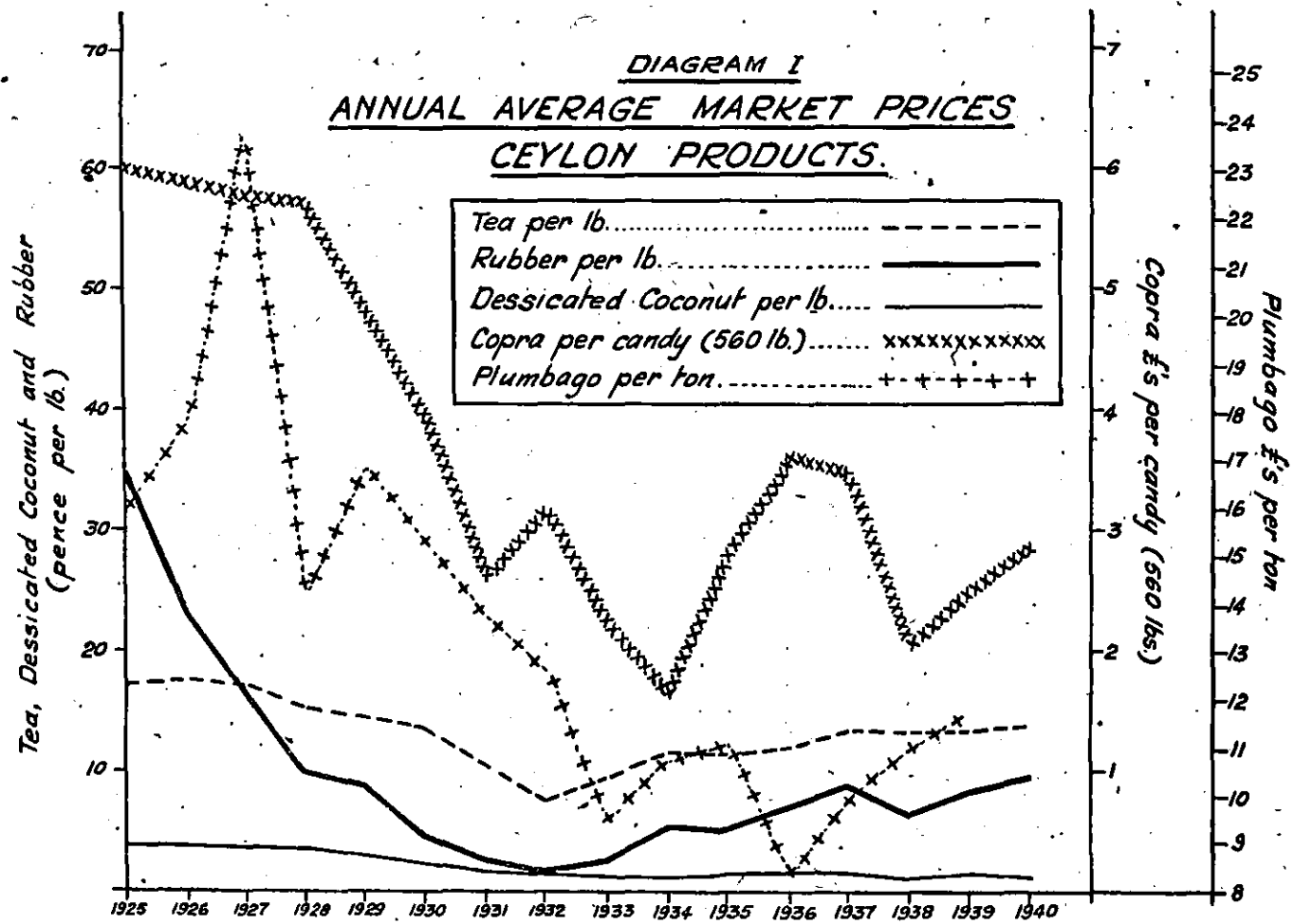
Appendix XI.

ACCIDENTS.

Consolidated Statement showing the Number of Accidents as reported by the Employers for the Year ended 31st December, 1940, and the Compensation paid.

Establishments	Accidents resulting in			Compensation Paid		
	Death	Permt. Disablmt.	Tempy. Disablmt.	Death	Permt. Disablmt.	Tempy. Disablmt.
1. Estates including estate factories.				Rs.	Rs.	Rs.
Adults	47	53	2,503	25,870.50	14,374.4	29,630.8
Minors	6	—	95	1,200.0	—	449.94
2. Government Establishments including Railways.						
Adults	16	88	1,357	11,910.0	43,898.30	24,099.50
Minors	—	—	—	—	—	—
3. Business Establishments & Workshops						
Adults	16	79	1,817	16,550.0	27,153.1	25,037.37
Minors	—	—	6	—	—	34.77
4. Mines.						
Adults	2	3	140	1,360.0	696.25	1,672.1
Minors	—	—	—	—	—	—
5. Local Bodies.						
Adults	—	5	118	—	3,168.30	1,724.55
Minors	—	—	—	—	—	—
6. Miscellaneous.						
Adults	—	—	4	—	—	166.25
Minors	—	—	—	—	—	—
Totals	87	228	6,040	56,870.50	89,739.90	73,814.47

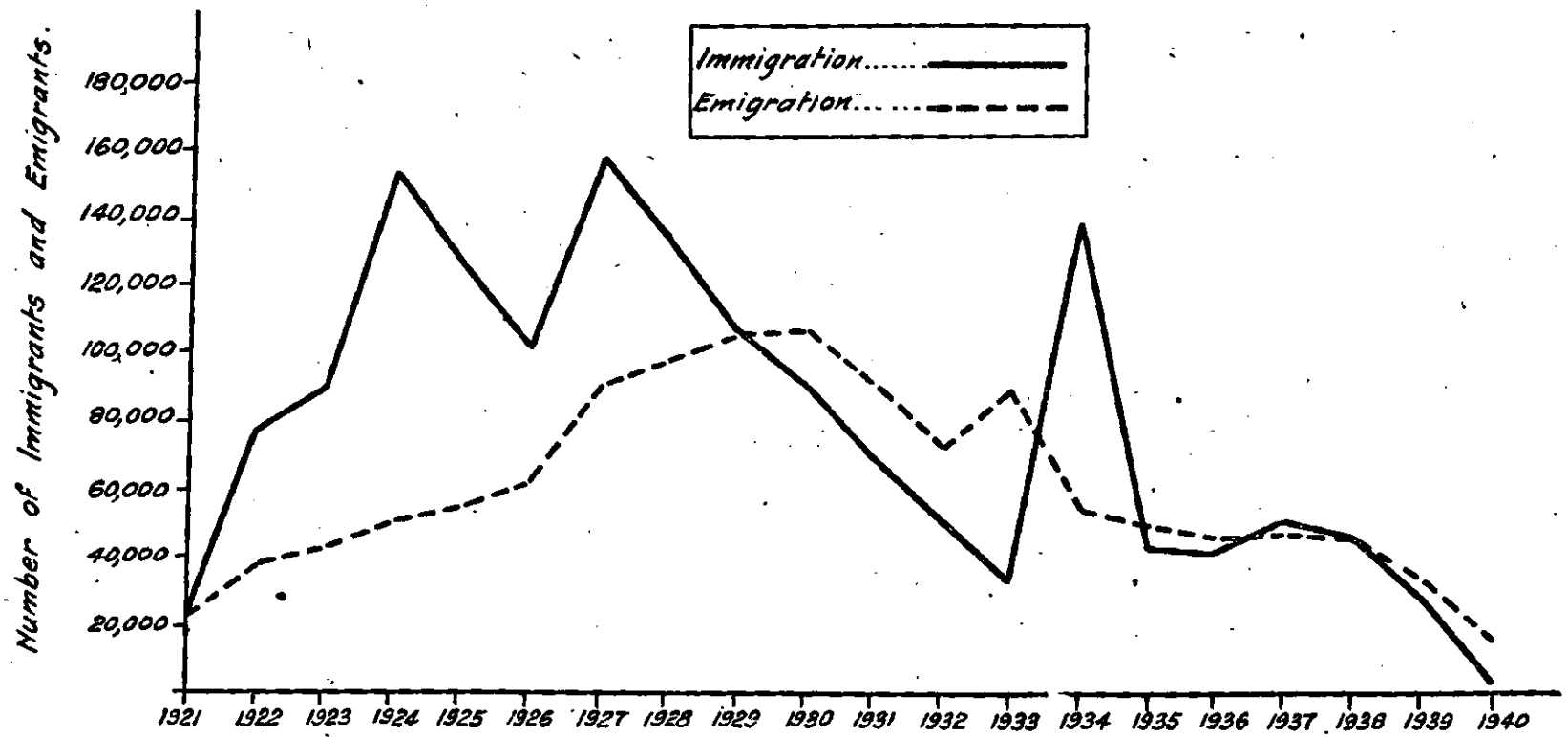
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ANNUAL AVERAGE MARKET PRICES
CEYLON PRODUCTS.



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DIAGRAM II
MIGRATION OF INDIAN ESTATE LABOURERS TRAVELLING
BETWEEN CEYLON AND INDIA.

To face page 51.]



MAURITIUS

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REPORT ON CONDITIONS OF LABOUR IN MAURITIUS.

Introductory.

1. Mauritius is an Island of volcanic origin, situated about 1,400 miles from the east coast of Africa and lying near the southern limit of the tropics. Its area is 716 square miles; the population consists of European, Indian, African, Chinese, and mixed origins. In 1937, the numbers were estimated at 143,758 for the general population, and 269,701 for the Indian population, or a total population of 413,459. There are numerous Dependencies, the most important being Rodrigues, with 10,856 people.

2. Discovered by the Portuguese in 1507, Mauritius was occupied by the Dutch in 1598, but abandoned by them in 1710; it was annexed by the French in 1715 and taken by Great Britain in 1810.

3. The outstanding crop of the Island, sugar, was originally cultivated by slave labour. On the abolition of slavery in 1835, some 68,000 slaves were freed, the Colonists receiving over £2,000,000 in compensation. In 1842 Indian immigration was first sanctioned and this continued under the indenture system until 1922. The industrial background of the Island has, therefore, traditions of both slavery and the indenture system.

4. The long period of French rule in Mauritius left its mark on the local society, which largely exists to this day. Most of the landowners and prominent citizens are of French origin and the local law still embodies much of the Code Napoleon. The Creole population and, to a great extent the Indian element, speak the Creole patois of French, though Hindustani is also widely used.

5. In spite of this mixed origin, the Mauritian community has achieved a marked degree of local solidarity and pride; there is also a genuine appreciation of the Imperial connection, as is evinced in the contribution to the war effort; at the date of my visit this was, per head of population, larger than that of any other member of the Colonial Empire, with the exception of Malaya.

6. My stay was unfortunately of brief duration—just four weeks—as my plans had unexpectedly to be altered; my investigations were, however, facilitated by a knowledge of French, and by my previous stay in the Island, which had enabled me to travel about it, and to acquire some familiarity with the local Creole patois.

Geographical.

7. In spite of its comparatively small size, Mauritius is broken by numerous rugged ranges of impressive outline, though the highest peak is only some 2,711 feet. In consequence of this the nature of the climate of the Island varies surprisingly; the yearly rainfall is between 30 inches on parts of the coast, up to 150 inches in some of the Highlands. Port Louis, the capital, with over 55,000 inhabitants, possesses a good harbour and is connected with the remainder of the Island by a railway system of some 110 miles, exclusive of sidings and light lines. The introduction of motor vehicles led to a wide development of roads, which are good and numerous; this, naturally, reacted upon the railway, which is now mainly dependent upon the carriage of sugar, passenger traffic having fallen off to a considerable degree.

Manufactures.

8. Various factories exist in Mauritius, some of them auxiliary to sugar production, but others independent of it. Among the first come the Railway Workshops, which carry out the maintenance of the local line and the construction of rolling stock and equipment, and undertake the fabrication of

all but the most elaborate machinery, which is imported. There are also the engineering works, known as the Forges Tardieu, which undertake construction and maintenance of machinery for the sugar industry; these works are capable of carrying out considerable operations in casting, welding, etc., and have also a well-equipped machine shop. In addition, each of the principal sugar factories maintains a workshop for the upkeep and repair of machinery. All the foregoing are largely affected by the cane harvest, and therefore show a seasonable variation in the amount of work done.

9. There are also certain factories for the production of articles for the local market, which are in no way connected with the dominant sugar industry; they are thus of special importance in providing regular employment throughout the year. Prominent among these, is the re-equipped factory for the preparation of fibre from the local aloe plant, which grows wild and is also cultivated. This has a superficial resemblance to sisal but its product is markedly different, being a finer, softer, and more pliable article; its obvious importance is for the weaving of sugar bags but the quality of the finished product is sufficiently high to suggest that it might prove suitable for other purposes, such as those for which jute is usually employed. This potential industry has the outstanding advantage that it not only produces a high-grade article, but that it is handling raw material which requires little cultivation; in comparison with the large amount of capital which must be expended on the preparation and growth of a sisal plantation, the potential Mauritian industry is very favourably situated. The factory is a reconstruction of one started some years ago, which proved unsuccessful, apparently owing to lack of experience of the material, and the use of unsuitable machinery; it has now been fitted with modern brushing apparatus for the production of fibre, and with up-to-date machinery for subsequent manufacture, the whole being driven by electricity generated by water-power. The factory is only just coming into production and the industry must therefore still be regarded as experimental; certain adjustments or modifications may prove necessary before large scale production is undertaken, and a market will have to be secured, but the samples already available are quite sufficient to demonstrate the possibilities of the product.

10. The British American Tobacco Company maintains a cigarette factory which, except for the handicap of unsuitable premises, is an example of a small but well-equipped modern installation, turning out an article much appreciated locally. The work-people are treated with the consideration which characterizes this Company, and the wages paid are higher than the average rates. It is noteworthy that the Company has little trouble with the absenteeism which so commonly forms the subject of complaint in Mauritius.

11. There is a factory for the production of matches for the local market, situated just outside Port Louis. It appears to do a thriving business and furnishes steady work for its employees; the premises were well ventilated and the chemical stage was sufficiently isolated to prevent risk of serious fire.

12. There was formerly a factory employed in the production of tinned pineapple, but the product proved to be, for some reason, unable to compete successfully in the open market and the premises have therefore been closed.

13. All the factories which I visited, with the exception of the aloe factory, needed the attention of a Factory Inspector; while I observed no conspicuously dangerous appliances, there were various belts and machines in need of guarding, and indifferent lay-out was responsible for dangerous steps, slippery floors, etc. It is only fair to say that, in fact, the percentage of accidents appears to be low.

14. In addition to the foregoing, there are certain small industries, such as the manufacture of rope and twine; the latter is proving very suitable for

fishing nets which, previous to the War, were made from imported cotton thread. Some woodworking is done, and cabinet-making, of good quality, is carried out. Some raffia work is carried on as a cottage industry.

Alternative Crops.

15. *Tea*.—A beginning has been made with certain crops, other than sugar, in addition to the aloe fibre mentioned above. There is a considerable plantation of tea, which has been in existence for a number of years; it has, however, recently been brought up to date, with the assistance of an expert from Ceylon, and a modern factory has been erected for the preparation of the product. The plant appears to flourish in Mauritius and tea of good flavour is finding a ready sale in the local market. There would seem to be promising openings for this product.

16. *Tobacco*.—Another crop which is proving successful is tobacco, the local leaf proving suitable for the cigarettes made in the factory described; the finished article is turned out at a very cheap rate and meets with a steady sale locally.

17. *Market Gardening*.—Market gardening, to a limited degree, is carried on, but this should admit of extension. Possibilities are discussed in the section on "Potentialities"*

Housing.

18. The former existence of the indenture system necessitated the provision of housing for labourers on estates; this, however, has since been gradually disappearing until quarters are provided at present for only a small proportion of the labour force on most estates. The existing position is, therefore, that there is usually a nucleus labour force, employed by the month, who meet the permanent requirements of the plantation; in the busy season these are largely supplemented by men from surrounding villages. Circumstances differ widely, the less accessible properties providing a greater proportion of housing. Many of the larger estates, however, provide accommodation for several hundred labourers and the matter is, therefore, still one of importance.

19. Housing on estates is, for the most part, sound and weatherproof, and not usually overcrowded. It is however in a great majority of cases, of the old-fashioned "range" pattern, ten or twelve rooms being built in a row, with, in some instances, a second line, back-to-back; concrete or stone, with unlined corrugated iron roof, are common materials, and in some cases the partitioned walls do not extend up to the roof so as to isolate each dwelling.

20. This type dates of course from the time when the object was to provide barrack accommodation for men on limited terms of employment; it cannot be regarded as providing anything like a home or as furnishing satisfactory conditions for family life. Not unnaturally, therefore, a general disinclination to live in such "lines" is reported on the part of the workers. By contrast, some estates have begun to introduce a smaller unit, in which each dwelling is largely self-contained. The sharp rise in the cost of building materials has necessitated consideration of local substitutes when additional housing has to be built. On one estate I saw a number of cottages of temporary construction, with thatched roofs and rammed earth floors; these were cool, roomy, and well ventilated, and far more attractive than the cell-like concrete and iron buildings. This type of construction had proved popular with the inmates, and should be quite satisfactory, provided always that it is given a very short life, preferably not more than two years; any attempt at prolonged use means

that the houses become dusty, verminous, and insanitary. Curiously enough, no use appears to be made of the plaited coconut leaf which provides such an excellent thatching material in East Africa.

21. In the case of properties possessing a large amount of accommodation of an old-fashioned type, a decided improvement can be effected by demolishing one or more rooms in a "range", thus cutting it up into two or three blocks. If partitioned walls be then built up to the roof, a large measure of isolation is introduced and the distribution of infection is minimized.

22. The provision of housing for labourers, other than on estates, exists only to a limited degree; the principal examples are provided for the needs of waterfront workers in Port Louis. Here, the newest accommodation was sound and well built, but, unfortunately, of the "range" type; the rooms were mostly more attractive inside than out. Sanitation and water-supply were both good. In the older premises, however, the buildings were ill lit and ill ventilated, while the surroundings were unkempt, with numerous small temporary erections serving as kitchens, fowl houses, etc.

23. The oft-repeated statement occurred that the workers prefer a dark and ill-ventilated dwelling. That there is some foundation for this in Mauritius, as in other countries, is undeniable; allowance must be made, however, for the desire for privacy, and also the effort to exclude mosquitoes. Elsewhere, clean, whitewashed interiors have speedily become popular, while adequate air can be secured, not only by windows and doors, but by ventilation along the eaves.

24. Sanitation frequently left much to be desired though in some cases considerable expense had been incurred in putting up latrines of a doubtfully suitable type. The problem is one requiring special consideration in each instance; a water-borne sewage system is often impracticable, while in other cases a rocky outcrop or a high water-table precludes the construction of satisfactory pit latrines. Consequently, the bucket system is often found, with the inevitable objectionable features when anything but the highest standard of attention is maintained. The subject merits the careful consideration and advice of the Medical Department to encourage the introduction of modern methods.

25. Water-supply varied widely; in some places it was good and plentiful, but elsewhere it was distant or scanty, or drawn from a suspect source. Private hospitals are maintained on over thirty estates; those visited were clean and well kept, and provided adequate accommodation; the dispensaries attached to them were well stocked. Medical attention is provided by the services of a qualified practitioner who undertakes supervision of a group, the necessary subordinate staff being maintained by each estate; this system, no doubt, originated in the requirements of the Indian Government for indentured labour, before the introduction of motor transport had greatly facilitated communications. In existing circumstances, its retention appears doubtfully desirable; Government hospitals at the principal centres might be substituted for the existing small scattered units, and should be able to render better service; the estates would be relieved of the expense of providing and maintaining separate establishments and could, therefore, be called upon to contribute to the Government institution. Transport facilities would enable all serious cases to be promptly sent to hospital, private requirements thus being reduced to the provision of simple medicines, remedies for minor injuries, and first-aid appliances.

26. Government housing is provided on a limited scale only, chiefly in the case of men who must live close to their work. The numerous level-crossings to be found on the railway furnish an unsatisfactory example of this; proper accommodation should surely be provided for the keeper and his family as part of the emoluments of the post.

Urban Conditions.

27. By far the most considerable town in the Island is the capital, Port Louis, with some 56,000 inhabitants. It is well laid out, the streets being mostly wider than is usually the case in towns of this type. It is now clean and well kept, and noticeably improved since my first acquaintance with it. Port facilities have been increased by the building of a fine rat-proof granary, which must go far to reduce the plague menace. The introduction of a water-borne sewage system has enabled the former bucket service to be steadily eliminated. The water-supply has also been greatly improved, though certain areas still depend upon sources of very doubtful purity. The market buildings, however, offer some grounds for criticism, flies being numerous.

28. The housing question in Port Louis has been eased, owing to the fact that for a number of years past there has been a gradual exodus from the capital to residences at a higher altitude. This has resulted in a number of fine stone houses becoming available for people who would not normally be able to afford such accommodation. The pressure on housing of a more modest type has been correspondingly reduced and, as a consequence, rentals are at a lower figure than those of almost any other town of similar type. Houses are mostly sound and in good repair, except for a conspicuous lack of paint. A careful search for slum conditions failed to reveal anything noteworthy; over-building is not conspicuous, though over-crowding of particular houses and rooms undoubtedly occurs, chiefly on account of the poverty of a section of the population.

29. To the south of Port Louis there exists an unfortunate experiment, known as Bell Village; this was erected some 15 years ago to provide cheap housing for the poorer section of the townspeople. The type of building was, however, not very suitable, the walls being of composition sheeting on a wooden framework; consequently, they are now, in many cases, damaged and not worth repair. To the east of the main road the buildings are of stouter construction, with walls of plastered stone and composition roofing; these are mostly in very fair repair. Unfortunately, the general lay-out shows a lack of comprehension of the mentality of the people for whom the buildings were intended; the little houses are crowded together in rows, with no provision for any sort of enclosure or fence to secure a measure of privacy. A further disadvantage is that the site has proved to be malarious, being infested with mosquitoes at certain seasons. At the time of my visit, Bell Village was serving a very useful purpose by providing temporary quarters for troops awaiting shipping; in normal times it is used, to a limited extent, to provide free housing in connection with poor relief. The experiment provides a melancholy example of a promising scheme carried out with insufficient foresight and experience. Means for improvement are difficult to suggest, in view of the fact that a prime necessity is a reduction in the mosquito infestation, and the consequent malaria. This would entail a survey of the surroundings and might well prove to be a formidable undertaking. Should such a clearance prove feasible, without unduly heavy expenditure, the houses of flimsy construction to the west of the road might be demolished and replaced by something more substantial, laid out with greater consideration for the habits of the prospective tenants.

30. Building in Mauritius will presumably have to undergo some modification as a result of the War; the easy resort to imported cement and corrugated iron is becoming increasingly difficult and expensive, and the possibility of using local materials must, therefore, be explored. In this connection, the production of a shingle for roofing seems worth investigation, since some of

the local timber appears promising for the purpose. A serviceable shingle is already imported but is more expensive than should be the case with an article made in the Island.

31. Generally, consideration might be given to the possibility of a measure of centralization, in the form of villages which would provide housing for the work-people of neighbouring estates, in place of labour lines actually on those estates. Lack of suitable ground might present difficulties in some cases, while the rendering of suitable sites malaria-free would also require attention. Nevertheless, some advance on these lines should be possible, in view of the increased facilities for motor transport of passengers. Such a change would greatly facilitate better provision for medical needs, and also amenities such as social centres, amusements, etc., while the saving to the estates concerned would admit of a contribution to the cost of contract fares for motor buses.

Medical Arrangements.

32. Mauritius is, unfortunately, seriously infected with malaria which is widespread, particularly in the coastal area. The heavy rainfall, combined with the dense jungle which covers most of the Island, renders such anti-mosquito measures as drainage, difficult; the rapid growth of vegetation around huts and villages in rural areas makes the maintenance of a good standard of sanitation almost unattainable, in existing circumstances.

33. The other important disease is hookworm, which is widely distributed, particularly throughout the cultivated areas; while this does not produce conspicuous results, it must be responsible for the reduction in the stamina and energy of the rural population.

34. Special branches of the Medical Department are detailed to deal with these two diseases, both by mass treatment and by propaganda with a preventive aim. Other common diseases are dysentery, rheumatism, bronchitis, and asthma, while various skin diseases are common. Influenza has been serious for several years and epidemics of plague have occurred in the past.

35. Of the deficiency diseases, scurvy is absent, while rickets and pellagra appear rarely; beri-beri is rather commoner, though diagnosed cases are less than 50 in most years. In addition to the foregoing, cases of avitaminosis, amounting to several hundreds per annum, are reported from the various dispensaries; these are ill defined but suggest deficiency of vitamins A and B. The condition is mostly confined to the Indian population and is commoner among females than males. Anaemia is also prevalent; some interesting work has been done in this connection, in treatment with a yeast extract, which is a by-product of sugar manufacture. Results are encouraging, and offer the prospect of a cheap and ready means of remedying this condition.

36. There are three general hospitals in the Colony, with over 600 beds, and in addition every district, with the exception of Black River, has a hospital in charge of a Government Medical Officer, who also supervises the rural dispensaries. In 1940, 28,559 patients were treated in the various hospitals, while 370,588 cases attended at the out-patient departments of the dispensaries. Two Maternity and Child Welfare Societies exist and receive Government support. In addition to the foregoing Government establishments; there were, in 1940, estate-maintained hospitals to the number of 40.

Food.

37. The staple food of the Island is rice, particularly in the case of the Indian section of the population; pulses are also used, and a valuable element is formed by the oil in which the foods are cooked. Animal protein is mostly

in the form of fish, meat being scarce. A limited amount of wheat flour is used; fruit and green vegetables are cheap and plentiful at most times of the year. Milk and dairy produce are rarely used owing to the scanty supply. The diet, as a whole, contains too large a proportion of carbo-hydrates to proteins. Of the vitamins, there appears to be some shortage of A and B, though not usually to a serious degree; there is some indication of a calcium deficiency.

38. School children are reported to be, on the whole, healthy and well-nourished. On the other hand, the majority of the manual labourers appear to be definitely undernourished, and this is borne out by the improvement which takes place in the weight and health of prisoners undergoing sentence; some further support is given by the generally expressed view that the labourer of the present day is less robust than the worker of a generation ago. An important factor in this change is probably the abandoning of the former system of issuing rice as part of the wage. This never formed more than a basic ration but it did, at least, encourage a full, if unbalanced, diet.

39. From the foregoing, it is clear that Mauritius depends too much upon imported rice; as usual with countries where sugar is the dominant crop, the local production of food is neglected and the Indian element consequently demands rice. The dominance of this import is shown by the figures which annually amount to some 60,000 tons, valued at about Rs.7,000,000. Over 3,000 tons of dhol are also imported annually and some 2,000 tons of lentils. About 500 tons of salted fish are also imported to the value of some Rs.2,000,000. About 1,000 tons of soya oil are used, valued at about half a million rupees; over 1,000 tons of potatoes, worth about Rs.100,000 are also imported. Several thousand head of cattle come, in normal times, from Madagascar. To the foregoing must be added considerable quantities of butter, ghee, cheese, wheat, flour, lard, and various other items, which the Island could hardly produce for itself. There is thus a large import of articles of food, much of which could be grown locally, to the benefit of both the health and the finances of the people. (In this connection, see the section on "Potentialities"*)

Wages and Cost of Living.

40. The existing rates of pay in the various forms of employment are set out in Appendix IV.† These have varied considerably during the last 20 years, having risen during the boom period, soon after the last War, and fallen again in the slump in 1930. In 1937, a change was introduced when the issue of basic rations in many occupations was discontinued, the money wage being correspondingly increased. This was popular with the workers, but it was a doubtfully desirable move, since it is probable that in many cases the employee did not buy the same amount of food that he had previously received. The situation is further complicated by the fact that permanent employees on sugar estates and certain grades of waterfront workers are still given free quarters and medical attention. Since 1939, the actual wage has been increased 10 per cent. The War has brought about a marked rise in the cost of living, but the exact effect of this is somewhat difficult to assess. The principal and staple item of diet among the Indian population is imported rice, and the cost of this has risen steeply. On the other hand, the type mostly consumed is a highly-milled rice for which a cheaper quality might be substituted, with positive benefit to health; prejudice, however, strongly favours the whitest article, and the change to something less attractive in appearance would be most unpopular. There is, furthermore, the possibility of making greater use of locally-produced foodstuffs as a partial

substitute for rice; here, again, the effect would certainly be beneficial, but ingrained habits resist the change. Another feature affecting the problem is the fact that almost all calculations are based on a five-day working week; estate labourers, as a whole, claim that they are unable to work more than six hours a day for five days a week. (The validity of this claim will be found discussed in the section entitled "Efficiency"*) . Longer hours thus present an obvious remedy, but poor physique and low performance constitute a vicious circle which must be broken before improvement will be possible.

41. Disregarding the foregoing alternatives, the increase in the normal cost of living has been met by a war bonus of 12 per cent., followed by another of 8 per cent. (July, 1941) on the present wage—that is, a total increase of 32 per cent. on the 1939 wage figure. In this connection, it must be remembered, that the Government has introduced war legislation limiting dividends, taxing excess profits, and raising the surtax, so that the sugar industry may be said to be already carrying a considerable burden; consequently, any further increase in bonus would result in an application for a rise in the price paid by the Imperial Government, since this was fixed before the granting of the two additions due to the War.

42. Any estimate of the actual cost of living is difficult, owing to the considerations explained in the preceding paragraphs; as is usually the case, in such circumstances, there is a conflict between the ideal and the actual budget of the labourer. There is, furthermore, great divergence between the conditions of town and country; the labourer employed in Port Louis has probably at least twice the expenses of the man working on the sugar estate. In connection with the fixing of a minimum wage a careful investigation was carried out, which arrived at a figure of Rs.18.61 for a standard country labourer's budget; a further calculation fixed a figure of Rs.35 monthly as the cost of supporting a man with a wife and two children. All sources of income were taken into account, including the possibilities of home-grown vegetables, cattle, etc., and the wife was expected to earn something, in addition to the husband.

Minimum Wages.

43. As a result of this investigation the minimum wage was fixed for able-bodied labourers at Rs.1.25, for an eight-hour day or an equivalent task, during the crop season, and 66 cents during the inter-crop season. The necessity for these somewhat elaborate calculations must be admitted, as providing some basis for conclusions; nevertheless, they tend to become largely theoretical. In particular, they presume that the good wages earned during the crop season can be offset against the lower pay during the inter-crop season; unfortunately, this assumption is probably ill-founded, the actual facts being that the labourer accustoms himself to alternating periods of plenty and scarcity. In so far as the period of higher wages affects the low-paid months, it probably takes the form of debts incurred at the local shops which are paid off when money is more plentiful.

44. The practical effect of the fixing of a figure by the Minimum Wage Board took the form of the application of this in the district of Moka; it was considered desirable to ascertain the effect in one district first, as the arrangement was a novel experiment in Mauritius. The actual result proved to be an increase in the wages of certain poorer-paid workers, but no sweeping change was introduced. As usual with the application of minimum wage legislation, the results disappointed the labourers, who had expected large increases all round. Nevertheless, the innovation has had a useful effect, on a modest scale; since my visit it has been applied to the whole Island.

45. The recognition of the eight-hour day had a conspicuous effect on the position of the sugar-factory hands. Formerly, these were expected to work long hours in the crop season without overtime pay, and the good wages earned resulted only from the fact that they were employed continuously instead of intermittently. They pressed for the general introduction of the eight-hour day, with three shifts, but the employers were reluctant to adopt this system, owing to the interruptions involved by the changes. A compromise was arrived at, whereby the employees received overtime payment for every hour over the eight, with a limit of twelve. This enabled a large proportion to earn up to 50 per cent. over their previous wages, with a war bonus on the basic wage in addition, so it was a decided improvement. The question of higher rates for overtime requires consideration, but it is bound up with the purchase price of sugar under Government agreement, since the existing figure does not admit of any further increase in cost. Advance on these lines would seem preferable to the demand for the rigid observance of the eight-hour day, since the latter really amounts to a system for the employment of still more workers in seasonal occupation, which is already an objectionable feature of the position. Additional employment would be better sought in some other sphere, as indicated in the section on "Potentialities"*, rather than by overloading the sugar industry with more workers than it can really support.

Efficiency.

46. The question of the output of the worker is one of outstanding importance since, obviously, no industry can continue indefinitely to compete in the world's markets if it depends upon workers of low-grade efficiency; its existence must depend upon the maintenance of an inferior standard of living which will provide no scope for the natural aspirations of those dependent upon it for their welfare. Modern medical practice, reinforced by experience in other countries, has demonstrated the possibility of the combination of high wages with cheap production, and no industry can nowadays afford to allow its employees to maintain a low standard of living.

47. Consideration of the existing situation must clearly be directed to three factors—wages, cost of living, and the opportunity to earn; the worker's resultant output will depend upon various considerations such as health, habit, ambition, social organisation, and other elements.

48. Examining the case of the manual worker in Mauritius, the conclusion is inevitable that he is expensive. The actual wage paid is rather lower than that of any of the West Indian Islands, though the cost of living is also less; his output is, however, decidedly inferior. The inability of the labourer to do more than six hours work a day for five days a week was frequently impressed upon me by his representatives, and this limitation to a 30-hour week appeared to me to have some foundation in fact. The most superficial observation reveals the poor physique of the average Indian worker in Mauritius; a contrast may be made with the very similar Indian worker in the sugar fields of British Guiana, a point on which I found my own observation supported by Mr. Bodkin, Director of Agriculture, who has had experience of both countries. There is also a widely expressed view that the present day worker in Mauritius cannot accomplish the output of the man of 50, or even 25 years ago. Various reasons are adduced for this—ill-health, under-nourishment, drunkenness, inherent laziness, etc., according to the point of view of the speaker; it will be useful to examine the facts.

49. An outstanding factor is the prevalence of disease, notably ankylostomiasis and malaria; these two, alone, must be responsible for an enormous

loss of vital energy every year. Hookworm is, of course, not normally a disabling or fatal disease; nevertheless, it has a constant debilitating effect, producing a varying degree of anaemia and predisposing the victims to other diseases. Malaria, again, is limited in its obvious effects to periodical disability for a few days only; nevertheless, its cumulative effect upon energy and enterprise must be very great. Turning now to the question of diet, the section on "Food" will serve to show that the labourer is not adequately nourished; while he may be seldom actually hungry, his meals do not provide him with the necessary sources of nourishment and energy; this fact, in combination with the aforementioned prevalence of disease, affords an adequate explanation of the poor physique and lack of energy of some of the workers. A remoter, but important, consideration is the cumulative effect on the rising generation; weakly parents cannot bear healthy children, and the babies will be furthermore handicapped by poor nourishment and prevalent disease, which they must be ill equipped to resist.

50. Regarding the reflections upon the sobriety of the worker, the fact is inescapable that an annual excise payment is made of nearly Rs.2,000,000 on rum, and some Rs.150,000 on locally made "wine." Both, almost exclusively, are consumed by the coloured population. While these figures might no doubt be greatly reduced, they must, to some extent, be regarded as symptomatic of low vitality and limited interests.

51. The picture is, therefore, that of a poorly-paid, undernourished, sickly population, capable only of such a limited output of work that an increase of wages offers little promise of improved performance. Such a position must obviously be equally disastrous for the employer and the worker.

52. Any remedy for such a situation will clearly present many difficulties, and success will be achieved only by persistent effort. Factors to be taken into account are not only physical but psychological, and a combination of efforts in various directions will be required. Obviously the primary need is for a determined attempt to reduce the prevalence of hookworm and malaria. Efforts with this object have been in progress for many years past, but activities have been limited chiefly to the Medical Department; the co-operation of the Education Department is essential if the rising generation is to be made fully aware of the dangers of these diseases and the steps necessary to combat them. Here, unfortunately, an established prejudice will present a formidable obstacle. In particular, the subject of sanitation, so vitally important in connection with the elimination of hookworm, seems to be viewed with an old-fashioned genteel distaste which is nowadays fortunately rare. My own practical attention to such matters appeared to arouse surprise, and the issue, by the Director of Education, of a salutary circular on the necessity of inculcating habits of personal cleanliness in school-children evoked an indignant protest in a local newspaper, to the effect that it was "about the most impudent piece of bureaucratic nonsense and is nothing less than an insult to the school and prestige of teachers and a lowering of their dignity."

53. In such matters, an effort is really required to effect a rapid change in established habits, and an enlightened outlook in the rising generation offers the best hope of advance. An improvement in diet will equally require sustained effort, since in few matters are people so conservative as in their selection of food. An increase in the cash wage is widely advocated as an immediate remedy; while this will, no doubt, be of some help, it is open to question how far appreciable improvement would be effective. An addition in cash would probably result in the labourer spending somewhat more on food, and this would be all to the good; it is, however, very doubtful if the whole additional amount would be so expended, while it is most unlikely that

there would be any appreciable departure in the direction of novel articles of diet. Even on the existing meagre wage level, Mauritius contrives to support 40 cinemas, and a visit to one of the country halls will demonstrate their almost entire dependence on the patronage of the poorest classes. A curious development takes the form of the prolonged programme, continuing until two and even three o'clock in the morning. The popularity of the motor bus service and the large attendances at race meetings have similar implications. Only a most illiberal view would grudge these people such relaxation; but the sum of money involved indicates that increased wages alone will not necessarily entail improved diet. That additional amusements and interests are not only justifiable but desirable, is not in question; the present consideration is the problem of better feeding.

54. Once again, the solution must be largely bound up with education. Modern ideas can be inculcated in the schoolchildren and a general improvement effected on the lines indicated in the section on "Food"*. In this connection, the important step to take for immediate effect would be the provision of a simple mid-day meal for all pupils in elementary schools, and this should, if possible, be accompanied by milk, even though this might entail importation of the powdered or preserved article. Such an innovation would not merely provide much-needed nourishment for the child; it would also admit of the introduction of various desirable novelties in foodstuffs, in connection with the campaign for the encouragement of home-grown produce. Furthermore, where the administration of essential elements, such as cod liver oil, calcium, iron, etc., might be indicated, this could well be combined with the mid-day meal. A beneficial effect on the health and physique of the rising generation would certainly result, while, in addition, the instruction imparted would be far better appreciated by the scholar. The conspicuous advantage of such a scheme, from an economic as well as a philanthropic aspect, have been so clearly demonstrated in other parts of the world, that I recommend careful consideration of the possibility of its adoption in Mauritius.

55. On somewhat similar lines, but in another connection, the free issue of at least a light meal to labourers at the beginning of their day's work would, I feel sure, be a sound investment for the employer. In many parts of Africa the practical benefit of such a practice has been amply demonstrated; the usual 10 oz. of cocoa, with bread and biscuit, might be better replaced in Mauritius by something more easily obtainable. The principle, however, remains the same; I commend the suggestion for consideration by any far-sighted employer.

56. An interesting experiment on these lines happens to be in progress, owing to the War. Recruiting has been active for Pioneer Corps and other units, and several thousand Mauritians have already gone overseas. These men will naturally receive careful medical attention and will be speedily freed from malarial or hookworm infection; they will receive the well-balanced army ration and will be leading an active and disciplined life. At the completion of their service, therefore, they should be fine physical specimens, affording a demonstration of the results obtainable by improved living conditions. (A curious feature is the fact that some complaints have been made by these men about the quantity of the rations: this is no doubt due to an absence of the feeling of repletion which follows a meal of bulkier but less nourishing food, and an adjustment to a better diet should soon take place.) Great interest will attach to the capacity of these men in the execution of the normal tasks, which usually appear to be the limit of the Mauritian worker's ability. It is to be hoped that every effort will be made to avoid any prolonged period of demoralizing celebration on discharge, and that every encouragement will be given to these men to use any gratuity wisely. A good start has been made

in the shape of a promise on the part of most employers that the men's jobs will be kept open for them on their return; more might be done by the introduction of any scheme to encourage these men to plan for the future before the end of their service. They should represent a real asset to Mauritius, to be appreciated and employed to the fullest extent of their capacity.

57. The foregoing review may perhaps be met with the criticism that the improvement in efficiency advocated must entail an increased measure of unemployment. This is a problem, not for the employer, but for the Government, and for the Labour Department in particular; my proposals for meeting this criticism will be found in the subsequent section entitled "Potentialities"*. The section above may be read from the point of view of the attainment of practical economic results, and not only the achievement of philanthropic or ethical objects; it is based on the experience and practice of numerous other countries and it is, accordingly, commended for the consideration of the employer.

Unemployment.

58. Exact figures of unemployment are unobtainable with the information available; the actual numbers of totally unemployed are probably small, but there is a large amount of intermittent employment which is responsible for much hardship and discontent. In view of the dominating position of the sugar industry, work is, at the best of times, largely seasonal; during the four months of the harvest, wages are high and almost all available labourers are needed. There is, however, the intermediate slack season, when employment is on a much more limited scale. This seasonal variation affects not only the agricultural worker but also those engaged in the corresponding activities in the transport, railway, and waterfront services; indeed, it is little exaggeration to say that the great majority of inhabitants of the Island are intimately affected by the cane harvest. This fluctuation from month to month is, of course, inevitable in a one-crop country, and, unfortunately, high rates of pay during the busy season are seldom accompanied by the thrift which might build up a reserve to tide over the slack period. The establishment and encouragement of alternative or subsidiary industries, in which employment will not be affected by the requirements of sugar, becomes of outstanding importance.

59. In addition to the seasonal variation, there is also an appreciable amount of permanent under-employment; this is particularly the case with the artisan class, in which the supply exceeds the demand. Railway employees have suffered owing to the reduction in numbers consequent upon the great competition which the railway has had to face from road transport. Services have been curtailed, and in all grades railway employees have had to be dismissed. In the Railway Workshops dismissal was postponed by resort to half-time employment, and this continued over a number of years. Such a measure may be defensible as a purely temporary expedient, but when continued for a lengthy period it must entail great hardship and consequent discontent, as the worker is being asked to live permanently on half wages. Since the latter are at no time high, the position must obviously become unendurable. Widespread experience has proved the desirability of facing facts in such cases, in the shape of the discharge of the superfluous workers, for whom anything possible must be done in some other direction; the remainder can then hope for full-time employment, and the consequent earning of a living wage. Frequent advocacy of half-time employment by the workers themselves does them credit, but this should not be made the excuse for the

prolonged adoption of what should be only a temporary expedient. At present, the railway artisans are working the full week; it is to be hoped that this will prove permanent.

60. Another section of the community among which actual unemployment is, unfortunately, common, is the "black-coated" class; education in the past has had such a marked literary bent that numbers of young people have been encouraged to aspire to positions of which there is only a strictly limited number. Advertisements for clerks, shop assistants, and all such posts produce a number of applicants, and in consequence, except for certain sheltered occupations, such as Government service, competition has depressed conditions to a low level. A similar state of affairs exists to some degree among artisans, printers, and similar craftsmen.

61. There are certain signs in Mauritius of the existence of the obnoxious and discreditable practice of excessive apprenticeship; young people are offered employment, at very low wages, on the pretext that they will be given satisfactory posts when they have qualified themselves for these. The numbers being in excess of genuine demand, only the very best are eventually engaged, the majority being discharged after having worked for a pittance, possibly for several years. This system eventually produces a certain degree of unemployment. I recommend consideration of legislation to establish conditions of apprenticeship, with safeguards limiting the number of young workers thus employed, and ensuring them a reasonable prospect of future engagement on satisfactory completion of their articles.

62. Unemployment relief is closely connected with the Poor Law and mostly takes the form of purely unskilled work at a minimum wage. While it is manifestly undesirable to establish a form of employment which may deter men from seeking permanent work, the demoralizing effect of employing a skilled or well-qualified man on purely unskilled labour should not be overlooked. If unemployment on an appreciable scale is to be faced, a preferable arrangement would be to establish special work of utility; of this, two grades might be maintained, the lower consisting of purely unskilled manual labour, and a higher one to which the better workers would graduate and receive a wage more commensurate with their genuine qualifications.

Crime.

63. The connection between crime and unemployment is clearly indicated. Offences against the person are commoner than offences against property, but the latter amount to over 3,000 per annum, this type of crime being one to which juveniles are particularly prone.

64. I visited the Central Prison in Port Louis, where the prisoners were employed in tailoring, carpentering, shoemaking, etc. They are also employed outside the prison quarrying, cutting firewood, and on agricultural work. I also visited the prison where short term sentences are being served, which is being temporarily established in the Lazarette, formerly used as a hospital, the premises at Beau Bassin being required for purposes in connection with the War. The Lazarette had been adapted for this new purpose surprisingly successfully, and available ground has been converted into a flourishing vegetable garden, some livestock also being kept. The general impression made by the establishment was good, and detention there should have definite educational value.

65. Juvenile offenders are detained in the Barkly Industrial School, which is normally housed at Beau Bassin. War requirements necessitated the establishment being moved to the quarantine camp at Cannonier's Point, which is pleasantly situated on the sea coast in the north of the Island. The buildings

had been well adapted for the purpose and the boys are taught various suitable handicrafts; in particular, fish traps and nets are made and the boys are instructed in their use; this teaching should be of real value in view of the very small amount of capital necessary for a start in this occupation, and the favourable opening which it affords. There is also a small class for training domestic servants, with apparently good prospects of employment later. The diet scale is good and the boys are obviously well fed. The establishment is managed by a visiting committee, but I noticed with regret the paucity of names in the visitors' book; if a wider measure of interest in the school were displayed by responsible residents, both staff and inmates would be encouraged. The provision of a small library of suitable books should prove most beneficial, both in the Industrial School and also in the prisons.

66. Generally, there is an obvious need for some such institution as a Prisoners' Aid Society, which would take an interest in inmates undergoing sentence, and endeavour to find them honest occupations after their release. I commend this suggestion to the benevolent public of Mauritius.

Poor Relief.

67. The system of poor relief in Mauritius is planned on European lines; both indoor and outdoor relief is given by the Government, while a number of religious and charitable institutions receive grants to assist them in maintaining numerous aged, infirm, or orphaned persons. The administration of relief forms part of the duties of the Labour Department, and therefore requires some examination in the present report.

68. In 1940, in Mauritius and its Dependencies, 11,361 persons received outdoor relief, while 1,570 received indoor relief; the cost was, for outdoor relief, Rs.378,910 and for indoor relief, Rs.104,352, or, including certain additional expenses, such as travelling, funerals, etc., a total expenditure of Rs.507,557. The ratio of persons receiving relief to the total population was 31.0 per thousand; the figure rose steadily from 22.48 in 1930 to 36.73 in 1937; but subsequent years have shown decreases. Of those receiving relief, more than half are above the age of 50.

69. In addition to providing outdoor relief in cash, an appreciable amount of work is furnished to suitable persons, in return for pay at the ruling rate. The Labour Department consequently maintains certain activities not usually found in this connection. In the clothing branch, some 48 women, who would otherwise be semi-destitute, are employed as seamstresses, with a head tailor and cutter and an assistant; the work undertaken consists of making uniform and clothing for the various Government departments, and the sewing of sheets, mosquito nets, rugs, etc., for the hospitals. A laundry branch is also maintained for the washing and ironing of hospital linen; this provides work for some 26 women. There is, finally, the decidedly unexpected feature of an undertaker's department, complete with hearse, for carrying out pauper burials.

70. Charitable institutions for the care and support of the aged and infirm are eight in number; six of these are Roman Catholic, one is Church of England, and one Church of Scotland; in addition, there are two orphanages under Roman Catholic management, two managed by the Church of England; and one by the Muslim community. The total amount paid in 1940 to the foregoing institutes, as contributions to expenses, was Rs.104,588, of which Rs.236 was recovered from liable relatives.

71. In addition to the above, there are various other charitable institutions and societies which do not come within the purview of this report, as they do not receive any assistance from Government funds.

72. Visits paid to some of the above establishments indicated that the inmates were well cared for; the self-sacrificing devotion of the ladies who undertake this exacting work is beyond all praise; the children in the Muslim Orphanage also seemed happy and healthy. The general system, however, appears to be, in certain ways, unsatisfactory and uneconomical. The religious element in the various institutions must at times form a stumbling block for some of the inmates, even though no discrimination be shown. In addition, each establishment appears to accommodate all cases from its particular district; in other words, senile, epileptic, consumptive, and feeble-minded patients are all collected together, thus virtually precluding any specialized treatment for a particular class. This arrangement has the advantage of enabling friends of the patients to visit them without difficulty, but considerable improvement might be effected by the grouping of various types in a few central establishments, which would facilitate appropriate treatment, the lack of which at present prevents the selection of suitable occupations or amusements for the patients, many of whom now sit about in a condition of apathetic boredom which must have a demoralizing effect. Combination might also admit of certain economies in management and medical attention, though it should not be overlooked that the charitable element in the existing religious establishments provides the public with an exceedingly cheap service in this connection. I suggest that the existing system might be examined, with a view to some measure of grouping and selection.

Pension and Insurance Schemes

73. Closely connected with the question of labour conditions and unemployment are the problems of various forms of social insurance and pension schemes. These questions have been receiving careful attention in Mauritius, and a Social Insurance Committee was appointed to investigate the situation; this Committee produced its report in November, 1940. This goes into the various aspects of the problem in great detail, and it merits most careful consideration. Various sections are scarcely within the scope of the present report, but the general principles require examination. A feature which emerges from the deliberations of the Committee is the very considerable amount of money which would be involved in carrying out the far-reaching proposals, together with the unfortunate fact that the figures and statistics essential for careful actuarial estimates of the liabilities to be undertaken are at present, in several connections, not available. The Committee recognize this fact and recommend that the Labour Department should begin the collection of the essential information; this, I understand, has been started. I would suggest that the advice of some competent consultant should be sought with a view to determining the exact information to be compiled, to enable the necessary actuarial calculations to be made under expert guidance; it will, furthermore, be necessary to collect a large amount of material from other countries, experience in which is likely to prove of value to Mauritius. Considering the lines of advance which appear to be feasible in the near future, without the assumption of an unduly heavy financial burden, a contributory pension scheme for agricultural workers would confer a very great boon. In the case of the lowest paid workers it might prove necessary to restrict the payment to a small sum only; nevertheless, the maintenance of the contributory element, with its effect upon self-respect, seems to justify at least a small contribution from every worker. Proportionate payments by the Government and the employers would form the remaining revenue of the scheme. During the early years of its introduction liabilities will be small, though increasing; this will enable a central fund to be built up to ensure that the scheme is on a sound financial basis.

74. Allied to the foregoing proposal, but on a different footing, is the question of the introduction of an old age pension scheme. From the details given in the earlier part of this section, it will be observed that the greater proportion of Poor Law payments are made to elderly people; these are, of course, merely periodical grants with no guarantee of permanency. Nevertheless, they are, in fact, regarded as pensions by the old people concerned who, in numerous instances, referred to them as such in the cases which came to my notice. It would therefore seem desirable to face facts and to establish a definite old age pension scheme, even if on a modest scale. This would, of course, be in no way contributory and the expense would have to be met from Government resources; against this, however, there would be set off the considerable saving effected on the large sums at present paid out as poor relief; furthermore, if a contributory pension scheme were introduced this would, in time, largely overtake and eliminate the charitable old age pension. These two preliminary schemes would seem to offer a very suitable starting point for the acquirement of the experience and the collection of the necessary staff for further progress in future. Mauritius has an unhappy history of ill-considered projects for pensions, insurance, or other benefits, which have ended in failure, and the loss of the unfortunate subscribers' contributions, for reasons varying from a lack of the necessary financial knowledge, to positive dishonesty. It is therefore highly important that any Government scheme should be planned on thoroughly sound and conservative lines, so as to secure the entire confidence of the participants. For these reasons, the building up of a good reserve, amply sufficient to meet all possible calls, is a desirable preliminary; as funds accumulate they will be available for the extension of benefits.

75. For such a purpose the chief call will naturally have to be made, directly or indirectly, upon the principal industry of the Island—sugar. Here, certain features of the position require emphasis. Projects are sometimes advocated, based upon the sum which the industry as a whole might or might not be able to afford; such an attitude, however, ignores the fact that consideration must be given, not to one whole concern, but to a number of different properties of varying degrees of prosperity. A levy which might be borne without difficulty by a thriving plantation, might prove fatal to one less fortunately situated; and the collapse or bankruptcy of an estate will entail grave hardships for the work-people involved, as much as for the shareholders. The claim is frequently advanced that in years of prosperity the labourers should have a share in benefits secured; this, however, must logically entail a corresponding reduction in periods of depression. Constant fluctuations would be the result, with perpetual discontent and friction as an inevitable consequence. A preferable plan for securing workers' participation in prosperity would be a contributory system, based upon a sliding scale, by which payments would be increased in accordance with profits. War economy has already introduced into Mauritius the machinery necessary for the taxation of income and excess profits, and this might well be adapted for the purpose in view. Such a plan would ensure that no intolerable burden was placed upon a struggling concern, while it would enable the labourers to participate in the good fortune of the business in which they were employed. Since the revenues of the Government of Mauritius are also closely bound up with the principal industry, they would equally benefit in successful years; this source, therefore, might reasonably be tapped, the contribution paid by the Government being equal to that drawn from the employers.

76. The institution of such a levy might well form an early step in the measures for the introduction of the requisite social services; even before any payments out are undertaken, the accumulation of the reserve might be begun in this way. Under suitable safeguards this would form an entirely separate

reserve, under the heading of Social Service Fund, or some such description. If started in good time, a sum would soon accrue which would form a valuable auxiliary to any contributory schemes subsequently launched, while it would also furnish additional security for the payment of non-contributory allowances, normally met from revenue. The details of such a scheme would, of course, need careful consideration and examination, but the general principle would appear to be well suited to the requirements of Mauritius, and should enable various highly beneficial measures to be introduced without undue financial effort.

Female and Child Labour.

77. The conditions of work of women and young persons and children are governed by the terms of Ordinance No. 37 of 1934, as amended by Ordinance No. 16 of 1935. By the terms of these Ordinances a "child" means a person under the age of 14 years and a "young person" means a person between the ages of 14 and 18 years; "woman" means a woman of the age of 18 years and upwards. The provisions of the Ordinances generally carry out the requirements of the International Draft Convention, relating to the employment of women and children in industry. No child may be employed in any industrial undertaking, while women and young persons may only be employed subject to restrictions. Women and young persons may not be employed on night work in any industry, permission for restricted employment of young persons over the age of 16, in certain industries, being admissible; the Governor in Council being empowered, in exceptional circumstances, to reduce the prohibited night period to 10 hours, in 60 days of the year. Children shall not be engaged for work on any vessel at sea unless they accompany their families. The employment of women and children in agriculture is not controlled by any Ordinance, with the exception of the provisions in Ordinance No. 47 of 1938, prohibiting the employment of any child under the age of 10 years.

78. The labour of women and young persons is largely utilized in connection with the cane industry, where they undertake light tasks such as weeding, etc. The Labour Department estimates that, in the year 1940, 11,080 women and 4,312 children were employed, with average daily wages of 50 cents and 35 cents respectively. Employment in factories is still on a small scale in Mauritius and the amount of female labour so engaged is consequently very little. I observed the conditions under which women employed in the various factories were working, and found them unexceptionable.

Trade Unionism.

79. The situation regarding associations of work-people in Mauritius is somewhat peculiar, owing to the fact that the provisions of French Law (the Code Napoleon) still hold good in various directions. The holding of any public meeting without the previous consent of the Police is forbidden, and various other restrictive regulations formerly rendered the formation of any sort of trade organisation virtually impossible. This position, however, was entirely altered by the passing of the Industrial Associations Ordinance, No. 7 of 1938 (modified, since the date of my visit, by Ordinance 52 of 1941). This introduced a complete change, and the opening phrase of Part I of the Ordinance, "notwithstanding anything in any other Ordinance contained" puts the subsequent legislation outside the restrictive provisions of the Code. This Ordinance establishes the legality of associations of employers and employees in various undertakings, industries, trades, and occupations, covering all the principal ones of Mauritius, and including Government employees. The schedule does not, however, include certain independent trades, such as shoe-making, carpentry, baking, etc., although in practice the Annual Report of

the Labour Department for 1939 gives, in a list of industrial associations, one for boot and shoe employees, and another for the baking and confectionery trade.

80. The provisions of the Ordinance generally follow modern Colonial Trade Union legislation. Registration is compulsory and a constitution must be adopted, setting out the objects and organisation of the association. Section 32 prohibits any employer from making any stipulation restricting membership of an association among his employees. Section 33 to some degree protects the association and its officers from actions for tort. Article 8 of Ordinance No. 52 of 1941 provides for peaceful picketing (extending the provisions of Article 22 of the Ordinance of 1938).

81. There are two provisions of the Law which require examination, as being in certain ways exceptional; the first of these is the wide powers of control given to the Registrar or Director of Labour over the finances and activities of an association. This is the result of the past in Mauritius when, unfortunately, a variety of irregularities occurred. Before the amendment of the Friendly Societies Law of 1874 by Ordinances No. 8 of 1938 and No. 7 of 1941 various Friendly and Benevolent Societies had been instituted with specious objects, but without adequate actuarial basis or essential financial safeguards; collapse and bankruptcy have naturally ensued, with consequent loss and disappointment to the unfortunate subscribers, often of the poorest class. For this reason, the introduction of safeguards regulating activities, and ensuing a full examination, auditing, and publication of accounts, was highly desirable.

82. A provision of the Ordinance which may appear unduly restrictive is that in Section 9A, which limits membership of an association to persons "regularly and normally engaged in the industry or occupation which the Association represents". This, no doubt, was also largely the result of the unhappy experience related above, when persons, often in no way connected with any industry, irresponsibly undertook the management of enterprises vaguely embodying many of the objects of Trade Unions and Benevolent Societies. While a measure of limitation is no doubt desirable, the Law as it stands virtually prohibits the full-time employment of an official in the work of an association. That such an arrangement should be possible is clearly desirable; not only may the work require the entire attention of an officer, but the latter, if given the position of an employee of the society, paid only by them, will be in a far more independent position than he can be when earning his living as a workman. I therefore recommend the insertion of the words "or shall have been" between the words "shall be" and "regularly" in Section 9A. This amendment will permit of the employment of any man who had worked in the industry and subsequently retired. The remaining restrictions would, of course, in no way prevent the association from having the benefit of legal or other expert advice, should this seem desirable.

83. The third point requiring consideration in this Ordinance is contained in Parts 2 and 3, which provide machinery for compulsory conciliation and arbitration. Section 22 (1) makes it unlawful for any person to take part in a strike unless the dispute has been submitted to a Board of Conciliation, which will endeavour to arrive at a settlement. If this proves impossible within ten days, or if the Board notify their failure before that date, a strike or lock-out may take place. (This proviso appears in Ordinance 52 of 1941, amending the rather severer provisions of the original Ordinance which required a delay of thirty days.) Such a proviso may appear drastic, and I heard many criticisms of it; nevertheless, examination of the peculiar circumstances existing in Mauritius will show some justification for a restriction of the unfettered right to strike.

84. The Island is almost entirely dependent upon the one crop—cane; almost every individual is to some degree, directly or indirectly, dependent upon the success of this crop, while Government revenue is also greatly affected. Enormous importance therefore attaches to the efficient performance of every stage in the arrangements for production and export. The precise moment must be utilized when the cane is at its highest stage of productivity; cutting, milling, packing, and transport of the sugar must all proceed with the utmost regularity lest a delay at any point may result in a blocking of the whole system, with consequent restriction of labour employed and wastage of the ripe crop. Equally, shipping of the product must be promptly effected lest storage capacity be over-taxed. The correct functioning of all this complicated and delicate machinery is therefore of vital importance to the entire community; there is thus a danger that irresponsible action on the part of quite a limited number of workers may inflict irreparable loss on the entire Island. The threat of a lightning strike to support blackmailing demands is consequently one which is viewed with general apprehension.

85. Article 8 of Ordinance No. 52 of 1941 therefore makes any strike or lock-out illegal unless and until the dispute has been submitted to a Conciliation Board. If the latter fail to reach a settlement of the dispute within ten days, or notify the Director at any previous date that they have failed, a strike or lock-out will be lawful. A delay for purposes of conciliation and arbitration is also introduced to uphold existing agreements, and to provide against sudden interruption of essential public services. (For particulars, the Ordinance should be consulted, together with No. 7 of 1938.) The composition of the Board includes an equal number of representatives of each party to the dispute under the Chairmanship of the Director of Labour; the adoption of an unreasonable or obstructive attitude by either party would therefore presumably lead to the Chairman giving his casting vote in favour of terminating the discussions, after which a lock-out or a strike becomes lawful.

86. A minor point arises in connection with the proviso to subsection (1) of Section 19 of the Ordinance. Under this the appointment of a Conciliation Board is specifically ruled out in the case of disputes relating to the discharge of or disciplinary action against individual employees, when the dispute "does not, in the opinion of the Director, involve a matter of principle"; I recommend the addition of the words "or an apparent act of injustice".

87. The actual history of industrial associations since the introduction of the Law of 1937 has been somewhat chequered. At first, as is usually the case in similar circumstances, there was an outburst of activity with the formation of a number of associations, many of them in circumstances which really offered little hope of useful survival. Grandiose expectations of the benefits to be secured inevitably proved illusory, and a reaction set in with the realization of actual possibilities. An unfortunate strike of waterfront workers in 1938, in circumstances which did not comply with the provisions of the Law, led to failure and division. Furthermore, the creation of a Labour Department, and the appointment of officers and inspectors, encouraged the workers to feel that their interests were being considered. Support of the associations therefore dwindled, until the acid test of the paid-up subscriptions showed that there were few survivors. Nevertheless, certain of the more vigorous maintained their existence, and may now be regarded as definitely established. I met representatives of these and attended several meetings. I was impressed with the business-like way in which proceedings were conducted and with the moderation and good sense of the views expressed and the resolutions adopted, though these were at times distinctly ambitious. I am unable to agree with the view, which was frequently expressed to me, that these people are incapable of conducting their affairs or explaining their point of view; on the contrary, the management of the associations appeared

to me to promise well. This view is supported by the fact that a large number of agricultural associations exist, having for their object the furtherance of the interests of the small farmer. I made some acquaintance with the working of these and was impressed with the measure of success which they have achieved; after a discouraging early history of mismanagement and unsound finance, they now appear to be well established and in a position to render real service to their members. These have owed much to the supervision and advice of the Agricultural Department, and there appears to be no reason why a similar development of industrial associations should not take place under the guidance of the Labour Department. A detailed list of associations registered from 1937 to 1939 is set forth in Appendix V*; of these, however, only a small minority can be regarded as being still in effective existence.

88. In connection with the formation and maintenance of these associations, an important question is the problem of victimization. The principal plantation owners and managers, many of whom I met and consulted, are men of broad views and cosmopolitan experience; they fully realize the inevitability of industrial development upon modern lines and also the invaluable services to be rendered to the business world by the organization of labour on sound lines. There is, however, unfortunately, chiefly among subordinate staff, an appreciable body of opinion which clings to outworn methods and obsolete prejudices, even though they may be genuinely solicitous of the practical welfare of the work-people. Such men are prone to regard any movement towards organization as subversive and obnoxious; they accordingly penalize any employee who openly identifies himself with an association by accepting office in it. The danger of such a tendency was foreseen before the drafting of the Ordinance, and Section 25 provides protection against victimization. Such a provision, however excellent in itself, unfortunately falls short of its full intention. Definite proof to the satisfaction of a Court, that an employee has been discharged solely on account of his organizing activities, is exceedingly difficult to sustain; an unscrupulous defence can always produce specious explanations such as bad work, irregular habits, insolence, etc. The practice is, in fact, one with which it is most difficult to deal by means of legislation. The most hopeful prospect would appear to be the inculcation by the progressive element among the employers of a more enlightened outlook in the minority. Increasing experience will no doubt serve to demonstrate the valuable contribution which organization is capable of making, and also the real danger likely to result from a policy of attempted repression.

89. In the review of the Ordinance given earlier it will have been observed that Government servants and employees are entitled to form associations. At the same time their position involves certain disabilities under the provisions of other Ordinances and the situation is, therefore, somewhat anomalous. It is dealt with separately, in the following section.

Conditions of Employment in Government Service.

90. The conditions of employment in Government service are controlled by General Orders supplemented by various Departmental Regulations; a wide variety of service is covered and the exact conditions applicable to each case are, therefore, often difficult to obtain. In addition, rules are sometimes slightly ambiguous, entailing a decision by a senior officer which may result

in dissatisfaction. The exploration of the whole mass of detailed regulations is impossible here, but certain conclusions, based upon general principles, emerge.

91. There is, firstly, the question of the various grades of those employed in Government service; these consist of holders of permanent and pensionable posts carrying considerable salaries which do not concern this enquiry; Government servants employed in minor positions which are permanent and pensionable; government employees (foremen, artisans, labourers, etc.), employed on monthly engagement; and Government employees working on daily engagement; the last class is, for Departmental purposes, somewhat curiously sub-divided into those "regularly" and those "casually" employed on a daily engagement.

92. As in the case of the employee of a private person, there is a considerable difference between the terms applicable to a monthly or a daily engagement. In the case of the former, various privileges connected with holidays, sick leave, etc., are secured by law; the day labourer, however, receives little consideration. A difference between the two classes is obviously essential, since a large Government Department will maintain its permanent staff and will in addition require a fluctuating number of temporary employees varying according to the programme of work to be carried out. There will be, however, an intermediate class of men employed by the day, and therefore temporary, whose services are nevertheless continuously employed over considerable periods; I found numerous instances of men who had worked in Government Departments for periods of 20 years or more but who, nevertheless, were still on a purely temporary basis, entitled to very few privileges and liable to discharge at a day's notice. There seemed to be a definite tendency to retain men in this class instead of transferring them to a monthly basis; this no doubt has its advantages from the point of view of Departmental agreements, but it cannot be considered fair treatment for the worker. I therefore recommend the adoption of a definite scale, entitling the daily-paid worker to be transferred to a monthly basis after a certain period of continuous employment. (Since my departure from the Island, information has been received of the appointment of a Committee to examine the conditions of Government employment: substantial improvements in the pay and status of Railway employees have also been introduced.)

Medical Treatment.

93. Under the terms of General Order No. 571, Government servants are entitled to hospital treatment at reduced rates calculated according to a sliding scale. The lowest category—embracing salaries up to and including a salary of Rs.1,500 per annum—requires payment of fees amounting to one-fourth of the prescribed charges for private patients; this also applies in the case of wives and children. In the case of the employee in private service, Ordinance No. 47 of 1938, Section 82 (4), rules that "the employer shall defray the expenses of maintenance and treatment in such hospital so long as the labourer or any of his dependents remain in hospital". There is no obvious reason why the Government should not give its employees the benefits which the law exacts from the private employer; I therefore recommend the addition of a further class to the list given in the aforementioned General Order 571, namely, those drawing less than Rs.600 per annum, entitling them to free treatment; this will accord with the existing arrangement whereby this class is entitled to free examination at the Bacteriological and X-Ray Laboratories.

94. With reference to pay during illness, existing regulations entitle a workman to sick pay at the rate of half pay for the first twenty days and one-third

pay for the second twenty days, in any one year. Since the worker will, if my previous recommendation be followed, be treated free in hospital, a reduction in his pay is justifiable; this however, scarcely seems to extend to a further reduction if he should have the misfortune to be ill for more than twenty days; I therefore recommend that the rate should be half pay throughout the forty days. Outside treatment is given free together with the issue of the necessary drugs.

Public Holidays.

95. Some confusion seems to exist in connection with the observance of holidays; there are, firstly, the official Public Holidays, rather more numerous than those in England; there are, then, the various days observed by the Roman Catholic Church, and furthermore other days of importance to Hindus, Mohammedans, etc. The observance of these religious festivals introduces some complications; the staff of a workshop may well consist chiefly of Hindus, with Roman Catholic and Mohammedan minorities; each section will wish to observe its own feasts but will resent being deprived of work for the benefit of the others. In practice, there would appear to be a compromise, off-days being settled by arrangement according to the requirements of any one section; such an arrangement should not, however, affect official Bank Holidays which are presumably gazetted to meet the desires of the community as a whole. Leave, or alternatively, payment for leave appears to be granted somewhat erratically in the case of essential employees with whose services it may be difficult to dispense. There is also a tendency to adopt the system of carrying the leave forward and granting it on another more convenient day which is, of course, far from a true equivalent. I therefore recommend that Bank Holidays with pay should be granted to all employees on a monthly agreement and that if they are employed on the actual holiday, the grant of leave on another day should be accompanied by an appropriate payment for overtime.

Pensions.

96. In connection with the calculation of pensions a peculiar arrangement came to my notice which appears to be a by-product of the system of the part-time employment, which for some years figured largely in Government Departments. Men who came under this system are apparently to be further affected in the calculation of their pensions; these will be granted, not according to the scale of pay drawn by the man, as might be expected, but with the modification introduced according to the amount of time actually worked; thus, if a Government employee with a number of years of satisfactory performance to his credit has the misfortune to be placed on half-time employment for, say, two years (in some actual instances the period is considerably longer) not only must he subsist on half pay for this time but he will, furthermore, lose half the pension which he would normally have earned during those years. Periods of depression unfortunately necessitate retrenchments and economies; there seems, however, to be little justification for a reflection of these past hardships in the pension granted to the man, possibly many years later. I recommend the adoption of the more usual system where pension is calculated on length of service and the retiring rate of pay.

97. In matters of discipline, workers in Government service are subjected to Regulations contained in General Orders; by this means, cases are dealt with on Departmental lines, appreciation of good work or penalty for dereliction of duty being decided by Heads of Departments. These officers no doubt carry out these duties carefully and conscientiously, but the system is too autocratic and paternal to accord satisfactorily with modern ideas. It must be remembered that while Government employees are allowed to belong

to an industrial association (Schedule—Industrial Associations Ordinance, 1938) the right to strike is denied to them under Section 24 (1) of Part III of the same Ordinance. Some compensation for this disability is clearly wanted. No definite machinery exists to enable employees to put forward suggestions or complaints, and only a general and emphatic manifestation of discontent will secure attention. Many minor hardships might be easily removed, and conditions of service might be improved, were there some arrangement for ensuring periodical review and discussion of such matters. The formation of Whitley Councils would be at present somewhat too ambitious for Mauritius; nevertheless, a move in that direction might well be made, standing committees being formed, on which the various grades in the Departments would be represented; provision should also exist for cases where disagreement is involved, for the reference of the matter to a Board of Conciliation.

98. The desirability of greater uniformity and the elimination of certain anomalies in the existing conditions of Government service, is already recognized in Mauritius. The appointment of the Committee mentioned above, should direct the necessary attention to the matter.

Potentialities.

99. As already explained, the unemployment problem in Mauritius, existing and potential, is closely bound up with the dominating position of sugar; the limitation of production, owing to quota restrictions, precludes universal cultivation of cane, while there is, in any case, the recurrent under-employment resulting from seasonal activity in the outstanding industry. Furthermore, it must not be overlooked that greater efficiency in production, either from improved machinery, or more valuable types of cane, or greater labour capacity, must all entail additional unemployment; and to this must be added a steadily increasing population.

100. For these reasons, the creation of alternative means of employment becomes of great importance. Certain possibilities have already been examined, such as tea and tobacco, together with the manufacture of articles for the local market, such as sugar bags and matches; these however, are still on a limited scale and the exploration of other possibilities is desirable. Here, an obvious indication is to be found in the list of imports. A study of this will show that Mauritius could very well grow a considerable proportion of foodstuffs. Rice is, at present, imported to the value of some Rs.7,000,000; the Island seems scarcely suitable to the growth of this crop on any appreciable scale, but other grains to replace it, noticeably maize, might well be produced. Edible oils and fats are imported to an annual value which is sometimes as high as Rs.1,500,000, and among these the products of the soya bean figure largely. This vegetable appears to grow well in parts of Mauritius and it obviously merits encouragement. Another notable item is potatoes, which are imported to the value of over Rs.100,000 annually; these are apparently not very well suited to Mauritius but that they can be successfully grown is demonstrated by the fine specimens produced in the market garden worked by the detainees at Beau Bassin. Probably the difficulty could be largely overcome by experiments with various stocks in different localities. Fish is another item imported in large quantities, to an average value of about Rs.250,000; this is mainly salted fish from South Africa and India, but tinned sardines from Japan and Portugal also figure largely. The fishing around Mauritius is apparently not very productive though good hauls are to be had, and the industry might well be increased by encouragement, particularly among young people; the manufacture of fish traps and hand nets forms an excellent item in the curriculum for the boys at the Barkly Industrial School. There are, however, much greater possibilities in the Dependencies, from

which there is reported to be a good and ample supply available; improved means of communication would thus add a valuable item to the Mauritian diet, at low cost, while rendering a real service to the inhabitants of the smaller islands. There is already a protective duty on the imported article, so that the local product appears to need only the transport facilities to enable it to compete successfully. Cattle and dairy produce form another large item in the imports, but it appears doubtful whether Mauritius will ever be able to produce more than a fraction of her requirements. Nevertheless, the outstanding importance of milk as an addition to the local dietary renders any possibility well worthy of investigation; the alternative, milch goats (which would, of course, have to be tethered) should not be overlooked. Fresh fruit is imported from the Union of South Africa and, while this consists largely of products unlikely to prove successful in Mauritius, more might well be made of the excellent local fruits. Lastly, there is the surprising fact that, in spite of Mauritius being engaged in mass production of sugar, there is an annual import of confectionery to an average value of about Rs.100,000; attempts have apparently been made in the past to start a local manufacture but the possibility would certainly seem to merit fresh investigation.

101. Mauritius is at present annually sending a large proportion of her income overseas to purchase foodstuffs when she might retain much of this money at home in the shape of payments to local growers and producers, the use of whose contribution would be a wholesome and beneficial modification of the existing diet. The problem is, however, a somewhat complicated one, with various aspects. It will not be sufficient to set about the encouragement of market gardeners only to find that their products are not appreciated; rather, it is a question of modifying the dietetic habits of the whole population, and particularly the Indian section. The traditional dependence upon a staple diet of rice (and that frequently of an over-milled variety) requires adjustment in favour of a larger proportion of pulses, roots, green vegetables, and fish; the result would be equally beneficial to the health and the pockets of all concerned. The problem thus proves to be largely an educational one. School gardens should inculcate in children the value of home-grown produce which they should be taught, not only to grow, but also to prepare and cook in the most acceptable fashion. Scholars who show a natural bent for such an occupation might be given additional training for the purpose after leaving school; the offer of small bursaries, to enable specially promising young people to set themselves up as food producers, should provide a valuable incentive, prizes in the form of equipment with tools and seeds forming another inducement. Such methods have proved conspicuously successful in French West Africa, a far less fertile and productive country than Mauritius; public interest in the subject might be stimulated by local agricultural shows, such as those that have proved so popular in the Colony of the Gambia.

102. Considerable areas of Crown and other land are apparently available for development, and the installation of the important irrigation schemes which were planned under the personal guidance of His Excellency Sir Bede Clifford, should provide further large areas for exploitation, in the form of food for home consumption. Such a fundamental change in the habits of the people will, no doubt, take time; single crop mentality everywhere inclines towards reliance on imported supplies; nevertheless, the effort is obviously worth making and it is one upon which all sections may well agree. In brief, the people of Mauritius should be taught to look to the garden, rather than the shop, for their food.

103. At first sight, it might appear that the foregoing change in the economy of the Island would have an adverse effect on the labour supply for the sugar industry; this, however, is far from being the case, since local production and

wage earning can well be complementary, rather than competitive. The peasant proprietor, with a maturing crop intended partly for the support of his family and partly for sale, may in addition find that he has time to work for wages upon a neighbouring plantation, during the busy season. Labour is then scarce and wages are good, so for several months an acceptable addition in cash will be added to the resources of subsistence agriculture. During the slack inter-crop season, activities can be confined to the little home farm, or in any handicraft which ingenuity may select. In this way, the elasticity essential for the economic working of such a crop as cane, with its seasonal variations and requirements, can well be secured; the permanent nucleus of full-time workers, living on the estate, will carry out the tasks which must be continuously maintained; the large additions necessary during the busy crop season will be drawn from the surrounding villages. In this way, the sugar industry will be relieved of the burden of a proportion of the workers who, for the greater part of the year, are really superfluous, since these will have an alternative means of support from their own gardens, with a corresponding measure of self-respecting, if modest, independence.

104. Valuable service is rendered by the Mauritius Agricultural Bank which was founded by Ordinance No. 1 of 1936, and began operations in January, 1937. It was intended to afford facilities for long-term credit at a reasonable rate of interest, in place of the peculiar conditions and heavy charges under which all borrowing for agricultural purposes had previously been conducted. In 1940, the law was modified to enable the Bank to lend sums of less than Rs. 5,000, which had been the minimum figure originally fixed; this was a step towards meeting the requirements of the small planter. Rates of interest are from 5 to 5½ per cent., and loans are outstanding to the value of over Rs.10,000,000.

105. The outlet of agricultural development will provide a solution for a growing unemployment problem, which must otherwise constitute a steadily increasing burden upon the sugar industry and an embittering element in the relations between employer and worker.

The Dependencies of Mauritius.

(Details derived from publications of the Government of Mauritius.)

106. There are various Islands in the neighbourhood of Mauritius which are Dependencies of it; since the outbreak of war communication with them has been much restricted, and I was unable to visit any of them. The most important is Rodrigues, which is 350 miles to the east of Mauritius, about 42 square miles in area, with a population of 10,856. The inhabitants of Rodrigues are of African descent, and not Indians; they are engaged in subsistence agriculture and fishing. There is some export of bullocks and goats, also tobacco, salt, fish, and fruit. The capital of the Island is Port Mathurin, and there is a hospital, with a Medical Officer in charge, and also three schools, all of these being maintained by the Government. Health conditions are remarkably good, malaria being unknown. The submarine cable to Australia passes through Rodrigues. Owing to its mountainous nature, useful land is scarce and the Island is consequently over-populated. A branch of the Department of Agriculture has been established in the Island with a view to improving the local farming. There is very little wage-paid labour, and recognizable unemployment scarcely exists; the limited amount of land available for cultivation, however, necessitates hard work for a meagre living and there is therefore a tendency for the men to seek employment elsewhere.

107. The Island of Agalega is 580 miles to the north of Mauritius. It has an area of some 24 square miles, and some 450 inhabitants; it is largely

covered with coconuts and casuarina. The main industry is the cultivation of coconuts; there are some horses, cattle, goats, pigs, and poultry. The Island appears to be fertile and vegetables are said to do well. Unfortunately, the Island is infested with rats which do considerable damage. The inhabitants of the Island are employed by a Company which exports copra. Wages are reported to be Rs.8 monthly for men, and Rs.6 monthly for women, with an addition of 12 lb. of rice, half a pound of lentils, a half-bottle of coconut oil, and $\frac{1}{4}$ lb. of salt weekly; rations are largely supplemented by local fruit and vegetables. There is a small hospital managed by a warder, but there is no doctor, dentist, school, church, library, or cinema. The Island is visited eight or nine times a year by a sailing ship, but for three months of the cyclone season communication is cut off. A priest visits the Island once a year but otherwise no religious or moral instruction is available. The community appears to be a contented one and is controlled by the manager, who has limited magisterial powers. There is some little exchange of population between the Island and Mauritius. A notable fact is that, in spite of isolated conditions and the general poverty of this little community, they have already sent Rs.900 as their contribution to the war effort.

108. The considerable group of islands known as the Chagos Archipelago covers a wide area, Diego Garcia, the most important, being 1,180 miles north-east of Mauritius. The Island consists of a narrow strip of land enclosing an enormous lagoon; it is low and covered with coconuts. The population is about 450. The Island is controlled by an oil company who give much the same wages and rations as those of Agalega. The oil company maintains two hospitals but other amenities are entirely lacking. The labourers are mostly recruited from Mauritius.

109. Peros Banhos is a group of islands 32 miles to the north of Diego Garcia, also under the control of an oil company, with 330 inhabitants. Conditions appear to be much the same as in Diego Garcia though the islands are rather healthier and the diet is somewhat better, chiefly owing to the large supply of turtles available. Solomon and Six Islands have a population of 250, also employed by an oil company; some horses, cattle, and pigs exist. There is a hospital, and conditions are reported to be fairly good. The Caragados-Carajos Group consists of a number of islands about 250 miles north of Mauritius. There is a population of about 100.

110. It will be observed that all these small Dependencies rely upon wage-earning in the service of the companies exploiting the oil. The workers are largely recruited from Mauritius but, contrary to what might have been expected, the proportion of males to females appears to be fairly even, except in certain of the smaller islands. The formidable voyage necessary to reach most of the islands renders administration or supervision difficult and greatly handicaps medical attention, schooling, and all amenities. Occasional visits to the Dependencies are paid by Roman Catholic priests and, at longer intervals, a Magistrate from Mauritius makes a tour of them. There appears to be little hope of improvement in conditions until better facilities for communication exist, presumably in the form of a small ocean-going steamer. The nearer islands would be most conveniently visited from Mauritius by sea-plane. Some attempt at schooling might at least be provided, while a portable cinema and wireless set would cost but little and be a great asset to each island. The recruiting of labour needs better supervision, with the introduction of a definite contract completed before a Magistrate. Periodical visits by a Labour Officer are also highly desirable. Possibilities of development of these islands appear to be limited, though horse and cattle breeding seem to offer some opening in certain cases. St. Brandon, in the Caragados-Carajos Group is reported to have excellent fishing grounds which might be

developed to increase the supply for Mauritius. (An interesting account of the primitive conditions in these islands is to be found in "Dans Les Ziles La-Haut," by Father Roger Dussercle, published in Port Louis, Mauritius.)

Labour Department.

III. The existing staff of the Labour Department is as follows:—

- Director of Labour.
- 1 Deputy Director of Labour.
- 1 Assistant Director of Labour.
- 1 Legal Assistant (part-time).
- 1 Poor Law and Labour Inspector.
- 6 Labour Inspectors.
- 4 Poor Law Officers.
- 21 Poor Law Visiting Officers.
- 2 Special Grade Clerks.
- 2 First Grade Clerks.
- 6 Second Grade Clerks.
- 3 Clerical Assistants, Grade III.
- 1 Superintendent of Laundry.
- 1 Superintendent of Seamstresses.
- 1 Assistant Superintendent of Seamstresses.

II2. The duties undertaken by the Labour Department are unusually varied; it will be observed from the above list of staff that poor law work accounts for the majority of employees. In addition to this, relief of unemployment is carried out in a practical form in various ways; a Clothing Branch provides work for seamstresses, as detailed under the foregoing section on "Poor Relief";* additional employment is provided by a Laundry and an Undertaker's Department, for conducting pauper burials. All these varied activities must tend to divert the attention of the Director of Labour from his more legitimate work, and I suggest that it should be possible for certain of the foregoing items to be carried out by private firms on contract.

II3. With reference to the poor law work, this is dealt with in the section entitled "Poor Relief" earlier in this report. Among the varied functions of the Director of Labour are those of Registrar of Industrial Associations, and Chairman of Conciliation Boards. In these two capacities he appears to be placed in a somewhat invidious position since, in certain cases, he might be considered not altogether impartial. I therefore recommend that the work of Registrar of Industrial Associations should be undertaken by some member of the Legal Department, and that the Chairman of Conciliation Boards should be appointed by the Governor and should not come from the Labour Department. This arrangement should naturally not preclude the Board from utilizing the advice and experience of the Director of Labour.

II4. As already detailed in the section "Pension and Insurance Schemes"† plans for the introduction of social welfare measures of some magnitude are now under consideration. These will necessitate the compilation of a large volume of statistics and particulars, in which work the Labour Department will, of necessity, be closely concerned. For these duties the provision of additional staff may well prove necessary, both for the preliminary work and for the subsequent management of any scheme introduced. Requirements in this connection cannot at present be foreseen and must await the recommendations of the expert whose visit I have already suggested as being essential; I therefore make no recommendation on this point.

115. At the time of my visit to Mauritius, war conditions entailed a large amount of extra and exceptional work for all officers; in particular, the Director of Labour had undertaken various important duties quite outside his normal work. It was thus somewhat difficult to form a correct estimate of the adequacy of the staff for the ordinary work of the Department, but the existing figure of three officers should suffice if they could be relieved of the extraneous duties already mentioned. I consider, however, that one officer of the Department should have Indian experience and linguistic ability. I therefore recommend that on the occurrence of the next vacancy this aspect should be taken into consideration when any appointment is made.

116. A most useful addition to labour machinery would be the establishment of a Labour Advisory Board, as a permanent institution. Equal representation of employers and employees should be a feature, while the Chairman might be an independent person commanding general confidence. This would admit of the discussion of all problems in connection with labour, and the adoption of a permanent policy towards them; the Labour Commissioner would naturally play an important part in the proceedings, but rather more in the capacity of Executive Officer, than as Member. He would be responsible for the collection of material and statistics on which the deliberations of the Board would be based, and might advise the Chairman when there was sufficient material to render a meeting desirable. Such an arrangement should go far to ensure the orderly consideration of all questions before these had become acute, and do much to improve relations between the various elements concerned. I therefore recommend consideration of the possibility of establishing such a body.

Legislation.

117. The Laws of Mauritius have a long history, since there was already an elaborate Code in force at the time of the transfer of the Island to Great Britain at the beginning of the last century. Certain aspects of labour are thus provided for in the ordinary law, and special legislation on the subject is of comparatively recent introduction. This element of tradition obtains widely in Mauritius and is responsible for the survival of old customs and fashions, such as the perpetuation of certain scales and measures now obsolete in Great Britain and France. The historical background is an important feature in Mauritius and one which renders the introduction of drastic changes a matter for caution.

118. The following is an outline of the features of legislation directly applying to labour questions.

119. *Ordinance No. 37 of 1927, amended by Ordinance No. 26 of 1930*, regulates conditions in aloe fibre factories and provides for safeguards for machinery, etc.

120. *Ordinance No. 13 of 1931, Workmen's Compensation Ordinance, amended by No. 7 of 1932, No. 13 of 1935, and No. 32 of 1937*, introduces Workmen's Compensation. The provisions of the Ordinance as a whole mainly follow those adopted in a number of other Colonial territories but introduce various provisions resembling the English law. (For exact details the Ordinance should be consulted.) Certain features are as follows:—compensation is not payable for any period less than seven days, and it is ruled out if caused by the workman's intoxication or wilful disregard of safety precautions, or unreasonable refusal to submit to medical treatment. The Ordinance does not apply to persons earning more than Rs.3,500 a year, casual workers, or persons employed on work to be done in their homes. The employer is liable for compensation to employees of contractors working

under him. Wages are defined as the weekly wage without overtime or special payment. Notification of accidents must be made as soon as possible and application for compensation must be made within three months from the occurrence of the accident, or six months if death ensues. Claimants to compensation must submit to the necessary medical examination. The workmen may claim a remedy either under the Ordinance or under the Civil Code. Persons medically certified to be handicapped by old age or infirmity may contract out of the provisions to the extent of half a possible claim. Weekly payments under the Ordinance may not be assigned, charged, or attached. The schedule following the Ordinance fixes compensation for temporary incapacity at a figure up to 50 per cent. of the weekly wage, and payments may continue for twelve months; permanent incapacity may receive compensation up to three years' wages. In case of death, compensation may amount to two years' wages. The amendment of 1937 introduces compensation for certain diseases due to poisoning or other occupational causes.

121. Certain modifications of this Ordinance appear desirable. Notification of accidents must at present be made to the Police; I recommend that notification should be made to the Director of Labour. The Law at present leaves the method of payment of compensation as a matter for settlement between the two parties concerned. I recommend that all payments should be made under the supervision of the Director of Labour, to enable him to scrutinize deductions such as lawyers' fees, etc. Under the existing Law compensation is not allowed until the workman has been off duty for seven days; that is to say, the bread-winner of the family may be incapacitated and without money for a week before he can receive any payment; I recommend that compensation should be payable after three days' absence from work instead of seven. The period in which a claim must be presented is limited to three months; in certain cases of prolonged detention in hospitals this may entail hardship; I therefore recommend that the Director of Labour should be empowered to extend this period in cases of proved hardship. I recommend a clause providing that, when compensation is awarded, only a fixed percentage of this should be payable as lawyers' fees in connection with proceedings for recovery. I further recommend that compensation should, in addition to the amount awarded for wages lost, include essential hospital and medical expenses.

122. *The Free Emigration Ordinance, No. 12 of 1933*, facilitates emigration from Mauritius but empowers the Governor to regulate conditions and contracts under which emigrants may be leaving the Island.

123. *The Employment of Women, Young Persons and Children Ordinance, No. 37 of 1934, amended by Ordinance No. 16 of 1935*, regulates the employment of women, young persons, and children in industry to accord with the International Draft Convention on this subject and also with the Convention fixing the Minimum Age of Employment at Sea. This Ordinance defines a "child" as a person under the age of 14, a "young person" being one between the ages of 14 and 18. The Governor in Council may make certain modifications in the prohibitions of employment under the terms of the Convention in the cases of public emergency or exceptional circumstances.

124. *Ordinance No. 14 of 1934 (Minimum Wages Ordinance)* introduces a minimum wage; this may be fixed by the Governor and Executive Council for any particular locality. The Governor may appoint an Advisory Board to make recommendations.

125. *The Boilers Ordinance, No. 42 of 1934, amended by No. 28 of 1935, No. 39 of 1936, and No. 42 of 1939*, regulates management of boilers, provides for their inspection by specially qualified Boiler Inspectors appointed

by the Governor, lays down the procedure in case of accidents, and contains schedules giving forms of certificates for boilers and detailing the particulars to be ascertained in case of accidents.

126. *Ordinance No. 7 of 1938, The Industrial Associations Ordinance*, provides for the formation and regulation of employers' and employees' associations. Points requiring attention in this Ordinance have been dealt with in the foregoing section on "Trade Unionism"* and my three recommendations for certain amendments of the Ordinance will be found there.

127. *The Labour Ordinance, No. 47 of 1938*, was introduced to replace that of 1922 which had become obsolete and inapplicable. Its principal provisions are as follows:—The offices of Director of Labour and subordinate offices are established; all labourers are included, whether on monthly, daily, or other agreement; an eight-hour day is established, and overtime, with the payment of it, is regulated; all wages must be paid in cash unless the labourer himself desires to take part in rations; an employer may not make any deduction in the form of a fine; the Governor may prescribe the dimensions of any measurement used in determining a task; maternity allowances are introduced for women on estates, with creches in certain circumstances; the Governor may fix minimum rates of wages; the Director of Labour may require any employer to provide land for labourers' allotments; housing accommodation, where provided, shall be of a type approved by the Director of Labour in consultation with the Medical Authorities; regulations ensuring water-supply and sanitary arrangements are introduced; hospital accommodation and medical attendance and transport to hospital must be provided to the satisfaction of the Director of Labour and the Medical Department; in the case of employment in a new area the Director of Labour must be satisfied that the locality is healthy and that adequate arrangements have been made; no child under the age of 10 years shall be employed. (The Ordinance is a lengthy and elaborate one providing a wide measure of protection for the labourer and should be consulted for detailed provisions.) I recommend that the permissible age of employment for children should be raised from 10 years to 12 years, with a further proviso that employment shall not prejudice a child's school attendance up to the age of 14.

128. *Ordinance No. 3 of 1939, The Recruitment of Workers Ordinance*, was introduced to comply with the recommendations of the International Labour Conference of June, 1936. (The terms of the Ordinance are, in practice, of rare application in Mauritius.)

129. *Ordinance No. 9 of 1939, The Factories (Safety of Workers) Ordinance*, provides protection against accidents of workers in factories; the Governor in Executive Council may make regulations prescribing appropriate safety regulations and appliances in all factories.

130. *The Shop Hours Ordinance of 1942* (passed since the date of my visit) puts into force the provisions of the Shops Act of 1912, and provides for the appointment of Inspectors to enforce regulations. The actual application of these will depend largely on the rules made by the Governor in Council. (The matter will require somewhat careful handling, in view of the novelty of such regulation in Mauritius; there is, however, a considerable amount of support for moderate measures of this type among the shopkeepers.)

Appendix I

REVENUE AND EXPENDITURE.

(Compiled from Blue Books, Mauritius.)

Year.							Total Revenue.	Total Expenditure.
							Rs.*	Rs.*
1933-34	...	...	...	...	...	...	16,567,110	14,634,339
1934-35	...	...	...	...	...	...	22,964,244†	20,650,954
1935-36	...	...	...	...	...	...	15,350,986	14,694,644
1936-37	...	...	...	...	...	...	15,923,784	15,506,431
1937-38	...	...	...	...	...	...	17,259,849	26,640,996
1938-39	...	...	...	...	...	...	17,850,838	24,000,939
1939-40	...	...	...	...	...	...	19,000,381	18,431,708

* Re. 1 = 1s. 6d.

† Including Rs. 7,882,380 Special Revenue.

Appendix II

AGRICULTURAL SUMMARY.

(Compiled from the Report on the Agricultural Census, Mauritius, 1940.)

Areas under the various crops, 1940.

				Acres.					Acres.
Sugar cane	...	...	...	150,845	Pineapple	...	...	...	216
Manioc	...	...	...	1,422	Tea	...	...	...	754
Maize	...	...	...	2,403	Coconut	...	...	...	724
Potatoes	...	...	...	248	Rice	...	...	...	23
Ground Nuts	...	...	...	335	Taro (arouilles) (colocasie)	...	...	...	6
Sweet Potatoes	...	...	...	275	Coffee	...	...	...	3
Banana	...	...	...	416	Vacoa (pandanus)	...	...	...	2
Vegetables	...	...	...	2,225	"Assolement" (green manuring)	...	...	...	1,413
Tobacco	...	...	...	241	Aloe cultivated and semi-cultivated	...	...	...	12,898
Orchard	...	...	...	562	Aloe wild (estimated)	...	...	...	7,000
					Total	...	...	...	182,041*

* This total represents 39.7 per cent. of the area of the Colony.

Appendix III

SUGAR EXPORTS.

1913 and 1935—to 1940.

(Extract from the Annual Report on Trade, Mauritius, 1940)

Years.							Metric Tons.	Value.
								Rs.
1913	...	...	...	...	...	...	187,772	30,700,697
1935	...	...	...	...	...	...	233,202	26,895,460
1936	...	...	...	...	...	...	279,194	31,149,370
1937	313,012	35,250,607
1938	292,873	32,777,092
1939	294,605	36,783,483
1940	206,477	31,258,299

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Appendix IV

RATES OF PAY.

Schedules of Wages and Rates of Pay in the Chief Occupations.

(Figures supplied by the Labour Department, Mauritius.)

<i>Description of Worker.</i>	<i>Rates paid.</i>	<i>Remarks.</i>
Government Employment.		
<i>Railways Department.</i>		
<i>Stores and Workshops (Transportation and Engineers' Branch).</i>		
	<i>Rs. per diem.</i>	
Storemen	1.25-2.25	40-hour week.
Fitters	1.50-5.00	48 " "
Boiler Makers	2.00-6.00	48 " "
Blacksmiths	2.00-3.00	48 " "
Tinsmiths	2.50	48 " "
Coppersmiths	1.50	48 " "
Carriage cleaners ... ..	.70-1.00	48 " "
		(plus 10% bonus)
Locomotive Cleaners	1.25-2.25	48-hour week.
Labourers ... ..	.90-1.50	48 " "
(Note.—Since the compilation of these figures, information has been received that rates of pay and conditions of service have been materially improved.)		
<i>Railway Workshop (Plaine Lauzan).</i>		
	<i>Rs. per diem.</i>	
Charge Hands	3.50-6.00	32-hour week.
Boiler Makers	2.00-3.50	32 " "
Riveters	1.75-3.25	32 " "
Welders	1.75	44 " "
Labourers	1.25-1.50	32 " "
Apprentices ... ..	.90-1.50	32 " "
	<i>Rs. per mensem.</i>	
Permanent Way Drivers	90-220	54 " "
Stokers	70-80	54 " "
Porters	27-29.16	70 " "
Permanent Way Men	25-28	48 " "
Sirdars	37-42.25	48 " "
<i>Public Works Department.</i>		
	<i>Rs. per diem.</i>	
Carpenters	1.75-2.25	
Painters	1.50-2.25	
Masons	1.25-2.00	
Concreters	1.00-1.50	
Labourers ... ..	.75	
Women Labourers ... ..	.40-.50	
Overseers	2.00-4.00	
<i>Medical and Health Department.</i>		
	<i>Rs.</i>	
Boatmen	45.00	per mensem. 54-hour week.
Disinfectors	30.00	" " 54 " "
Latrine Cleaners ... ..	.80	per diem. 54 " "
Night Soil Men	1.25	" " 24 " "
Gravediggers ... ..	.80	" " 48 " "
Laboratory Workers	20.00-40.00	per mensem. 61 " "
Headmen	30.00-50.00	" " 48 " "
Labourers ... ..	.50-1.00	per diem. 54 " "
<i>Agricultural Department.</i>		
	<i>Rs. per mensem.</i>	
Sirdars and Headmen	32.00-45.00	Hours 11 a.m.-4 p.m.
Dairymen	30.00	" " "
Dairywomen	15.00	Plus 10% bonus.
Carters	28.00	" " "
Labourers	22.00-26.00	" " "
Labourers' Boys	5.00-20.00	" " "
	<i>Rs. per diem.</i>	
Day Labourers ... ..	.75	
Day Labourers' Women ... ..	.50	

<i>Government Clerical Service.</i>				<i>Rs. per annum.</i>
Special Grade Clerks	...	...	...	2,500-5,500
First Grade Clerks	...	...	...	2,700-3,900
Second Grade Clerks	...	...	...	900-2,700
Temporary Clerks	...	...	...	720
<i>Clerical Assistants.</i>				
Grade I	...	...	...	1,200-2,400
" II.	...	...	...	900-1,200
" III.	...	...	...	720-900

Agricultural Workers.*Sugar Industry.*

Labourers (able-bodied)	...	...	66 cents. for a day of 8 hours' work or an equivalent task during the inter-crop season.
Do.	do.	...	Rs. 1.25 for a day of eight hours' work or an equivalent task during the crop season.
Less efficient labourers	...	...	50 cents for a day of 7 hours' work or an equivalent task.

Labourers employed on Agreement.

First Category (Grande Bande)	...	...	Rs. 20 per mensem (or its equivalent if a labourer is on a monthly or fortnightly agreement. A day's work is 8 hours or an equivalent task.
Second Category	...	...	Rs. 18 per mensem (or its equivalent if a labourer is on a weekly or fortnightly agreement). A day's work is 8 hours or an equivalent task.

The above are the minimum rates laid down under the Minimum Wages Ordinance and came into force on 1st September, 1941.

Rs. per mensem.

Sirdars	...	...	20-45
Field Overseers	...	...	25-500
Clerical Staff	...	...	40-350

*Sugar Factory Workers.**Rs. per mensem.*

Mechanics	25-125	} plus overtime.
Boiler Sirdars and Firemen	...	...	15-50
Defecators, Clarifiers	...	...	15-25
Filter Press Crystallisers	...	...	15-25
Derrick Drivers	...	...	20-30
Locomotive Drivers	...	...	20-35
Apprentices	30 cts.-50 cts. per diem.	

*Tea Industry.**Field Workers.*

Sirdars	...	...	Rs. 25 per mensem.	
Labourers, Men	...	...	.70 per diem.	Task-work.
Women	...	...	.50 "	" "
Children	...	...	Rs. 2.50 a week.	Average on task-work (2 cents a lb.).

Factory Workers.

Men	Rs. 20 per mensem.	{ Hours 7 a.m.-4 p.m. One hour for meals. Average on task-work.
Women	...	...	.70 per diem.
Young Persons	...	...	Rs. 2 a week.

*Aloe Fibre Industry.**Field Workers.*

Leaf Cutters	...	...	40-45 cents.	Per 100 packages (14 lb.).
Carters	...	...	50 cents.	Per 100 packages.

Factory Workers.

Mill Hands	...	...	Rs. 30.00-45.00 per mensem.
Assistant Hands	...	...	20.00-30.00 "
Scraper Hands	...	...	.45- .50 per 100 kg.
Washing Women	...	...	.40- .50 per diem
Driers	...	...	.40- .50 "
Brushers	...	...	.45- .55 per 100 kg.
Packers	...	...	.60 "

Tobacco Planting.

Labourers	75 cents-Rs. 1.40 per diem.	Men.
Planting	40-60 cents per diem.	Women.
Grading	75 cents per diem.	Women.
Barnmen	Rs. 30-Rs. 45 per mensem.	

Industrial and Other Occupations.

<i>Workshops and Forges.</i>	<i>Rs. per diem.</i>	
Moulders	1.75-2.25	} or on piece-work.
Fitters	1.75-2.50	
Turners	1.75-2.50	
Planers	1.75-2.50	
Blacksmiths	1.25-1.50	
Carpenters	1.25-2.00	
Apprentices75-1.00	
(Learners are paid according to skill).		

Factory Workers.

Cigarette	75 cents-Rs. 1.30 per diem.
Match	35 cents-45 cents per diem.
Biscuit	45-75 cents per diem.
	40-60 " "

Printing Industry. (Private concerns.)

	<i>Rs. per mensem.</i>
Foremen	30-110
Compositors	18-70
Binders	40-60
Pressmen	12-75
Workmen (Skilled)	50 cents per diem.
" (Semi-skilled) Men ...	Rs. .5-70
" " Women	10-15
Apprentices	2-22

Transport Industry.

Lorry Drivers	Rs. 30-Rs. 60 per mensem.
Assistants	75 cents per diem.
Bus Drivers	Rs. 1.50 per diem (plus 35 cents for lunch—plus 50 cents overtime after 6 p.m.).
Bus Conductors	Rs. 1-Rs. 1.50 per diem, with commission.
Taxi Drivers	Rs. 40 per mensem.
Coachmen	75 cents-R. 1 per diem.
Carters	75 cents-R. 1 per diem.

Miscellaneous Trades.

	<i>Rs.</i>
Bakers	1.00-1.50 per night.
Carpenters	1.25-1.75 per diem.
Cabinet Makers	2.00-2.50 "
Masons	1.25-2.00 "
Tailors	1.50-2.00 "
Shop Assistants.	
(Town Shops)	40-100 per mensem.
(Country Shops)	20-25 "

Domestic Servants.

	<i>Rs. per mensem.</i>
Cooks	20-45
Butlers	20-30
Maids	6-15
Gardeners	18-30
Washerwomen	10-15
Washermen	18-25
Chauffeurs	30-45

*Waterfront Labour (Port Louis).**New Mauritius Dock and the Albion Dock.*

(The following figures are the normal rates; special seasonal arrangements are sometimes made.)

	<i>Rs. per diem.</i>	
Daymen for loading and unloading of coal (On board)	2.64	} (Double rates for night work).
(On shore)... ..	1.93	
Daymen employed in lighterages (On board)... ..	1.54	
(On shore)	1.38	
Daymen employed on piecework for unloading of sugar from wagons to stores		Rs. 31.35 per 1,000 bags. New Mauritius Dock only.
Daymen employed for delivering sugar from store to weigh-bridges and to lighters (piece-work)		Rs. 27.50 per 1,000 bags.
Daymen employed for loading sugar from verandahs to lighters ...		Rs. 6.88 per 1,000 bags.
Daymen employed for slinging sugar from lighters to ship		Rs. 6.88 per 1,000 bags.
Dockers		Rs. 38.50 per mensem (with free quarters and medical care).
Crane Drivers		Rs. 71.50-99 per mensem.
Artisans on regular daily employment		Rs. 2 per diem.

Wages paid by Stevedores to their workery.

<i>Loading of Sugar.</i>	<i>Task required.</i>	<i>Daily rate</i>	<i>Extras.</i>	<i>Night Work.</i>
Gangs of 12-17 men.	2,200 bags.	Rs. 3 per man.	—	Rs. 15 per man for task of 1,500 bags.

General Cargoes.

Gangs of 11 men.	2 full lighters.	Rs. 3 per man.	Rs. 1.50 per man for each additional lighter over task.	For two lighters Rs. 5 per man, 50 cents per man for each additional lighter.
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Coal.

Gangs of 13 men.	100 tons.	Rs. 3 per man.	50 cents for each ton over task.	Rs. 5 for respective tasks.
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Motor Spirit.

Loading in lighters.	2,000 cases.	Rs. 3 per man.		
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Rice.

Gangs of 12 men.	2,250 bags.	Rs. 3 per man.		
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Appendix V**INDUSTRIAL ASSOCIATIONS.**

(Registered under the Industrial Associations Ordinance.)

1. Docks, Wharves and Harbour Workers Industrial Association.
2. Moka Sugar Estates (St. Pierre) Labourers Industrial Association.
3. Pamplemousses Sugar Estates Labourers (D'Epinay and Plaines des Papayes) Industrial Association.
4. North and West Flacq Employees Association.
5. Building Trade Operatives Industrial Association.
6. Non-Pensionable Government Printing Trade Operative Industrial Association.
7. Permanent Way Station Porters and Gatemen Industrial Association.
8. Mauritius Government Railways Employees Industrial Association.
9. Mauritius Government Building Workers Industrial Association.

10. Beau Bassin and Chebel Labourers Industrial Association.
11. East and Central Flacq Sugar Industry Labourers Industrial Association.
12. South Flacq Sugar Industry Labourers Industrial Association.
13. Plaines Wilhems and Black River Sugar Estates Artisans Industrial Association.
14. The Stanley, Bassin and Chamarel Labourers Industrial Association.
15. East Moka Labourers (Sugar Industry) Industrial Association.
16. The Central Rivière du Rempart Labourers Industrial Association.
17. Pamplémousses Mechanical and Technical Workers Industrial Association.
18. Dock and Shipping Clerical Employees Industrial Association.
19. The Shipping Industrial Association.
20. The Rivière du Rempart Mechanical, Technical and Factory Workers Industrial Association.
21. The Flacq Mechanical and Technical Workers Industrial Association.
22. Surinam, Souillac Labourers Industrial Association.
23. South Plaines Wilhems Labourers Industrial Association.
24. Mechanical and Technical Workers Industrial Association of Moka.
25. Masters Federation of Stevedores.
26. The Saint André Labourers Industrial Association.
27. The Port Louis Foundry and Metal Works Industrial Association.
28. The Mauritius Printing Trade Employees Industrial Association.
29. The Grand Port Sugar Industry Industrial Association.
30. The Grand Port Employers Industrial Association.
31. The Savanne Technical and Mechanical Industrial Association.
32. The Boot and Shoe Making Industrial Association.
33. The Paropkarini Industrial Association.
34. The Agricultural and Industrial Employees Industrial Association.
35. The North Rivière du Rempart Labourers Industrial Association.
36. The Mauritius General Road Transport Workers Industrial Association.
37. The Savanne Employers Industrial Association.
38. The Agricultural and Industrial Employees Industrial Association.
39. The North-East Savanne Labourers Industrial Association.
40. The Moka-Flacq Employers Industrial Association.
41. The Baking and Confectionery Trade Industrial Association.
42. The Dagotièrre Sugar Industry Labourers Industrial Association.
43. The Pamplémousses and Rivière du Rempart Employers Industrial Association.
44. The Plaines Wilhems and Black River Employers Industrial Association.
45. The Small Planters' Industrial Association of Mauritius.
46. The Seamen's Industrial Association.
47. The Plying Boatmen Industrial Association.

MALAYA

This Report on conditions in Malaya was mainly written before the outbreak of hostilities with Japan. Although it is thus out of date, it is published as being of value owing to the interest of Malayan labour organisation and legislation to other Colonial Governments; it should also be of value for purposes of reconstruction.

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REPORT ON CONDITIONS OF LABOUR IN MALAYA.

Introductory.

1. My visit to Malaya was of necessity brief, since it followed on those to Ceylon and Mauritius; I was only able to devote 45 days, which was a period far from adequate for a complete study of all aspects of labour conditions. Furthermore a strained political situation and the requirements of large bodies of Naval, Military and Air Force personnel rendered the situation abnormal and increased the difficulty of judging the position in ordinary times.

2. The Malayan Peninsula under British control is approximately the size of England; it is both fertile and rich in minerals with, for the most part, a hot, moist, climate. The Malays, who are the original inhabitants, were peasant farmers and fishers who showed little alacrity in undertaking new forms of employment when development began to take place in plantations and mining. As in similar circumstances in other countries, therefore, immigrants were attracted from neighbouring territories, and a large Tamil labour force was imported to develop the rubber plantations, while Chinese workers have for many centuries exploited the local tin mines. To a smaller degree there has been an influx of labour from Java whose people are ethnically very similar to the Malays and with whom they blend well. This movement has gone to such an extent that these immigrants now outnumber the Malays themselves. In consequence of this remarkable variety the community has various clear divisions; Malay, Tamil, and Chinese are the principal languages spoken, English being restricted to those with some degree of education. The Mohammedan, Hindu, Buddhist, and Christian religions all have numerous adherents and each community tends to develop on its own lines. The Tamil element is mainly confined to the plantations, while the Chinese undertake most of the labour on the tin mines, the Malays remaining largely agricultural, though they are frequently to be found in such occupations as police, overseers, and similar supervisory positions.

3. Under urban conditions and in the factories a greater degree of mixture exists; the Chinese are to be found in all positions from owner-manager down to daily worker; other nationalities are frequently found working beside them, while in urban industries all sections seem to compete.

4. The existing political structure of Malaya is of comparatively recent growth. After some early episodes under the Portuguese and Dutch flags, the British established themselves in the beginning of the last century in the Straits Settlements of Singapore, Malacca, and Penang. The various Malay States inland remained entirely independent until towards the end of the last century, when they gradually established amicable treaty relations with the British authorities. In 1909, Siam relinquished any rights to the Northern States of Kedah, Perlis, Trengganu, and Kelantan. The existing divisions are therefore as follows:—the three settlements of Singapore, Malacca and Penang, with Labuan and certain other islands forming the Colony, which is British territory administered from Singapore. There are then the four Federated States, Perak, Selangor, Negri Sembilan, and Pahang, with the Federated capital at Kuala Lumpur; lastly, there are the six Unfederated States, Kedah, Perlis, Kelantan, Trengganu, and Johore, with Brunei in the Island of Borneo. The Malay States are not British territory, but are administered by their own sovereign Sultans under British protection. The Officer at the head of the Administration is the Governor of the Colony and High Commissioner for the various States. There are thus the three units of the Colony, and, in addi-

tion, ten separate State administrations; this introduces a considerable measure of diversity, and forms an obstacle in the way of unity of administration or supervision.

5. This loosely-knit political entity thus differs, to a marked degree, from the usual form of Colony or Protectorate. The British administration acts mainly in an advisory capacity to the various Sultans, who maintain their own culture, language, religion, etc.; the large immigrant elements of Indians, Chinese, Javanese, etc., form separate and distinct entities in the population, each with its own racial background of language, religion, and customs, (though the last of these peoples are very similar to the Malays). The tenuity of the British element in the government of the country is demonstrated by the fact that, in an area rather larger than England, with a population of nearly five millions, the total number of European Malayan civil servants is 220, with 119 Police, and 124 in the Education Department (Malayan Civil List, 1939); the various other Departments add to these numbers, but since they are specialists, such as engineers, surveyors, doctors, etc., they can hardly be regarded as having a direct effect on cultural development. European influence on the real life of the people is thus comparatively slight, although the more concrete forms of it are obvious in the shape of buildings, roads, plantations, etc. The British, in fact, entered the greater part of the country on the invitation of its rulers, and have been scrupulously careful to refrain from superseding the existing administration. The straightforward progress by means of legislation of general applicability, such as can be carried out in more homogeneous populations, is thus not possible in Malaya; progress must be made by advice and example, the results achieved bearing witness to the success with which British officials in the past have carried out a delicate duty.

6. Labour control is rendered more difficult by the various complications outlined above. With the increase in Indian immigration, the Government of India required a certain standard to be maintained for its nationals, and to ensure the observance of this, an Agent to the Government of India resides permanently in Malaya. Tamil workers are dealt with by the Labour Department whose officers are specially trained for the purpose and required to pass an exacting language test; they are, however, drawn from the administration, to which they may at any time return. Chinese labour is dealt with by the officers of the Chinese Protectorate whose Head is the Secretary for Chinese Affairs. These officers specialize and begin with a lengthy residence in China to study language and customs. This is additionally necessary owing to the fact that the Chinese in Malaya are by no means homogenous, employing several different languages among themselves and lacking any one "lingua franca".

7. Labour administration is thus divided into two separate branches, the heads of which are independent of each other, though consultation naturally takes place frequently; there is, however, an inevitable lack of co-ordination and uniformity, not only of regulations but also of minor points of policy, which is an undeniable disadvantage. There is also a possibility that the Malay element of the population will be overshadowed by the Tamil and Chinese sections, while the urban dwellers' needs are apt to be overlooked, since they do not come definitely within either of the two main groups.

* 8. A conspicuous feature in Malaya is the rapid increase in the population; the census of 1911 showed a total of 2,672,754; that of 1921 gave 3,358,054, while in 1931 the figure had risen to 4,385,346. The high proportion of males to females which has long been a noticeable feature of the situation is steadily declining, the percentage increase for males in the decade 1921 to 1931 being 26.0, while that for females for the same period was 37.9. The

foregoing increases are, of course, mainly due to immigration; of the various races concerned, the percentage of Chinese has risen from 35.0 to 39.0, that of Malaysians falling from 49.2 to 44.7, while the percentages of Europeans and Indians remain almost unchanged. The census of 1931 gives the following interesting figures for the racial composition of the population on estates:

	<i>Males.</i>	<i>Females.</i>
Indians	185,057	119,110
Chinese	72,274	13,731
Malaysians	17,446	11,953

It will be observed that a family life is maintained to a much greater extent among the Indian and Malaysians than Chinese. It should be added that the foregoing figures are not an accurate indication of the racial proportions employed, since the Chinese in many cases live in neighbouring villages and go to work daily, whereas the great majority of Indian employees reside on the estates. The population of Malaya is clearly in an unstable condition, since any serious depression in the main industries would produce a large reduction in the numbers of immigrants.

9. The percentage of literacy is low; this is due, not so much to the lack of facilities for schooling for the children, as to the large proportion of the population who are migrant labourers who have received no literary education in their homes. The following table of industrial classification of the population of British Malaya as a whole is extracted from the census return of 1931:

	<i>Males.</i>	<i>Females.</i>
Agriculture	915,254	291,177
Mining and manufacture	219,421	25,183
Transport	123,615	747
Commerce	197,802	15,221
Public Services	27,029	1,172
Professions	28,425	6,013
Personal Service	94,642	38,650
Totals ...	1,606,188	378,163

10. The greater part of the development of Malaya is of comparatively recent date, particularly as regards the rubber plantations. Suitability of soil and climate has naturally dominated these activities, and this has led to development taking place mainly in the western side of the Peninsula. The principal railway therefore serves the western area, which has also a remarkable network of roads. In the north-east, communications are far less advanced and access to the east coast is easiest by sea or air. The railway system amounts to 1,608 miles; the service is up to date and travelling is as comfortable as on any railway in the Colonial Empire. The management have combined the railway with the road system and have thereby contrived largely to avoid the competition which has proved so disastrous in the case of some other railways. A large amount of money is spent on the road system, which amounts to some 10,000 miles, the greater part being metalled and tarred. The standard of maintenance is high, speed and comfort being correspondingly promoted.

11. The Malayan ports are in normal times exceedingly busy, the total tonnage of vessels entering and clearing the five ports of the Colony in 1938 being nearly 48,000,000 tons.

12. Aviation has been developed both in the overseas service and in a regular local service between Singapore, Kuala Lumpur, Ipoh, and Penang. Subsidiary aerodromes have so far been limited in number but are being developed.

The Labour Supply.

13. Malaya is a typical example of a country where immigrant labour has been called in to supplement the local supply. The Malay was originally a peasant farmer with his own organised society and culture; regular wage-earning was alien to him, and he showed the same reluctance to undertake this as similar types in other parts of the world. Except for the occasional purchase of some imported luxury, he had little need for ready cash and he relied upon his own resources for the provision of necessities. Favoured by climate and soil, he was able to raise his crops without much trouble, while the sea coasts brought forth a good supply of fish. From remote times Chinese immigrants have worked the tin mines by primitive methods, and in this the Malay readily acquiesced though taking no part in such enterprises. His rulers exacted a certain toll but otherwise the local inhabitants were but little affected by this alien enterprise.

14. Specialized plantation development was for long restricted to sugarcane, and coconuts for the production of copra; the invention of the pneumatic tyre, however, led to an immense demand for rubber, for the production of which the Malayan climate and soil proved to be exceptionally well suited. The beginning of the present century, therefore, saw the rapid development of this tree, and the new industry speedily attained a dominant position. Prices fluctuated widely and large fortunes were made and lost, the industry acquiring a speculative character which it has never lost. (The accompanying graph (Diagram I)* will indicate the extremes between which the price rose and fell). A period of severe depression last occurred some ten years ago since when rubber has been in a paying, if not prosperous, condition, until the outbreak of war enormously increased the demand, not only for military use but also as a valuable factor in the adjustment of the American Exchange. The industry is not, however, particularly prosperous on that account since the excess profit duty absorbs the surplus.

15. The speculative element in rubber-growing has had an unfortunate effect on conditions in the industry; uncertainty as to the future has rendered proprietors reluctant to face any considerable expenditure, or to undertake long-term programmes of development. There is, furthermore, the complication that various small properties, planted in times of prosperity, have proved to be of doubtful value, being exploited or abandoned as prices rose or fell, with a corresponding unsettling effect on the labour market. Total production was governed by the quota system until the outbreak of war when it increased rapidly.

16. The development of this important industry naturally necessitated a large additional labour force. The Malays showed little inclination to undertake such work. Tamil labourers were therefore brought over from India in increasing numbers; this was at first under a system of contracts, but these were abolished in 1910, penal sanctions disappearing in 1921 and 1923. Careful supervision of this labour was early undertaken and the Labour Department has been in existence for over 30 years. The Indian Immigration Committee was set up in 1907 to arrange for the collection and transport of the labourers. The Indian Government also interested itself in the treatment of its nationals, and it maintains an Agent in Malaya to see that the conditions laid down by the Indian Emigration Act, 1922,

* Facing page 112.

are duly observed. Since conditions and wages are better in Malaya than in Southern India, the number of Tamils anxious to obtain employment has always tended to exceed the demand; the employee therefore dreads discharge and the situation resembles that in European countries rather than that in more primitive territories where an inadequate labour supply entails an unreliable and irresponsible worker. In consequence, it has proved possible to spend considerable sums annually in financing the journeys of the workers who can be relied upon to remain in employment sufficiently long to justify this expenditure. It will, however, be noted that these arrangements are less favourable to the worker than those under the African contract system, by which the employee has a legal right to his expenses for his return home after a much shorter period than that after which the Tamil in Malaya can hope to be sent back to India. The Indian Immigration Fund (derived from a compulsory payment by the planters) maintains the necessary medical staff to carry out the inspection of new arrivals and ensure their fitness for work, unless they are definitely classed as relatives accompanying the labourer. There is normally a flow of labour between India and Malaya consisting of fresh arrivals, men returning to visit their homes, and those returning after a number of years' service. The connection with India is close and the great majority of Tamil workers have family ties and interests in the home country; with this, however, there is a proportion of men who have settled permanently in Malaya and for whom the tie with India is correspondingly weakened.

17. The collection of Chinese labour differs materially from that of the Tamil; arrangements for the benefit of the worker are, by comparison, poor. Migration is regulated under the terms of the Emigration Convention between the United Kingdom and China of 13th May, 1904. This provided for the regulation of a system of indentures, made arrangements for the provision of a free passage, and also regulated working conditions. Under this Convention, recruiting under indenture was conducted on the Sin-Kheh system (Chinese newcomer). The labour was recruited by an Agent, often a lodging-house keeper at Swatow or Hong Kong, and shipped to Singapore; thence he was passed through a licensed coolie depot to the place of employment under an agreement to remain, usually for 300 working days. This system was much disliked by the Chinese, who named it Kuai-chu-chai (selling young pigs). The system was undoubtedly open to many abuses. It was terminated by the abolition of indentured labour by the Federated Malay States and Straits Settlements Governments, in 1914; since that date, arrangements for the supervision or assistance of Chinese labour emigrants going to Malaya appear to have been virtually non-existent. Numerous efforts have been made by the various authorities to evolve some system of assisted migration on the lines of that applicable to Indians; investigations and enquiries were made by the Secretary for Chinese Affairs, the Planters' Association of Malaya, and various other persons; recommendations and suggestions were put forward but general agreement by all concerned, including the Chinese Government, apparently could not be reached.

18. The present lack of organisation is unfortunate, since it must entail various hardships for the worker, particularly on account of the lack of any medical inspection; furthermore, without any of the immigration authorities who restrict numbers entering to a certain quota, the Malayan Government must be greatly handicapped in any effort to deal with unemployment, relief of destitution, and similar problems. Further, the detailed requirements exacted by the Indian Government for its nationals do not apply in the case of Chinese, who must therefore rely for their welfare entirely upon the services of the officers of the Chinese Protectorate in Malaya. It can fairly be said that these duties are performed with zeal

and efficiency; at the same time it is clearly desirable that some organisation and supervision of this large mass of migrant workers should be arranged, and that rules should be applied to them establishing a definite standard of working and living conditions. Any appropriate agreement with the Government of China is obviously impossible in existing circumstances, but when the situation is more favourable I recommend that a renewed attempt should be made to achieve a definite agreement on the subject, which would ensure control both of the journey and of the subsequent hours and conditions of labour.

19. The Malayan labourer has hitherto shown little inclination for wage-paid manual work, preferring independent occupation such as the activities of his own land; there are, however, some signs of a modification in this attitude and a few Malays are to be found employed alongside Indians and Chinese in factories and businesses, where they seem capable of equally good work. They also take readily to supervisory posts such as policemen, overseers, watchmen, etc. They are generally regarded as being deficient in industry and reliability; this, however seems to be the result of a natural independence rather than any shortcoming in character. They do not at present constitute any appreciable proportion of the manual workers and have shown no signs of combination on racial lines. Should their numbers in industry increase, as seems probable, arrangements to meet these requirements will be desirable.

20. There is a small but growing proportion of Javanese in the Malayan labour market; these people have much in common with the Malays who readily assimilate them. Since, in their own country, they are accustomed to longer hours and lower wages, conditions in Malaya are attractive to them; they are far more accustomed to plantation work than the Malays and are generally regarded as satisfactory labourers. Their numbers therefore seem likely to increase, a tendency which has recently been accentuated by the ban on migration between India and Malaya. Their welfare is attended to by the Labour Department, but, here again, greater attention to this point may prove desirable in future.

Conditions on Plantations.

21. As has already been mentioned, the development of the plantation system in Malaya has not the same long history as in other countries: starting from small beginnings with coconuts and sugar-cane, its present magnitude was mainly due to the growth of the rubber industry, and was thus almost entirely confined to the present century. The area of the rubber crop under cultivation amounted, in 1939, to 3,422,649 acres. The gross exports amounted to 553,324 tons, to the value of over £43,000,000. The work involved in the cultivation of rubber is considerable, though naturally largest in the first establishment of the plantation. The initial felling, clearing, and burning of the jungle is followed by the planting out of young trees raised from seeds in the nursery; these are subsequently thinned out to leave from 60 to 100 trees per acre. Considerable research work has been carried out with a view to improving the yield of the trees and the bud grafting system is now widely adopted; the interesting details of these improvements are, however, scarcely pertinent to this report.

22. During the first five or six years of the tree's life, weeding of the ground is important; this was formerly carried out to the extent known as "clean weeding", when the surface of the soil was left exposed. This proved disastrous owing to the resultant soil erosion, and it is now usual to plant a cover-crop of some leguminous plant which serves to protect the soil and also to enrich it by the addition of nitrogen. As the trees attain maturity

they form a canopy which largely protects the ground beneath. Manuring is carried out to a greater or lesser extent according to the circumstances of the plantation, particularly in the case of replanted areas.

23. Tapping begins when the trees are five to six years old. The work consists of making a slanting cut, removing a thin slip of bark along which the exuding latex will flow, to be caught in a suitably adjusted cup at the bottom of the cut; this is collected within a few hours and is removed in buckets to the factory. Various methods of tapping can be employed, differing in severity and consequent effect upon the trees; when carried to an extreme it is described as "slaughter tapping" and the tree is speedily exhausted and killed. Careful consideration is therefore necessary, with far-sighted conservation of resources, if the full value of the plantation is to be maintained. The work of tapping, while not heavy, requires some skill and experience and earns correspondingly higher wages; it is frequently performed by women. Tappers start work at dawn, the flow of latex being at its best in the early hours. They visit each tree under their charge to make the necessary cut and adjust the cup, returning later to collect the latex and take it to the factory for weighing; the resultant quantity is then booked to their credit.

24. The latex is converted into rubber at the factory by the addition of a coagulant which is usually formic acid, though acetic and sulphuric acids will serve the purpose. The resultant coagulum is passed through rollers to form sheets which are subsequently dried and smoked in the specially constructed building. The "crepe" variety of rubber is produced by corrugated rolls geared to run at uneven speeds producing a long thin ribbon which is then dried in racks. Various other forms of rubber are also prepared while there is also some export of the concentrated latex in tanks.

25. In addition to the first quality latex, there is always a certain amount of scrap rubber collected from dried latex on the trees, overflows from cups, etc.; this is machined up to produce a second grade article. The work has no objectionable features, factories being always well lit and ventilated; at certain stages an unpleasant smell may be produced but this appears to be in no way harmful. The factory workers are almost all male, though some women are employed in examining the finished product to detect faults or impurities.

26. Hours of work in the factories are usually from 6 a.m. till 1 p.m. with a break of about half-an-hour for a morning meal. Tappers must leave their houses by dawn in order to take full advantage of the flow of latex; tapping and collecting is usually completed before mid-day after which the product is taken to the factory for delivery and weighing. I heard some complaints of unduly long hours worked by tappers, and the claim was made that they were sometimes kept as late as 3 p.m. I watched the weighing of the latex at the factory on a number of plantations and in every instance this was completed by 1 p.m.; I do not think therefore that the complaint about long hours is well founded. ("It was pleasing to note that on all the estates visited the labour force was always back in the lines by 2 p.m. or shortly afterwards, and that thereafter any work undertaken was in the main voluntary and was invariably paid for as overtime. . . . A day's work for a tapper is in fact usually about 6 or 6½ hours." Report to the Government of India on the conditions of Indian Labour in Malaya by the Rt. Hon. V. S. Srinivasa Sastri, P.C., C.H., 1937.) Tappers were formerly required to undertake other work; this has now disappeared on the great majority of estates; wages are fixed at a rate of 50 cents for men and 40 cents for women, plus 10 cents cost of living allowance; this, however, is in fact a minimum wage and both factory hands and tappers usually earn more.

27. Rubber, like tea, admits of the employment of a proportion of female labour so there was not the initial encouragement of workers living under bachelor conditions which occurred in the case of some other Colonies. In spite of this, however, the original type of housing on the plantations was the long "range" which had originated with indentured labour and was copied in Malaya, although unsuitable for family life. Considerable progress has since taken place and there is a general tendency to change over to much smaller housing units affording better accommodation with greater privacy and more home-like conditions. This change is undoubtedly wise from the point of view of the health and contentment of the worker and his family, while it also accords with the aspirations of the younger labourers for improved living conditions. Modern development appears to be towards the provision for a family of two rooms with covered verandahs in front and behind, affording facilities for cooking and washing. A variety of types is to be found, the most modern of which provide good accommodation with an attractive appearance.

28. Some of the existing rules and the proposed Labour Code require the management to set aside land for allotment gardens or the pasturing of cattle. This is a much appreciated provision and the majority of labourers have small gardens, the produce of which benefits both health and pocket. In many instances, also, a number of cattle are to be found on the estates which are the property of the workers; in some instances, the management buy the milk thus produced for the mid-day distribution for the school children.

Coconut Plantations.

29. Coconut plantations exist on a considerable scale in the lower country, which is well suited to their growth. The total area under this cultivation is over 600,000 acres, three-quarters of which are small properties owned by Asiatics. The exports consist of copra (the dried flesh of the nut) and coconut oil, some local use being made of the fresh nuts and the alcoholic beverage "toddy". Once a plantation is established the amount of labour required is small, though the drainage essential to the plant will require upkeep. In the production of copra the nuts are collected and husked by hand, the "meat" being then extracted and dried. The best results are obtained by sun drying but this is difficult owing to a high rainfall, and the use of kilns is therefore general. The product is then either exported or pressed in order to extract the oil. No part of this process requires any elaborate machinery and except for the highest grade article it can be carried out with comparatively primitive appliances. The price has been depressed for some years past; nevertheless, in 1938, the last normal year, 186,271 tons of products were exported to a value of nearly £1,500,000. Since the outbreak of War, shipping and other difficulties have greatly reduced the export and the industry has suffered considerably in consequence. Such plantations as employ a wage-paid labour force frequently find accommodation for this in neighbouring villages and not on the plantations. In any case the numbers concerned are on a very much smaller scale than those of a rubber estate.

Oil Palm.

30. The West African oil palm was introduced into Malaya in the last century, where it flourished. The total planted area is approximately 75,000 acres. Exports in 1938 amounted to 63,736 tons, of a value of approximately £800,000. The nut is either exported whole or is treated to extract the oil. The latter process can be done either by a press or by a centrifugal extractor; in either case the nut has to undergo preliminary sterilizing and heating, fairly elaborate machinery being necessary to produce a high-grade article.

More primitive methods, the ox-driven mills, are employed by the small growers. The amount of labour involved is not large, though there are ten estates of over 1,000 acres.

Tea Plantations.

31. Tea is grown to a limited extent, some 7,000 acres being planted with it, producing in 1938 over £1,000,000 worth, at rather more than one shilling a pound on the London market. There is a large import of tea into Malaya since the local product is not popular with the Chinese.

Coffee Plantations.

32. Coffee was formerly widely grown in Malaya but was largely replaced by rubber; it is now again receiving some attention. Over 20,000 acres are under coffee, both Liberian and Robusta varieties being grown. The bulk of the crop comes from smallholders and it is, in some cases, interplanted with rubber or coconuts. The methods of preparation usually employed do not produce a high-grade article and there is a large importation. The industry appears to admit of development.

Other Plantation Crops.

33. Other plantation crops consist of nipah, a palm producing sugar, alcohol and acetic acid; and gutta percha, which grows wild but which is now being tried as a plantation crop. The kapok tree is widely distributed, the floss being used for domestic purposes by the natives. The plant has not hitherto been developed but there are distinct possibilities.

Estate Hospitals and Schools.

Hospitals.

34. The Superintendents maintain hospitals for the benefit of their work-people, individually for the larger institutions and by groups in the case of smaller properties. These are all liable to inspection by the Government Medical Officers, a certain standard of efficiency being thereby ensured; but they naturally differ greatly in accommodation and resources and also in the qualifications of those in charge. The group system is already in use, but this might admit of some extension, since increasing availability of motor transport enables patients to be sent over longer distances in reasonable comfort. Against this, however, there must be reckoned the reluctance of the workman to be taken so far from his family and friends; probably a modest building near at hand, even though inadequately equipped and staffed would be readily entered, whereas the proposal to send the patient to a more efficient institution at a distance would meet with alarmed protests. Some compromise with a view to further accommodation is certainly desirable, since the multiplicity of small establishments must greatly increase the difficulty of supervision and proper treatment by qualified men. On the largest estates owned by important companies the hospitals were fine institutions, well equipped and staffed, with ample provision for the treatment of women and children, as well as good maternity wards and qualified midwives. At the other end of the scale, on small privately-owned properties, resources consisted of a box of first-aid remedies, and a few bottles of mixtures to be administered by anybody who felt competent to undertake the task. Serious illness necessitates transport to the nearest Government hospital which must often involve a severe ordeal for the patient.

Schools.

35. A school must by law be maintained on every plantation of any size; the ground and the building must be provided by the management, while the salary of the teacher is found by the Government, who also make a grant

to the estate of \$8 (18s. 8d.) per pupil per annum. Here again the variation in standard is great; on the largest estates the buildings are good and the staff fairly well qualified; the teaching is on sound lines and includes physical drill, games, etc. On the small properties the building is sometimes poor, while the salary of the one teacher is a pittance quite insufficient to secure the services of a qualified man. As a whole, however, results were better than might have been expected; managers frequently showed a remarkable interest and pride in the school and the children were certainly obtaining a useful elementary education.

Estate Staff.

36. All the plantations, but particularly the larger ones, have inevitably suffered from reductions in managerial staff. This began in a depression of 1930-31 when the disastrous fall in prices rendered drastic economy essential. This was facilitated by the increased use of motor cars, so that there was one man left to do the duty previously done by two or even three. This naturally entailed some reduction in the close contact formerly maintained between employer and labourer. The process was accelerated by the outbreak of War. Some men on leave did not return to Malaya, and fresh employees no longer came forward; in addition, the embodiment of the Malayan Defence Force made considerable calls on the remaining staffs. Consequently, at the time of my visit there were many instances of hard-worked men, already overdue for leave, endeavouring to maintain production on several estates, with the labour forces of which they were naturally quite unable to maintain close relations. The balance between taking planters for the local forces, or leaving them to keep up the output of this essential item in the war effort, is naturally a matter for the military authorities who have given it careful consideration.

Intoxicants.

37. A vexed question on the plantations is the existence of shops for the sale of "toddy" (palm wine). This local drink when first drawn from the tree is innocuous but it rapidly ferments and becomes increasingly intoxicating. There is also a far stronger and more deleterious drink known as "samsu" (rice spirit). Toddy shops are licensed and inspected by Excise officers and are managed under certain restrictions, one being the prohibition of sale to women and children. The wishes of the estate labour forces are consulted in the matter, men and women being questioned separately. On certain estates the consensus of these opinions has led to the closing of the shop; on the majority, however, there is sufficient support for the shop to remain open. Prohibition of the sale of "toddy" is said to entail the risk of the increased sale of illicit "samsu" with much more deleterious results; information from various sources indicated that there is some foundation for this view, though the danger is sometimes exaggerated. Managers as a whole would prefer shops to be closed, but are naturally not prepared to act in the face of any strong opposition from their labourers.

Employers' Organisation.

38. The employers are organised in the powerful United Planters' Association of Malaya. This body naturally includes members of very varying shades of opinion, but it has shown itself generally progressive. On various occasions the Association has advocated improvements and reforms in advance of the Government.

Responsibilities of Planters.

39. It will be observed that the foregoing details concerning housing, hospitals, and schools all refer to the responsibility of plantation owners in these matters. As in the case of Ceylon, the conclusion is inescapable that the local

Governments have, in some measure, avoided responsibility for the immigrant by passing it on to the employer, their own efforts being concentrated on the requirements of the original inhabitants of the country; the position might well be examined with a view to the promotion of efficiency and the more equitable sharing of the burden. There is another aspect of this question which should not be overlooked, which is that the placing of the responsibility of these services upon the plantations means, in fact, that the resultant benefits apply almost entirely to the Tamil labourer; the large number of Chinese, mostly employed in the mines, are by comparison very poorly catered for. The Chinese are keenly interested in education, and numerous fine buildings are to be seen erected and maintained by that community; in their case, therefore, they have assumed the responsibility borne by the employer in the case of the Tamil. As already mentioned, the group system should admit of extension, but more particularly as part of a general scheme in which the local Government should have an important share. Motor transport might be more widely utilized for the service of centralized schools and hospitals. This arrangement has already been introduced on a small scale on the important group of estates belonging to the Dunlop Company; there, in addition to the usual school for the Tamil children, there is also an excellent establishment for the Chinese section of the employees, the pupils being collected from their homes by motor omnibuses, given a mid-day meal, and similarly sent back after school hours. Such an arrangement might well be introduced on a much wider scale both for schools and for hospitals, with the object of reducing the numerous existing little institutions which can never hope to render really efficient service. In the case of hospitals, a patient's dislike of being taken some distance from his family and friends might be overcome to some extent by granting periodical free transport to hospital visitors. Some such arrangement would end the existing situation where two parallel but separate systems of education and hospitalisation, one maintained by the Government for the population as a whole, and the other kept up by the plantations to cater for the needs of their labourers, exist side by side.

Food.

40. The system of feeding on Malayan estates is a somewhat peculiar one. There is no system of rationing in the usual sense of the expression and the workman buys the food for himself and his family out of his wages. At the same time a certain concession is made in the shape of the sale of rice by the estates to the labourers at a fixed price which is unaffected by market fluctuations; in normal circumstances this is appreciably below the ruling market rate even for wholesale purchases and represents a distinct benefit to the labourer, since it renders him independent of variations in the cost of his principal article of diet. (In June, 1941, the estate selling price was 39 cents per gantang as compared with the market price of 45 cents upwards according to locality.) The equivalent in English money of the estate rice is approximately 8 lb. for 11d. Since the greater part of the rice consumed in Malaya is imported from overseas, variations in price are very apt to occur, so this arrangement helps to stabilize the cost of living. Other articles of food are bought in the local markets and prices vary appreciably according to locality, being naturally highest nearest the towns; as a whole, however, they must be regarded as cheap. Unfortunately, this applies to the items of the normal Tamil diet and from a nutritive point of view this leaves much to be desired. Meals consist very largely of rice with a little meat, fish, or other protein added as a relish; a fair proportion of vegetables, spices, and fruit are added, while some oil is used in the cooking. Meat, dairy produce, and eggs are very little used because they are expensive and also because they are not a normal constituent of the home diet. This constitutes a serious defect, so that the

Tamil worker, and still more his family, must be regarded as under-nourished. An improved diet scale would certainly be beneficial to the labourers and a sound investment for the employer. As Dr. Bruce Cross says, "If the estate population could adopt or be persuaded to adopt adequate dietary standards their well-being and happiness would be changed almost out of recognition, with incalculable benefit to both employer and employee." (Journal of Malaya Branch of the British Medical Association, September, 1940.)

41. Unfortunately, various factors militate against an improvement in the diet. Shops near estates are seldom prepared to risk loss through the stocking of perishable goods, and this lessens the possibility of buying fresh food; local markets do something to remedy this but they are not always near at hand. The keeping of gardens by the labourers has valuable potentialities, but by no means all employees are prepared to go to the necessary trouble; in other instances, the produce is sold when mature in order to obtain more ready money. The keeping of cattle has also an excellent effect, but here again unfortunately it is often regarded as a money-making proposition rather than as a contribution to the family bill of fare. The extent to which gardens and cattle are kept varies greatly according to the estate; on some of the best every encouragement is given with obviously beneficial results; elsewhere, however, no incentive is provided and the keeping of cattle is discouraged owing to possible damage to plantations from straying beasts. There is another serious difficulty owing to the unfortunate fact that the Indian, unlike the Chinese or the African, is inclined to economise at the expense of his stomach; it therefore seems unlikely that increased wages would have any marked effect in improving the diet. In British Guiana, the wage of the Indian labourer is some two and a half times that of the Malayan figure (though it should be added that the cost of foodstuffs is rather higher), but malnutrition, particularly among the women, is more conspicuous there than in Malaya.

42. From a scientific point of view the introduction of the issue of cooked rations would be by far the best solution; a well-balanced and fully adequate diet could thereby be ensured with marked benefit to the labourer and probably profit to the employer. The great advantages of this system have been clearly demonstrated in Africa, and it would no doubt produce equally remarkable results in Malaya. Unhappily, its introduction would probably prove quite impossible owing to the objection of the work-people; it would be entirely contrary to established custom and would run counter to racial predilections and religious observances; certainly if the labourer were offered the choice between the free issue of a really adequate diet or less value in hard cash, he would choose the money. This solution being impracticable, certain other measures might prove beneficial. The keeping of gardens and cattle, wherever possible, should be encouraged in every way, efforts being made to induce the labourer to utilize the produce for the benefit of his family rather than by selling it. In the schools the children should be taught the elements of dietetics, with practical demonstrations of the preparation of novel foodstuffs; this should, in time, serve to modify the extremely conservative attitude of the older people. On certain estates there is an admirable system whereby the milk produced by the labourers' cattle is bought and used for mid-day free issue to the school-children; this, however, is an exceptional arrangement. Something might be done to increase the range of supplies in local shops, particularly in the case of red palm oil, which would provide valuable elements; co-operative societies where they exist might lead the way in such a movement.

43. The Chinese dietary is far more satisfactory than that of the Tamil; again no ration issue is customary, the men either buying their own food

or arranging with the contractor to feed them in groups. The result is, in any case good, since the Chinese, although keenly alive to the value of money, do not grudge spending it on their meals. A much larger proportion of fats and proteins is included in the diet, while the variety of components is wider. Chinese food is therefore rich and nourishing and the kitchens attached to their quarters provide dishes as appetising in appearance and taste as they are mysterious in origin. The result is obvious, and the Chinese labourer is clearly in good condition and capable of sustained hard work.

The Mines.

44. The principal mining activity in Malaya is confined to tin and coal, though some gold is also produced, while tungsten, iron, ilmenite, and kaolin are also mined on a small scale.

Tin.

45. Tin ore is the most important mineral asset of Malaya, which is one of the largest producers in the world. It occurs mainly in the form of alluvial deposits, though lodes are also worked. Some 60,000 men are employed in the industry, the greater part being required for gravel pumps, sluicing, or bucket dredging. Production is regulated under an international Control Scheme, the operation of which has an important effect on the numbers employed. Almost the entire labour force is Chinese, while some of the workings are also owned and managed by Chinese. The bucket dredgers operating on the rivers do not involve the employment of large numbers, as the process is mainly mechanical. Some of the dredgers are of considerable size, digging to a depth of 100 feet or more; over 120 of these dredgers are at work and account for some forty per cent. of the tin ore won.

46. The hydraulic method of mining consists of breaking down the ore-bearing ground by jets of water, sometimes under high pressure. The nozzle may be as much as three inches with a pressure of 170 lb. per square inch. Water is also used in the method known as "lampan" mining, wherein a sluice carries the water, which is not under pressure, to the mine face. Open-cast mining is also carried on, enormous quantities of soil being excavated in some cases; at the Hong Fatt mine, roughly 30,000,000 cubic yards of earth have been removed. For this work electric navvies are largely used but hand labour is employed at the mine bottom. Open-cast mining by hand labour is also carried on by the Chinese; this involves the use of primitive though highly ingenious machinery, pumps for de-watering being operated by treadmill.

47. Lode mining is on an important scale, some of the shafts going to a depth of 1,200 feet.

48. In connection with tin mining there is a curious little subsidiary industry known as "dulang washing", which consists of the recovery of ore from the tailings of the big undertakings. This is carried out individually by panning with basins, usually by women. The return must be small but it appears to afford a living for an appreciable number of people, rather over 1,300 tons of tin ore being recovered annually by this process.

49. By far the greater portion of the tin ore is dealt with by two large smelting companies in Penang and Singapore, by means of oil-fired reverberatory furnaces; these firms also handle considerable quantities of ore imported from other countries. A limited amount of tin smelting is also carried out by primitive methods, usually with the aid of charcoal and mangrove wood; this type of work is exclusively Chinese.

Coal.

50. There is an important coal mining industry at Batu Arang in Selangor, under the management of the Malayan Collieries. The coal is of great value in view of its geographical position. Record production was reached in 1929 with 661,500 tons, the present figure being about two-thirds of this. The coal is of good quality but is unfortunately liable to spontaneous combustion; in consequence of this the whole production of the mine is utilized in Malaya, none being exported. There are two thick seams of the coal, dipping at a slight angle, and this enables working to be carried out by slanting adits, when the coal can no longer be worked by the open-cast method. The greatest depth is about 750 feet, the passages extending some 3,500 feet. As the coal is extracted, sand is filled in to replace it in all the permanent ways. The Colliery, which covers 8,000 acres, is well equipped, mechanical methods being used where possible. The general lay-out of the mine admits of very fair ventilation; I visited the coal face in some of the least favourable parts and found temperature and atmosphere quite tolerable, though humidity is naturally high. The labour lines were well laid out and in good condition; a fine adequately-equipped hospital provides for medical requirements. The total number of labour force employed amounts to nearly 5,000, most of the miners being Chinese.

Gold.

51. The most important gold mining undertaking is that of the Raub Australian Gold Mining Company's Concession. This concession extends over 1,200 acres and employs over 1,000 labourers, the labour force being composed mainly of Chinese. Work underground is limited to eight hours daily. Development is by shafts, the gold occurring in lodes; the main workings have reached a depth of 1,100 feet. The production of the mine in 1938 amounted to nearly 30,000 ounces of gold. I was unfortunately unable to visit this interesting enterprise. Some gold is also recovered in connection with the working of tin ore with which it occurs in an alluvial form.

Other Mines.

52. Hematite occurs in large quantities, mainly in Johore and Trengganu. Tungsten, wolfram, and scheelite are also exploited, but further investigation would be necessary before these minerals assume an important place. Phosphates, mica, and other minerals are worked on a small scale. Kaolin is abundant but has hitherto been used only to a limited degree in connection with the rubber industry. Christmas Island contains large quantities of phosphates and lime, while Brunei, in North Borneo, contains important oil fields.

Forest Products.

53. The forestry resources of Malaya are very considerable though, owing to inaccessibility, they are by no means fully developed. In addition to timber and fuel there is some export of canes, resins, and gutta percha. An interesting product is "jelutong," obtained by tapping forest trees in a somewhat similar manner to that used for rubber. This article forms an alternative to chicle for the manufacture of chewing gum; in view of the threatened exhaustion of resources in Central America, the Malayan article seems to have considerable possibilities.

Factories.*Pineapple Canning.*

54. In addition to the essential factories on the estates for the preparation of the crop in the exportable form, there are various factories to deal with Malayan produce on the spot. Prominent amongst these is the pineapple

canning industry, which holds the second place in the world market for this product. The export of the tinned article averages over 60,000 tons annually, to a value of about £1,000,000. The variety usually grown is the "Queen" type, characterized by delicacy and excellence of flavour. The cultivation is largely in the hands of Chinese and is often run on the "squatter" system; the plant is frequently grown as a catch-crop between young rubber trees. The packing industry is also in the hands of Chinese who, in many cases, own the plantations from which the fruit comes.

55. The pineapples are sent to the factory, peeled, and prepared in various forms (slices, cubes, whole, etc.), and are then packed in tins with sugar syrup. The tins are then boiled and soldered up.

56. The whole process, from the receipt, sorting, and preparing of the pines, up to the final packing in cases for export, entails the employment of a considerable amount of labour, a large proportion of which is female; the making of the tins and the process of labelling and packing affords further employment.

57. Existing methods are wasteful. A large proportion of the fruit is cut away as parings, while further wastage occurs owing to damaged or over-ripe fruit. Much of this might be utilized for fruit juice or cattle food or possibly for distillation. The factories display the extreme ingenuity in the use of primitive apparatus and materials which characterizes Chinese undertakings; more methodical lay-out and better designed machinery would do much to save labour.

58. From the point of view of working conditions the factories were satisfactory for their primitive type, lighting and ventilation were ample, while sanitation and water-supply were adequate. The law requires the registration of all factories and exacts a proper standard of hygiene. Hours of work are difficult to assess, since employment is mainly on piece-work but, as usual with the Chinese, they tend to be long. Earnings are at the rate of 50 to 70 cents of a Straits dollar per diem. The manufactured article has a high reputation and the industry seems capable of expansion.

Sago.

59. Another product containing some factory preparation is sago, of which there is an average export of 70,000 tons to a value of over half a million pounds. The palm grows best on marshy land often unsuitable for any other crop; the cultivation is in the hands of Malays and Chinese. The sago is extracted from the trunk and sent to Singapore, where it is refined and packed for export.

60. The preparation in the factory consists of various processes of washing and drying by heat, the product being separated into "pearl" and "flour." Working conditions in the factory were good, presuming that initial revulsion from the nauseating smell evolved in the process can be overcome, as apparently it can. The employees were Chinese, some of whom lived on the premises in bad, over-crowded accommodation. Earnings appeared to be about the same as in the pineapple industry.

Tapioca.

61. The manufacture of tapioca from cassava also entails some factory preparation, since the starchy roots have to be washed and pulped to eliminate fibre, the residue being heated and dried and then broken up into three forms, "pearl," "flake," and "flour."

62. Tapioca has a subsidiary use in the form of pig food, for which the refuse and leaves are very suitable; this fact makes a strong appeal to the pork-loving Chinese and enhances the possibilities of the crop. In Malaya therefore the attraction of this vegetable for pigs is an asset, instead of a disadvantage, as in Africa, owing to the depredations of the wild animals.

Tobacco.

63. Tobacco is widely grown in Malaya, but usually in small patches, by Malays and Chinese for local use. There are, however, a number of factories for making cigars and cigarettes for local consumption, but these are mainly imported tobacco, the home-grown article being used only as "filler" to a limited extent. These factories are Chinese enterprises both as regards management and workpeople. The latter included a large proportion of women and girls, but I saw no child labour. Wages varied considerably as payment is almost entirely by piece-work, and a high degree of manual-dexterity makes a considerable difference to earnings. A skilled worker can earn as much as \$1.20 a day, though the average must be considerably lower. Hours are long, but this is quite in accordance with the wishes of the workpeople, who all appeared to be happy and contented. In Malacca I interviewed representatives of the Female Tobacco Workers' Union and was impressed by the frank and businesslike way in which they expressed their views. Their chief complaint was they could not always rely on continuous employment, and they believed Trade Unionism to be regarded with disfavour by their employers.

64. The product of the Malayan tobacco factories is a low-grade article which appeals only to local taste; there seems to be no obvious reason why a better article should not be turned out, in which case tobacco might be grown as a peasant product on a much larger scale.

Rubber Processing Factories and Rubber Manufactures.

65. Certain factories exist for processing rubber of low grade which has been excluded from export with the best quality. The supplies consist of scrap, discards, impure rubber, and similar material which can be bought cheaply, since it would otherwise be wasted. This is broken down, cleaned, and made up into a saleable article; the margin of profit is small and the factories are therefore not expensively equipped, being usually housed in buildings intended for some other purpose. Working conditions appeared to be unobjectionable, though greater attention to safety appliances and sanitation would be advisable. Since they are situated in the towns, the workpeople are not accommodated on the premises. Wages appear to vary from 59 to 74 cents per diem.

66. There are also several establishments for the manufacture of rubber articles; these use the local product and turn out a whole range of goods made from the substance, an astonishing variety being shown in the factory cases. Prices of the finished articles are low, although the quality is quite as good as the European-made article. The Bata Factory is especially well designed and equipped and quite up to date in all its arrangements. Working conditions are unexceptionable and the dormitories, bathrooms, rest rooms, canteens, and recreation halls are excellent; particular attention is paid to the requirements of female workers. An interesting feature of this factory is the variety of races harmoniously working together; examination of the pay sheets showed no differentiation between Chinese, Indians, Malays, and others, wages depending entirely upon the ability of the worker. The average rate of pay is \$1.36 per diem, the lowest being 68 cents per diem; there are also a few part-time piece-workers who receive about 37 cents a day.

67. A neighbouring Chinese-owned factory engaged in the same work also maintained satisfactory conditions for its employees, though not of the same high standard as those of the Bata Works. Here the average wage was 70 cents a day and the work-people were preponderantly Chinese.

Other Works.

68. Several engineering undertakings exist to supply local requirements. Some of these are well equipped and can undertake orders of importance and complexity. Working conditions were fairly good but safety appliances were frequently lacking. In these cases again the work-people find their own accommodation in the town. The bulk of the work-people are Chinese, some Indians being employed in tasks requiring less skill. Average earnings were \$45 monthly for Chinese and \$30 monthly for the Indians.

69. Various foundries supply local requirements; these are not on a large scale and do not represent much capital outlay. Here again the bulk of the employees are Chinese, who perform the more difficult work and earn from \$40 to \$50 a month. Some Indians are employed in a less skilled capacity and earn about \$30 monthly. Here also attention to safety appliances and sanitation is desirable.

70. Various brick and pottery making undertakings exist, an important group being situated near Malacca. The management and work-people of these are Chinese, and there is a large output, not only of bricks and tiles, but also of jars and vessels of all sorts for sale locally; in particular, the small cups for collecting rubber latex, which are used in great quantities on the plantations, are turned out. The work is carried on in buildings of a primitive type though conditions are not objectionable. Some of the workers live on the premises in quarters of a most rudimentary description; sanitation leaves much to be desired. Hours of work are exceedingly long, amounting to as much as 84 a week. This is on piece-work, and the employees with whom I discussed the question agreed that they were exacting but were not prepared to contemplate any reduction.

Railway.

71. The Government has its headquarters at Kuala Lumpur, where its workshops extend over 56 acres and employ 2,234 work-people; a wide range of work is undertaken, including the erection of new stock and all repairs to locomotives, carriages, wagons, etc. The employees are drawn from all sections of the community without discrimination. Notices are printed in English, Malay, Tamil, and Chinese. The wage scale is clearly expressed in notices issued for the information of employees; rates naturally vary greatly, unskilled labourers starting at 50 cents and rising to 90 cents a day. In addition to this there is a cost of living allowance for labourers and artisans varying from three to five dollars monthly. Working conditions generally were good and adequate safety appliances existed. A large proportion of the employees are accommodated in houses owned by the Railway; these are of good type, well laid out and thoroughly satisfactory. Generally, employees appear to be well looked after and very contented.

72. A movement towards association has taken place during the last three years, and in 1940 the management was approached in order to ascertain their attitude towards the formation of some sort of Union. In his reply the General Manager states "the request to form Associations and Guilds is regarded with favour and I informed certain representatives of the daily rated staff early last year that this Administration would give them all reasonable assistance in their efforts in this direction". The reply went on to give a considerable amount of information and advice about the formation of a Union under the provisions of the legislation being introduced about that time. In spite of this encouragement the Union is not yet actually in being, it having proved difficult to find officers who would secure the confidence and support

of all sections of this mixed community; the good relations and close contact existing between the management and the employees also probably makes the payment of subscriptions to a Union appear somewhat pointless.

73. The Harbour Works in Singapore form an important undertaking, employing between 5,000 and 6,000 people, Chinese and Indians being in the proportion of three-fifths to two-fifths. One-half of these are housed by the Harbour Board in sound, well-built accommodation; unfortunately, lack of space necessitates the use of a type which is not the most desirable one for the conditions. Single and married quarters are both provided, the accommodation being quite sufficient. The water-supply and sanitation were conspicuously good.

Small-holders' Crops.

74. Crops grown on a limited scale by small-holders have a definite relation to the labour supply, since, in so many cases, the owner combines subsistence agriculture for his own benefit with the cultivation of a small cash crop, while, in addition, he may also spend a few weeks annually in wage earning during the busy season on some neighbouring plantation. The small-holder is predominately Malayan and in view of the growing tendency of the Malays to earn wages, an addition to the labour supply from this source may be expected, if only on a small scale. This would be a highly desirable development, since such people are not dependent on plantation crops for their living. They therefore suffer no great hardship if falling or contracting markets render their services superfluous on the plantations. They, in fact, constitute a valuable element of elasticity in the labour supply. Sir Frank Stockdale, then Agricultural Adviser to the Secretary of State, in his Report of 1938*, remarks "in some areas padi-growing is the main occupation but generally an important measure of money income is derived by padi-growers from other cultivations or occupations". The small-holder is therefore a valuable asset to the country, not only on account of his own produce, but also in his capacity as an occasional wage-earner when the labour force requires temporary expansion.

75. Rice growing is by far the most important of the small-holder crops; in 1938, 704,390 acres were under "wet" padi while 48,850 acres were under "dry" padi, producing respectively 328,234 and 13,221 tons. In spite of these large figures, however, in the following season 658,653 tons of rice were imported into Malaya, so there is an opening for a large expansion of padi growing; this, however, involves considerable problems of irrigation. The cultivation of "wet" rice requires peculiar and special methods. The area planted is divided by low mud-banks into small squares which are flooded to a depth of a few inches and are cultivated in that condition, bullocks being generally utilized for ploughing. The seedling plants are then brought from the nursery in which they have been started and are planted under water; the crop takes from five to nine months to reach maturity, according to the variety grown. The crop when ripe is reaped by hand and then threshed. The work involves long and arduous hours during the busy periods, a fact which tends to refute the view that the Malay is not prepared to exert himself.

76. "Dry" padi is grown in areas not suited to the irrigation method but it has the disadvantage of being less productive than the "wet" variety.

77. An interesting sideline of rice cultivation is the maintenance of fish ponds, the product of which is dried and sold, forming a useful addition to the local dietary. Fruit trees are also frequently grown around rice fields.

* Report on a Visit to Malaya, Java, Sumatra and Ceylon, Colonial Office, C.A.C. 454. 1939.

78. The rice grain is husked either by means of pestles and mortars or hand-mills. The grain may be used dry or after par-boiling, the difference between the two methods being of considerable importance, since par-boiling to some extent preserves the water-soluble vitamins which are soaked into the grain, whereas the "dry" method involves the loss of this element. The subject apparently requires further research before exact conclusions can be established but these, when obtainable, should go far to remedy the deficiency associated with rice, particularly if highly milled.

79. Other crops of some importance are arecanuts, derris (tuba root), and gambier; chaulmoogra, chenopodium, citronella, and lemon grass are grown on a small scale. Livestock of all kinds is widely kept, and provides a valuable addition to the local diet.

Urban Conditions.

80. Of the urban population, Singapore has by far the largest proportion with 445,719, according to the census of 1931; the figures for other considerable towns at the same date were, Penang, 149,408; Kuala Lumpur, 111,418; Ipoh, 53,183; and Malacca, 38,042. All the foregoing have increased rapidly during the two previous decades, Kuala Lumpur showing the highest figure. Racial proportions in urban dwellers vary somewhat, though in every case the Chinese section is by far the largest; the percentage figures for Singapore are, Chinese, 76.4; Malaysians, 9.8; Indians, 9.3, while those for Penang are, Chinese 64.0; Malaysians 15.0; Indians, 17.9. The census of 1931 also gives some instructive figures of house density. The average number of persons per occupied house in Singapore was 11.4, in Penang 9.3, Malacca 8.0, and the remaining towns rather less. In this connection the Census Superintendent points out that in the more densely-populated areas figures may be far higher than those quoted; for instance, in one part of Singapore the number rises to 20.9; and even this may be far exceeded in individual houses.

81. Singapore and Penang are both old-established towns which grew up in days when little attention was paid to town planning; they therefore have a heritage of congestion, over-building, and over-crowding which renders any improvement difficult and expensive. Kuala Lumpur on the other hand is of comparatively recent growth and is therefore modern in design and structure.

82. This condition of over-crowding and over-building naturally entails very indifferent living conditions for a large proportion of the urban population. A full survey and study of the conditions in the various quarters of Singapore would involve prolonged investigation. Efforts at improvement are being made both in the sanitation and general conditions in the city, and in the form of new building. Several blocks of very excellent flats have been erected near the city; these cater for the clerical and business classes rather than the manual worker. Some housing is also being erected for the latter class, though, so far, only on a small scale. These are rented at \$7 monthly, a figure decidedly above the capacity of the poorer classes. No radical improvement can be hoped for without the adoption of a very large re-housing scheme, costing a great sum of money and extending over a number of years.

Trade Unionism.

83. Trade Unionism in Malaya is of recent growth and it is still in an embryo stage; at the time of my visit no Union had been registered, although Ordinance No. 3 of 1940, of 28th February, 1940, for the Straits Settlements, and Enactment No. 11 of 1940 for the Federated Malay States, provided for the registration of Trade Unions.

84. Several bodies, both of Indians and Chinese, exist which will no doubt become Trade Unions, but so far the necessary leadership and organising capacity has not been forthcoming to a degree which would admit of registration. The Central Indian Association of Malaya interests itself in the working conditions of Tamil labourers though it is in no sense a Trade Union.

85. I met various bodies of workmen with whom I had discussions, in several cases of a most useful character. In particular, the Chinese workers on the brick and tile fields of Malacca proved fully capable of discussing the details of their employment, as did the female workers in the Chinese tobacco factories. Chinese mentality in its attitude to Trade Unionism is somewhat peculiar; accustomed to guilds and secret societies from time immemorial, they do not readily adopt the simple and limited objects of a trade organisation. Furthermore, they have a marked preference for payment by piece while their desire for profit sharing is carried to the logical conclusion of willingly accepting drastic reductions in payment should the business show a loss. Their astonishing industry, combined with their anxiety to make as much money as possible, leads them to adopt a peculiar attitude towards hours of work; thus, the brickfield employees agreed with me that 12 hours a day for 7 days a week was an unduly long working period but they would not agree to any attempt at curtailment, since they were afraid that their earnings might be affected. No similar bodies came forward from the Tamils but this may have been owing to the fact that their interests are a matter of concern to the Central Indian Association, while they are also upheld by the Agents to the Government of India.

Labour Department.

86. The supervision of labour in Malaya is on a peculiar system, characteristic of the exceptional circumstances which are found in the country. The Labour Department, under the Controller at Kuala Lumpur, deals with Tamil labour, while Chinese labour is dealt with as one of the functions of the Chinese Protectorate, controlled by the Secretary for Chinese Affairs, whose headquarters are at Singapore.

87. Co-operation between the two branches is recognized as essential, and with a view to securing this a senior officer of the Chinese Protectorate is stationed at Kuala Lumpur to enable him to keep in close touch with the Controller of Labour.

88. Amalgamation, in the form of one Department to deal with all labour questions, has at various times been suggested and discussed; I formed the opinion that this was desirable, in spite of the undeniable difficulties to be faced. The Labour Department has been doing very useful work for the Indian labourer, and this is appreciated. The Rt. Hon. Srinivasa Sastri, P.C., C.H., in his Report to the Government of India on the Conditions of Indian Labour in Malaya, 1937, says "The Labour Department in Malaya has established an effective control over employers, particularly on estates. It operates mainly in the interests of the Indian labourer, and renders him sympathetic and efficient service" (page 26, paragraph 34 (1)).

Legislation.

89. (Owing to the existence of the various State legislatures, the task of tracing every rule introduced to give effect to the provisions of the General Laws is one presenting great difficulty; in the ensuing section, therefore, the legislation of general application is the main consideration.)

90. The principal laws relating to labour are the Labour Ordinance, Cap. 69 of the Laws, amended by Ordinance No. 21 of 1941, and the Rules under that Ordinance; the Societies Ordinance, Cap. 217 of the Laws, amended by

Ordinance No. 5 of 1940, Trade Unions Ordinance, No. 3 of 1940, Industrial Courts Ordinance, No. 4 of 1940, Children's Ordinance, No. 17 of 1939 (though the earlier one of 1927 is still in force until the new Ordinance is brought into operation), and the Workmen's Compensation Ordinance, Cap. 70 of the Laws, amended by Ordinance No. 64 of 1940. (The foregoing particulars refer to legislation for the Straits Settlements; the other Malayan Governments have introduced very similar provisions.)

91. The most important of these is the Labour Ordinance (Cap. 69 of 1st October, 1923). This is a very comprehensive piece of legislation with 239 Articles. It introduces a voluntary six-day week, double pay for overtime beyond nine hours a day, regulates piece-work, prohibits the employment of females or young persons below the age of 18 at night, other than in domestic service; an employer of more than fifty females must maintain a nursery with a free issue of milk and rice, he must pay a maternity allowance for one month before and after confinement, he may be required by the Controller of Labour to maintain a school if there are ten or more children on his estate. Government inspections by the Controller are provided for, immigrant labour is regulated in detail, labourers' wages have a claim to priority payment, truck payments are prohibited, the Indian Immigration Fund is regulated, as is immigration from the Netherlands East Indies. The health of labourers is safeguarded and the employers provide the resident labourers with housing, water-supply, sanitation, hospital accommodation, and medical attendance; land shall be set aside for the use of labourers who have worked for over six months. Penalty for the infringement by the employer of the foregoing entails a fine of \$200; labourers infringing sanitary regulations or refusing to go to hospital may be fined 50 cents. Any new place of employment must be passed by the Controller before labourers can be employed there. The Governor-in-Council may also make rules for the better observance of the Regulations.

92. This Ordinance, comprehensive and progressive though it was when passed in 1923, has been found to require amendment and adaptation. Regulations applying to housing do not specify the exact accommodation to be provided, though the Straits Settlements have instituted Rules, in 1924, giving certain details; these, however, adopt a standard which admits of three adults being accommodated in a floor space 10 feet by 10 feet; they also require each married couple to be provided with a separate room. A fresh Ordinance is under consideration which appears calculated to effect a general improvement. Certain points require attention. I recommend that provision should be made in the Ordinance establishing a standard of a 10 feet by 12 feet floor space for two adults, separate rooms for married couples, additional rooms for children above the age of infancy, and the provision of cooking facilities. Provision should also be made for ascending responsibility in the case of contracts and sub-contracts to provide for the liability of the principal contractor in case of default by his sub-contractors. The question of the provision by employers of hospitals, schools, and similar amenities is dealt with at length in the appropriate section of the Report on Labour Conditions in Ceylon ("Employers' Responsibilities", section 61 et seq.).

93. The *Societies Ordinance*, passed in 1909, has been in the main superseded by the *Trade Unions Ordinance*, No. 3 of 1940. This provides for compulsory registration of Unions, gives protection to Unions against action for tort, and requires two-thirds of the officers of the Union to be persons actually engaged in the industry concerned; in other particulars it accords with Trade Union legislation of recent Colonial type. Peaceful picketing was legalized by the *Trade Disputes Ordinance*, No. 59 of 1941.

94. The *Industrial Courts Ordinance* of 1940 provides for the constitution of an Industrial Court to be appointed by the Governor from independent persons and representatives of employers and employees; to this Court any trade dispute may be referred by the Governor or Controller of Labour. The Ordinance also makes provision for Courts of Inquiry to be appointed by the Governor. There has, so far, been little opportunity for testing the value of this Ordinance in practice and conditions in Malaya are such that some elaboration may prove desirable.

95. Employment of children and young persons is regulated in the Straits Settlements by the *Children Ordinance*, 1939, which will replace the *Children Ordinance* of 1927; equivalent legislation in the Federated Malay States is *Enactment No. 3 of 1936*. The main features of the foregoing are as follows:— a "child" means a person under the age of 14 years; no child shall be employed under conditions likely to prove injurious to health or well-being; no child under the age of 12 years may be employed in any factory or workshop; no child shall be employed upon any small craft save with the family; no child shall take part in any public entertainment without a licence. No person under the age of 16 may work in proximity to live electric apparatus or machinery in motion; no female and no boy under the age of 16 shall be employed in any underground working and no person under the age of 21 may deal with explosives; no female and no male under the age of 18 may be employed during the night, save on domestic service. The Straits Settlements Ordinance of 1939 penalizes cruelty to children and deals with the protection of destitute or ill-treated children. It also introduces strict regulations for the permission to adopt children and their subsequent supervision. The *Federated Malay States Enactment, Cap. 158*, prohibits the employment of any child over the age of 7 years upon any form of labour which may be prohibited by rule; the *Straits Settlements Ordinance, Cap. 28*, prohibits the employment of any child on any form of labour which may be prohibited by rule. I recommend the prohibition of the employment of a child on any form of labour below the age of 12 years. I also recommend the raising of the age of the employment of children in factories and workshops to 14.

96. Machinery, including the inspection of boilers, engines, etc., is regulated by Cap. 26 of the Straits Settlements Laws, amended by *Ordinance No. 14 of 1937*, and strengthened by the *Protection of Workers Ordinance, No. 9 of 1939*. This Ordinance is comparatively simple in its provisions, but it is calculated to secure a reasonable standard of safety; inspections are carried out by the Machinery Branch of the Mines Department. Workmen's compensation is dealt with in the Straits Settlements by the Ordinance of 1933 and now Cap. 70 of the Laws, amended by Ordinance 64 of 1940. This provides for compensation for any injury resulting in total or partial disablement for more than 7 days; claims cannot be made in cases of wilful disobedience of safety regulations, wilful removal of safety devices, or accidents to workmen under the influence of drink or drugs, though claims in these circumstances may be made where the injury results in death. The amount of compensation for death amounts to 30 months' wages or \$2,400, whichever is less, permanent and partial disablement being calculated according to a schedule which follows the usual lines; temporary disablement is compensated by a payment of half-wages during disablement up to a limit of five years. The Ordinance is administered by Special Commissioners; contracting-out is prohibited and compensation cannot be assigned, attached, or charged. Compensation for disease is provided for on the same scale for various forms of occupational poisoning listed in the schedule.

97. With reference to the application of the International Draft Conventions on Labour, the following is an extract from Mr. Harold Butler's "Problems

DIAGRAM I
MIGRATION OF INDIAN ESTATE LABOURERS
BETWEEN MALAYA AND INDIA.

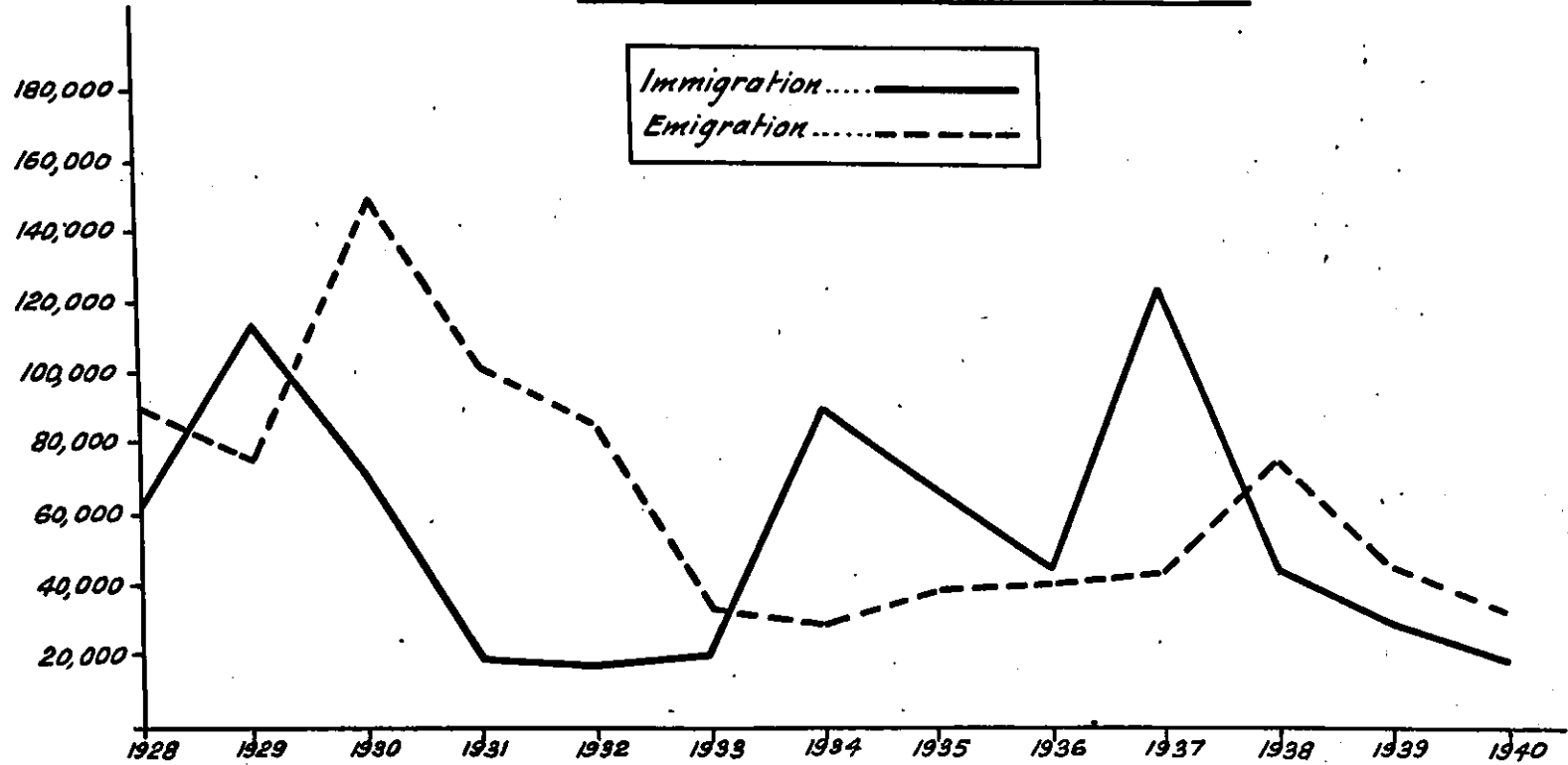
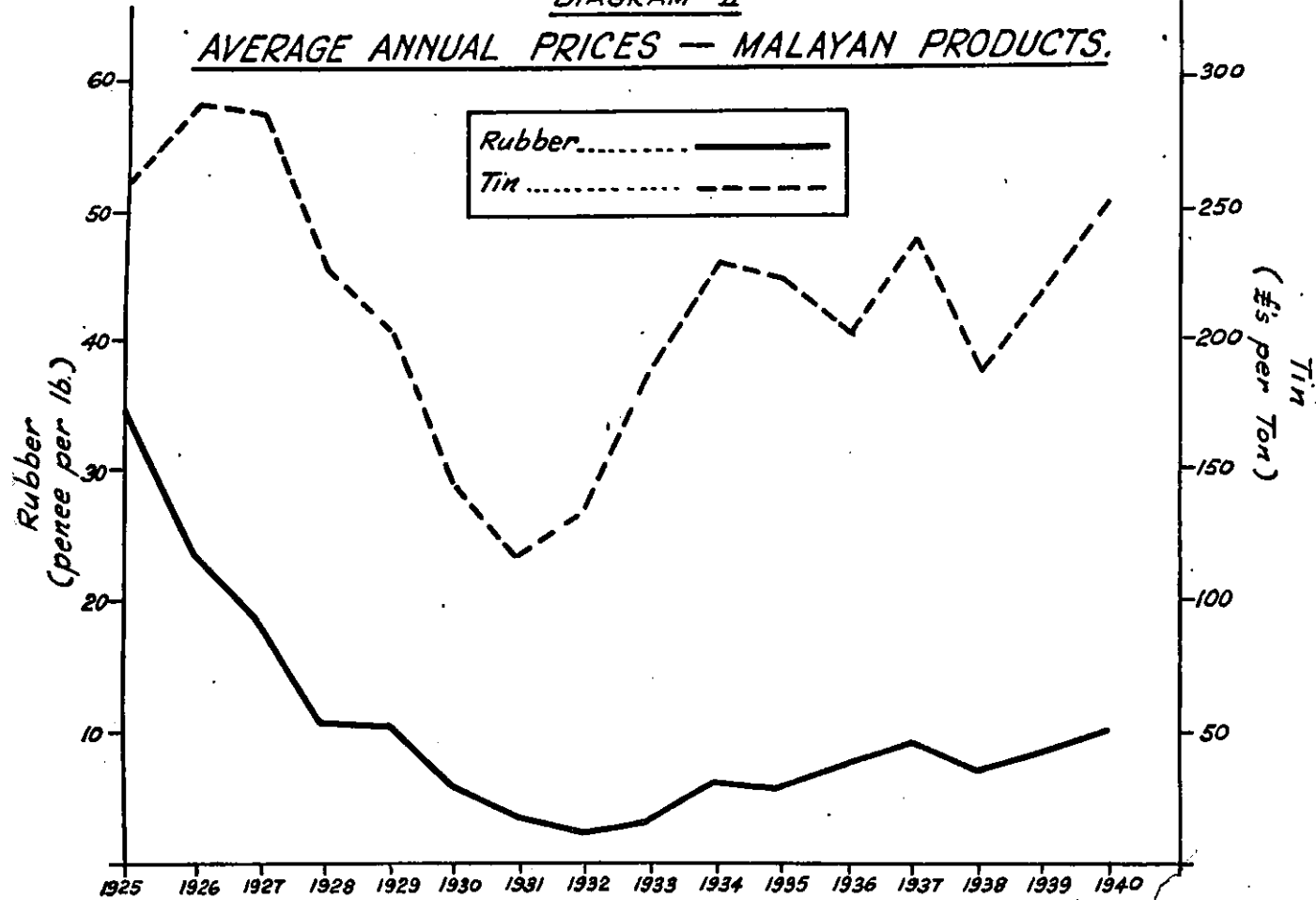


DIAGRAM II

AVERAGE ANNUAL PRICES — MALAYAN PRODUCTS.



of Industry in the East" (Geneva 1938):—"Legislation concerning the following Conventions has been adopted in Malaya: Night Work (Women); Minimum Age (Industry); Night Work (Young Persons); Minimum Age (Sea); Unemployment Indemnity (Shipwreck); Workmen's Compensation (Agriculture); Minimum Age (Trimmers and Stokers); Medical Examination of Young Persons (Sea); Workmen's Compensation (Occupational Diseases); Equality of Treatment (Accident Compensation), Minimum Wage Fixing Machinery; Forced Labour.

Appendix I.

ARRIVALS AND DEPARTURES OF SOUTH INDIANS FROM 1928 TO 1940.

Year.	Adults.		Minors.		Grand Totals.	
	Males.	Females.	Males.	Females.	Males.	Females.
1928	45,021	10,419	4,351	3,281	49,372	13,700
1929	80,006	19,985	8,358	5,903	88,364	25,888
1930	47,103	10,860	6,152	4,999	53,255	15,859
1931	16,727	1,279	1,101	585	17,828	1,864
1932	14,673	1,355	1,174	532	15,847	1,887
1933	16,431	1,708	1,395	708	17,826	2,416
1934	56,513	14,597	9,173	7,723	65,686	22,320
1935	44,152	9,834	6,469	4,736	50,621	14,570
1936	32,730	4,726	3,589	2,146	36,319	6,872
1937	79,983	20,291	12,953	9,331	92,936	29,622
1938	34,812	4,289	3,488	1,618	38,300	5,907
1939	21,975	2,970	2,244	1,179	24,219	4,149
1940	14,687	1,873	1,220	685	15,907	2,558

Departures.						
Year.	Males.	Females.	Males.	Females.	Males.	Females.
1928	68,758	13,434	5,312	3,748	74,070	17,182
1929	60,884	10,158	3,408	2,199	64,292	12,357
1930	94,985	26,807	16,408	13,535	111,393	40,342
1931	64,708	16,482	10,935	9,222	75,643	25,704
1932	52,495	14,493	9,263	8,250	61,758	22,743
1933	24,304	3,760	2,522	2,152	26,826	5,912
1934	22,170	2,795	1,689	1,414	23,859	4,209
1935	29,628	4,098	2,494	2,172	32,122	6,270
1936	29,912	4,684	2,979	2,500	32,891	7,184
1937	34,070	4,939	3,053	2,424	37,123	7,363
1938	51,471	10,976	7,163	5,869	58,634	16,845
1939	32,993	6,631	2,860	1,749	35,853	8,380
1940	24,898	4,682	2,069	1,132	26,967	5,814

Appendix II.

AVERAGE YEARLY PRICES OF MALAYAN PRODUCTS.

Product.	1925.	1926.	1927.	1928.	1929.	1930.	1931.	1932.
Rubber, pence per lb.	34.88	23.76	18.46	10.71	10.28	5.86	3.14	2.32
Tin, £'s per ton	261.1	291.2	289.1	227.2	203.9	142.0	118.5	135.9

Product.	1933.	1934.	1935.	1936.	1937.	1938.	1939.	1940.
Rubber, pence per lb.	3.21	6.17	5.99	7.72	9.42	7.29	8.97	10.5
Tin, £'s per ton	194.6	230.4	225.7	204.6	242.3	189.6	224.0	258.7