

Ceylon Year Book

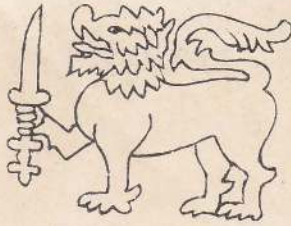
1951

DEPARTMENT OF CENSUS AND STATISTICS

COLOMBO, CEYLON

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CONTENTS

PREFACE

INTRODUCTION

CHAPTER	PAGES
I. AN OUTLINE OF HISTORY ...	1
II. GEOGRAPHY ...	9
III. METEOROLOGY AND CLIMATE ...	16
IV. CONSTITUTION AND GOVERNMENT ...	21
V. POPULATION ...	37
VI. PUBLIC HEALTH ...	51
VII. EDUCATION ...	67
VIII. EMPLOYMENT, LABOUR AND THE SOCIAL SERVICES ...	85
IX. ARCHAEOLOGY, NATIONAL MUSEUMS AND ASPECTS OF CEYLON CULTURE ...	110
X. JUSTICE, POLICE AND PRISONS ...	120
XI. LAND DEVELOPMENT ...	128
XII. AGRICULTURE ...	141
XIII. FORESTS, FISHERIES AND MINERALS ...	170
XIV. INDUSTRY ...	183
XV. TRANSPORT AND COMMUNICATIONS ...	200
XVI. COMMERCE ...	228
XVII. CURRENCY, BANKING AND INSURANCE ...	248
XVIII. PUBLIC FINANCE AND TAXATION ...	263
INDEX ...	273

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INTRODUCTION

THIS report deals primarily with the economic and social conditions obtaining in Ceylon during the period 1950-1951. Being a raw material producing country, Ceylon shared in the short but spectacular boom in commodity prices following the outbreak of the Korean war. Prices reached their maximum towards the end of the first quarter 1951 and, thereafter, there followed a gradual decline.

The large favourable balance of trade caused by the high prices of export commodities (+ Rs. 396 million in 1950 and + Rs. 345 million in 1951) threatened to cause inflationary tendencies. To counteract this a general relaxation of import control was undertaken by the Government. A notification issued in July, 1951, allowed practically all commodities to be brought in freely under open general licence from all sources other than the hard currency areas. One of the most important single factors contributing to stability in 1951 was the achievement of a balanced budget. Another measure was the sale of imported rice outside the ration to consumers at cost price in unlimited quantities. This was made possible by the improvement in the supply position of rice. This measure was introduced from April 23, 1951. Price of "country" rice, which prevailed at a much higher level than the world price prior to this, immediately came down. However, the supply position of rice in the world market became more difficult and the price of rice took a sharp upward trend in the latter part of 1951. As a consequence the price of unrationed rice was increased substantially towards the end of 1951 and thereafter the sale of unrationed rice was practically discontinued. However, in view of the good harvest the price of "country" rice has not gone far beyond the world price.

Exchange Control

Relaxation of import control was followed by relaxation of exchange control in September, 1951. Remittances within the Sterling Area for family maintenance, education, travel, charities and other current and personal purposes were considerably liberalized. In effect, current transactions were permitted freely and only such control was retained as was thought necessary to prevent large-scale unauthorized movements of capital. In conformity with Sterling Area policy, exchange restrictions on countries outside the Sterling Area were continued.

Import Duties

In order to rectify the sharp adverse balance of payments the country was experiencing in 1947, import duties on most semi-essential and luxury goods were raised in December, 1947, to levels high enough to discourage imports. With the improvement in the trade position, the duties were decreased in the 1949-1950 budget. In the 1950-1951 budget it was possible to make further reductions in the import duties on a large group of consumer articles which were brought down to the pre-December, 1947, levels.

Sliding scale export duties

The flat rate export duties on rubber, tea and coconut products were replaced by sliding scale duties in September, October and December, 1951, respectively. The main object was to tax away for the benefit of the whole country a part of exceptional windfall profits and also to keep down the local prices of these commodities at a reasonable level.

Wages

Cost of living allowances on a sliding scale, based on either the Colombo working class cost of living index number or the estate cost of living index number, are paid to all Government and Local Government employees and mercantile employees who come within the province of the various Wages Boards. There are approximately one million such employees. There had been considerable agitation for increased allowances, especially for the higher income groups. As a result of the various representations made, Government decided to pay fixed Special Allowances varying from Rs. 5 to Rs. 85 per mensem in addition to the normal cost of living allowance from October 1, 1950. As a measure of further relief it was decided to reduce the price of rationed rice from 36 cts. to 30 cts. a measure and wheat flour from 28½ cts. to 23 cts. per pound from October 2, 1950. To offset the sharp increase in the cost of living following the commodity boom, the price of rationed rice was further reduced to 25 cts. per measure as from December 11, 1950. The high prices that were being paid for the export commodities in the world market necessarily created a demand for higher wages. The Wages Boards agreed to upward revisions of the basic wages payable to employees in the tea and rubber growing industries. The bulk of the employees within the province of Wages Boards come under these two categories. The following table gives details of changes in the basic wages :—

		<i>Basic Wage per diem</i>		
	<i>Period</i>	<i>Male (cts.)</i>	<i>Female (cts.)</i>	<i>Child (cts.)</i>
Tea growing—	January, 1949, to November 30, 1949	58	46	41
	December 1, 1949, to November 30, 1950	75	60	50
	December 1, 1950, onwards	110	90	65
Rubber growing—	January, 1949, to June 30, 1950	58	46	41
	July 1, 1950, to October 31, 1950	75	60	50
	November 1, 1950, to March 31, 1951	110	100	75
	April 1, 1951, onwards	130	120	95

Food Situation

Under the Food Supplies Ordinance the Government is constituted the sole importer of rice, flour and sugar until June, 1953. Procurement of these food items has grown more difficult since the outbreak of the Korean war. Freight position has also deteriorated. Inevitably, food prices as well as costs of freight have gone up all over the world. Ceylon has been fortunate in overcoming these difficulties and maintaining without interruption a satisfactory level of food stocks. In August, 1950, an agreement was negotiated with the Government of Burma for the supply of 300,000 tons of rice and a further supply when the export surplus for 1951 could be accurately assessed.

Agriculture

The development programme of the Government is centred mainly round the opening up of new land in the so called dry areas of Ceylon and the improvement of the yield of existing paddy land. It is estimated that about 3 million acres can be developed. The most important project in the programme is the Gal Oya project. The Gal Oya project, which is situated in the Eastern Province of the Island, is the largest irrigation and land development project under construction. It is a multipurpose project and comprises the construction of a dam across the Gal Oya (river) and the formation thereby of a reservoir to hold 740,000 acre feet of water. This water will be used for the irrigation of approximately 87,000 acres of new paddy land and 30,000 acres of existing paddy land. This scheme will also bring about 60,000 acres of high land under cultivation. The net result will be a settlement of about 25,000 peasant families in an area which was practically uninhabited jungle. In addition, the water from the reservoir will pass through an Electric Power House which will generate 10,000 kws. of Hydro-Electric Power. This scheme was commenced in 1948 and the work on the main dam was completed in 1951. The total cost incurred on the scheme up to September 30, 1951, was Rs. 104,200,000.

Industry

The major event in the industrial sector was the opening of the Government Cement Factory in August, 1950. It was completed at a cost of Rs. 21½ million. It produces 90,000 tons of cement a year and supplies a large part of the country's needs.

Construction of a Government Paper Factory in the Batticaloa District was begun. The factory is expected to go into production in 1953. It will manufacture 3,750 to 4,750 tons of printing and writing paper a year and 2 million Kraft paper bags for the Cement Factory.

Work was also commenced on the Government Vegetable Oil Factory at Seeduwa, which was also expected to go into production in 1953. It will produce 875 tons of glycerine, 4,900 tons of distilled fatty acids, 8,000 tons of refined oil, 1,050 tons of Lauryl alcohol, and 58,125 tons of cattle food.

The Caustic Soda Factory, which will produce 1,480 tons of chlorine, 750 tons of DDT and 900 tons of hydrogen, is also under construction and will be ready in 1953.

The industrial progress of Ceylon is so closely woven with the supply of cheap power that the completion of the First Stage of the Laxapana Hydro-Electric Scheme can be taken to be almost the inauguration of Ceylon's industrial era. Stage I of this scheme completed in October, 1950, provides 25,000 kws. of electricity.

Industrial Products Regulation Act

The Act was introduced "to facilitate the sale of industrial products of Ceylon by regulating the importation of industrial commodities from abroad". The device employed to achieve this object is the requirement that, before imports of competing goods are allowed, the importers should first purchase a prescribed quantity of named local goods. The machinery of the Industrial Products Act comes into play with an Order of the Minister of Industries declaring which items shall be industrial products under section 5 of the Act. This declaration is intended to give advance notice to the import trade that at some future date further Orders may be made stating what proportion of specified local products they should first buy before they should secure an Import Licence. On January 30, 1950, the following seventeen items were declared industrial products under section 5:—

- | | |
|--|--------------------------|
| 1. Cotton textiles | 9. Rolled steel sections |
| 2. Glass tumblers | 10. Rubber goods |
| 3. Glass chimneys | 11. Lace |
| 4. Glass bottles | 12. Brass manufactures |
| 5. Ply wood and wooden chests for packing local products | 13. Ink |
| 6. Ply wood panels | 14. Paint |
| 7. Earthenware | 15. Varnish |
| 8. Leather goods | 16. French polish |
| | 17. Dry fish |

During the year 1951 the machinery of the Act was utilized to facilitate the sale of the following four industrial products by regulating the importation of the four corresponding industrial commodities from abroad:—

<i>Name of Article</i>	<i>Operating date</i>	<i>Proportion of local to imported</i>	<i>Local sales through Act up to 31.12.51</i>
Steel	2. 2.52	1 .. 5	1,052 tons
Towels	2. 7.51	1 .. 2	19,873
Glass (of local ½ pint conical tumblers)	1. 9.51	1 .. 3	8,574 dozens
Rubber and canvas shoes	1.10.51	5 .. 1	930 pairs

Trade Agreements

Ceylon entered into trade agreements with the following countries for the periods indicated :—

India—for the year 1950.

Maldives—for three years from January 1, 1950.

Federal Republic of Germany—from 1950, to October 31, 1951, extended until January 31, 1952, and again extended up to May 31, 1952.

Japan—July, 1950, to June, 1951.

Pakistan—July, 1951, to December, 1952.

The agreement with Japan is the third successive agreement to which Ceylon has been a party along with other Sterling Area countries. Ceylon's share of purchasing power originally determined at £ 4·6 million was subsequently increased to £ 8·1 million. Ceylon's largest single item of import has been cotton textiles while cement, tea chests, iron and steel goods and other consumer goods figure prominently in the import programme. Ceylon's principal exports to Japan during the period included coir fibre, tea, rubber, citronella oil, coir yarn, papain, plumbago and spices. The agreement with the Maldives covers the trade and payments in respect of the import of Maldive fish from the Maldive Islands and the export of rice, flour and sugar from Ceylon.

The agreements with India, Germany and Pakistan are of a similar pattern designed to ensure a smoother flow of trade without any firm commitments on either party to buy or sell. Each country agrees to grant import and export licences where necessary up to the quantities or values of certain essential and/or scarce commodities specified in the agreement during the agreement period. In the agreement with Germany, Ceylon agreed also to recognize old German trade marks, designs and copyrights and to treat German mercantile shipping in a non-discriminatory manner.

Bank Mission

The present Six-Year Plan of the Ceylon Government is scheduled to end in September, 1953. Before proceeding to draw up a further plan of development the Ceylon Government invited a team of experts from the International Bank for Reconstruction and Development to survey the development potentialities of the country with special reference to the following fields of economic activity :—

1. Agriculture—particularly rice cultivation, mixed farming, dairying, colonization and re-settlement.
2. Irrigation.
3. Fisheries.
4. Forestry.
5. Minerals.
6. Power.
7. Industrial development.
8. Inland transport and shipping.
9. Vocational training.
10. Health—including housing and water schemes.
11. General economic and financial survey including,
 - (a) Public finance
 - (b) Money and banking
 - (c) Savings and investments
 - (d) Balance of payments.

In particular, the Government desired to have advice on the development programme to be drawn up for the six-year period after the expiration of the current Six-Year Plan. The Mission arrived in Ceylon on October 6, 1951, and remained in the country until the second week of December.

THE CEYLON YEAR BOOK, 1951

CHAPTER I

AN OUTLINE OF HISTORY

THE Island marked on the map as Ceylon has, from remote antiquity, been known to the inhabitants of that fair isle by a fairer name—Lanka, 'The Resplendent'.

And not unworthily has she borne the proud epithet. 'Ceylon, from whatever direction it is approached, unfolds a scene of loveliness and grandeur unsurpassed, if it be rivalled, by any land in the universe. The traveller from Bengal, leaving behind the melancholy delta of the Ganges and the torrid coast of Coromandel; or the adventurer from Europe, recently inured to the sands of Egypt and scorched by the headlands of Arabia, is alike entranced by the vision of beauty which expands before him as the Island rises from the sea, its lofty mountains covered with luxuriant forests, and its shores, till they meet the ripple of the waves, bright with the foliage of perpetual spring'.¹

The charm and fertility of the Island has been a bane as well as a blessing. Separated from the continent of India by only a narrow strip of sea, and standing athwart the highway along which caravels of East and West quested for commerce or conquest, the Island has throughout the centuries attracted the stranger from across the seas.

Ancient and Mediæval Periods (Sixth Century B.C. to Fifteenth Century A.D.)

The earliest of these invaders was Vijaya, outlawed scion of the Lion (Sinha) line, the traditional founder of the Lion Race, the Sinhalese.

The 'Mahavansa', the 'Great Chronicle' of Ceylon's storied past, records with picturesque details the colonisation of the Island by Vijaya and his followers on the Vesak² full moon of a year in the sixth century B.C.³, a date made all the more memorable by its synchronising with the day of the demise of the Buddha whose religion was to permeate so deeply the life and culture of the new nation.

It is easy to distil from the legend its historical essence—that there were several streams of immigration into the Island, and that by about the fifth century before Christ a race speaking an Aryan dialect made Ceylon their permanent home, building a civilisation and setting up a kingdom which, despite periodical vicissitudes, was to maintain an independent existence for over two millenniums.

Of the original inhabitants of Ceylon—The Yakkhas and the Nagas—whom the Aryans displaced, very little is known. Vijaya's espousal of the Yakkha princess Kuveni and her later banishment with her children after the Aryan rule was consolidated, may reasonably be rationalised to mean the extinction, or the expulsion into the highland jungles, of the primitive aborigines who succumbed at the impact of a virile and more advanced civilisation.

The Veddas, a primitive tribe, of whom a handful still survive in the Bintenne area, are commonly supposed to be descendants of the people from whom Vijaya wrested the overlordship of Ceylon. Of their antiquity, there is little doubt; and racially, they are distinct from the later settlers. Near the caves where the Veddas were accustomed to haunt, weapons and implements have been found dating as far back as the paleolithic age. Isolated in their jungle fastnesses, they perhaps retained their primitive ways, changing but little right up to modern times. Others of their tribe were no doubt absorbed by the invaders; for, though few traces of the older race remain, some of their beliefs and practices still persist, as in the wood-god cult of the Vanni⁴—a cult which was old when the Aryan civilisation was new⁵.

¹ Emerson Tennent: Ceylon.

² The Sinhalese name of a month (April-May). The name is now popularly used to denote the full-moon day of the month, which celebrates the birth, the enlightenment, and the demise of the Buddha.

³ The exact year is disputed. According to the Sinhalese tradition it is 543 B.C.

⁴ A district covering portions of North-Central and North-Western Provinces.

The cradle of the Sinhalese race was the present North-Central Province, where both climate and soil are admirably suited for the cultivation of rice, the staff of life of the primitive community. The chief problem was to ensure a perennial supply of water and to guard against the fickleness of the monsoonal rains. The challenge evoked a magnificent response in the shape of an elaborate irrigational system which is a marvel of achievement even to modern engineers. 'Hill streams were tapped and their water guided into giant storage tanks below, some of them thousands of acres in extent; and from these, channels ran on to other large tanks farther from the hills; and from these to others still more remote. And below each great tank and each channel were hundreds of little tanks, each the nucleus of a village; all, in the long run fed from the wet mountain zone.'¹

Sinhalese civilisation had to await the coming of Buddhism for its full flowering. Indeed, the authentic history of Ceylon begins only with King Devanampiya-Tissa, 'Tiss, the Beloved to the Gods' (3rd century B.C.), in whose reign the gospel of Buddhism was brought to Ceylon by Mahinda, son of the great Asoka Maurya, the Emperor of India.

The religion spread with extraordinary rapidity. The desire to establish a religious order for women led to the arrival of Sanghamitta, sister of Mahinda, who came bearing a sapling of the sacred Bo-tree (*figus religiosa*) under which the Buddha attained enlightenment. This sapling, planted in the capital city of Anuradhapura, has grown in size and sanctity and it stands there to this day, the oldest historical tree in the world. In the village settlements that clustered round the innumerable tanks, arose temples and dagabas. The latter, gigantic domes of brick and mortar surmounted by tapering spires, became as characteristic a feature of the landscape as they were symbolic of the spiritual aspirations of the people.

Along with the gospel of the Buddha came the arts and crafts of the Mauryan Empire. Architecture, painting, sculpture, the art of writing, the study of Pali which has had a decisive influence on the formation of the Sinhalese language—all these were transplanted from India as a result of the quickened communications between the countries. This historical association of the culture of the Sinhalese with the adoption and spread of Buddhism may fitly be compared with the beginnings of European culture and the part played in its diffusion by the Christian Church.

Cultural contact with India outlasted Asoka's Empire. Though periodically interrupted by the rise and fall of dynasties in India, this contact was intensified during the Gupta period, after which the influence of North India was replaced by that of the Southern Indian Kingdoms which now gained in power and influence.

Not only culturally, but politically as well, South India began to dominate Ceylon. Even in the early period adventurers had successfully seized the Sinhalese throne and ruled the Island at varying intervals. The most famous of these was Elara the Tamil (145–101 B.C.) who was defeated by Dutugemunu, the favourite hero of Sinhalese history and legend. Dutugemunu it was who erected the nine-storied Brazen Palace (Lavamahapaya), the preaching hall of the Mahavihara, the headquarters of the Buddhist faith. The *Mahavamsa* describes the Palace as being 'adorned with a thousand jutting window-chambers, nine-storied and provided with a thousand shell-garlands and with windows as eyes and provided with a vedika (adorned) with a network of little bells'.² The construction of a building of such proportions gives some idea of the state of civilisation at the time. All that is left of the Brazen Palace is a group of monoliths. But other stupendous monuments of the period—the Mirisaveti and the Ruvanveli Dagabas—survive to corroborate the historian's record of bygone splendour and greatness.

Under the constant pressure of Tamil invasions, the capital of the Sinhalese kingdom was moved to Polonnaruwa, towards the east of Anuradhapura. But even here they were not safe and in 1017 A.D. the Cholas of South India conquered Ceylon and held it till 1070 A.D. The earlier Tamil conquests were undertaken by adventurers who were content with seizing the throne and ruling the country as constitutional monarchs. But the Chola conquest of the eleventh century made Ceylon, for the first time since the Aryan conquest, a dependent kingdom tributary to the Chola Empire.

¹ John Still: 'Jungle Tide'.

² Mahavamsa Chapter XXVII translated by W. Geiger.

The country, now under the iron heel of the conqueror, made several attempts to regain its freedom, until at last King Vijaya Bahu I (1059-1114 A.D.) restored the Sinhalese rule. But it was not till the accession of Parakrama Bahu I (1153-1186 A.D.) that the glories of the ancient kingdom were actually revived.

"This great man was at one a warrior and statesman ; he succeeded in bringing the whole country beneath his sway and in driving away the Tamils ; after which he ruled so firmly and so justly that, as the Dambulla inscription informs us, 'even a woman might traverse the land with a precious jewel and not be asked what it was'. After peace was thus established Parakrama rebuilt and restored the harassed city of Polonnaruwa, and also the buildings of Anuradhapura ' which had been wholly destroyed by the hosts of the Choliens '. Thereafter, 'Parakrama Bahu, the conqueror of Kings, dwelt in the beautiful city of Pulatthi (Polonnaruwa), far from the strife of foes. A faithful and a wise man, blessed with the dawn of fortune, and a leader of those that love music and poetry, he passed his time in the enjoyment of quiet pleasures and enjoyments. He purged and purified the Buddhist Church and erected noble buildings for church and priesthood ' Like so many other kings before and after him, 'this most excellent man caused many tanks and channels to be built in diverse places, so that he might put an end to the calamity of famine among men.' Such was Parakrama Bahu the Great ; among English kings there is surely none but Alfred the Great with whom he may justly be compared."¹

Parakrama Bahu's glorious reign proved to be but the last flicker of the dying candle. Almost with his death the empire disintegrated, becoming the prey, once again, of internal disorder and foreign invasion. The hordes of Pandya and Vijayanagara², overran the Island, and the capital of the kingdom was transferred further and further south—to Yapahuwa, Kurunegala, Dambadeniya, Gampola and Kotte—until at last it took refuge in the mountain fastnesses of the central region. This was the beginning of the Kingdom of Kandy, which in later times was to become, in name though not in fact, the suzerain of Ceylon.

The effect on the country of many centuries of association and conflict with the peoples of South India may be conveniently noticed here "The most apparent result is, indeed, the introduction of a new element into the population of the Island. Up in the extreme north, and away in the east, remote from the turmoil and strife of the heart of the Sinhalese Kingdom, a new physical type, dark-skinned, thick-lipped, brachycephalic, combining what ethnologists would call the Mediterranean and the Armenoid types, settled down and developed a separate race-consciousness, which has given us today a discriminated race-group which we call 'Ceylon Tamils'. Heirs to a civilization which claims an antiquity beyond the Aryan, they speak a language which is recognized as the oldest, richest, and most highly organized of the Dravidian group. In their original home in Southern India, they doubtless worshipped local deities in a pre-Vedic form of Hinduism, until the sweeping surge of Brahmanism caught them up, admitted these local gods into the Vedic-pantheon, and established a catholic creed which, subjected though it was to Brahmanical law, we now accept as modern Hinduism. Within the territory which fell more directly under the governance of the Sinhalese Kings, and more especially in the provinces that have lately begun to be called 'the Kandyan provinces', there was indubitably much fusion of blood and language, and much intermingling of religious beliefs and social customs. It could not indeed have been otherwise. Sinhalese princes of the royal blood took unto themselves Tamil consorts, and nobles and commonfolk doubtless did likewise. The Sinhalese court had numerous Tamils in positions of trust and responsibility. The army had a large body of Tamil soldiers and was officered by many Tamil captains. Tamil prisoners taken in war were distributed throughout the country. Tamil words found their way in large numbers into the vocabulary of the Sinhalese. Hindu gods and goddesses became objects of Sinhalese worship and almost every Buddhist vihare had a Hindu devale in close proximity to it. The observance of caste which, in the Sinhalese community, had never been too rigid under the influence of the teachings of the Buddha, became stricter in accordance with Brahmanical precepts. Nor was this all. The influence of the North Indian Renaissance under the Gupta dynasty, which had been extended to the Dravidian Kingdoms of the South by the conquest of Samudragupta in the

¹ Dr. Ananda Coomaraswamy : Mediaeval Sinhalese Art.

² Tamil kingdom in South India.

fourth century of the Christian era, was carried to Ceylon by the peoples of these Kingdoms in a hybridized form of art, architecture, sculpture, and letters. Nevertheless, it was not altogether an alien influence, for the Tamils themselves derived the best part of their culture from the same source whence the Sinhalese had obtained theirs, and the Sinhalese were Hindus before they became Buddhists.”¹

The Portuguese Occupation (1505-1658)

At the beginning of the sixteenth century the capital of the Sinhalese kingdom was Kotte, about six miles from the port of Colombo. Population and wealth had retreated in the wake of the Tamil invasions and had entrenched themselves in the south-west portion of the Island. The kings found their ancient sources of revenue irreparably destroyed, and were now dependent on the income by the sale of cinnamon and other articles of export. It was the desire to control this trade that induced the kings to establish their capital near the port of Colombo.

To this port on November 15, 1505, vagaries of wind and stress of weather brought a flotilla under the command of Don Lourenze de Almeida, son of the Portuguese Viceroy of India, where the foundation of their Empire in the East had just been laid. Twelve years later they were to come again, lured by the quest of cinnamon which played a large part in the domestic economy of Europe in the latter part of the Middle Ages. Their original aim was merely to establish a trading post under the protection of the Sinhalese king ; but internal dissensions within the Sinhalese kingdom induced them to undertake the conquest of the Island. Buvaneka Bahu VII who had succeeded to the throne of Kotte was being harassed by his younger brother, Mayadunne, the Prince of Sitavaka. The Portuguese, therefore, received a warmer welcome than they expected ; they were induced to set up a garrison in Ceylon to protect the king and to facilitate the collection of cinnamon.

The danger of foreign domination might have ended with the death of Buvaneka Bahu, had he not been anxious to dispossess his brother and hand over the kingdom at his death to his grandson, Dharmapala. Enlisting the support of the Portuguese he sent a golden effigy of the infant prince to Lisbon, where it was crowned with all pomp and ceremony by Philip of Spain. When Buvaneka Bahu died the Portuguese upheld the claims of Dharmapala, a puppet-king who was soon to become a virtual prisoner in their hands. Owing to the renewed hostility of Mayadunne, Dharmapala was persuaded to abandon Kotte and live in Colombo under the ‘protection’ of the Portuguese. He became a Christian, taking the name of Don Juan Dharmapala ; and as he had no children himself he was induced to sign a document declaring the king of Spain his lawful heir. It was thus that at Dharmapala’s death the whole of Ceylon, with the exception of the Central Kingdom of Kandy, came under the rule of the Portuguese.

But they did not have an easy time in consolidating their conquest. For a brief space Mayadunne’s son, Rajasingha I of Sitavaka, revived the patriotism and the martial spirit of the Sinhalese. Matched with the flower of European chivalry, they more than held their own on the bloody field of battle ; and in time the Portuguese veterans, hardened though they were by arduous campaigns, learned to dread the very name of Rajasingha. At times victory was almost within his grasp ; but he was baulked of his life-long ambition of driving away the foreign intruder only because he had no command of the sea. The Portuguese, pent up within the walls of Colombo and in imminent danger of being starved out by famine, their walls battered by the swarming Sinhalese soldiery, were saved at the eleventh hour by provisions and reinforcements sent by sea from Goa, the headquarters of their imperial Government. With the death of Rajasingha died also the last independent state in the Low-country.

In the highlands of Kandy alone a Sinhalese king still held sway. But it was usurper Vimala Dharma Suriya I that sat on the throne. The lawful heir, fleeing his country, had sought sanctuary with the Portuguese, embraced Christianity and died, leaving behind a daughter also brought up in the Christian faith, Dona Catharina.

¹ A. G. Ranasinha : Census of Ceylon 1946 (General Report).

The circumstances gave the Portuguese an idea and a dream that failed to materialise—the conquest of the whole Island. A Portuguese army, escorting the young princess, wound its way to the city of Kandy which they found deserted. But the victory, even as they sought to grasp it, crumbled like Dead Sea fruit. The Sinhalese soldiers in the invading army, the *lascorins* as they were called, deserted. The Portuguese found themselves surrounded by guerilla fighters whom they were powerless to repel; and in the disastrous retreat that followed Dona Catharina was captured by Vimala Dharma Suriya, who promptly married her, strengthening thereby his claim to the throne. The Portuguese, like every other invader, had bitter experience of attempts to capture the Kingdom of Kandy.

Portuguese rule in Ceylon lasted nearly 150 years. Their most enduring memorial was the establishment of the Roman Catholic religion. The methods of conversion they adopted have often been criticised. It is only too true that many Sinhalese embraced Christianity merely because of the material benefits it brought—position of prestige and wealth under the Portuguese government. But at least a considerable number of the converts never wavered in their faith when these advantages ceased to be, when in fact it was a disadvantage to remain a Roman Catholic. They withstood the persecutions of the Protestant Dutch, and the adherents of the Roman Catholic faith in the Island to-day form the largest of the Christian denominations.

Other effects of the Portuguese occupation were mostly on the materialistic plane. The Portuguese were the first Europeans to come to Ceylon and their manners and customs left a deep mark on the life of the people with whom they came into contact, particularly since they were not conscious of any colour-bar such as might have prevented them from mixing freely with the people they conquered and marrying among them.

Portuguese words which have entered into the Sinhalese vocabulary show the extent to which their modes of living were adopted by the Sinhalese. Articles of dress and toilet, like shoe (*sapattu*), stockings (*mes*), trousers (*kalisama*), buttons (*bottam*), handkerchief (*lensuva*), skirt (*saya*); furniture and implements, such as table (*mesa*), pen (*pena*), ink (*tinta*), paper (*kadadasi*), cupboards (*almariya*), clock (*oralosuva*), thimble (*didale*), bottle (*botale*), glass (*viduru*); articles of food, such as bread (*pan*), biscuit (*viscotu*), sweetmeats (*dosi*), cheese (*keju*), cart (*karatta*); architectural features such as window (*janela*), room (*camara*)—all these and many more were borrowed by the Sinhalese.

So much for the credit side. On the debit side the Portuguese had much to answer for. 'Their constant wars left a depopulated country, a failing agriculture and a miserable and ill-conditioned people. Inconsiderate missionary zeal alienated, and an unwise and open contempt of Buddhism outraged the religious susceptibilities of their subjects. They had indeed preserved native institutions; but these had been systematically manipulated to serve their own ends. The indigenous administrative system was converted into an engine of oppression and misgovernment for commercial profit and private gain. The memory of Portuguese persecution, maladministration, corruption and greed lingers in Ceylon to the present day'.¹

An indirect effect of Portuguese rule was the division of what had been one people into 'Kandyan' and 'Low-country' Sinhalese. 'Sinhalese in the immediate vicinity of Colombo and along the coast were driven to make peace, and even allied themselves with the Portuguese, often turning nominal Christians and adopting Portuguese names to curry favour or under compulsion. The same process was continued in the time of the Dutch successors of the Portuguese. But the greater part of the Sinhalese people, the hardy mountaineers of the interior, preserved their independence, keeping the foreigners at bay more than 200 years after the first landing of the Portuguese. They have had their reward; for in spite of the progress of denationalisation even amongst these, there are still preserved amongst them sufficient traces of the old national life, sufficient remains of the skilled craftsman's handwork, to enable us to form an estimate of the Sinhalese as a live and individual people, with a national character and rational art; an individuality and art which is more difficult and often impossible to trace in the lowland districts long subjected to western influence.'²

¹ Dr. Colvin R. de Silva : Ceylon under the British Occupation.

² Dr. Ananda Coomaraswamy : Mediaeval Sinhalese Art.

Dutch Conquest and Rule (1658-1796)

The last twenty years of Portuguese rule in Ceylon was a period of decay and decline. In ~~Europe~~ the Hollanders had thrown off the yoke of the Spaniards and were soon to wrest from them the Eastern trade as well. Portugal itself was a shadow of its former greatness, its patriotism diminished by the union with Spain and its resources of man-power sadly depleted by constant wars in the East. On the invitation of Rajasinha II, who was now on the throne of Kandy, the Dutch invaded the Island and conquered it.

With the capitulation of Colombo in 1656 and the fall of Jaffna two years later, the Dutch East India Company entered into the heritage of the Portuguese. The newcomers had gained a comparatively easy victory because of the support of Rajasinha. But when it came to sharing the spoils the Sinhalese king was tricked by the wily merchants. Their attitude was to conciliate him with servile protestations and at the same time to find excuses for withholding the treaty promises they had made. The one party tried to bring pressure on the other not by open hostility but by weapons of trade. The Dutch shut the ports to the king's trade, while the latter retaliated by closing his frontiers, so that the Company's supply of cinnamon was threatened. The unstable relationship did no good to either government. The king's subjects became progressively impoverished as they had no outlet for trading. The cutting off of the salt supply, which was in the Dutch hands, caused hardship to all classes of people, whose welfare Rajasinha, in his chagrin at being outwitted by the Dutch, neglected with a degree of perverseness that gave rise to discontent and revolt. The vacillation of the Dutch, on the other hand, made them lose caste with their subjects in the Maritime Provinces, and much of the Hollanders' energies were wasted in suppressing rebellions which were often fomented and assisted by the king of Kandy.

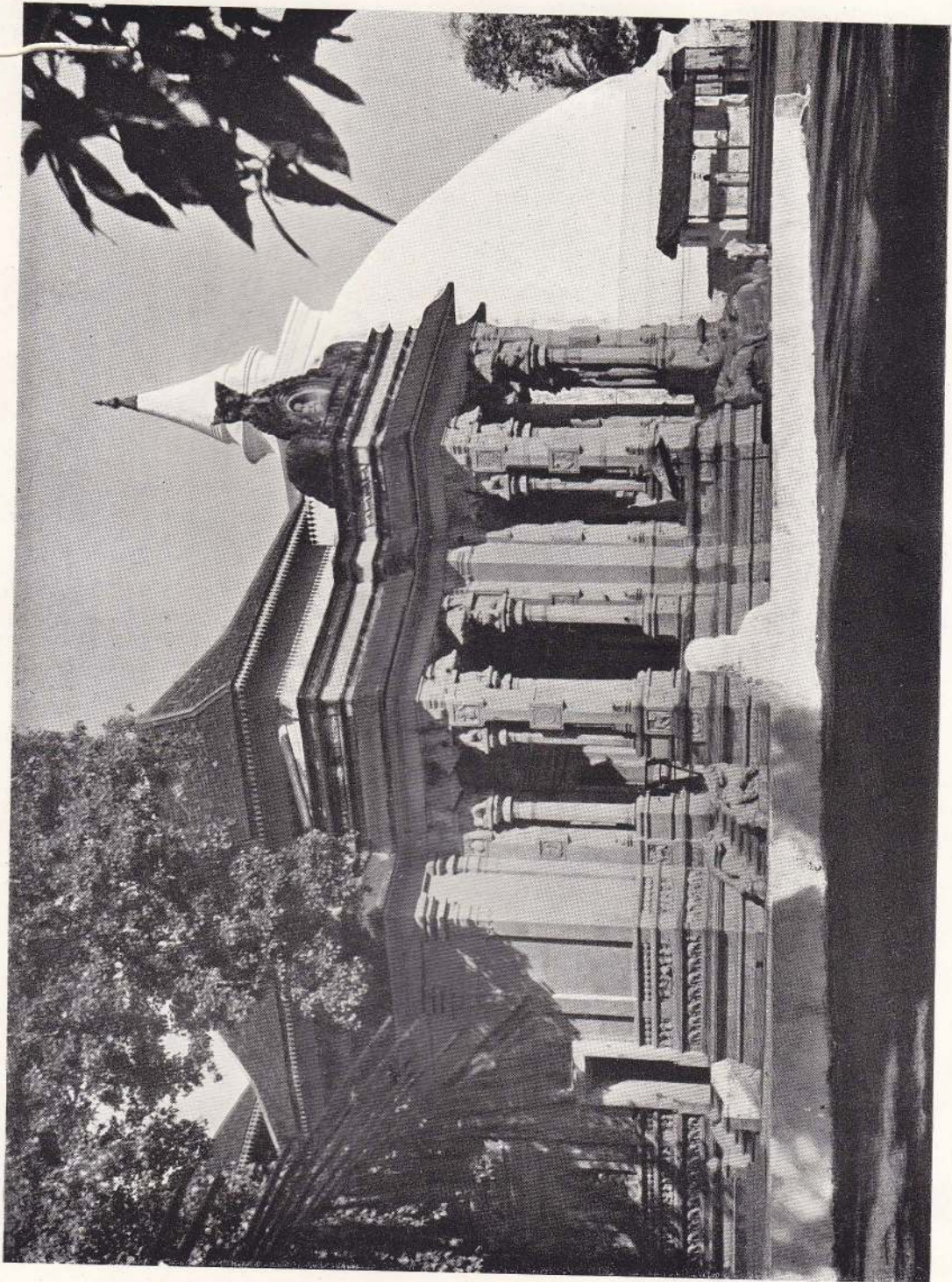
The Dutch were, therefore, considerably relieved when the intransigent Rajasinha died and was succeeded by Vimala Dharma Suriya II. During the latter's reign and in that of his son, Narendra Sinha, the country enjoyed a period of peace. Narendra Sinha was the last Sinhalese king of Ceylon, and he was succeeded by his brother-in-law, Sri Vijaya Rajasinha, of the Nayakkar (Tamil) dynasty of Madura. The Nayakkars were by no means inclined to be as complacent as their predecessors had been, and with their accession the aggressiveness of Kandy increased to such an extent that the Dutch led an army of conquest into Kandy, and occupied it. It was, however, a Pyrrhic victory, as all invasions of Kandy were bound to be. But the King, Kirti Sri Rajasinha, failed to press his advantage home because of the rumblings of civil dissension within his own domain. He sued for peace, and by the terms of the document which he signed in 1766, the Kandyans were completely cut off from the outer world. Their trade, their foreign relations and their supply of salt were now under the control of the Dutch.

But the Dutch power was already on the wane. The greed, corruption and inefficiency of the Company's officials were inexorably spelling their own doom. It only needed the revolutionary armies of France to invade the Netherlands and set up the Batavian Republic for the British to step in and seize the Island, the strategic importance of which they had already realised.

Armed with a letter of authority from the Stadtholder, the hereditary ruler of Holland whom the revolution had forced to flee to England, British troops landed at Trincomalee, in August 1795, primarily to prevent the Island from falling into the hands of the French. At first the Dutch governor and his Council acquiesced in the arrangement, but later they changed their mind when they learned that the Batavian Republic had behind it the backing of the Dutch people. This change of attitude converted the British garrison of protection into an invading army, which the Dutch in Ceylon, stinted of money and troops, were unable to resist.

On February 16, 1796, they surrendered to the British, favourable terms being granted them.

Dutch rule was on the whole more beneficial to the people whom they governed than was the case under the Portuguese. They were mainly preoccupied with their trade and were anxious to conciliate the king and so ensured peace which was essential for the smooth flow of trade. They



KELANIYA TEMPLE

constructed a number of canals to facilitate transport and encouraged the cultivation of paddy, coconut and cinnamon. The forts which they built for their protection are still to be seen in Galle, Matara and Jaffna, picturesque memorials of their precarious tenure of the Island. Their chief legacies were the Roman-Dutch Law, which has remained the common law of Ceylon, and a number of settlers, the Burghers, who exercised the option to remain behind under British rule. The Burghers, who soon adopted English as their mother tongue, rendered valuable assistance to the Government as subordinate officers of the administrative services in the early years of British rule. Despite frequent intermarriages with the Sinhalese and Tamils, they constitute a separate racial unit among the peoples who have made Ceylon their home.

The British Period and After

The English administration at the beginning was a make-shift one, for there was every reason to expect that as soon as peace had been restored in Europe, Ceylon would be handed over to the Dutch. Accordingly, Colonel James Stewart (1795-1796), the Officer Commanding the British Forces in Ceylon, was made the chief civil authority. He, however, took orders from the Madras government, which also set about collecting revenues according to the system prevailing in Madras at the time. This system led to grave abuses resulting in much discontent among the people of Ceylon. But while investigations were going on to provide a better form of administration the Hon. Fredrick North, afterwards Earl of Guildford, arrived in Ceylon in 1798 as the King's Governor of the Maritime Provinces. North was to be the King's representative but was to act under the direction of the East India Company specially in matters of trade and commerce. In 1801 the British Government finally decided to separate the Maritime Provinces of Ceylon from the Madras government so as to make Ceylon an independent Crown Colony as from January 1, 1802.

The Kingdom of Kandy still remained independent and impervious to British attempts to secure a treaty; and Governor North was persuaded by the traitorous First Adigar,¹ Pilima Talauva, to adopt a discreditable policy towards the new Nayakkar King, Sri Vickrema Rajasinha. Pilima Talauva represented to North that Sri Vickrema was unpopular with his subjects who were ready to dethrone him and place the Adigar on the throne if only the British were prepared to endorse the act, after which satisfactory diplomatic arrangements between the two kingdoms could be effected. On a flimsy pretext an expedition was sent to Kandy, which not only failed to accomplish its object but brought disaster to British arms and led to an invasion of the Maritime Provinces and a threat to Colombo itself. The position was retrieved by the end of the year and hostilities ceased by 1805. Preoccupation with his own domestic troubles prevented the king of Kandy from continuing the quarrel, while North's policy of aggression was condemned by Parliament which advised an attitude of non-interference in the affairs of Kandy.

But before ten years had elapsed a British army of occupation was in Kandy, the king had been captured and sent into exile and the chieftains voluntarily handed over the kingdom to the British.

The explanation for this turn of affairs lies chiefly in the dissensions that prevailed in the Kandyan kingdom. The scheming Pilima Talauva had been succeeded as First Adigar by Ehelepola who sought to play the same game but with less acumen and circumspection. A premature discovery of his plans led him to open revolt. It failed, and he sought refuge in British territory. The infuriated monarch took terrible revenge on Ehelepola's family. The demon of ferocity and suspicion took possession of him and clouded his reason, and before long he had alienated the sympathy of the chiefs and of the people.

The moment was opportune for a successful British bid for conquest, and the king himself provided the excuse. Ten British subjects trading in Kandyan territory, who were suspected as spies, were grossly mutilated and sent back to British territory, though only three of them survived to tell the

¹ A chieftan holding a position similar to that of Prime Minister.

tale. The incident provided Governor Brownrigg with a sufficiently strong *casus belli*, and Kandy was once again invaded by British troops. This time there was little opposition to their progress. They entered Kandy as an army of liberation and not of conquest. The king, who was already in flight, was captured and exiled to South India, while the Sinhalese chiefs, at the Kandyan Convention, signed on March 2, 1815, an Act of Settlement by which they surrendered the government to the British, but with the full reservation of their rights and liberation.

The terms of the Act were as follows :—(a) the deposition of Sri Vickrema Rajasinha and the exclusion of his dynasty from the throne; (b) the vesting of the dominion of Kandy in the sovereign of the British Empire, to be exercised by the Governors for the time being and their accredited agents 'saving to the Adigars, Dissavas, Mohottalas, Coraals, Vidanes, and all other chief and subordinate native headmen, lawfully appointed by authority of the British Government, the rights, privileges and powers of their respective offices, and to all classes of people the safety of their persons and property, with their civil rights and immunities, according to the laws, institutions and customs established and in force amongst them ;' (c) the declaration of the inviolability of the Buddhist religion and the maintenance and protection of its rites, ministers and places of worship ; (d) the abolition of all tortures and mutilation, the Governor alone having the right to sentence a person to death, all capital trials to take place in the presence of accredited Agents of the Government ; (e) all civil and criminal justice over Kandyans to be administered according to the established forms and through the ordinary authorities, the Government reserving the inherent right to interpose when necessary ; (f) over non-Kandyans, justice to be administered according to British laws ; (g) the collection of revenue and dues to be carried out on behalf of the British Government, for the support of the establishment ; (h) trade facilities to be given by the Governor.

The chiefs soon repented of their act of submission. They did not appreciate the passing of the feudal system of Government to which they had been so long accustomed ; and they received with ill grace the substitution of a modern bureaucratic state under which they lost much of their former prestige. In 1817 a rebellion broke out in Uva, which developed into a war of independence with some chance of success. It was repressed with great severity, after which the Kandyan provinces were joined to the low-country in one unified administration.

The subsequent history of the British occupation is intimately bound up with administrative and political developments, which are outlined in Chapter IV.

It is sufficient to note here that the Crown Colony form of Legislative Council, with periodic modifications extending the democratic element, prevailed until 1931 when the Donoughmore Constitution came into being, conferring on the people of the country adult franchise and giving an opportunity to its statesmen to govern themselves, albeit that freedom was restricted in several ways. The Donoughmore Constitution was replaced in 1946 by the Soulbury Constitution which granted a Parliamentary form of government modelled on Westminster but not conferring Dominion Status. This constitution was, however, short-lived, for by the Ceylon Independence Act of 1947 full dominion status was conferred, making Ceylon an independent nation within the British Commonwealth.

In retrospect it is seen that the State Council period (1931–1946) was the seed-time of the new nation. It was during this time that many of the nation-building activities that contribute to the well-being of Ceylon were initiated—the enlarging of the health and medical services, the provision of ample educational facilities, the programme of rural uplift, and, above all, the colonisation of the dry zone by the restoration of the ancient irrigational works which once gave life and sustenance to a thriving people.

Today the people of the new Lanka, united under a national government and taking just pride in their new-won freedom, are looking forward to a bright new future which may emulate, if not rival, her ancient splendour and prosperity.

CHAPTER II

GEOGRAPHY

1. General

CEYLON is a pear shaped Island lying in the Indian Ocean, north of the equator, between $5^{\circ} 55'$ and $9^{\circ} 50'$ N. latitude, and forms an appendage of the Indian sub-continent to its south-east. It is separated from India by a narrow strip of shallow water, the Palk Strait. The most convenient means of communication between the two countries is by passenger boat that plies between Dhanuskodi (situated on an Island-bar connected to the Indian sub-continent on its south-east) and Talaimannar (situated on the western extremity of the Island of Mannar, lying off the north-west coast of Ceylon). Both are railway termini for the Indo-Ceylon Railway and are connected to the respective mainlands. The Island as a whole is a compact area, except for Mannar and for the almost detached portion in the north termed the Jaffna Peninsula and its satellite islands of Delft, Kayts, &c. Its nearest neighbours besides the Indian sub-continent are the Maldivé Islands to its west, the Nicobar and Andaman Islands to its east and north-east respectively.

Its geographical location in the Indian Ocean has proved favourable and to-day Colombo forms an important port of call (passenger, bunkering, repair, &c.) for all steamships that cross the Indian Ocean from the Orient to the Occident and vice versa *via* the Suez Canal. The following table showing distances from the respective ports reveals its favoured location :—

TABLE 2. 1. DISTANCES FROM COLOMBO TO VARIOUS PORTS OF THE WORLD

	<i>Nautical Miles</i>	<i>Approximate Journey (Days)</i>
Colombo to London :		
Aden	2,100	5
Suez	3,407	10
Port Said	3,494	11
Gibraltar (<i>via</i> Marseilles)	5,690	20
London (by sea <i>via</i> Marseilles)	7,005	20
London (by sea direct)	6,725	18
London (overland)	5,868	16
Colombo to India, &c. :		
Calcutta (touching at Madras)	1,260	7
Bombay	875	$2\frac{1}{2}$
Rangoon	1,249	$4\frac{1}{2}$
Singapore	1,567	5
Hong Kong (touching at Singapore)	3,113	12
Colombo to Australia :		
Fremantle	3,121	8
Adelaide (touching at Fremantle)	4,479	11
Sydney (touching at Fremantle, Adelaide and Melbourne)	5,556	17
Colombo to South Africa :		
Durban (touching at African ports)	3,680	20
Cape Town (touching at South African ports)	4,362	21-30

The Island extends through its greatest length 270 miles, from Point Palmyra in the North to Dondra Head in the South. Its greatest width amounts to about 140 miles from Colombo in the west to Sagamankande in the East, between $79^{\circ} 42'$ and $81^{\circ} 52'$ E. longitude. It is thus, 5 hours and 20 minutes ahead of Greenwich Observatory (London) in point of time. A few other comparisons may be made :—

Colombo—12 noon :

London	6.40 A.M.
New York	1.14 A.M.
Alexandria (N. Africa)	8.40 A.M.
Bombay	11.32 A.M.
Madras	12.08 P.M.
Rangoon	1.08 P.M.
Singapore	1.40 P.M.
Tokyo	4.00 P.M.
Sydney	4.44 P.M.

The Island covers an area of 25,332 square miles, constituted as follows :—

	<i>Square miles</i>	<i>Acres</i>
Land	25,036	16,023,040
Inland Water	296	189,440
Total	25,332	16,212,480

The following table compares the area of Ceylon with the area of some selected Asian countries and islands :—

TABLE 2. 2. AREA OF CEYLON COMPARED WITH AREAS OF SELECTED COUNTRIES

<i>Country</i>	<i>Square miles</i>	<i>Country</i>	<i>Square miles</i>
Ceylon	25,332	Japan (proper)	147,201
Formosa	13,840	Sumatra	163,000
Hokkaido (Japan)	30,115	Siam	200,000
Philippine Islands	36,906	Burma	262,732
Java	50,000	China (proper)	1,532,800
Celebes	72,000	India and Pakistan	1,800,000

RELIEF OF THE LAND

Generally speaking, the relief of the Island may be said to comprise a mountainous area, about the central part, or more correctly the south-central part, averaging from about 3,000 to 7,000 feet which is again surrounded by an up-land belt of about 1,000 to 3,000 feet, while the coastal plain occupies the rest of the Island and is narrower on the west, east and south but broadens out to a vast tract in the north.

The Coastal Plain does not drop abruptly, but continues for some distance out to sea as the Continent Shelf. The 100-fathoms-line is close to the coast, except about the north-west where it opens out to include a large area continuous with the Indian Continental Shelf. A coral reef lies close to the coast, which though for the most part submerged can be discerned by the breaking of the waves at a short distance from the coast line.

The following table shows the relative heights of various peaks :—

TABLE 2. 3. CHIEF MOUNTAIN PEAKS OF CEYLON

Pidurutalagala	8,291 feet
Kirigalpotta	7,856 feet
Totapola	7,741 feet
Adam's Peak	7,360 feet
Namunukula	6,679 feet
Knuckles	6,112 feet
Haycock	2,167 feet

Considering first the Hill Country, the main skeleton base over 5,000 feet appears in the form of an inverted 'T' or an anchor, with the Central Ridge forming the shank on which are some of the highest peaks in Ceylon—Pidurutalagala (8,291 feet), Totapola (7,741 feet), Kirigalpotta (7,856 feet), and also the high plains, Nuwara Eliya (over 6,000 feet), Elk Plains (7,000 feet), and Horton Plains (over 7,000 feet). At the base of the shank is Kirigalpotta from where one arm of the anchor extends westwards to terminate at Adam's Peak (7,360 feet) while the eastern arm extends through Haputale (where a pass forms a break in the continuity of this arm) and continues north-east to form the Namunukula which is part of the north-south aligned Lunugala ridge. To the north-east of the shank are the Matale Hills, with Knuckles (6,112 feet) forming the highest point. On either side of this central mountainous anchor-shank are two plateaus—the Hatton Plateau to the west and the Uva Basin (or the Welimada Plateau) to the east—each averaging 4,000 feet and forming the upper drainage basins of the streams rising from the central 'anchor'. To the east-west arm of the 'anchor' is given the term the Southern Mountain Wall, because here it presents a sheer drop of over 4,000 feet to the southern platform lying at the foot. From here the southern coastal plain stretches for over 50 miles. Forming a detached portion from the massif to its south-west lies the Rakwana Hill Country and the Bulutota massif averaging 3,000 feet; the intervening tract being occupied by the upper tributaries of the Kalu and Walawe rivers. To the west and east the Highland gradually gives way to the western and eastern Coastal Plains. In the west, the relief assumes a series of north-west south-east aligned ridges running parallel to the west coast. To the east, the relief forms detached hills of about 500 feet. To the north, the highland tract extends from the hill country for about 80 miles or more and then peters out into a series of north-south aligned ranges conforming to the strike-lines. Monadnocks or 'relict mountains' composed of resistant strata like granite, gneisses, &c., stand out to break the monotony of the level stretches. Some very good examples are Kataragama Peak and Westminster Abbey to the south-east, and the famous 'Animal Rocks' of Kurunegala. The Jaffna Peninsula and the Island of Mannar are entirely featureless level stretches.

RIVERS AND WATERWAYS

The hydrographic pattern is a function essentially of relief and structure and in Ceylon with its central hilly mass the radial pattern is clearly revealed—the rivers flowing to the west, east and south being shorter than those flowing to the north, north-west and north-east. The most important and largest river is the Mahaveli-ganga, which rises on the western side of the 'shank' of the anchor of the central hilly ridge. Instead of emptying into the nearby western coast, it runs north, makes a sudden loop about Kandy and then assumes a west-east flow along the Dumbara Valley to turn north about Aluthnuwara and eventually flows north-east following the grain of the strike ridges before emptying into the Koddigar Bay on the east coast. All other rivers like the Kelani-ganga, Kalu-ganga, Maha-oya, Deduru-oya and Kala-oya flow into the nearby west coast. The northern rivers are shorter, while to the east and south the Gal-oya, Kumbukkan-ar, Menik-ganga, Kirindi-oya, Walawe-ganga and Nilwala-ganga all follow the shortest course to the respective east and south coasts.

TABLE 2. 4. LENGTHS OF PRINCIPAL RIVERS

<i>River</i>	<i>Length in miles</i>	<i>River</i>	<i>Length in miles</i>
Mahaveli-ganga	206	Menik-ganga	81
Aruvi-arū	104	Maha-oya	78
Kala-oya	97	Kirindi-oya	73
Yan-oya	94	Kalu-ganga	70
Kelani-ganga	90	Gin-ganga	70
Deduru-oya	87	Kumbukkan-arū	70
Maduru-oya	86	Mi-oya	67
Walawe-ganga	83	Gal-oya	62

Waterfalls girdle the central mountainous massif and offer some of the best scenic features in Ceylon, *e.g.*, Dunhinda (Badulla), Diyuluma (Koslanda), Elgin (Haton Plateau) and Perawela. They are found to occur especially to the west, south and east, and are perennial owing to the heavy rainfall on the central mountain mass, though the fluctuations in their volume occur as a result of changes in the seasonal rainfall.

NATURAL VEGETATION

The following account relates only to natural vegetation, other vegetation types such as those which have been the result of human impact, for instance, tea and rubber being dealt with in the chapter on Agriculture.

Vegetation is a result of soil, geology, rainfall and temperature. In Ceylon the determinant factor is rainfall and as such the natural vegetation in Ceylon could be understood clearly in terms of the rainfall of Ceylon.

'Though about four-fifths of the Island is at present uncultivated very little of Ceylon has its original vegetation'.¹ Forests, jungle and scrub occupy the greater part of the Island, and are found often to be intermixed. The forests² occupy the greater part of the Wet Zone and are a direct function of rainfall. They occur a few miles from the coast right into the Hill Country, the species undergoing modification in direct relation to altitude and climate. In the Dry Zone the forests are termed 'Jungle' as they are less dense. 'Scrub' refers to a vegetation of thorny bushes (adapted to the dry climate) with widely interspersed trees and occurs in the Dry Zone frequently intermixed with jungle.

'Patanas', or 'talawas' or 'grasslands'³ occur in areas over 2,000 feet above mean sea-level and are concentrated in certain localities around the hilly country, especially in the undulating land between the elevations of (a) 1,600-1,900 feet, and (b) 6,000-8,000 feet. They are characteristically developed to the east of the central massif mainly in the Province of Uva in the physiographic region termed the 'Uva Basin'. Of the total area of 250 square miles of patana country about 225 square miles occur in the Province of Uva.

The patanas fall into two broad groups: (a) the dry patanas, and (b) the wet patanas. The dry patanas occur on the eastern slopes of the central massif, which is a rainshadow area during the south-west monsoonal rainfall while the wet patanas occupy the western slopes of the central massif which receive the full effect of the south-west monsoon.

Swamps and water plants do not occur in specific areas, though they are often found in the coastal lagoon tracts. Mangroves and aquatic plants such as *Nepenthes* or Pitcher plant, and the Water-lily or Lotus are common. Cactus plants occur in the dry-arid areas and have adapted themselves specifically to the moisture-deficient environment.

¹ E. K. Cook—Geography of Ceylon, Chapter 10, page 152.

² A more detailed consideration of forests appears in Chapter XIII which deals with Forests, Fisheries, Minerals.

³ 'The Montane Grasslands (Patanas of Ceylon)', Parts I, II, III of Tropical Agriculturist, Volume C. I. (1945).

'Notes on the Patanas of Ceylon', R. A. de Rosayro in Ceylon Geographical Society Bulletin No. 2, Volume II (1947).

'The Patanas'—A geographical puzzle, P. K. Daniel.

II. Geology

The Island of Ceylon forms part of the 'old massifs' and is to a great extent composed of some of the oldest rocks of the earth's crust. On the Standard Geological Time scale, these rocks belong to the 'Archaean' or Pre-cambrian era. The basement upon which the geological structure of the Island lies, termed the Fundamental Gneissic terrain, is of a very complex character and exhibits 'foliation' as a result of having been altered by the process of metamorphism. The striking resemblance of the Ceylon foliated Archaean Gneissic basement to that of the Canadian Shield has been recognised¹.

Resting on the fundamental Gneissic basement are the Khondolite groups of rocks which are of somewhat later geological age than the Gneisses. Being metamorphosed sedimentaries, they exhibit differences in their original sediments. The following are the types of rocks belonging to this group :—

- (a) Quartzite
- (b) Crystalline limestone
- (c) Granulite
- (d) Leptynite
- (e) Type Khondalite.

These rocks occupy the central part of the Island extending from the south-west to the east north-east coast (about Trincomalee). They are folded into a 'Synclinorium' with a general axial trend or strike running north north-west to south south-east in the south-west of the Island, veering to north-south in the centre and north north-east to south south-west in the north-east.

While the Archaean rocks are fairly well represented, the rocks of the Palaeozoic geological era are strangely enough completely absent from the Island's surface. This is fair evidence that the Island must have remained above the sea level throughout the pre-Mesozoic Era. With regard to the rocks of the Mesozoic age, while both Triassic and Cretaceous strata are absent, Jurassic strata do occur. But these too occur only in two pockets, at Tabbowa and Andigama.

Specimens of plant fossils embedded in the shales of these Jurassic beds were analysed in 1943 and recognised distinctly as of Jurassic age.

Rocks of the Cainozoic or Tertiary era are absent except for the large tract of clearly distinct limestone of the Miocene period. This area underlies the whole of the Jaffna Peninsula and continues southwards as a coastal stretch up to north of Puttalam and Kalpitiya Peninsula. Sub-recent and post-Pliocene gravels cover a long stretch of tract east of and in alignment with the limestone belt.

At various places, especially in the Fundamental Gneissic Terrain and the Khondalite rocks occur granitic intrusions that to-day stand out as resistant horsts or blocks.

GEOLOGY AND STRUCTURE

Structurally the Island represents a major Syncline with minor contortions within this central downwarp and is termed a 'Synclinorium'. The rocks are seen to dip towards the centre so that the rocks on the west dip to the east and those on the east dip to the west. As referred to before, the Archaean Gneissic terrain forms the basement upon which the Island evolved. Thus while in the

¹ *Geology of Ceylon* by Adams.—*Canadian Journal of Science*, Vol. I (1929).

centre the base of the syncline is of Fundamental Gneiss, it outcrops on either side in the west and east and in this downwarp were deposited the sediments derived from the Fundamental Gneiss and which underwent metamorphism to form the Khondalite of today.

Structural lines in Ceylon which have had a bearing on the alignment of relief have a striking parallel not only to direction but also to the composition of rocks as in India.

III. Soils

A scientific study of soils may be made on the basis of two aspects or settings, both important from a geographical standpoint :—

- (a) Pedogenic aspect, concerning the evolution of soils, their structural characteristics and their physical properties.
- (b) Ecological aspect¹ relating soils to fertility and type of crop. This is of agricultural importance.

A study of the pedogenic aspect entails as a first requirement the adoption of a classification of soil on a genetic basis. In the evolution of soil types there are four vital factors or 'bases' involved, the final type being the result of the interplay of all these four factors or of one or more of the following²—(a) Bedrock ; (b) Climate ; (c) Topography ; and (d) Vegetation.

The first study of Ceylon soils on a scientific basis was made by Dr. A. W. R. Joachim³, of the Department of Agriculture. His classification is as follows :—

- 1. *Crystalline soils*.—(a) Lateritic earth, (b) Lateritic loams, (c) Non-Lateritic red loams.
- 2. *Humic soils*.—(a) Patna (Grassland) soils, (b) Kekilla (Fernland) soils, (c) Peaty (Paddy) soils.
- 3. *Limestone soils*.—(a) Terra Rossa (red loam), (b) Rendzina (gray earths), (c) Crystalline limestone (red brown soils).
- 4. *Pleistocene soils*.—(a) Red and brown sandy (coconut) soils, white sandy (cinnamon) soils ; (b) Gravelly soils.
- 5. Recent alluvium soils.

CRYSTALLINE SOILS

These soils have developed upon the crystalline rocks of Ceylon (Archaean strata—khondalite, charnockite, &c.) and are differentiated into three groups on the basis of climate, especially rainfall. Forest forms their natural vegetation.

- (a) Lateritic earths, which occupy the south-west quadrant of the Island, coincide with the wet zone with a rainfall of over 100 inches. The main feature attributed to this soil is its 'reticulated' texture.
- (b) Lateritic loams—These occupy an area of 15 to 20 miles in width, surrounding the belt of lateritic earth and is coincident with the areas of rainfall of from 50 to 80 inches. Being of a deep loam (mixture of sands and clays) the 'reticulated' texture is not developed.
- (c) Non-lateritic loams—They occupy the greater part of the dry zone (of less than 50 inches annual rainfall) and are covered by the gravelly soils or replaced by the limestone strata soils. These loams are of a reddish-brown-grey colour and are easily friable.

¹ The ecological aspect will be considered in Chapters XI and XII, which deal with Land Development, Irrigation, &c.

² A particular soil type, however, would exhibit clearly the dominant operation of only one of these factors. While it was originally held that 'soil' was the result of physical disintegration and chemical decomposition of the bedrock, it was after the investigations of pedologists like Glinka (Russian), Ramann (German) and Robinson (English) and many others that it was realised that bedrock, like any of the other factors, only formed the dominant and deterministic factor in the evolution of a particular soil.

³ Soils of Ceylon, Ceylon Geographical Society Bulletin and Tropical Agriculturist.

HUMIC SOILS

These have developed in the areas formed of lateritic earths and loams and have evolved, not as a result of the climatic interaction upon the bedrock as in the crystalline soils but by interaction through the vegetation. They occur in limited localities within only two lateritic soil belts, and the humus content in them explains their structural characteristics. Thus have evolved the :—

- (a) 'Patanas' or grassland soils occupying the Patana lands of the hilly country ;
- (b) 'Kekilla' or fernland soils occupying the wet valleys of the Province of Sabaragamuwa ; and
- (c) Peaty or paddy soils which occupy the low-lying 'deniya' lands and in swampy marshes.

LIMESTONE SOILS

These soils are rich in calcium carbonate or lime and are developed mainly on a bedrock basis which forms the underlying limestone strata.

- (a) 'Terra Rossa' or red loam is co-extensive with the miocene limestone belt, which stretches from about the Puttalam coast in a north-east belt to include the whole of the Jaffna Peninsula. In the Jaffna Peninsula these are well developed as are also the 'Grey loams' or Rendzina soils. The palmyra palm and scrub form the natural vegetation.
- (b) The brownish-red loams have been evolved from the crystalline limestone as in Ampitiya, Matale, &c. Unlike the 'Terra Rossa' they exhibit a crystalline character and today occur not as a residual soil but as a transported soil. Evergreen forest forms their natural vegetation.

PLEISTOCENE SOILS

These occupy a belt lying between the Gneiss Khondalite (*i.e.*, non-lateritic red loams) and the Miocene limestone strata.

- (a) Red and brown sands forming the typical coconut soils : white sandy (cinnamon) soils. Red and brown sand occupy the Island of Mannar, the Puttalam-Kurunegala-Chilaw 'triangle' and the east coast of the Island, from about Elephant Pass southwards to Pottuvil. The red colour is due to the deposition of the insoluble ferric oxide and the soils are deep light and well-drained. The soils are typical of the best coconut lands especially along the coastal stretches.

White sandy (cinnamon) soils are bleached white sands found in the same areas as the coconut soils, but are water-logged, owing to the development of a hard pan about 5 feet below the surface, as at Madampitiya, Narahenpitiya, &c. Coconut does not thrive well owing to the ill-drained nature of the soil.

- (b) Pleistocene gravelly soils—These occupy a belt east of the limestone strata stretching from Puttalam area to Elephant Pass. This is not of any particular importance.

RECENT ALLUVIUM DEPOSITS

These are of recent occurrence and are the result of the well developed radial hydrographic systems which carry the denuded material from the higher elevations to deposit them in the low-lying valleys and tracts. They cover areas of flood plains and deltas and because of their clayey nature are utilised essentially for paddy cultivation. Here topography has played the dominant role.

CHAPTER III

METEOROLOGY AND CLIMATE

I. Meteorology

CLIMATIC data have been collected in Ceylon since 1880 and to-day the Island is served adequately with observation stations. There are altogether 19 main Meteorological Observatories which make daily records of temperature, rainfall, wind, pressure and humidity.

TABLE 3.1. METEOROLOGICAL STATIONS WITH THEIR ELEVATIONS

	<i>Station</i>	<i>Elevation in feet</i>
Coastal	Colombo Observatory	24
	Mannar	12
	Galle	13
	Jaffna	14
	Batticaloa	26
	Puttalam	27
	Hambantota	61
	Trincomalee	24
Inland	Anuradhapura	295
	Ratnapura	113
	Kurunegala	381
	Kandy	1,611
	Badulla	2,225
	Diyatalawa	4,104
	Hakgala	5,581
	Nuwara Eliya	6,170

The Colombo Observatory, which for over 40 years was a branch of the Survey Department, was established as an independent department with effect from October 1, 1948, and functions now as the Department of Meteorology. The work of this department is of importance to health, agriculture, irrigation and civil aviation, and also, in times of emergency, to the fighting services. A report on the Colombo Observatory with maps and statistics is published annually for use in Ceylon, and for distribution to the Meteorological Services abroad. In addition to climatological work, which includes surface and cloud observations at 19 stations, pilot or upper-air observations at Colombo, Mannar and Trincomalee, underground observations at Colombo, and a network of rainfall observations at over 500 rain-gauge stations throughout the Island, this department is also engaged in time and seismological work.

CLIMATOLOGICAL WORK

Weather telegrams are received daily, at stated intervals, at the Colombo Observatory from the climatological stations, and also rainfall telegrams, once a day, from the key rainfall stations. Weather telegrams are also sent daily from Colombo and other Ceylon Stations to India, Pakistan and Burma, and also to the R.A.F., Negombo. The number of weather telegrams sent to R.A.F., Negombo, during 1950 amounted to 35,770 surface observations and 3,480 pilot-balloon observations. A weather report is supplied daily to Radio Ceylon, for broadcast *en clair* at noon, to the local Press, to the Colombo Pilot Station for the information of ships in the harbour, and for publication in the Post Office Daily List.

A monthly meteorological statement is printed for distribution. A monthly weather summary is issued for publication in the 'Tropical Agriculturist' and the Press. Periodical and special reports and returns are issued to various Government departments. Warnings of weather

disturbances in the neighbouring seas are telegraphed to the authorities concerned. Kelani river flood-forecasts are made whenever there is very heavy rain in the catchment area. In 1950, eleven new rainfall stations were started and two such stations discontinued.

TIME SERVICE

Wireless time signals are sent out in the 'ONOGO' code, for the benefit of shipping, twice a day at 0600 and 1330 hours G.M.T.

The master clocks at the Central Telegraph Office, General Post Office, Surveyor-General's Office, Customs Jetty, Colombo Town Hall, the Secretariat, and the Colombo town clock, are kept synchronised by means of signals from the Observatory. The Observatory standard clocks are rated exclusively on the Rugby Vernier Time Signals. Police stop-watches are regularly rated at the Observatory.

Six astronomical clocks were functioning at the commencement of the year 1950. These were the free pendulum clock, Shortt No. 68, and Dent No. 60618 which were fitted up last year; Fournier clocks No. 70 and No. 72; Dent No. 45082; and the clock by Cooke. Rating of these clocks on the Rhythmic Time Signals radiated under the control of the British Time Service was carried out daily. At the beginning of October the time commencement of these Rhythmic Signals was changed from 0955 G.M.T. to 1001 G.M.T. No astronomical determinations for Time were made, as the task of mounting the 4-inch micrometer transit and the Borrel chronograph could not be completed yet.

SEISMOLOGICAL SERVICE

The Milne-Shaw seismograph is in continuous service. A total of 150 earthquakes was recorded in 1950, 122 of which showed definite phases recognisable on the trace. The charts are reduced and data forwarded to the Deputy Director-General of Observatories (Climatology and Geophysics) at Poona, India, for inclusion in the Indian Seismological Bulletin, and to the Director, Kew Observatory, England, for inclusion in the International Seismological Summary.

PUBLICATIONS

Routine publications of the department are limited to :—

- (a) The daily weather report and forecast to the Colombo Broadcasting Station (now Radio Ceylon), for broadcast *en clair* at noon, to the Post Office Daily List and the Press ;
- (b) The monthly weather summary to the *Tropical Agriculturist* and the Press ;
- (c) The times of rising and setting of the sun and moon and lighting-up times at Colombo to the Press, monthly in advance ;
- (d) The monthly observations in Ceylon comprising of the meteorological data at all the climatological and rain-gauge stations in the Island ;
- (e) The astronomical ephemeris for publication in the Ceylon Almanac ; and
- (f) The Annual Report on the Colombo Observatory with maps and statistics for distribution in Ceylon and issue to the Meteorological Services abroad.

EXPANSION SCHEME

Further progress was made with the scheme of expansion of this department. With the return of the four Technical Officers who left for England the previous year for specialized post-graduate training, this department now has six officers trained in weather forecasting, including the modern technique of 3-dimensional analysis, in radio-sonde and radar wind-finding observations and in magnetic work. The strength of the staff of this service before expansion was 42. At the end of 1950 the sanctioned strength was 203.

The establishment of a Radio-Sonde station could not be effected during 1950 due to delay in receipt of essential equipment, a Valve Maintained Tuning Fork, frequency 1,000 c/s and a Resistance Capacity Oscillator, frequency range 700 c/s to 1000 c/s. The early establishment of a Radio, Wind Finding station at the observatory is under active consideration.

II. Climate

From the climatic point of view the Island exhibits the following general features :—

- (a) General warmth throughout the year (averaging 80° F.) with rarely an area recording less than 60° F. (which reading is very localized in the hill country) because of its latitudinal position (5° N. to 9° N.). Range of temperature (seasonal, monthly or diurnal) is generally small.
- (b) The relative humidity is rather high (over 75 per cent.) because of its island character, no point in Ceylon being more than 80 miles from the sea.
- (c) Absence of the traditional seasons so typical of temperate lands—Spring, Summer, Autumn and Winter. Seasons in Ceylon are purely a function of rainfall—a wet and dry season alternating through a cool and hot season can be recognized. Frost, mist, and sometimes hail, do occur in the hilly areas. Snow, however, is completely absent.
- (d) Rainfall is generally heavy and forms the only mode of precipitation, and is fundamentally of a convectional type (land and sea breezes) though the monsoons dominate during their respective seasons.
- (e) Cyclonic activity is not of great dominance as in temperate areas and, when operating, occurs generally during the north-east monsoon period (November to February) and is of the tropical variety which operates in the Indian Ocean—especially the Bay of Bengal.

TEMPERATURE

The temperature of Ceylon is dependent on two important factors :—

- (1) *Latitudinal position.*—The average high temperature of the Island is attributable to its position in the 'Doldrum belt', thus lying in close proximity to the thermal equator (the overhead sun during the equinoxes). The direct incidence of the vertical rays of the sun is thus responsible for the high temperature.
- (2) *Insularity.*—With a maximum breadth of only 140 miles, no place in the Island is so remote as not to feel the influence of insularity. This oceanic effect is to temper the high degree of insolation which prevails.

Other secondary factors affecting temperatures are :—

- (a) *Relative humidity.*—The relatively high humidity is responsible for the even temperature that is exhibited throughout the Island. Thus, in the south-western section of the Island the average temperature (as obtained from actual temperature, not-reduced to sea level) is never above 80° F.—while elsewhere (except the hilly region), the Lowlands show a higher temperature. This is of course attributed to the high relative humidity (larger percentage of water vapour per unit cubic area) prevailing in the south-west.
- (b) *Altitudinal effect.*—It is observed that all regions recording less than 80° F. are in the hilly portion of the Island. The effect of altitude is clearly exemplified here, for the almost concentric contours seem to coincide with the isotherms—while the 1° F. decrease for every 300 feet in height is best brought out by Nuwara Eliya (6,170 feet), which has a temperature of 60° F.

Temperature analysis of Coastal Stations.—Colombo, Jaffna and Hambantota all show very little seasonal variation, about 3° F. They also indicate a fall in temperature with the arrival of the monsoon rain (Colombo in June ; others in November), while the period March to April shows an increase of temperature.

This period, however, is one of intense insolation and cloud-free skies throughout Ceylon. Daily ranges of temperature are marked. Thus Colombo shows 15° F. in February and 8° F. in June and July—cloudiness being the determinant factor. In Jaffna, March to July show only 7° F. range of temperature, while the relative humidity is 78 per cent.; in February the respective figures are 15° F. and 66 per cent. (lowest for the year). Again at Hambantota the figures are 11° F. and 73 per cent. Anuradhapura has 20° F. in March and 60 per cent. humidity. August and September record 15° F. and 61 per cent., March to June 13° F. and 68 per cent., while November and December 13° F. and 77 per cent.

Temperature analysis of Hill Stations.—Here the effect of relief is significant. The monthly variation is on the average only 5° F. The daily range of temperature is, however, considerable.

Kandy, whose range is 20° F. in March and 12° F. in July, has a low range during the south-west monsoon. Badulla has its greatest range during June to September. These months are dry and the sky is cloud-free. Diyatalawa has a range of 18° F. during the inter-monsoonal and south-west monsoonal period. Nuwara Eliya while having the greatest range yearly, of 46·9° F., shows 25° F. in February and 20 to 25° F. in March and April. During the south-west monsoon period it is only 11° F.

RAINFALL

Regional variations are found to be marked. The annual average rainfall map shows a concentration in the south-west quadrant of the Island, and more particularly on the south-west facing slopes of the hill country. From this central tract rainfall diminishes on either side. The north-east, north-west and south-east experience rainfall of less than 75 inches. The comparatively low rainfall of two regions within the hill country—the Malpitiya hollow and the Uva basin—is due to structural features. Seasonal distribution is widely at variance, owing to the predominance of the south-west monsoon, and to a lesser extent the north-east monsoon. Yet they are two periods of heavy falls.

Ceylon receives rainfall from both south-west and north-east monsoons and is also influenced by convective rains in the inter-monsoonal periods and also by cyclonic activity.

- (a) *Convective Rains* (Inter-Monsoonal rain period). In October rain is widespread and not confined to any particular quarter. The hilly region, however, still receives the highest rainfall. The month is typical of the establishment of equatorial calm conditions. Both temperature and rainfall regimes are characteristic of the Doldrum belt. The type of rainfall received during this period is of the convective type, which is actually to be expected in an area lying in this latitude. Thus, the normal rainfall is of this type while the monsoonal rains are really disruptions in the normal system. This convective circulation is the result of the alternating relative warmth of the land and sea breezes respectively which account for the early-morning showers near the coast and the afternoon-showers towards the interior. Thunderstorm activity is characteristic while the air pressure is more or less uniform.
- (b) *Monsoonal Rains.*—South-West Monsoon rainfall period (May to September). In May when the monsoonal activity is in its incipient stages the rainfall is confined to the extreme south-west quadrant and especially to the coastal areas.

The south-west slopes of the hill country receive the heaviest fall, 20 to 25 inches, owing to the uplift of the monsoon wind by the still dominant convection currents. The uplifted monsoon winds meeting the obstruction of relief deposit their moisture on their south-west slopes.

June.—The monsoon has strengthened and the respective rain 'belts' having shifted landward towards the hill country, hill stations receive up to 35 inches, while the 5 to 10 inches belt has now constricted itself. On the leeward side the rainfall has fallen to less than 2 inches; this can be

attributed to the barrier relief which forces the south-west monsoon winds to yield all the moisture on the hill slopes. The winds, whenever they get across, flow as dry winds on the leeward side, thus lessening the scope for thunderstorm activity.

July.—The rainfall distribution is the same as for June, but now the monsoon is in full force. The highest rainfall belts are confined to the hill country. No convectional activity is present at all. The rainfall on the leeward side is still scanty and below 2 inches.

August.—The monsoon begins to weaken and the rainfall on the leeward side increases (2 to 5 inches)—thus indicating the correlation between monsoon and convectional rainfall. A battling of the two forces to gain dominance may be visualised. As one weakens the other strengthens, and thus convectional activity is re-established.

September.—This is the month of the 'retreating' monsoon. The rainfall distribution is closely akin to that of May, when the monsoon was just on the 'advance'. By now the monsoon winds begin to fill the depressions in the north-west India, blowing towards the low pressure centre of the Thar desert, the 'Pot-hole' of north-west India. Convectional activity thus begins to gain dominance intermittently and heavier rainfall occurs towards the coast. The rainfall on the leeward side during the full force of monsoonal activity may not be due to thunderstorms but to the fact that masses of air or 'air cushions' can act as barriers to horizontal wind movements. Thus the not totally dry south-west monsoon winds crossing the hilly countries may be forced upwards to higher levels by ascending air masses to yield rain. In November the north-east monsoon begins to set in. The 10 to 15 inches rainfall is now all over the Island save in the arid belt of the north-west and south-west. Again the 15 to 20 inch belt is confined to the north-east coast, the Matale hills and the very high relief of the third peneplane. The cyclonic activity in the south-east may be responsible for the rain in the south-west slopes—for the north-east monsoon is too feeble to travel so far. This month is interesting, more due to the exceptionally heavy rainfall on the lowlands resulting from the passage of depressions originating in the Bay of Bengal and moving south-west to north-west across the Island.

December.—The north-east monsoon is now firmly established and controls the weather conditions. The Matale hills receive 20 to 25 inches of rain and the south-west hills 10 to 15 inches, while the north-eastern coastal belt receives the heaviest fall.

January.—The north-east monsoon has weakened and the 15 to 20 inches belt has shrunk considerably and the rainfall begins to be less localized towards the end of the month.

February and March.—During these two months the weakening and retreating of the north-east monsoon occurs and rainfall is widespread.

April.—Conditions are similar to those in October but there is very much less rain. The weather is calm with thunderstorms and widespread afternoon rain. No area gets over 15 inches.

(c) *Cyclonic Rains.*—Though the rainfall of the Island is often explained in terms of convectional and monsoonal varieties, there is yet a further cause. During especially the north-east monsoonal period (November to March) irregular, intensive and sudden falls of rain, much restricted to localised areas in point of time, have been recorded and by a process of correlation of time and place of such rainfall, it has been clearly ascertained that these are the result of tropical revolving storms moving over the Island. They probably originate in the Bay of Bengal and move over the Island from about the Mullaitivu-Trincomalee coast, across Vavuniya-Anuradhapura and follow a curvilinear direction towards the north-west coast leaving the Island off the Puttalam-Mannar coast. This belt seems to be the most favoured area for the movements of these storms. However, such storms have passed over the south-west coastal region (e.g., over the Galle-Gintota area in May, 1950, as well). Such rainfall is characterised by its intensity, short period of fall and its sudden lapse accompanied by violent gales.

CHAPTER IV

CONSTITUTION AND GOVERNMENT

I. The Evolution of the Constitution

THE modern constitutional development of Ceylon may be regarded as having commenced with the British occupation of the Island in 1798 and more particularly with the cession of the Kandyan Provinces in 1815, after which the whole Island came under the administration of the British.

The Maritime Provinces were ceded by the Dutch to the British on February 16, 1798. The Government of the Island was at first carried on by the Madras Government since it was not certain whether the Island would be handed over to the Dutch at the conclusion of hostilities. The first Governor of Ceylon was the Honourable Frederick North (later Earl of Guildford) who assumed duties on October 12, 1798, but the former administration continued in that the Governor had to take orders in some matters from the East India Company Officials. This dual control was ended in 1802 when under the terms of the Treaty of Amiens Ceylon became a Crown Colony.

Under the new administration, the Governor was advised by a Council consisting of the Commander-in-Chief, the Chief Justice, the Chief Secretary to the Government, and two others. The Governor was, however, not bound to follow the advice of this Council though he would have had to proffer his reasons for his failure to do so to the Secretary of State for the Colonies. This state of affairs continued till the British annexation of the Kandyan Kingdom. There was a suggestion for reforms between the years 1805 to 1812. Sir Alexander Johnston, the Chief Justice, was the chief protagonist; but his proposals, which included such liberal measures as the establishment of a Legislative Council with members elected on a territorial basis, a locally recruited civil service and the extension of the Habeas Corpus Act to Ceylon, were regarded as too far reaching and premature for a newly acquired country like Ceylon.

KANDYAN CONVENTION

The next significant event in the constitutional evolution of Ceylon was the British occupation of the Kandyan Kingdom. An Act of Settlement was read at the Kandyan Convention of March 2, 1815, the more important provisions of which included a promise by the British Government to safeguard the interests of the Buddhist religion, to administer civil and criminal justice over the Kandyans according to the prevailing forms and to permit the various chiefs to exercise their rights and privileges in so far as they did not come into conflict with the new administration. The new acquisitions were placed under a Board, consisting of a British Resident, a Judicial Commissioner, a Revenue Commissioner and the officer commanding the troops with a secretary for the Kandyan Provinces. This arrangement, however, proved to be a failure from the very start both from the point of view of administration and from the economic angle. The introduction of free trade between the maritime and hill country regions infuriated some of the chiefs who lost their revenue and perquisites. The influx of low-country headmen in palanquins—a mode of conveyance which previously used to be only the special preserve of the Kandyan king—was looked upon with irritation by the chieftains of the hill country. These factors contributed to the outbreak of a rebellion in 1817. The British administration in the Kandyan Kingdom was in grave peril and it was with some difficulty that order was restored.

The immediate result of this rebellion was a reform of the administration. The chiefs lost most of the powers that had been secured to them under the Convention. The Kandyan Provinces were placed under the immediate supervision of the Governor who was assisted by a Board of Commissioners.

COLEBROOKE COMMISSION

In 1829 William Colebrooke was appointed to conduct an investigation into the constitutional and administrative system of the Island. Colebrooke was inspired by a liberal attitude to politics and this led him to recommend a number of important changes in the administrative and constitutional set-up of the country. We are here only interested in the constitutional aspects of the reforms Colebrooke advocated.

He recommended, firstly, the unification of Kandyan and Maritime Provinces on the ground that separation benefited only a minority of chiefs. More important, however, was his proposal to establish an Executive and a Legislative Council. The Executive Council was to consist of a few officials who were to assist the Governor in matters of administration and revenue. The Legislative Council was to be a sort of representative body consisting of nine official members and six unofficial members. The latter's main responsibility was to ensure that there was sufficient discussion on all public matters before any decision was arrived at by the Government. The unfortunate feature in this new system was that election was completely ruled out; nomination would result in the appointment of the Governor's men; even if the unofficials turned out to be hostile to the Government, the latter would be assured of a safe majority as a result of the presence of the nine officials. With all these defects the Colebrooke reforms established in Ceylon the beginnings of representative government. With the establishment of an independent press and the spread of education, together with the increasing participation of Ceylonese in commerce and trade, there developed an insistent demand for further reforms. Concessions were made by the Colonial authorities. But the pattern remained practically the same.

THE REFORMS OF 1910

As a result of persistent agitation, a substantial measure of reforms was granted in 1910. The Legislative Council was remodelled so as to consist of twenty-one members, eleven officials and ten unofficials. Of the ten unofficials, four were to be elected while the six others were to be nominated to represent the various communities, not according to their relative population strengths but on a rather arbitrary basis. However, an important advance was made in that the unofficial majority was reduced to one. Yet the principle of nomination tended to minimise the prospect of any serious embarrassment to the Government, while at the same time the European community which had been in the vanguard of the reform movement in earlier times began to now show less and less interest in the constitutional progress of the Island. A start had, however, been made in the introduction of the elective principle, and this led the educated middle class to demand for a greater measure of reform, especially reform that would progressively lead towards the realisation of dominion status.

REFORMS OF 1920 AND 1924

The next stage was the reforms of 1920-1924. The war, the riots and the formation of a nationalist Ceylonese organisation, called the Ceylon National Congress, contributed towards the decision of the British Government to grant fresh instalment of reforms. In 1920 the Secretary of State for the Colonies secured the reconstitution of the Legislative Council. For the first time there was to be an unofficial majority. In a Council of thirty-seven members there were twenty-three unofficials, eleven of whom were to be elected on a territorial basis and five to represent special constituencies. In addition the Executive Council was to have in it for the first time three unofficials. But the Governor yet continued to wield immense powers. He had the emergency power to declare that a measure was of paramount importance and carry it through with the votes of the official members. He had the further important power to stop the proceedings of the Council.

There was, however, much opposition to these reforms and to meet this in 1924 further changes of a minor nature were effected. The Legislative Council was reconstituted so as to consist of twelve official members and thirty-four elected members of whom twenty-three were to represent territorial constituencies. Communal representation continued, in that six members were to be elected to represent the Europeans, the Burghers and the Western Province Tamil interests, while five were

to be nominated to represent Muslim and Indian interests. The Governor retained the important power of declaring any measure of paramount importance. In such an event only the votes of the ex-officio members and the nominated officials would be taken into consideration. The Executive Council was also broadened so as to consist of four unofficials.

These reforms did not work satisfactorily, chiefly for the reason that the Executive Council was paralysed by the control which the Legislative Council exercised over finance. The members of the Legislative Council, denied of responsibility, tended to act in a manner which proved embarrassing to the Government.

THE DONOUGHMORE CONSTITUTION

These defects led the Governor Sir Hugh Clifford to recommend the appointment of a special Commission to investigate into the working of the constitution and to consider the feasibility of introducing any worthwhile reforms which might correct existing evils. The Commission came out to Ceylon in 1927 under the Earl of Donoughmore and it recommended a unique type of constitution.

The Commissioners were quick to discover that the fundamental defect of the Legislative Council was that its members enjoyed power without responsibility. It had been relegated to a permanent state of opposition with the result that members, far from assisting in the smooth working of the Government process, resorted to petty methods of irresponsible obstruction and criticism. The Commissioners, therefore, recommended a scheme which attempted to combine a certain measure of power with responsibility. For this they entrusted the representative Council with control over administrative and legislative matters. They were further desirous of giving the unofficial members a training in administration and with this in view they recommended that the new Council should be grouped into seven executive committees, each of which was to be in charge of certain departments of state. The committees were to elect their own chairmen and each of the chairmen would be the minister in charge of the departments entrusted to their respective executive committees. As for the franchise, for the first time in this country's history universal adult franchise was conferred on every person over twenty-one years of age. Above all, the most salutary feature of the new proposals was the decision to abolish the system of communal representation. There was only a provision for the Governor to nominate certain members to represent certain interests he felt had failed to gain sufficient representation in a future Council which was to be elected on a territorial basis. These were indeed the more heartening aspects of the Donoughmore Constitution. There were however certain other provisions which had in them the instruments of imperial control. The Governor continued to retain the power of veto though he would have to exercise these in the future only when the decisions of the State Council were such as to conflict with the Royal Instructions. The Governor had further the power to refer back any specific item to the Council for further consideration or suspend the operation of a bill for a certain period of time. Above all, control over the most important departments of state such as finance, justice and the public service was to be vested in three officials who were to be members of the State Council, participate in its proceedings, but to take no part in the voting. Their presence was to be a source of annoyance and embarrassment to the elected chairmen of the executive committees.

There was widespread dissatisfaction with the Donoughmore reforms, so widespread that it was only accepted by a majority of two. In fact, scarcely had the constitution been promulgated than there was a demand for reform. A landmark in this Reforms Movement was the despatch of the Governor, Sir Andrew Caldecott. In this he alluded to the numerous defects of the Executive Committee system and in its place recommended a modified form of Cabinet government. In particular he pointed out to the deadening and paralysing nature of the Executive Committee system. There was no co-ordinating or driving influence behind the Governmental process. The Board, he stated, merely wielded the blue pencil in the matter of finance but did not mould the budget. There was much dissatisfaction and chaos in the public service particularly as public servants had to serve in a dual capacity—take orders from the Chief Secretary on the one hand and submit to humiliating inquiries from members of the various executive committees on the other hand.

SOULBURY COMMISSION

The outbreak of war resulted in no action being taken on the Reforms Despatch of Governor Caldecott. Later, however, with Japan's entry into the war, the necessity to ensure Ceylon's whole-hearted co-operation in the war effort led the Secretary of State for the Colonies to declare that His Majesty's Government wished to renew their pledge that when victory was won the question of constitutional reforms would immediately be re-examined. On September 20, 1944, it was announced that His Majesty had decided to appoint a commission consisting of Lord Soulbury, Sir J. F. Rees and Sir F. J. Borrows. The Commission visited Ceylon, conducted investigations and recommended a series of reforms which gave Ceylon a large measure of control over her internal affairs. External Affairs and Defence were, however, to be in the hands of the imperial authorities. Further, certain important bills were to be reserved by the Governor-General for the signification of His Majesty's pleasure. These included bills relating to Defence or External Affairs, any bill of an extraordinary or unusual nature and any bill which was likely to cause any serious injustice to any community or religion.

The Parliament of Ceylon was to consist of two houses—the House of Representatives consisting of 101 members, ninety-five of whom were to be elected while the other six were to be appointed by the Governor-General, and the Senate consisting of thirty members half of whom were to be elected by members of the lower house by means of a system of proportional representation through the medium of the single transferable vote while the other half were to be appointed by the Governor-General in his discretion.

The Board of Ministers would be replaced by a Cabinet responsible to the Legislature. The Governor-General was to appoint the Prime Minister while the other Ministers would be appointed by the Governor-General on the advice of the Prime Minister. The Prime Minister, in addition to his other duties, would be in charge of Defence and External Affairs.

There was, however, keen disappointment over the Soulbury reforms, particularly as the British Government had offered self-government both to India and Burma. An opportunity to put forward Ceylon's claims arose when the Secretary of State for Colonies invited the Leader of the State Council, the late Mr. D. S. Senanayake, to London for consultations. Mr. Senanayake made use of the opportunity to press Ceylon's claims for dominion status and, as a result, succeeded in obtaining a White Paper from the British Government containing a declaration of the policy of the Government. The White Paper modified the Soulbury proposals to a considerable extent, especially where the life of the upper house was concerned, in the reserved powers of the Governor, in Shipping and in the Public Services. These important modifications led the State Council to accept the new constitution by an overwhelming majority. Under the Ceylon Constitution Order-in-Council the only limitations that were imposed on self-government were the reserved power on legislation and the power to reserve bills for the Royal Assent.

The Soulbury Constitution was, however, one of the shortest lived constitutions on record. On June 18, 1947, the Governor summoned a meeting of the State Council and announced the decision of His Majesty's Government to make Ceylon a dominion. There are four important documents which brought about this change of status. They are the Ceylon Independence Act, 1947, the Defence Agreement, the External Affairs Agreement and the Public Officers' Agreement.

INDEPENDENCE ACT

The Independence Act extended to Ceylon the powers of a dominion under the Statute of Westminster. Under the Defence Agreement the United Kingdom agreed to provide Ceylon with such military assistance as she may from time to time require, while Ceylon on her part agreed to give the United Kingdom, such military assistance for the security of its territory, for defence against external aggression and for the protection of essential communication as it may be in the mutual interest of the two Governments to provide. For this purpose, Ceylon will provide the United Kingdom with naval and military bases as the latter may require.

Under the External Affairs Agreement Ceylon comes into the system of consultation which prevails among Commonwealth countries. The United Kingdom will keep Ceylon fully informed of what is happening in the field of foreign relations while Ceylon on her part will keep the other members of the Commonwealth informed of the foreign commitments she proposes to undertake.

The Public Officers Agreement provides for the protection of public servants. Officers who were appointed by the Secretary of State or who had entered into agreements with the Crown Agents would be protected in their conditions of service. They would be granted the option to retire under the new constitution with suitable compensation for loss of career unless they are transferred to another post in the colonial service. They will henceforth cease to be under the Colonial Office. The developments have made Ceylon a fully independent country within the British Commonwealth of Nations. The Ceylon Parliament, which is a sovereign Legislature, consists of the Governor-General, the House of Representatives and the Senate. The Governor-General is the representative of the Queen and he will be appointed on the advice of the Prime Minister. Further, section 4 (2) of the Ceylon Independence Order of 1947 provides that 'all powers, authorities and functions vested in Her Majesty or the Governor-General shall, subject to the provisions of this Order and of any other law for time being in force, be exercised as far as may be in accordance with the constitutional conventions applicable to the exercise of similar powers, authorities and functions in the United Kingdom by Her Majesty, provided that no act or omission on the part of the Governor-General shall be called in question in any court of law or otherwise on the ground that the foregoing provisions of this sub-section have been complied with'.

II. The Machinery of Government

Ceylon to-day possesses a broad-based democratic government after the British pattern. Its position is that of an independent nation within the British Commonwealth, enjoying the same status as the other Dominions.

LAW OF THE CONSTITUTION

The fundamental law embodying the constitution is contained in an Act of Parliament and a number of Orders-in-Council, viz. :—

- The Ceylon Independence Act, 1947.
- The Ceylon Independence (commencement) Order in Council, 1947.
- The Ceylon Independence Order in Council, 1947.
- The Ceylon (Constitution) Order in Council, 1946.
- The Ceylon (Constitution) (Amendment) Order in Council, 1947.
- The Ceylon (Constitution) (Amendment No. 2) Order in Council, 1947.
- The Ceylon (Constitution) (Amendment No. 3) Order in Council, 1947.

THE GOVERNOR-GENERAL

The Governor-General is appointed by the Queen as Her representative in Ceylon. All powers, authorities and functions vested in Her Majesty or the Governor-General are, subject to the provisions of the constitutional law, to be exercised as far as may be in accordance with the constitutional conventions applicable to the exercise in the United Kingdom by Her Majesty. The Governor-General receives a salary of £8,000 a year, which is a charge against the Consolidated Fund.

PARLIAMENT OF CEYLON

The Ceylon Parliament consists of two Houses, the House of Representatives and the Senate.

The House of Representatives is elected on a wide franchise, every adult citizen of Ceylon being entitled to the vote. The representation has been so arranged as to enable every community and interest to have its voice heard in Parliament.

The first delimitation of the constituencies under the new Constitution was carried out by a Commission. Each Province of the Island was divided into electoral districts, the total number of which is specified in the Order in Council and the aggregate of which totals ninety-five for the whole Island. Each electoral district of a Province has, as far as possible, an equal number of persons subject to a proviso relating to the transport facilities, physical features and community or diversity of interest of the inhabitants of the Province. The electoral districts have, however, been demarcated so as to render possible the representation of minorities united by the tie of race, by the tie of religion, or by any other tie.

Where, after any general election the Governor-General is satisfied that any important interest in the Island is not represented, he may appoint any persons, not exceeding six in number, to be Members of the House of Representatives.

The Senate consists of thirty members of whom fifteen are elected by the House of Representatives and fifteen by the Governor-General. One-third of the Senators retire every second year. The House of Representatives consists of 101 members, ninety-five of whom are elected and six are nominated.

The Constitution provides that the House of Representatives shall choose a Speaker, a Deputy Speaker and Chairman of Committees, and a Deputy Chairman of Committees. The Senate at its first meeting shall elect two Senators to be respectively the President and the Deputy President and Chairman of Committees.

POWERS OF PARLIAMENT

Parliament has power to make laws for the peace, order and good government of the Island. It has no power to make laws to :

- (a) prohibit or restrict the free exercise of any religion ; or
- (b) make persons of any community or religion liable to disabilities or restrictions to which persons of other communities or religions are not made liable ; or
- (c) confer on persons of any community or religion any privilege or advantage which is not conferred on persons of other communities or religions ; or
- (d) alter the Constitution of any religious body except with the consent of the governing authority of that body.

A Bill, other than Money Bill, may be introduced in either the House of Representatives or the Senate. A Money Bill may not be introduced in the Senate. Money Bill is a Public Bill which contains only provisions dealing with taxation, public expenditure or Government loans.

THE CABINET

The general direction and control of the Government of the Island are vested in the Cabinet of Ministers who are collectively responsible to Parliament. The Prime Minister is the Head of the Cabinet.

The Prime Minister is also in charge of the Ministry of Defence and External Affairs in addition to such other matters as he may decide to retain in his charge. Every other Minister shall be charged with the administration of such subjects and functions as may be assigned to him by the Prime Minister. Not less than two Ministers, one of whom shall be the Minister of Justice, must come from the Senate.

The Prime Minister is the leader of the largest party or group in the House of Representatives and he is appointed by the Governor-General. The other Ministers are appointed by the Governor-General on the advice of the Prime Minister. The number of Ministers is not fixed and in the present Cabinet there are fourteen including the Prime Minister.

Parliamentary Secretaries are appointed from the Senate and House of Representatives by the Governor-General, on the advice of the Prime Minister, to assist the Ministers in the exercise of their parliamentary and departmental duties. Another purpose of appointing Parliamentary Secretaries is to give training to the younger members of both Houses in the handling of public business.

The Ministers of the Government are :—

Prime Minister (Defence and External Affairs),
Health,
Industries and Fisheries,
Home Affairs,
Education,
Labour,
Finance,
Transport and Works,
Justice,
Agriculture and Food,
Land and Land Development,
Posts and Information,
Commerce and Trade.

The following paragraph shows the Ministers, Parliamentary Secretaries of the present administration, and also the Speaker, Deputy Speaker and Chairman of Committees and the Deputy Chairman of Committees :—

THE HON. MR. ALBERT F. PERIES	Speaker
MR. H. S. ISMAIL, M.B.E.	Deputy Speaker and Chairman of Committees
MR. M. W. R. DE SILVA	Deputy Chairman of Committees
THE HON. MR. DUDLEY SENANAYAKE	Prime Minister and Minister of Defence and External Affairs
THE HON. SIR JOHN KOTALAWALA, K.B.E.	Minister of Transport and Works and Leader of the House
THE HON. MR. J. R. JAYEWARDENE	Minister of Finance
THE HON. MR. E. A. NUGAWELA	Minister of Health
THE HON. SIR OLIVER GOONETILLEKE, K.C.M.G., K.B.E.	Minister of Agriculture and Food
THE HON. SIR LALITHA RAJAPAKSE, K.B.E., Q.C.	Minister of Justice
THE HON. MR. R. G. SENANAYAKE	Minister of Commerce and Trade
THE HON. MR. S. NATESAN	Minister of Posts and Information
THE HON. MR. M. D. BANDA	Minister of Education
THE HON. DR. C. W. W. KANNANGARA	Minister of Local Government and Chief Government Whip
THE HON. MR. G. G. PONNAMBALAM	Minister of Industries and Fisheries
THE HON. MR. A. RATNAYAKE	Minister of Home Affairs
THE HON. P. B. BULANKULAME DISSAWE, O.B.E.	Minister of Lands and Land Development
THE HON. MR. M. C. M. KALEEL	Minister of Labour
MAJOR T. F. JAYAWARDENA	Parliamentary Secretary to the Ministry of Labour

MR. V. KUMARASWAMY	Parliamentary Secretary to the Ministry of Agriculture and Food
MR. T. B. PANABOKKE	Parliamentary Secretary to the Ministry of Justice
MR. N. H. KEERTHIRATNE	Parliamentary Secretary to the Ministry of Posts and Information
MR. V. G. W. RATNAYAKE, M.B.E.	Parliamentary Secretary to the Ministry of Lands and Land Development
MR. M. SENANAYAKE *	Parliamentary Secretary to the Ministry of Home Affairs
MR. C. E. ATTYGALLE	Parliamentary Secretary to the Ministry of Health
MAJOR MONTAGUE JAYAWICKREME	Parliamentary Secretary to the Ministry of Defence and External Affairs
MR. L. L. HUNTER, C.M.G.	Parliamentary Secretary to the Ministry of Finance
MR. M. M. IBRAHIM, M.B.E.	Parliamentary Secretary to the Ministry of Local Government

FUNCTIONS OF MINISTERS AND DEPARTMENTS OF GOVERNMENT

A Permanent Secretary, subject to the general direction and control of his Minister, supervises the Department or Departments of Government in the charge of his Minister. When a decision has been taken it is his business to carry it out with all possible energy and skill. The Minister takes responsibility for his department's acts. He submits to the Cabinet any decision which may have political implications.

Defence and External Affairs.—These departments concerned with Defence and External Affairs are in the special charge of the Prime Minister. In External Affairs the Ministry seeks to maintain friendly relations between Ceylon and foreign countries and to protect Ceylon citizens and their property abroad. The Ministry supervises the work of the Ambassadors, High Commissioners, Ministers, Trade Commissioners, and Consuls abroad.

It makes and enforces treaties and other agreements with foreign countries.

It issues passports to citizens of Ceylon who wish to travel abroad.

It arranges for the reception of foreign Ambassadors, High Commissioners, and Ministers. It helps to decide whether a foreign Government should be recognized by the Government of Ceylon.

It gathers information about economic, political and social conditions in foreign countries.

The Ministry is also in charge of the Ceylon Army, the Ceylon Naval Force and the Air Force and, in general, all defence matters.

The Police Department and the Department for the Registration of Indian and Pakistani Residents are under the same Ministry.

Finance.—The Ministry of Finance manages the finances of the country. It scrutinises the draft estimates of the Annual Appropriation Bill, collects taxes, pays bills and debts of the Government, supervises public expenditure, borrows money when necessary, and safeguards the currency through financial institutions under its control.

* Resigned in September, 1952.

The Ministry of Finance, under which the Treasury functions, is also responsible for establishments and salary scales of Government Servants. The departments under the Ministry are :—

Treasury	Control of Imports and Exports
Income Tax Department	Exchange Control Department
Customs	Government Press
Department of Census and Statistics	Stores Department
Widows' and Orphans' Pension Office	National Savings

Justice.—The subjects and functions of the Ministry of Justice include the administration of courts of justice (other than the Supreme Court), criminal prosecutions and civil proceedings on behalf of the Government, drafting of legislation and legal advice to public departments. The departments under the Ministry of Justice are :—

Attorney-General's Department	District Courts
Public Trustee's Department	Magistrates' Courts
Legal Draftsman's Department	Rural Courts
Custodian of Enemy Property	Fiscal's Department
Compensation Claims	

Home Affairs.—The Ministry of Home Affairs is in charge of provincial administration, rural development, prisons and probation services, excise, land registration and registration of births, deaths and marriages, parliamentary elections, and the registration of Indian and Pakistani residents. It has the following departments under it :—

Government Agencies	Rural Development
Excise	Prisons and Probation Services
Government Analyst	Registrar-General
Parliamentary Elections	Zoological Gardens
Orphanages	Cottage Industries

Agriculture and Food.—The responsibility of the Ministry of Agriculture and Food concerns food production and other forms of agriculture, the custody of Crown land, the development and maintenance of irrigation, colonization and land settlement, the conservation, development and exploitation of forests, flood protection, animal husbandry and veterinary services, game sanctuaries, and elephant kraals. The Ministry has the following departments :—

Agriculture	Tea Control
Marketing	Rubber Control
Land Development (Food Production)	Food Commissioner (Supplies)
Registrar of Co-operative Societies	Food Commissioner (Control and Distribution)
Co-operative Development	

Lands and Land Development.—This Ministry has under its charge the custody of Crown Land, the development and maintenance of irrigation, colonization and land settlement, development and exploitation of forests and the protection of wild life. The departments under the Ministry are :—

Land Commissioner's Department	Irrigation
Land Settlement	Valuation
Forests	Agricultural Corps
Wild Life	Land Development (excluding food production)
Survey	

Health : The Ministry of Health. It is responsible for the State health services, and control of hospitals, maternity homes, medical education and research and medical inspection of schools. It conducts health units and promotes health education. The departments under the Ministry are :

Health Services	Indigenous Medicine
Quarantine	

Industries and Fisheries.—The Ministry of Industries and Fisheries has, among its other functions, the development and control of industries. The departments under the Ministry are :—

Industries
Mineralogical *

Salt *
Fisheries

Local Government.—The Ministry has a general supervision of Local Bodies including Municipal Councils, Urban Councils, Town Councils and Village Committees. The departments under the Ministry are :—

Local Government
Elections (Local Bodies)

Town and Country Planning
Local Government Service Commission

Posts and Information.—The principal function of the Postal Department is to maintain inexpensive and efficient public means of communication through the postal and telecommunication services. It is also responsible for broadcasting information. The departments under the Ministry are :—

Post and Telegraph
Broadcasting

Information
Meteorology

Transport and Works.—The Ministry has, among its subjects and functions, public works, Government roads and buildings, inland waterways, railways, ports, civil aviation, motor transport, electrical undertakings and harbour oil installations. The departments concerned are :—

Public Works
Port Commission
Railway

Civil Aviation
Motor Transport
Electrical Undertakings

Commerce and Trade.—The duties of the Ministry are promoting and developing the Island's commerce generally. It is concerned with tourism, trade exhibitions, agricultural marketing, copyright, patents, trade marks, business names, weights and measures, merchant shipping, registration of accountants and other commercial matters. The departments under the Ministry are :—

Commerce
Registrar of Companies
Rubber Commissioner
Government Tourist Bureau

Tea Commissioner
Commodity Purchase
Marketing

Education.—The Ministry of Education has under its jurisdiction schools, training colleges, art galleries and museums. The departments under the Ministry are :—

Education
National Museums
Government Archivist's Department

Archæological Department
Technical College

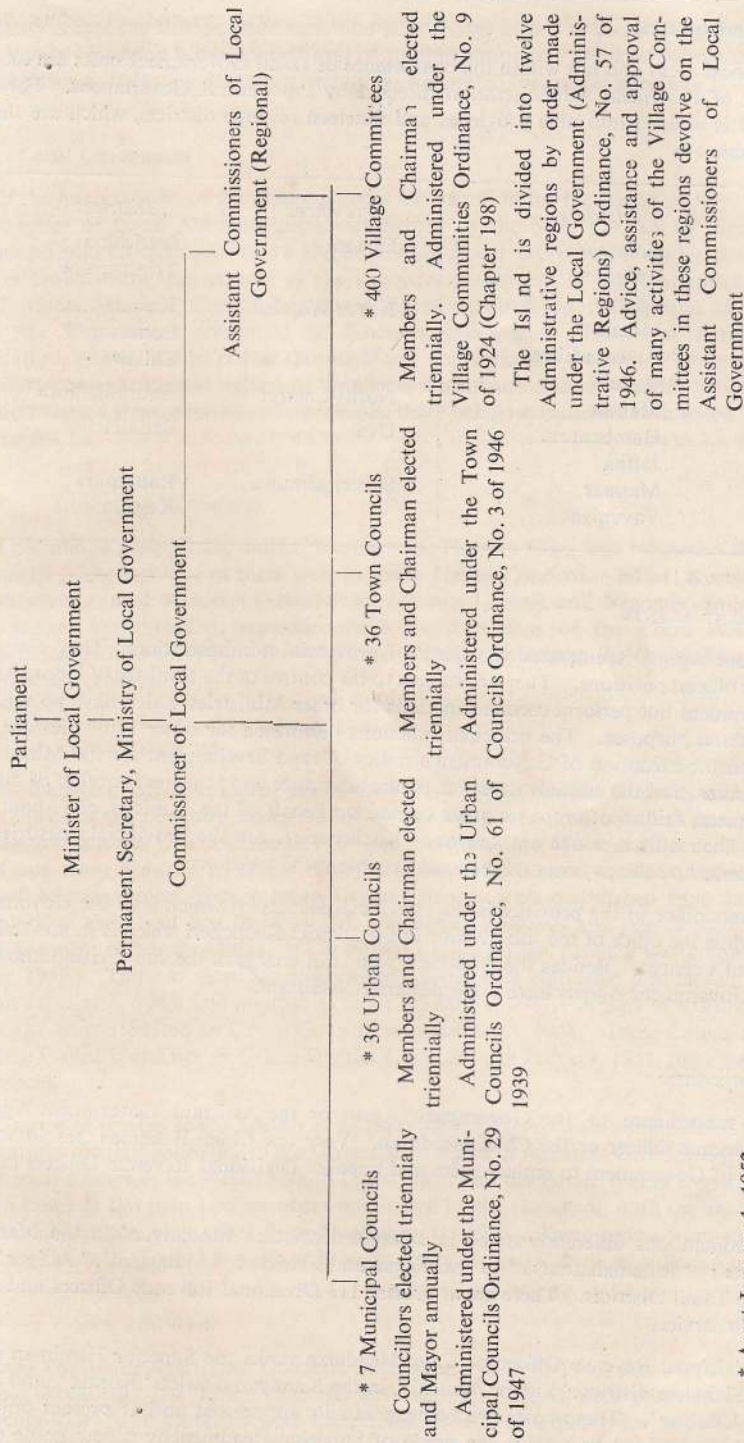
Labour.—The Ministry of Labour concerns itself with conditions, wages, and hours of work of labour. Its functions include inspection of mines and factories and working places and protecting and safeguarding of workers, unemployment, workmen's compensation, poor relief, industrial disputes and social welfare. It has three departments :—

Labour
Social Services

Employment Bureau

* Now forms part of the Department of Industries.

Chart of the present Local Government structure of Ceylon



* As at January 1, 1952

The Local Government Ordinances of Ceylon confer on the local authorities powers and duties mainly in regard to public health and sanitation, public thoroughfares and public utility services. Generally the protection and promotion of the comfort, convenience and welfare of the people and the development of amenities of local authorities are their responsibility.

II. Provincial Administration

Matters affecting local areas and not within the competence of Local Government units are looked after by a system of Provincial Administration directed by the Central Government. For this purpose the Island is divided into nine provinces and nineteen revenue districts, which are shown in the following table :—

<i>Provinces</i>	<i>Districts</i>	<i>Provinces</i>	<i>Districts</i>
Western	Colombo Kalutara	Eastern	Batticaloa Trincomalee
Central	Kandy Matale Nuwara Eliya	North-Western	Kurunegala Puttalam Chilaw
Southern	Galle Matara Hambantota	North-Central	Anuradhapura
Northern	Jaffna Mannar Vavuniya	Uva	Badulla
		Sabaragamuwa	Ratnapura Kegalla

GOVERNMENT AGENTS

To the Government Agents is entrusted the work of provincial administration. They also hold a number of other official positions. They are subject to the control of the Ministry of Home Affairs and Rural Development but perform certain functions for other Ministries which have no regional organisation for those purposes. The principal functions performed for other Ministries are land administration and the execution of Government's policy of land development for the Ministry of Agriculture and Lands, and the administration of public assistance and schemes for relief of distress due to unemployment, failure of crops or other causes, on behalf of the Ministry of Labour and Social Services. Their offices, which are known as Kachcheries, are the Provincial treasuries for the receipt of revenue and the payment of the local expenses of Government.

The Headquarters office of the province is the Provincial Kachcheri which is in the Government Agent's charge, while the office of the sub-division is the District Kachcheri which is in an Assistant Government Agent's charge. Besides the Assistant, who is in charge of the sub-division known as a District, most Government Agents have a Headquarters Assistant.

HEADMEN SYSTEM

The officer next subordinate to the Government Agent or the Assistant Government Agent is the Divisional Revenue Officer or the Chief Headman. Very few Chief Headmen are in service as it is the policy of Government to replace them and appoint Divisional Revenue Officers in their stead.

The Chief Headman was differently styled in different districts : 'Mudaliyar' in the Maritime Sinhalese Districts ; 'Ratemahatmaya' in the Kandyan Districts ; 'Maniagar', 'Adigar' and 'Vanniah' in the Tamil Districts. There are at present 113 Divisional Revenue Officers and seven Chief Headmen in service.

Next to the Divisional Revenue Officer or Chief Headman ranks the Superior Headman called in the Maritime Sinhalese districts 'Vidane Aratchi', in the Kandyan districts 'Korala', and in the Tamil districts 'Udaiyar'. These posts are being gradually suppressed and at present only 129 remain. It has been decided to replace the grade of Superior Headmen by a new grade called Divisional Headmen in which there will be 202 posts.

Lastly comes the Village Headman, who is in charge of one or more villages. The area assigned to a village Headman is the smallest unit of administration in Provincial Administration. There are Peace Officers, Irrigation Headmen and others appointed for special purposes.

III. Local Government

With the inauguration of the Donoughmore Constitution for the Island in July, 1931, an Executive Committee of Local Administration was elected by the State Council to supervise, control and develop Local Government, and a Department of Local Government under the Commissioner of Local Government was created as the executive instrument of the Committee. From October, 1947, under the new Constitution these duties devolved on the Minister of Local Government and the Department continued to function under him. The local duties with regard to sanitation, public health, public thoroughfares and generally the protection and promotion of the comfort, convenience and welfare of the people are entrusted to local authorities whose members are now all elected representatives of the people, there being no members nominated by the Governor as formerly.

MUNICIPAL COUNCILS

In Colombo, Kandy, Galle, Jaffna, Kurunegala, Nuwara Eliya and Negombo there are Municipal Councils ; the last four of these were formerly Urban Councils. Jaffna, Kurunegala and Nuwara Eliya were granted Municipal status from January 1, 1949, and Negombo from January 1, 1950. Councillors are elected in accordance with the provisions of the Local Authorities Elections Ordinance, No. 53 of 1946. The Mayor is elected from among the Councillors and is not a Civil Servant as formerly.

URBAN COUNCILS

Until the end of 1932, in eleven towns there were Urban District Councils with elected Chairmen, two-thirds of the members being elected by the rate-payers and one-third being nominated by the Governor (of these Urban Councils two were converted into Municipalities as from January 1, 1949, and one from January 1, 1950). On the recommendation of the then Executive Committee of Local Administration, sixteen more Urban Councils were established from January 1, 1933, ten in place of the Local Boards of Health and Sanitary Boards and one in place of the Board of Improvement of Nuwara Eliya. (The Nuwara Eliya Urban Council was granted Municipal status from 1949.) Thirteen more Sanitary Board Towns were converted into eleven Urban Councils as from January 1, 1945, and another as from January 1, 1947. A part of a Village Committee area was also converted into an Urban Council from January 1, 1948. These Councils are now known as Urban Councils and not as Urban District Councils. In January, 1951, there were thirty-six Urban Councils.

Groups of smaller towns known as Sanitary Board Towns were administered by Sanitary Boards of various districts consisting of the Government Agent or Assistant Government Agent as Chairman, two local officers of the Public Health Department and the Public Works Department and not more than four nor less than two members nominated by the Governor, until the abolition of this system of administration with effect from December 31, 1946. These towns were either converted into Urban Councils, Town Councils or brought under the jurisdiction of Village Committees.

TOWN COUNCILS

A new Ordinance, the Town Councils Ordinance, No. 3 of 1946, was enacted and a new form of Local Authority, the Town Council, has been established with effect from January 1, 1947. Twenty-four Town Councils were constituted, twenty of which prior to January 1, 1947, formed twenty-one Sanitary Boards. Parts of two Village Committee areas were converted into two Town Councils while a section of an Urban Council formed another Town Council. The only small

town—Minuwangoda—which was administered by a Local Board of Health and Improvement was also converted into a Town Council. Parts of five more Village Committee areas were converted into five Town Councils thus increasing the number of Town Councils to twenty-nine from January 1, 1949. Four more Town Councils were constituted from January 1, 1950 (which were formerly parts of Village Committees), bringing the total number of Town Councils to thirty-six.

VILLAGE COMMITTEES

In the rural areas, the Local Authorities are the Village Committees each of which comprises groups of villages. These groups are divided into wards, each of which elects one member. The members elect their own Chairman and Vice-Chairman, an Ordinance having been passed in 1932 precluding officials from being ex-officio Chairmen.

There are 400 Village Committees in the Island. Elections to these Village Committees held hitherto under the provisions of the Village Communities Ordinance (Chapter 198) by summoning a meeting of the voters of each ward for the election of a member to that ward have changed with the passing of the Local Authorities Elections Ordinance, No. 53 of 1946. The provisions of this Ordinance for the purpose of elections have since been made applicable to all Village Committees—the procedure adopted in the conduct of elections being similar to that obtaining in respect of elections to other Local Bodies, viz., Municipalities, Urban Councils and Town Councils.

These Village Committees were established by Ordinance No. 26 of 1871 to deal with rural affairs. The Principal Ordinance under which they are now dealt with is the Village Communities Ordinance (Chapter 198). The Village Committees are now vested with powers approximating to those of Urban Councils.

The Village Communities Ordinance has been amended by Ordinance No. 60 and 61 of 1938 ; 11, 24, and 31 of 1940 ; 11 and 50 of 1941 ; 54 of 1942 ; 58 of 1943 ; 44 of 1944 ; 12 and 13 of 1945 and 17 of 1947. Some of the important changes effected by these amending Ordinances are the constitution of Village Committees as corporate bodies with perpetual succession and power to hold property, the taxation of land, and the conversion of certain small towns administered under the Small Towns Sanitary Ordinance, to Village Committee jurisdiction.

With the initiation of the Gal-oya Scheme under the Gal-oya Development Board Act, No. 51 of 1949, the undeveloped areas falling within the area of the scheme will generally be controlled by the Gal-oya Development Board. In pursuance of this policy one Village Committee and the major parts of two other Village Committees will be taken over by the Board. In addition seventeen Village Committees will give over their undeveloped areas to the Board. In developed areas the normal machinery of Government will continue to operate, the Board acting, except as regards control of irrigation water, more as a correlating than an executive authority.

LOCAL GOVERNMENT SERVICE COMMISSION

As a solution to the difficulty of attracting and keeping good men in the Local Government Service the unified Local Government Service set up by Government Commission now deals with appointments, transfers, disciplinary control, &c., of over 4,500 employees in the various types of local authorities all over the Island.

LOCAL AUTHORITY SERVICES

HOUSING

Since 1948 grants amounting to Rs. 7,000,000 have been made to local authorities for sum clearance schemes for the erection of 1,528 houses and Rs. 15,920,000 for the erection of approximately 2,250 working-class houses in major towns. These grants were given not only to

Local Authorities for slum clearance schemes where the local authority contributed 1/3 to Government's 2/3 the cost of these schemes, but full outright grants were given for major working-class housing schemes in many of the urban areas to meet the insatiable demand by workers for houses.

WATER SUPPLY

The provision of adequate sources of water has been accepted as a national problem. A sum of Rs. 7,500,000 was provided under the 1937 loans scheme for the purpose of financing Water Supply Schemes. Under the existing financial relations between Central Government and local bodies the entire cost of new schemes excluding the cost of the internal distribution system is met by the Central Government. Extensions to existing schemes are financed by Government up to 50 per cent. of the cost. On this basis a sum of Rs. 6,349,528 has been released for 17 schemes now under various stages of construction. A priority list has been drawn up and there are altogether now 43 town schemes and 105 village schemes. Of these approximately 25 town schemes and 60 village schemes were taken up for investigation since 1948.

DRAINAGE

Central Government subsidises all drainage schemes in Urban areas up to two-thirds the total cost, the local authority bearing the balance one-third. Prior to 1948 only 2 schemes were taken up and the Government contribution was Rs. 402,296. As much as 10 schemes have been undertaken since 1948 and Government has contributed Rs. 1,276,250 towards the cost.

DEVELOPMENT OF RURAL AREAS

In rural areas Government has given considerable assistance to Village Committees for their development schemes. Since 1948 Village Committees have received the following grants :—

Village works : Rs. 9 million

Village wells : Rs. 2,550,000

Village Sanitary Services : Rs. 253,000

Maternity and Child welfare : Rs. 1,200,000 (this includes grants to other Local Authorities also).

OTHER FINANCIAL ASSISTANCE

Block grants amounting to Rs. 2,667,271 to meet the enhanced cost of administration, and grants in lieu of abolished local revenue amounting to Rs. 2,729,322 were paid to Local Bodies during 1949/50.

The Community Centre movement, essentially voluntary in character, came into being in 1945 to afford opportunities for people in rural areas to get together for physical and mental recreation and develop among them a corporate sense by means of organized activities, such as music, art, drama, sports, light reading, &c., which would broaden their outlook, remove boredom and make their life fuller. Community Centres receive grants from Government through the Village Committees. These grants can be utilized for purchase of sports equipment, books, wireless sets, &c. There are at present about 2,000 Centres in the Island recognized for purpose of grant from the Central Government.

The Local Government (Administrative Regions) Ordinance, No. 57 of 1946, was brought into operation on February 1, 1947. This Ordinance provides for the devolution of the greater part of the powers, functions and duties hitherto exercised by the Revenue Officers in their districts on the

Regional Assistants of the Commissioner of Local Government. There were ten regions, each in charge of an Assistant Commissioner of Local Government. This has been increased to 12 from June 1, 1951.

IV. Town and Country Planning

During the year 1950 the Regional Planning Scheme for Colombo and its environs, prepared by the Department of Town and Country Planning, in which an area of 220 square miles has been zoned for residential, commercial, industrial and agricultural purposes, was approved by the Colombo Regional Planning Committee and the Central Planning Commission (both bodies constituted under the Town and Country Planning Ordinance, No. 13 of 1946); and the area was brought under interim development control. The object is to ensure proper utilization of land in the area and prevent haphazard building development.

The drafting of a Regional Planning Scheme for Kandy to control building development in the area adjoining the University site was also commenced during the year.

At the end of the year 1950 planning schemes for the Urban Development Areas of Badulla and Kalutara had reached their final stages and preliminary work was commenced on the planning schemes for Dehiwala-Mount Lavinia, Negombo, Wattala-Mabole-Peliyagoda, Galle, Kurunegala and Nuwara Eliya.

HOUSING

During 1950 the Department of Town and Country Planning prepared 21 working-class housing schemes for local authorities, comprising in all 964 houses. A sum of Rs. 411,910 was distributed by the Central Government to various local authorities for proceeding with the schemes. Between October, 1947, and December, 1950, various sums amounting in all to Rs. 17,695,000 had been thus allocated, and by the end of the period 3,000 houses had been either completed or were under construction.

ANURADHAPURA PRESERVATION SCHEME

The construction of a New Town at Anuradhapura, commenced in 1949 with the object of preserving the ancient City of Anuradhapura and enabling the Archaeological Department to carry out its work of preservation unhampered by modern development, made steady progress during the year. At the end of the year the construction of 51 residential houses and sections of roads aggregating to 1 mile in length had been completed and work was in progress on 58 other houses and other sections of roads in the New Town.

RESETTLEMENT SCHEMES

In 1950 the Department of Town and Country Planning prepared, for the Department of Social Services, site surveys and layout plans for two housing schemes, one at Ratnapura on a site of 35 acres and the other at Matale. The setting out of roads and building plots for the Mariawatte Resettlement Scheme prepared during the previous year was also completed during the year.

OTHER SERVICES

Plans for the improvement of the resthouses at Bentota, Kankasanturai and Tissamaharama, and for the expansion of the towns of Kotagala, Dimbulla, Tillicoultry, Holbrook and Watagoda were prepared by the department during the year.

CHAPTER V

POPULATION

I. History of the Ceylon Censuses

THE first population Census in Ceylon of which there is any record was made in 1824 during the Governorship of Sir Edward Barnes. Between then and 1871, when the first Census in any modern sense of the word was taken, several estimates of the population were prepared from headmen's returns, registers of births and deaths, &c., but these estimates were of course only approximate. In 1871, under the superintendence of W. J. Macarthy, there commenced the services of decennial censuses, unfortunately interrupted since 1931. The Census of 1931 was, on account of the financial stringency prevailing at the time, complete in respect of the City of Colombo only. The next Census was held only in 1946.

In collecting information for the Census of 1871, with the exception of 'language', 'education' and 'residence', provided for the collection of all the information suggested as an international minimum of the Conference of the International Statistical Institute held at St. Petersburg in 1872. Variations of the schedule were effected at subsequent Censuses held in 1881, 1891, 1901 and 1911, while the adoption of an enlarged schedule considerably widened the scope of the census conducted in 1946 under the superintendence of Mr. A. G. Ranasinha, C.M.G., C.B.E.

II. Population

GROWTH OF POPULATION

The population of Ceylon numbers at present about 7·7 million. It has reached its present figure after nearly eighty years of rapid growth involving a three-fold increase. It is not of course possible to go further back, as the first decennial Census was undertaken in 1871. The Census of that year numbered the population at 2,400,380—a figure which was to rise to 6,657,339 at the Census of 1946. In seventy-five years, therefore, the population of Ceylon has increased by 4,256,959 or by 177·3 per cent. The mean rate of increase has been 14·7 per cent. per decennium.

It is worth comparing this with the growth of world population during the same period. The population of the world has increased by 50 per cent. since 1890. Since 1913 it has risen by a little over 30 per cent. but, of the actual increase of nearly 570 million, half has occurred in Asia. The population of Asia and Africa together has increased by more than the entire population of Europe before the first World War. World population continues to grow at a rate of about one per cent. per annum in most areas and at two per cent. per annum in Latin America. Kuczynski estimated the world's rate of growth of 5/8ths of one per cent., which would seem to indicate that Ceylon's rate of increase is more than twice the world's rate of growth of population. If this rate is maintained Ceylon will have a population of about 10·8 millions by 1981, having doubled its population within the space of fifty years.

In the following table is indicated the population of Ceylon at the Censuses held in 1871 and since, the amount of increase, and per cent. increase :—

TABLE I

<i>Census Year</i>	<i>Population</i>	<i>Amount of increase</i>	<i>Per cent. of increase</i>
1871	2,400,380	—	—
1881	2,759,738	359,358	15·0
1891	3,007,789	248,051	9·0
1901	3,565,954	558,165	18·6
1911	4,106,350	540,396	15·2
1921	4,498,605	392,255	9·6
1931	5,306,871	808,266	18·0
1946	6,657,339	1,350,468	25·4

There was no Census in 1941, the Census due that year being taken in 1946. The estimated population for 1941 was however 6·21 millions, indicating that in the fifty-year period preceding it the population has increased by 100·6 per cent. During that same period only Canada (117·6 per cent.), United States of America (106·3 per cent.), Argentine (341·4 per cent.), Brazil (130·4 per cent.), Australia (123·9 per cent.), New Zealand (153·2 per cent.), Japan (116·1 per cent.), Burma (117·6 per cent.), Thailand (209·5 per cent.), and the Federated Malay States (104·8 per cent.) had higher rates of percentage increase. Most of these countries are the 'New' countries which have encouraged immigration, while the others are all Asian countries. During the same period the increase in India and Pakistan was only 39·0 per cent. and in England and Wales only 45·1 per cent.

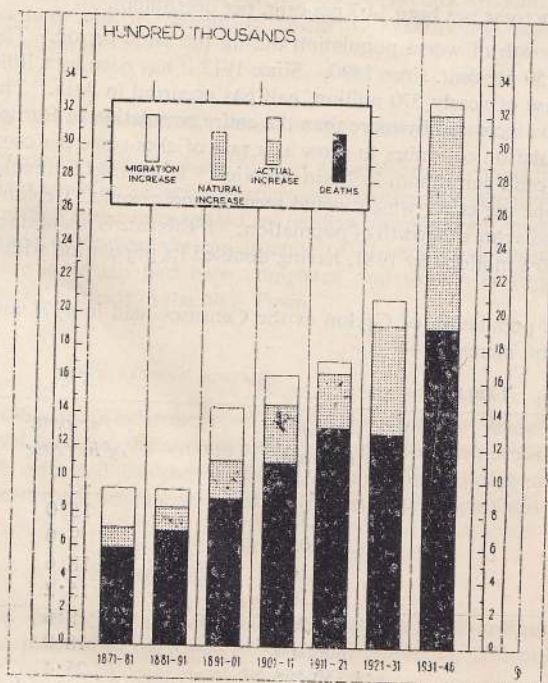
The growth of the Island's population has been occasioned by two factors. Firstly by the natural increase—excess of births over deaths, and secondly by the migration increase. The following table shows these two factors in operation and also give the total intercensal increase :—

TABLE II

<i>Period</i>	<i>Natural increase</i>	<i>Immigration increase</i>	<i>Intercensal increase</i>
1871-1881	119,792	239,566	359,358
1881-1891	144,260	103,791	248,051
1891-1901	225,406	332,759	558,165
1901-1911	356,147	184,249	540,396
1911-1921	319,410	72,845	392,255
1921-1931	656,990	151,276	808,266
1931-1946	1,280,916	69,552	1,350,468

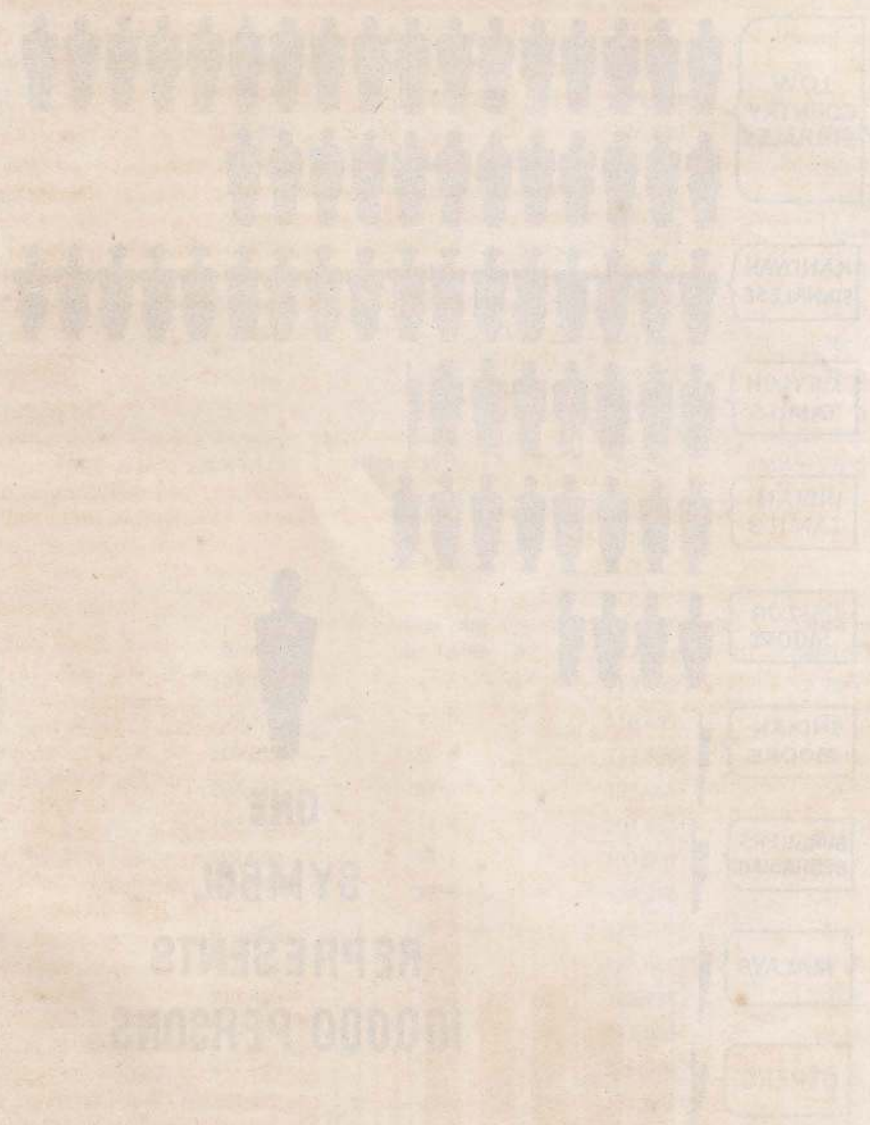
GROWTH OF POPULATION, 1871-1946

(BIRTHS, DEATHS, NATURAL INCREASE, MIGRATION INCREASE, AND ACTUAL INCREASE)

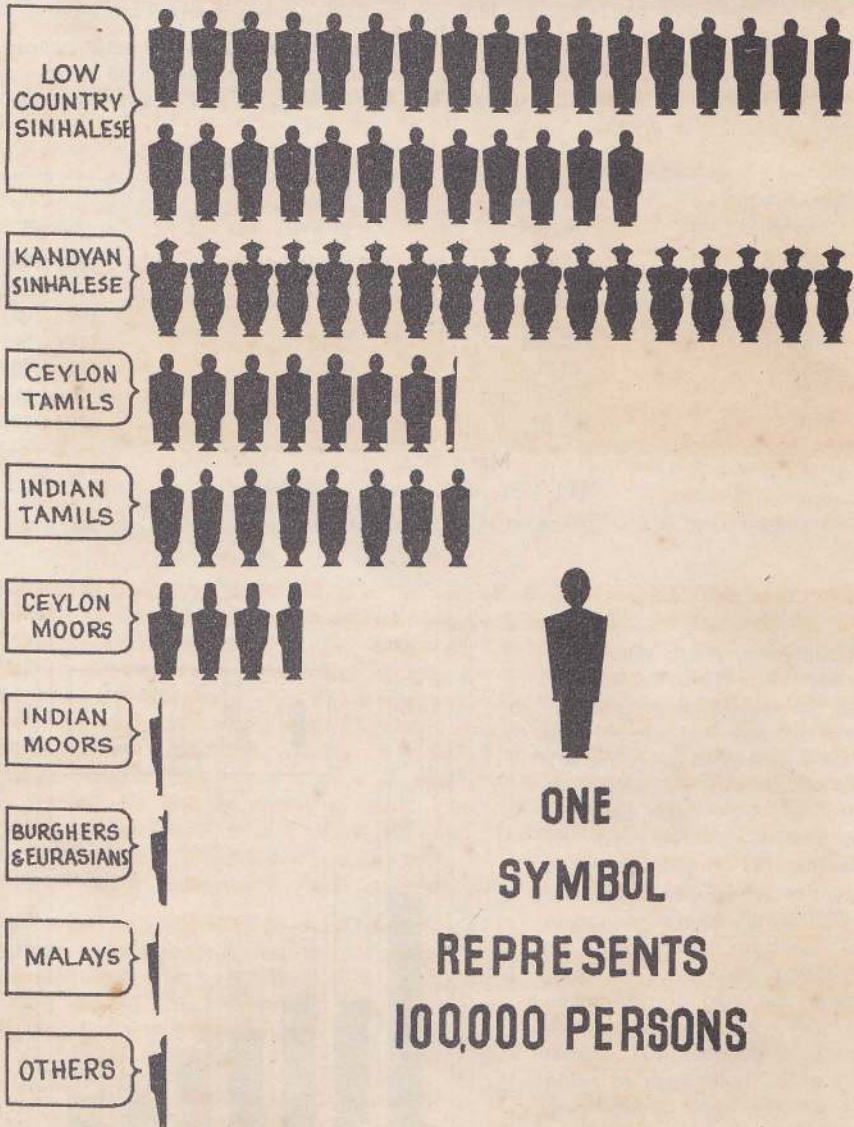


The table clearly shows that in the decades 1871-1881 and 1891-1901 the influx of immigrants was greater than the excess of births over deaths. The causes lay in the coffee boom of 1871-1881 and the boom in tea towards the close of the 19th century. The depression of the early thirties and the banning in 1939 of emigration from India tended to make the migration increase during 1931-1946 the smallest ever recorded. In the years to come it is unlikely that migration will play any significant part in the growth of Ceylon population. The adoption of a definite policy by the Ceylon Government of discouraging non-Ceylonese labour is bound to make the net inflow of immigrants smaller than it has ever been.

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DISTRIBUTION OF POPULATION BY RACE 1946 CENSUS



BIRTHS AND DEATHS

The last two intercensal periods show quite clearly that the increase in population in recent years has been due in a very large measure to the excess of births over deaths. In the period 1921-1931 this excess was 656,990, and in the period 1931-1946 the excess was 1,280,916. Crude birth and death rates for the two intercensal periods are given in the following tables :—

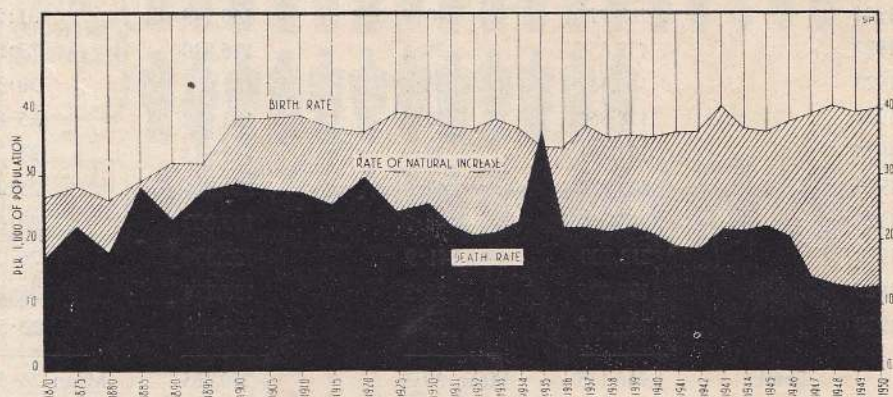
TABLE III

<i>Year</i>	<i>Births</i>	<i>Birth rate per 1,000</i>	<i>Deaths</i>	<i>Death rate per 1,000</i>
1921	183,917	40·6	140,749	31·5
1922	179,856	39·1	126,820	27·5
1923	181,437	38·7	141,891	30·3
1924	178,867	37·5	122,958	25·8
1925	193,261	39·9	117,543	24·2
1926	206,888	42·0	124,884	25·3
1927	205,469	41·0	113,003	22·6
1928	213,308	41·9	132,334	26·0
1929	198,005	38·3	135,274	26·2
1930	205,107	39·1	133,709	25·5
Total	1,946,115	Mean 39·8	1,289,165	Mean 26·5

TABLE IV

<i>Year</i>	<i>Births</i>	<i>Birth rate per 1,000</i>	<i>Deaths</i>	<i>Death rate per 1,000</i>
1931	199,170	37·4	117,452	22·1
1932	199,370	37·0	110,649	20·5
1933	209,032	38·6	114,690	21·2
1934	206,512	37·2	127,069	22·9
1935	192,755	34·4	204,823	36·6
1936	192,060	34·1	123,039	21·8
1937	216,072	37·8	124,210	21·7
1938	208,389	35·9	122,299	21·0
1939	212,111	36·0	128,611	21·8
1940	212,980	35·8	122,738	20·6
1941	219,864	36·5	113,003	18·8
1942	221,064	36·7	112,044	18·6
1943	284,820	40·6	131,061	21·4
1944	232,827	37·1	133,985	21·3
1945	238,494	36·7	142,931	22·0
Total	3,209,520	Mean 36·8	1,928,604	Mean 22·2

BIRTH RATE, DEATH RATE, AND RATE OF NATURAL INCREASE OF POPULATION, 1870-1950



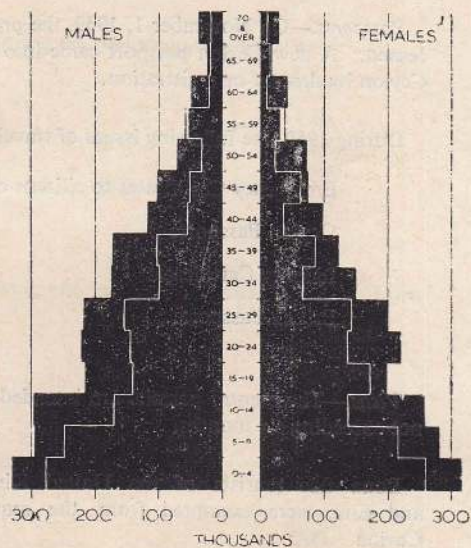
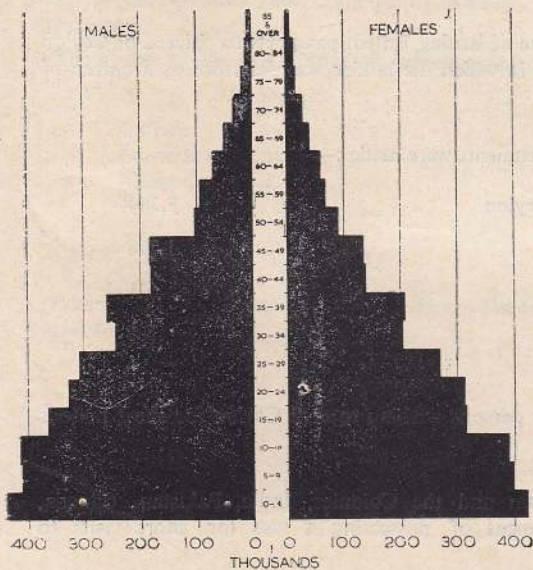
During the fifteen-year period 1931-1945 the mean crude birth rate has fallen to 36.8 from 39.8 which was the mean for the decade immediately preceding it. But the decline in the death rate has been from 26.5 in the period 1921-1930 to 22.2 in the period 1931-1945. This would seem to indicate that the growth of population has been due not so much to an increase in fertility but to a greater control over death. Nor do the figures available for later years invalidate this conclusion. For in 1949 the births recorded were 291,191 and the birth rate was 39.9. In 1950 the figures were 304,635 and 40.4 respectively. The births in 1950 were no doubt the highest ever recorded, the birth rate being slightly over that of 1949. But the decline in the deaths in recent years has been most marked. In 1948 the number of deaths fell to 93,711 and the death rate to 13.2. In 1949 the death rate fell further to 12.6 with 91,889 deaths, and in 1950 the rate of 12.6 was maintained with 95,142 deaths. In this connection it is worth quoting from the December, 1949, issue of 'For a Healthier World' published by the International Division of Health.

'Up to and including 1946 the general death rate of Ceylon has been from 20 to 22 per thousand population in good years. In the years of severe Malaria Epidemic it rose above 30 per 1,000. All of a sudden it fell to 14.3 per 1,000 in 1947. This was not a freak incident. In 1948 the rate was 13.2 per 1,000 and indications were that it is going to remain low. This is an event without precedent in the annals of World Demography.'

DISTRIBUTION OF THE POPULATION BY AGE AND SEX

[Thousands]

Age Groups	1891		1921		Age Groups	1946	
	Males	Females	Males	Females		Males	Females
0-4	276.5	259.2	328.5	315.0	0-4	437.4	424.0
5-9	247.1	217.6	293.3	281.6	5-9	411.8	399.5
10-14	169.4	136.5	295.2	257.8	10-14	414.6	391.0
15-19	141.2	172.0	214.5	199.3	15-19	364.5	316.1
20-24	142.4	137.5	221.5	220.1	20-24	327.8	313.7
25-29	155.1	143.7	219.1	201.5	25-29	307.3	270.3
30-34	97.5	65.7	174.2	150.5	30-34	246.5	203.4
35-39	103.8	86.2	174.1	123.1	35-39	261.1	207.2
40-44	55.8	37.3	117.2	99.7	40-44	182.4	139.9
45-49	55.4	62.0	102.8	73.8	45-49	183.4	136.1
50-54	34.4	23.8	71.2	73.7	50-54	104.8	91.3
55-59	58.7	37.8	58.9	35.9	55-59	94.7	68.5
60-64	19.6	9.6	49.1	39.0	60-64	71.2	59.3
65-69	18.5	12.7	24.3	15.9	65-69	51.8	41.1
70 and over	17.3	12.5	37.8	29.9	70-74	33.3	28.4
					75-79	19.2	16.9
					80-84	12.2	10.4
					85 and over	8.1	7.6
Total	1,469.6	1,414.4	2,381.8	2,116.8	Total	3,532.1	3,124.7

AGE AND SEX-COMPOSITION OF THE POPULATION
(CENSUS YEAR 1946)AGE AND SEX-COMPOSITION OF THE POPULATION
(CENSUS YEARS 1891 AND 1921)

MIGRATION

The Immigrants and Emigrants Act, No. 20 of 1948, passed by Parliament in October, 1948, and the regulations made thereunder in July, 1949, repealed the Passport Ordinance and the Destitute Immigrants Ordinance, the two main Ordinances that controlled migration to and out of Ceylon. The Immigrants and Emigrants Act, and the regulations made thereunder, introduced for the first time a framework for the implementation of a national policy for the control of migration.

Ceylon representatives abroad were appointed Competent Authorities for the issue of passports and entry permits. Commonwealth Governments readily consented to act in their countries, on behalf of Ceylon, where there were no Ceylon representatives or where the country was too large for all passport work to be performed by the Ceylon representatives. The United Kingdom authorities very kindly agreed to continue to act on behalf of Ceylon in all other parts of the world where they had Consular Officers.

Special arrangements were, however, made in respect of India. The Indian Government agreed to issue entry permits on behalf of the Government of Ceylon to Indian nationals and others seeking entry to Ceylon, through Indian Passport Officers stationed in the different Provinces of India.

A branch office of the department was set up at Mandapam Camp in October, 1949, with an Assistant Controller in charge. At the request of the Indian Government, a special officer was stationed at Tuticorin, for a few months, to enable Indian nationals, who had left Ceylon prior to the introduction of the new regulations, to obtain permits for their re-entry to Ceylon. This office has since been closed, but an officer is sent periodically for the issue of visas at Tuticorin. The Ceylon Emigration Commissioner, Trichnopoly, and the Ceylon Trade Commissioner in Bombay have also been specially appointed Competent Authorities for the issue of visas for Ceylon.

During the course of the year, a branch office of the department was set up in Jaffna for the issue of passports and emergency certificates to Ceylonese residents of the Northern Province.

Passports.—On November 1, 1949, the practice of issuing British passports to citizens of Ceylon ceased. A new Ceylon passport came into use in which the holder was described as a citizen of Ceylon by descent or registration.

During 1950, the following issues of travel documents were made :—

Emergency Certificates to citizens of Ceylon	8,364
Ceylon Passports	1,798
Identity Certificates	621
British Passports	160

Visas.—These entry permits are intended for persons wishing to visit Ceylon for short periods not exceeding six months.

Bona fide tourists of the United Kingdom and the Colonies, India, Pakistan, Canada, and Eire, were exempted from the requirement of possessing a visa for short visits to Ceylon.

The following are the figures of visas issued by Ceylon representatives for 1950 :—

(1) Indians	6,102
(2) United Kingdom nationals	2,208
(3) U. S. nationals	510
(4) British subjects other than those included in (1), (2) and (7)	422
(5) Burmese	308
(6) Other aliens	342
(7) Pakistanis	200
	<hr/> 10,092

Temporary Residence Permits.—Those who were present in Ceylon on the Appointed Date, November 1, 1949, were permitted to remain, but required permits for re-entry and residence in Ceylon for periods in excess of six months.

British subjects who had been ordinarily resident for five years immediately preceding November 1, 1949, were entitled to the issue of these permits, while others received them under the discretionary powers vested in the Competent Authorities.

The following issues of temporary residence permits were made during the period under review :—

	1949	1950
Indians	4,000	34,925
Other British subjects	329	1,467
Aliens	—	401
	<hr/> 4,329	<hr/> 36,793
Total for the period under review		<hr/> 41,122

Permanent Residence Permits.—Applications for permanent residence permits have been few. During the period 1949–1950, 73 were allowed and 135 refused. Permanent residence permits were granted, at the discretion of the Competent Authority, to persons who had acquired or were likely, in the opinion of the Competent Authority, to acquire a permanent and abiding interest in the country.

The figures of issues of permanent residence permits during the period under review were :—

Nationalities	Issues
Indians	36
Other British subjects	28
Aliens	9
	<hr/> 73

Permits issued on behalf of other countries.—The following visa issues were made on behalf of the Governments of :—

Egypt	578
Pakistan	59
Germany	42
Thailand	10
Japan	8
Canada	3
	<hr/> 700

Tourists represented a small percentage of arrivals in Ceylon for the year. There were a few organized tours from India, which appears to be the main source of Ceylon's tourist traffic. It is, however, possible to say from the figures of migration that the number of tourists for the year 1950 would not have exceeded, though it may have been considerably less than 2,000 in the case of aliens and 3,000 in the case of British subjects other than Indians, whose number would be slightly greater.

During the period 1949–1950, 11,870 travel documents were issued to citizens of Ceylon for travel abroad. Nearly half this number left for India by train on business, pilgrimage and holiday. Malaya was the next popular country, followed closely by the United Kingdom. The number of Ceylonese returning exceeded the number of those leaving the country by 827 for the year 1950.

Indian nationals constituted the greatest percentage of immigration to Ceylon. This migration fell into two main categories—(a) Estate Labourers, and (b) Non-Estate Indians.

The ban on emigration of unskilled labourers imposed by the Government of India in 1939 continued to apply to this class of immigrants. All Indian estate labourers travelling between India and Ceylon had also to comply with the provisions of the Estate Labour (Indian) Ordinance (Chap. 112), under which they were required to be in possession of documents of identity, similar to passports, but for the absence of photographs. It was, therefore, decided for some time to exempt estate labourers from the possession of passports and entry permits for their re-entry to Ceylon.

During the year 1950, permission was granted for the immigration of 855 newly married wives and 511 estate labourers who had been absent for a period exceeding twelve months from Ceylon.

In the two months immediately preceding the introduction of immigration control, there was a noticeable excess of arrivals over departures of nearly 10,000 caused mainly by immigrants who were anxious to gain or re-establish a foothold in Ceylon before the introduction of new regulations. There was a considerable slowing down of the rush after the new regulations and the number of departures exceeding the number of arrivals for the year 1950.

Figures of the balance of migration among (a) Estate, and (b) Non-Estate Indians for the last twelve years are reproduced below :—

Year	Excess of Arrivals over Departures	
	Estate	Non-Estate
1939	— 5,430	— 20,930
1940	— 14,820	— 21,263
1941	— 16,069	— 11,371
1942	— 31,767	— 55,024
1943	— 16,192	+ 12,156
1944	— 8,491	+ 95,865
1945	+ 446	+ 107,009
1946	+ 2,654	+ 47,835
1947	— 4,035	+ 21,821
1948	+ 3,282	+ 14,987
1949	— 2,415	+ 8,274
1950	+ 628	— 18,334

United Kingdom nationals formed the next largest group of arrivals among British subjects and U. S. nationals among aliens. British subjects showed a surplus of departures over arrivals. 1,467 residence permits were issued to British subjects, the majority of whom were citizens of the United Kingdom and Colonies. Nearly 2,500 visas were issued to citizens of the United Kingdom and Colonies during the year 1950. There was a slight excess of arrivals over departures in the case of aliens, though the number of residence permits issued was only 401 for the year 1950, 200 of which were for new-comers. Most of the aliens were visitors on short-term visas or were transit passengers.

During the year 1950, among British subjects, there were 224 European new-comers, mostly from the United Kingdom.

Permits were granted for the following purposes :—

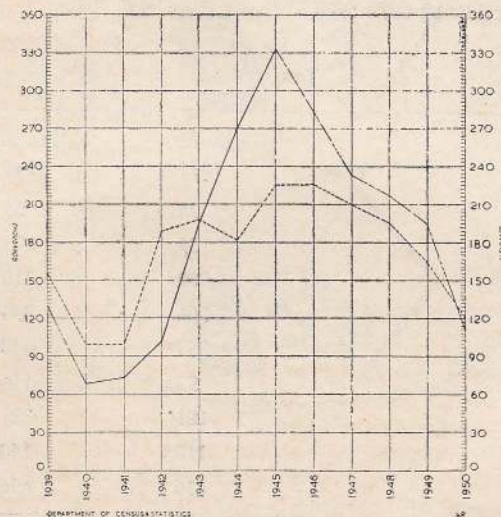
Wives and children	91
Mercantile employees (including Secretaries, Clerks, &c.)	29
Engineers	23
Planting profession	21
Accountants	16
Bank officials and Assistants	10
Businessmen (brokers, &c.)	10
Missionaries	8
Nurses	6
Others	10
	<hr/>
	224
	<hr/>

Among aliens the number was slightly less, 200, of whom American nationals constituted the largest number, made up as follows :—

Engineers and Foremen	57
Housewives	26
Others	29
	<hr/>
	112
	<hr/>

IMMIGRATION AND EMIGRATION—CEYLON

IMMIGRATION —————
EMIGRATION - - - - -



IMMIGRATION AND EMIGRATION

[Thousands]

1939-1950					
	<i>Immigration</i>	<i>Emigration</i>		<i>Immigration</i>	<i>Emigration</i>
1939	130	156	1945	333	225
1940	68	100	1946	283	226
1941	73	100	1947	233	210
1942	102	189	1948	217	196
1943	194	198	1949	195	165
1944	270	182	1950	111	121

DENSITY OF POPULATION

With death rates reduced to the lowest possible levels and with the birth rate swinging between 35 and 40, the over-all tendency is for the pressure of population to be on the increase. Pressure of population on the land is roughly measured by what is known as its 'Density'. The total area of Ceylon is 25,332 square miles, its inland waters cover 296 square miles, leaving a net land area of 25,036 square miles. On the basis of the Census population of 1946 (6,657,339) the density works out to 265 persons per square mile. Should the population rise to 10,000,000 persons this density would work out to nearly 400.

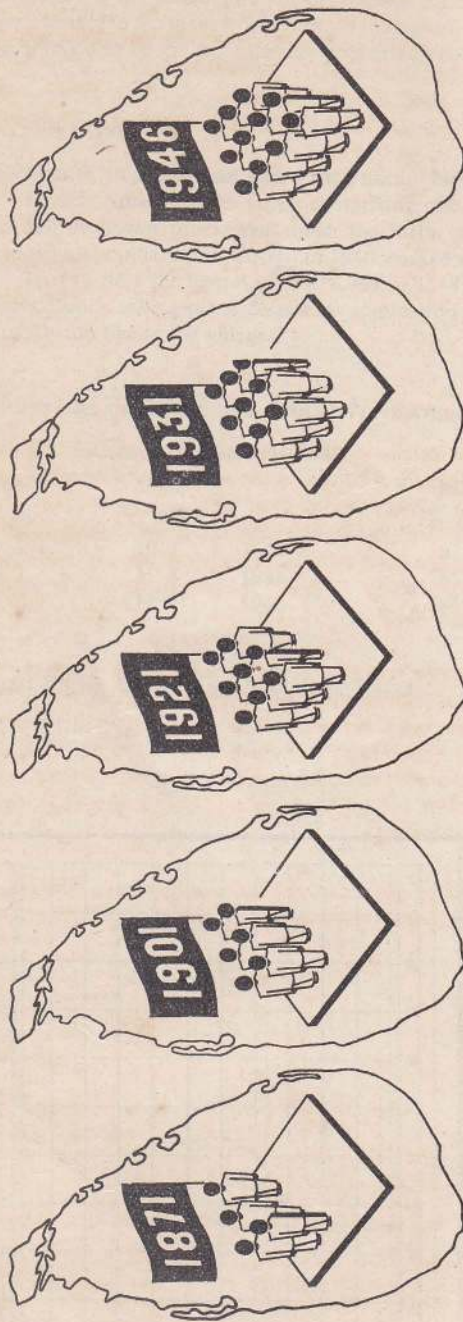
Some idea of its significance may be obtained by comparing it with the densities of other countries. England and Wales with a population of 41 millions has a density of 715 persons per square mile. Belgium with 8.3 millions has a density of 712. The Netherlands (611), Japan (537), Italy (383), Switzerland (289), and Pakistan (284); all have densities higher than what obtained in Ceylon in 1946. It would appear therefore that by comparison with other countries Ceylon cannot be put down as an over-populated country. This is, of course, not to suggest that the increase in population has not given rise to considerable anxiety.

Some idea of the density of population by the nine provinces into which the Island is divided may be ascertained from the following table :—

TABLE V

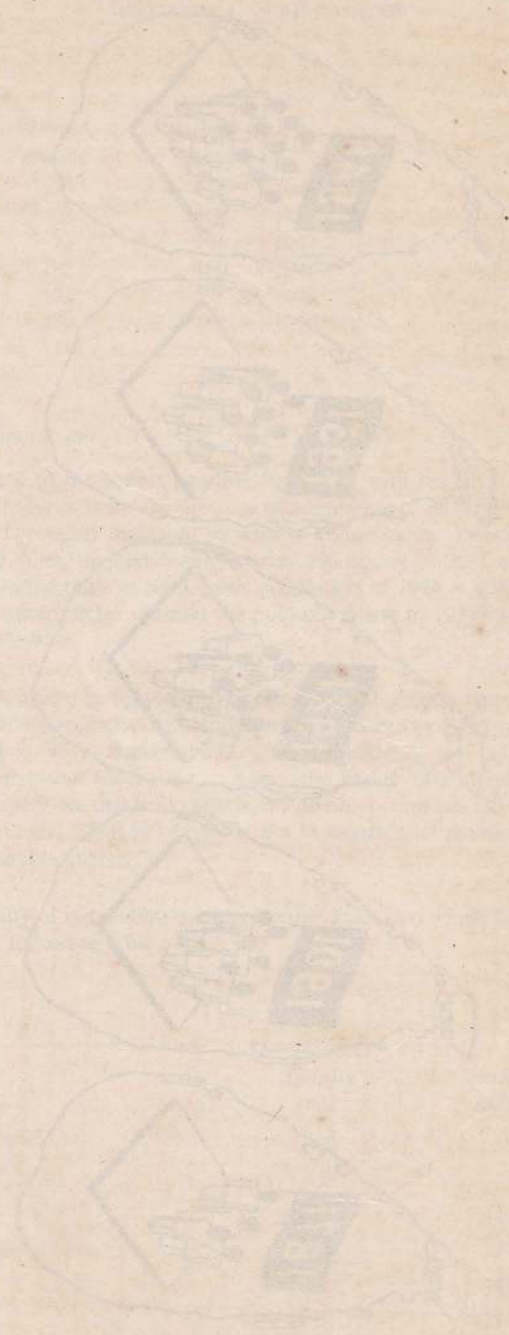
<i>Province</i>	<i>Density 1931</i>	<i>Density 1946</i>	<i>Increase per cent.</i>
North-Central	24	35	43.3
Eastern	55	73	31.4
Western	1,009	1,310	29.9
Sabaragamuwa	306	394	28.9
Southern	359	448	24.7
Uva	93	114	22.8
North-Western	181	221	22.1
Northern	116	140	20.2
Central	416	496	19.1

DENSITY OF POPULATION 1871-1946



ONE SYMBOL REPRESENTS 25 PERSONS PER SQ MILE

THE RAYMOND Q. WEBBER/18 ST. BROS. ONE PER 20 WIFE



THE RAYMOND Q. WEBBER/18 ST. BROS. ONE PER 20 WIFE

The increase is most marked in the North-Central Province, reflecting the efforts of the Ministry of Agriculture and Lands at reclaiming the jungle lands of the ancient Raja Rata. The increase is smallest in the Central Province caused in the main by a decline in immigrant addition. In 1946, as in 1931, the Western Province continued to be the most densely populated province in the Island.

URBAN AND RURAL POPULATION

It is of course difficult to distinguish an urban area and a rural area. Nevertheless in Ceylon it is conventional to regard as 'Urban Areas' those areas comprising the Municipalities, Urban Councils, Local Board areas and the towns proclaimed under the Births and Deaths Registration Ordinance. On this basis the urban population in Ceylon in 1946 worked out to 1,032,793 or 15·5 per cent. of the population. That in 1901 the figures were 418,969 or 11·8 per cent., clearly shows the slow pace at which urbanisation is taking place despite an impression to the contrary. Even now the bulk of the people of Ceylon live in the villages.

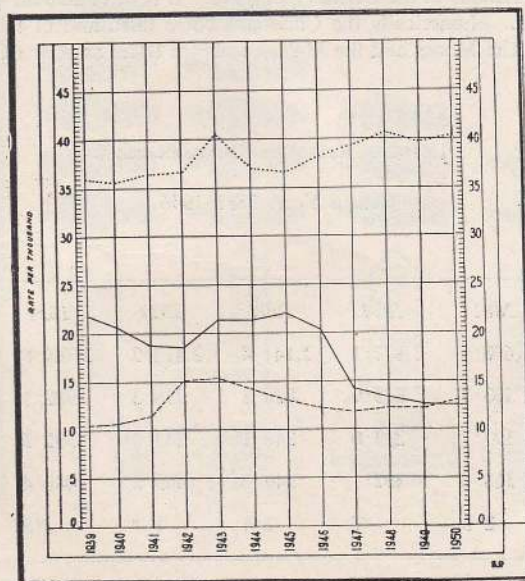
PERCENTAGES OF RURAL AND URBAN POPULATIONS

Census Years, 1891-1946

	<i>Rural</i> Per cent.	<i>Urban</i> Per cent.		<i>Rural</i> Per cent.	<i>Urban</i> Per cent.
1891	89·3	10·7	1921	87·1	12·9
1901	88·2	11·8	1931	86·8	13·2
1911	87·7	12·3	1946	84·5	15·5

REPORTED BIRTH, DEATH AND MARRIAGE RATES

BIRTH RATE
DEATH RATE
MARRIAGE RATE - - - - -



RACE

The races of Ceylon comprise the Low-Country Sinhalese, the Kandyan Sinhalese, the Ceylon Tamils, Indian Tamils, Ceylon Moors, Indian Moors, Burghers and Eurasians, Europeans, Malays and Veddahs. The differentiation between Low-Country and Kandyan Sinhalese has no ethnic significance; generally the Sinhalese who trace their descent to a low-country district are classified as 'Low-Country Sinhalese', while the rest are classified as 'Kandyan Sinhalese'. The Western and Southern Provinces, the Chilaw District, the western part of Puttalam District are all low-country areas while the Central and North-Central Provinces, Uva, Sabaragamuwa, Kurunegala, the Sinhalese Divisions of the Districts of Batticaloa, Trincomalee and Vavuniya are regarded as Kandyan districts.

At the Census of 1946 the Low-Country Sinhalese formed 43·6 per cent. of the population and on the basis of its age distribution tends to be a somewhat 'progressive' population. The Kandyan Sinhalese comprised 25·8 per cent. of the population and like the Low-Country Sinhalese population it seems likely to increase. The Ceylon Tamils amounted to 733,731 and the Indian Tamils counted 780,589, the Ceylon Moors numbered 373,559, the Indian Moors 35,624, the Burghers and Eurasians 41,296, the Malays 22,508 and the Europeans 5,418. The most significant feature is that, on the basis of the age distribution of each of these races, their respective populations show a tendency to increase over the years. This is true of all races in Ceylon excluding the Europeans and the Veddahs. The former exhibits a tendency to decrease, while the decrease of the latter would suggest that this race is being absorbed by the Sinhalese and Tamil races.

RELIGION

The results of the 1946 Census indicate that nearly 4,294,932 persons professed the Buddhist faith in Ceylon. The Buddhists are mainly Sinhalese, and, according to the ancient Sinhalese chronicles, Buddhism was introduced into the Island in the reign of Devanampiya-Tissa (300 B.C.) with the result that Buddhism has been the predominant religion for over 22 centuries.

Next to Buddhism, Hinduism has the largest following in Ceylon. Roughly 198 of every 1,000 persons in Ceylon were Hindus at the Census year 1946. It is of course the predominant religion of the Tamil population. Numerically the Christians come third and of them over 80 per cent. are Roman Catholics. The Moors and the Malays embrace Islam as their religion, and numbered 436,556 in 1946.

LEADING RELIGIOUS DENOMINATIONS

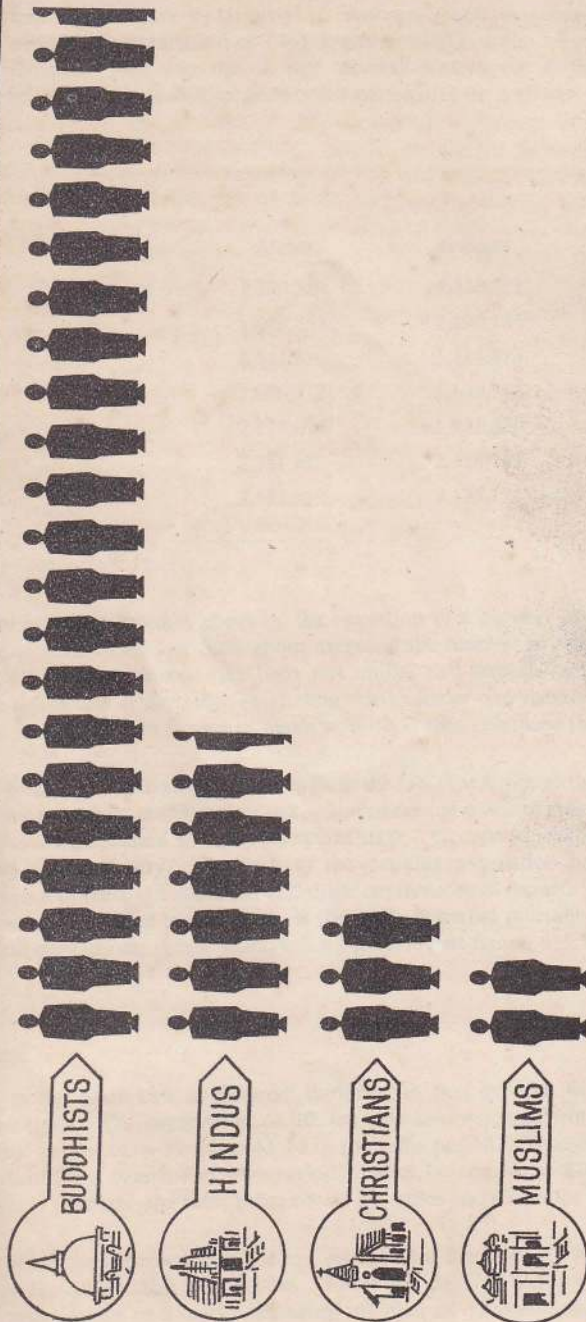
Census Years 1881-1946

[Thousands]

	1881	1891	1901	1911	1921	1931 ¹	1946
Buddhists	1,698·1	1,877·1	2,141·4	2,474·2	2,769·8	3,266·4	4,294·9
Hindus	593·7	615·9	826·8	938·3	982·1	1,166·8	1,320·4
Muslims	197·7	212·0	246·1	283·6	302·5	354·2	436·6
Christians	268·0	302·1	349·2	409·2	443·4	518·1	603·2
Others	2·3	·7	2·4	1·1	·8	1·1	2·3

¹ Estimated on a *pro rata* basis on the figures of the 1921 Census. The figures include a number of persons included in the total of 442 persons of unspecified sex enumerated at the partial Census in 1931.

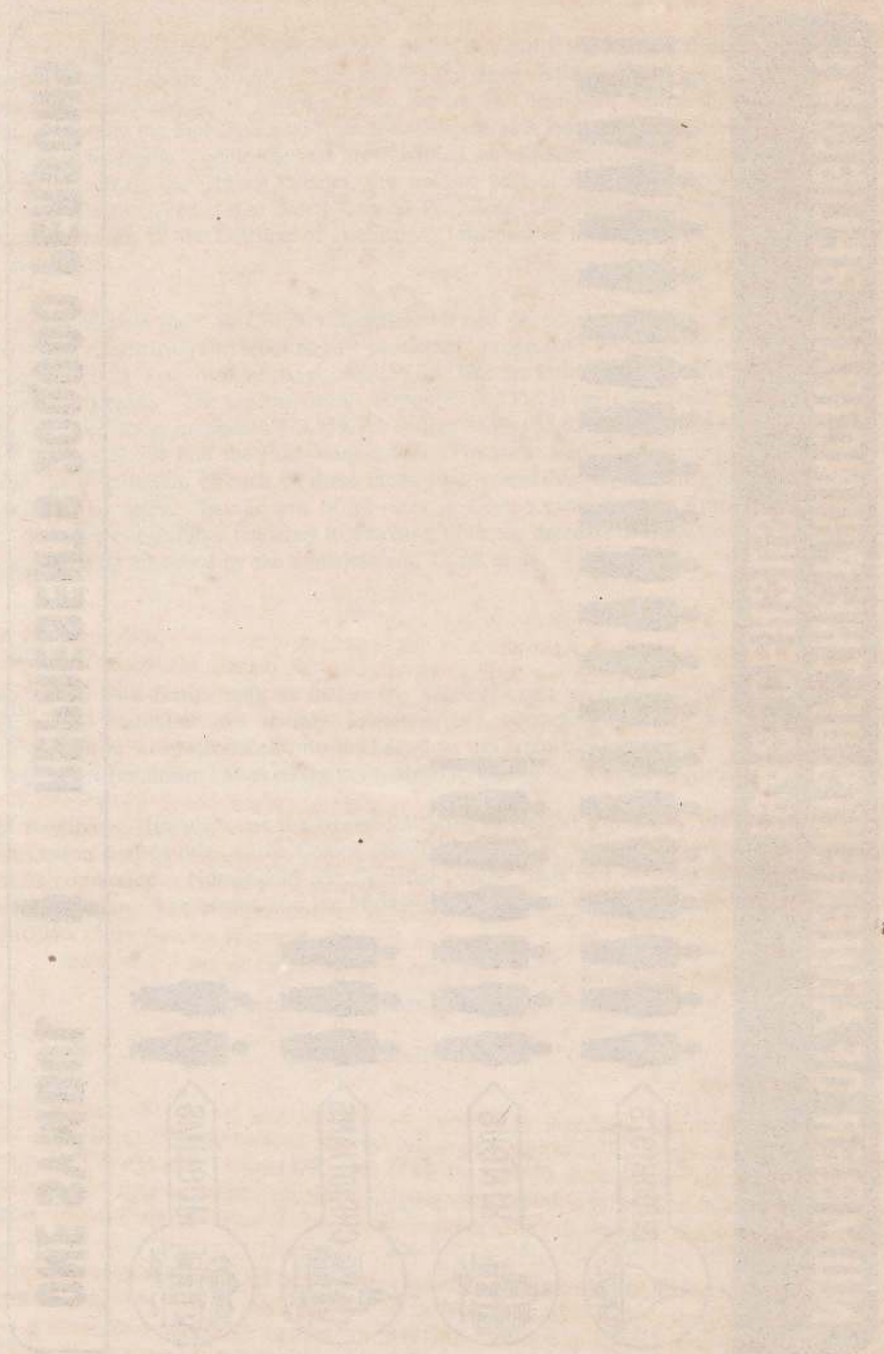
NUMBER OF ADHERENTS OF THE PRINCIPAL RELIGIONS 1946 CENSUS



ONE SYMBOL



REPRESENTS 200,000 PERSONS



SEX

Most countries in Western Europe have in recent years shown a greater number of females than males. At the Census of 1946 the population of Ceylon was divided in terms of sex into 3,532,218 males and 3,125,121 females. Nor was this a new development in the Island's population. In Ceylon the number of males has always exceeded that of females as is shown in the following table :—

<i>Year</i>	<i>Males</i>	<i>Females</i>	<i>Masculinity Ratio</i>
1871	1,280,129	1,120,251	1,143
1881	1,469,553	1,290,185	1,139
1891	1,593,376	1,414,413	1,127
1901	1,896,212	1,669,742	1,136
1911	2,175,030	1,931,320	1,126
1921	2,381,812	2,116,793	1,125
1946	3,532,218	3,125,121	1,130

This high masculinity has been brought about by the operation of a number of factors. In the first place, the number of male births has throughout exceeded the number of female births every year. In this respect Ceylon's experience has been not unlike that experienced in most other countries. The female death rate at most ages (excluding deaths under one year) is generally higher than that of the male. The balance in favour of males at birth is thus enhanced throughout life.

Some explanation of the higher female death rate may lie in the fact that although the two sexes have many things in common each has its own peculiar risk. For males the risks are mainly occupational, and for females the risks are associated with the puerperal state. Occupational hazards in Ceylon are unlike those in any other country. The bulk of the working population being agricultural workers, there is an absence of these occupational and other environmental hazards which constitute a higher mortality of males. Added to this there is the high maternal mortality rate which has shown a downward trend only in very recent years, touching the lowest figure, 6·5, in 1949.

LENGTH OF LIFE

The effect of changes in the death rate at different periods can best be seen in changes in the 'expectation of life' at birth. The expectation of life for men has increased from 34·60 in 1921 to 47·19 in 1946 and for women from 31·84 to 43·81 in the same period. Though this represents a remarkable improvement for a twenty-five year period, it may be compared with New Zealand where expectation of life is greatest—the rates being 65·04 for males and 67·88 for females.

What is remarkable about the expectation of life in Ceylon is one fact that in 1946 as in 1921 the expectation was greater for males than for females. From the days of Graunt, Vital Statistics throughout the world have pointed to a higher mortality for men as compared with women. An exception was India, where in 1931 the expectation of life was more or less the same for both sexes. Perhaps the situation in Ceylon as in India is characteristic of all backward areas where high birth rates, high infant mortality rates, and also high maternal mortality rates all tend to operate against the female rather than the male.

Recent figures would seem to indicate greater control over death, perhaps arising from the success of medical and sanitary measures of the last decade or two. The figures for the five years ending 1950 are given in the table below :—

<i>Year</i>	<i>Birth Rate</i>	<i>Death Rate</i>	<i>Infant Death Rate</i>	<i>Maternal Death Rate</i>
1946	38·4	20·3	141	15·5
1947	39·4	14·3	101	10·6
1948	40·6	13·2	92	8·3
1949	39·8	12·6	87	6·5
1950	40·4	12·6	82	5·6

CHAPTER VI

PUBLIC HEALTH

1. Medical and Public Health Services

GENERAL

THE present organization of the Medical and Public Health Services has evolved from a Military and Estate Medical Service. The Civil Medical Department was established in 1859 primarily for the care of the sick, and the only type of work that may have received attention in the early days was the control of epidemics, particularly of smallpox.

The Medical Department continued its activities with a single type of Medical Officer engaged primarily in the treatment of the sick and attending to any major public health needs of the country until 1912, when a Committee was appointed by the Governor to consider the establishment of a Sanitation Department for Ceylon. Its recommendation was given effect to in 1913 by the formation of a Sanitary Branch of this department.

The Hook-worm Campaign that was inaugurated in 1916 with the co-operation of the Rockefeller Foundation demonstrated effectively the value of Public Health work and the need to incorporate in the Public Health programme the then new aspect of personal hygiene. The result was the inauguration in 1926, on an experimental basis, of the Health Unit at Kalutara and subsequently of eight other Health Units located in the different provinces of the Island.

The next important landmark in the administration of the Health Services was the amalgamation, in 1926, of the curative and preventive services under the Director of Medical and Sanitary Services. Ceylon, therefore, is many years in advance of the Bhore Committee Report for India and of international organizations like the W. H. O. which have recommended the integration of the curative and preventive services by placing them under a single head.

The inauguration of the Donoughmore constitution in 1931 placed a Minister of Health in charge of the Medical and Public Health Services of the Island and gave a great impetus to curative as well as preventive work. The amalgamation of Health and Local Government under one Ministry* under the Soulbury constitution was a further step in the evolution of the Health Services in the Island.

ORGANIZATION

The Director of Health Services has three deputies, the Deputy Director of Medical Services, who is in charge of the curative work, Deputy Director of Public Health Services in charge of preventive work, and the Deputy Director of Laboratory Services.

The Department of Health Services has expanded to such proportions as could not have been anticipated a few years ago. Unlike in the central medical administrations of other countries, this department assumes responsibility almost solely for the curative and preventive services of the entire country on a national scale. Ours is truly a national health service.

With regard to the care of the sick, the responsibility rests almost entirely with the department. 846,000 patients were treated in the Government hospitals and $11\frac{1}{2}$ million cases were treated at the out-door dispensaries during the year 1950.

This involves all the many problems of medical buildings, staff, equipment, diets, drugs, &c., throughout the entire country. The department administers 232 hospitals, 99 maternity homes,

* Presently split up into two separate Ministries, viz., Ministry of Health and Ministry of Local Government.

and 240 central dispensaries to which are attached 852 branch and visiting dispensaries. It has also in its charge all the specialized institutions like the Mental Diseases Hospitals, the Infectious Diseases Hospitals, the Tuberculosis Institutions, and the Leprosy Hospitals.

The only exceptions are the few small Nursing Homes which render indoor treatment and the private general medical practitioners, many of whom have only a dispensary practice. Both these services are limited to Colombo and the larger towns.

The Public Health Services are also a function mainly of the Central Government in charge of the Department of Health Services. Quarantine is entirely the responsibility of the Government, in charge of the Director of Quarantine, who is also the Director of Health Services.

With regard to the other health activities, the Medical Officers of Health of the department are responsible, with the exception of three larger Municipal Councils which employ their own Medical Officers of Health. In the field of preventive medicine, the department has established 91 Health Units in charge of full-time Medical Officers of Health assisted by fully trained Sanitary Inspectors, Public Health Nurses, and Public Health Midwives. In the specialized fields such as Malaria, Tuberculosis, Venereal Diseases, Leprosy, and Filariasis, separate organizations have been set up in charge of Superintendents who work largely through the Medical Officers of Health in charge of the Health Units.

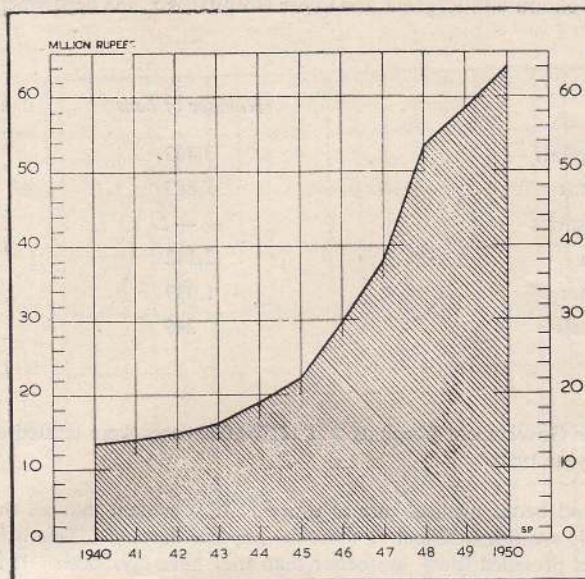
For the administration of the Health Services there are, in addition to the 91 Central Health Units, 701 Health Centres and 99 Maternity Homes; and in the latter institutions, which are generally located in remote rural areas, there are 1,039 beds for the reception and care of normal maternity cases.

The following figures illustrate how the Island's expenditure on public health has increased during the period 1938-51 :—

EXPENDITURE ON PUBLIC HEALTH, 1938-51

<i>Year</i>	<i>Total Expenditure Rs. (thousand)</i>	<i>Per Capita Expenditure Rs. c.</i>
1938	12,715	2 19
1939	13,577	2 30
1940	13,537	2 27
1941	14,035	2 33
1942	14,872	2 47
1943	16,111	2 63
1944	18,752	2 99
1945	22,312	3 43
1946	29,507	4 41
1947	38,217	5 71
1948	53,304	7 52
1949	58,771	8 05
1950	64,179	8 51
1951	69,514	8 98

EXPENDITURE ON PUBLIC HEALTH (1940-1950)



The administration of these funds, except in regard to actual construction work, is very largely a responsibility of this department.

The total staff of the department is 15,529. The additional staff provided for during the year under review includes the following :—

Medical Officers	157
Nursing Staff	92
Welfare Staff	2
Technical Officers	49
Hospital Secretaries	5
Clerical Staff	92
Accountants	1
Minor Staff	785
Other Staff	9
	<hr/> 1,192

The increase in staff during the last 20 years will be apparent from the figures given below :—

	1930	1950
Medical Officers	353	673
Dental Surgeons	—	20
Apothecaries	384	676
Nurses	527	1,229
Midwives	124	1,378
Sanitary Inspectors	267	707
Other Employees	3,867	8,601

Medical care in this country is a primary responsibility of the Government. For this purpose the Government has provided hospitals, dispensaries, and an ambulance service, at state expense. Ordinary out-door treatment is free at out-patients' departments of all hospitals and at all dispensaries. In out-door treatment, a charge is made only in respect of certain specialized treatments such as electrical treatment, dental treatment, X-ray examinations and bacteriological examinations, according to regulation charges. Indoor treatment in non-paying wards is afforded free to all patients with an income of less than Rs. 50 per mensem. From patients with an income between Rs. 50 and Rs. 83·33 per mensem the charge is 30 cents per diem, while from those whose income is over Rs. 83·33 the charge is 50 cents per diem.

Medical care is administered in three types of institutions. There is the Provincial Hospital, which is a large institution intended to have a capacity of 500 to 700 beds for diseases where the services of specialists are required ; next in order is the District Hospital varying in size from 50 to 200 beds and equipped to cater for the ordinary types of medical, surgical and obstetrical cases ; and finally there is the Central Dispensary. To most of these Central Dispensaries is attached a Maternity Home for normal cases of pregnancy and a Rural Hospital for the very simple types of diseases. These institutions are linked up by a well organized ambulance service consisting of 67 ambulances attached to practically all major hospitals in the Island.

Apart from the General Hospital, Colombo, and other specialized institutions such as the Mental Hospital, Angoda, T. B. Hospitals, Welisara and Ragama, and Leper Hospital, &c., the department administers the following :—

<i>Institutions</i>	<i>Number of beds</i>
9 Provincial Hospitals	3,763
95 District Hospitals	7,883
240 Central Dispensaries	—
114 Rural Hospitals	2,142
99 Maternity Homes	1,039
14 Cottage Hospitals	249

846,000 patients were treated in the Government hospitals and 11,500,000 cases were treated at the out-door dispensaries during the year 1950.

The persistent demand for more and better medical care continues. It is evident that all the efforts which the department has made are not sufficient to meet the popular demand. This is in spite of the fact that medical facilities provided today are better than they have ever been. It is also an extraordinary fact that in spite of the consistent reduction of mortality and morbidity in the Island, there is an increasing overcrowding of medical institutions. The voted expenditure on the drugs and medical supplies alone in the financial year of 1950-51 almost equals the total expenditure of the entire department of two decades ago.

It is obvious that a changed outlook on the part of the people as a whole has taken place in regard to medical care, and many classes of the population and many types of diseases that were not treated in hospitals previously are being dealt with in hospitals today.

It is not sufficiently realized that certain long-term diseases like tuberculosis and other conditions like maternity cases cannot all be accommodated in Government hospitals. The selection of cases that need hospital care is confronted with the greatest difficulty, particularly as the hospitals are state institutions. There is not the slightest doubt that overcrowding of our hospitals is the most potent feature in the deterioration of the service and the various complaints which inevitably follow.

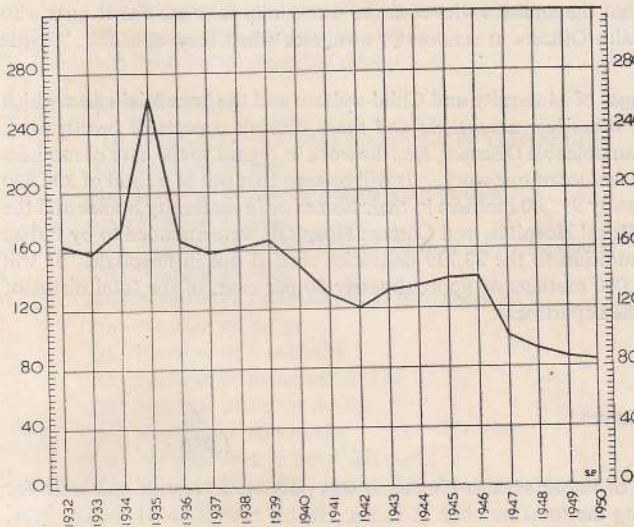
The decentralization of the specialists' services has been vigorously pursued during the year. Specialist staffs in Medicine, Surgery, Obstetrics, E. N. T., Eye, T. B., and V. D., have been provided in several provincial hospitals including Jaffna, Kandy, Galle, Kurunegala, and Badulla. Specialists' services were also provided at two District Hospitals in Negombo and Panadura by staff making weekly visits from Colombo.

VITAL STATISTICS

Vital Statistics are the accepted yardstick for the evaluation of Public Health measures of a country, and judged by these standards Ceylon has never reached so good a state of health as at the present time. In a review of the mortality rates of 1948 by the Division of International Health of Federal Security Agency of the United States of America, the reduction in that year's mortality rates was described as phenomenal and as an event without precedent in the annals of world demography.

The mortality figures for the two succeeding years 1949 and 1950 have been further reduced and today the infant mortality rate is 82 per thousand and the maternity mortality rate 5.6 per thousand—the lowest recorded for the Island.

INFANTILE MORTALITY (1932—1950)



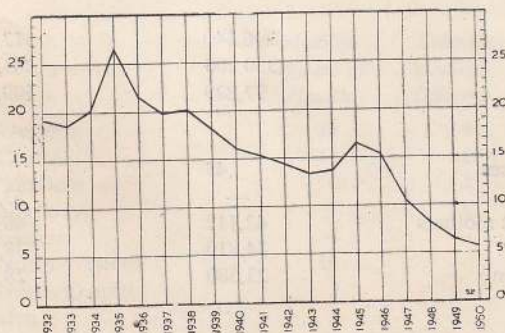
HEALTH UNITS

The Health Unit type of work was developed in 1926 for the purpose of giving urban and rural areas a complete scheme of health work carried out by an adequate staff. For this purpose the Island was originally divided into 63 Health Unit areas, the number being subsequently increased to 91. In each of these Units one or more hospitals and dispensaries are included.

The personnel consist of a trained full-time Medical Officer of Health and Public Health Nurses, Sanitary Inspectors and Midwives. The distribution of these Units is so arranged as to aim at a provision of a Public Health Nurse per 8,000 population, a Sanitary Inspector per 8,000 to 10,000 population, and a Midwife per 4,000 population, whenever possible.

The activities carried out consist of Health Surveys, Health Education and study of Vital Statistics, Maternity and Child-Welfare, School Health Work, Sanitation and Control of Communicable Diseases, including vaccination against smallpox, anti-typhoid inoculation and mass treatment for hook-worm and other helmenthic intestinal parasites.

Maternity and child-welfare work constitutes one of the most important activities, if not the most important activity of the Public Health Service. According to our modern concept of propagating health by persuasion rather than by prosecution, maternity and child-welfare offers the greatest scope for modern health work.

MATERNAL DEATH RATE PER 1000 LIVE BIRTHS
1932—1950

Health education which is the basis of modern health work could best be imparted to mothers and children who come into clinics, and to children who are attending school. At the Maternity and Child Welfare Clinics, it is possible not only to carry out health education in regard to the care of the mother and the child, but also of the family as a whole and subjects such as Sanitation, Inoculation, Communicable Diseases Control, &c., can always be linked up with problems associated with the mother and the child.

In maternal care work, particularly where we have the opportunity to win the confidence

of a mother to render her service at a time when such service is greatly appreciated, the individual is in a receptive mood and we are able both by individual and group instruction to inculcate the elementary principles of hygiene better than at any other time. After nearly twenty-five years of modern health work, it is found that the mothers who come to our clinics now are either girls who had received instruction from Health Officers at schools or at clinics when they attended "Little Mothers' Classes".

Apart from the indirect advantages of Maternity and Child-welfare and the beneficial effect which can be produced in regard to the other less acceptable and more difficult aspects of health work such as Sanitation, Control of Communicable Diseases, &c., the work in regard to the care of mothers and children has been a prominent feature of our work. It will be seen that out of a total of 304,620 births registered during the year, nearly 99,000 mothers in their homes or in maternity homes and the greater part of 12,358 delivered in Rural Hospitals and Cottage Hospitals were attended to by Public Health Midwives. These are in addition to the 33,739 deliveries carried out in hospitals. It will be seen, therefore, that nearly 150,000 mothers or approximately 50 per cent. of the total births of the Island had been cared for by the department.

PERSONNEL

Public Health Nurses	64
Midwives	1,053

In spite of the slow recruitment of Public Health Nurses, it was possible to recruit and train for work 19 more nurses, thus bringing the total number of Public Health Nurses to 64 for the year. It is also gratifying to be able to record that trained midwives became available for appointment in greater numbers than in previous years, consequent on the increase in the number of training centres, thus enabling the department to meet the growing demand for trained assistance at deliveries and for the care of mothers to an appreciable extent.

MATERNITY AND CHILD-WELFARE WORK IN 1949 AND 1950

	1949	1950
1. Number of health centres	662	701
2. Number of clinics held	23,971	24,890
3. Number under care—		
(a) Expectant mothers	263,856	320,513
(b) Infants	180,522	238,769
(c) Pre-school children	118,092	160,519
4. (a) Visits to clinics by—		
(i) Expectant mothers	296,340	313,496
(ii) Infants	330,205	381,764
(iii) Pre-school children	97,229	109,175
(b) Work of nurses—		
(i) Number of public health nurses	45	64
(ii) Number of homes visited	—	53,126
(iii) Number of visits to expectant mothers	42,112	46,888
(iv) Number of visits to infants	34,810	38,088
(v) Number of pre-school children	23,580	28,759
(c) Work of midwives—		
(i) Number of midwives	984	1,053
(ii) Number of homes visited	—	659,493
(iii) Number delivered by midwives	70,351	77,143

	1949	1950
(iv) Number sent to hospital for delivery	32,829	39,521
(v) Number sent to maternity homes for delivery	14,657	19,005
(vi) Number of postpartum visits	565,049	755,093
(vii) Number of maternal deaths	861	578
(d) Maternity homes—		
(i) Number of maternity homes run by Government	82	99
(ii) Number of beds	885	1,039
(iii) Number of homes run by local authorities	12	11
(iv) Number of beds	74	72
(v) Number of homes run by local and private bodies	3	3
(vi) Number of beds	57	57
(vii) Number of cases admitted to all homes	27,729	31,093
(viii) Number of deliveries	19,727	21,551
(ix) Number of live-births	19,319	21,214
(x) Number of maternal deaths	33	30
(xi) Number of infant deaths	237	226
(xii) Number of still births	509	465
(xiii) Number sent to hospitals	701	526
(xiv) Number of destitute maternity cases transferred to hospitals	222	390
(e) Hospital deliveries—		
(i) Number delivered in rural and cottage hospitals	11,500	12,358
(ii) Number delivered in estate hospitals	6,243	6,962
(iii) Number in other hospitals	31,370	33,739

SCHOOL HEALTH WORK

Medical inspection of school children in Ceylon organized on the lines of the School Medical Service in the United Kingdom, was started on a modest scale in 1919. The duties of the first School Medical Officer were to visit schools and examine children in the whole Island. In 1921 a Lady Medical Officer was appointed for Colombo. In 1925 a Medical Officer was appointed for the schools of the Northern Division, and in 1927 two more officers were appointed, one for the Central Division and the other for the Southern Division. The first school nurse was appointed in 1920 for Colombo town and a second in 1925 for Jaffna, and two in 1927, one each for Kandy and Galle.

The list of officers engaged in School Health work during the year 1950 is given below :

Province	Medical Officers of Health	School Medical Officers	District Medical Officers	Women Medical Officers	School Health Nurses
Western	19	4	1	1	9
Central	15	1	3	—	1
Southern	10	2	3	—	—
Northern	7	1	3	—	1
Eastern	4	—	1	3	—
North-Western	16	—	—	1	—
North-Central	3	—	1	—	—
Uva	3	—	2	—	—
Sabaragamuwa	14	—	1	—	—
Total	91	8	15	5	11

It is observed that the number of Medical Officers of Health who attended to this work was 91 as compared with 90 in 1949. There was however a reduction in the number of District Medical Officers and Women Medical Officers by 3 and 1 respectively. The number of School Health Nurses was increased during the year by two.

There are 6,273 schools in the Island. The school population is estimated to be 1,352,668. The total number of schools taken up for medical inspection during the year 1950 was 1,105 whereas the number of schools examined in 1949 was 1,354. The school population medically inspected during the year 1950 was 83,787 as compared with 102,184 in the preceding year.

In order to improve the standards of health among the school children the education authorities have made the request that facilities be granted to the Officer-in-charge of Physical Education of the Education Department to keep in touch with the medical and health work at the General Hospital and Children's Hospital. This request has been granted. The Officer-in-charge of Physical Education has been appointed recently in order to act on behalf of the Director of Education in co-ordinating the health work in schools between the Medical Department and the Education Department.

ESTATE HEALTH WORK

The Medical Wants Ordinance (Chapter 176) was enacted in 1912 extending the benefits of the medical wants of the labourers in planting districts to indigenous estate labour as well. It imposes on the Government the duty of establishing such hospitals and dispensaries as may be necessary for the medical wants of the estates. The Ordinance confers on estate labour the privileges of state medical aid and imposes certain statutory obligations on the Government Medical Officers serving in estate areas. It is their duty to visit these estates to inspect their sanitary conditions and to examine the state of health of the labourers and their children. They are also expected to inspect the estate hospitals and dispensaries. Superintendents of estates who maintain hospitals or dispensaries are entitled to a free grant of certain drugs to the value of 50 cents per labourer per year. They are also entitled to receive certain specified drugs at cost price for treatment of labourers.

The regulations regarding the new type of estate lines that were laid before the House of Representatives and the Senate were approved and gazetted in 1950 and have now become law.

The regulations provide that lines shall be constructed so as to consist of either two single-room lines or a double-room line in a block of the cottage type. Where, however, the available sites make it impracticable, the Director of Health Services has been empowered to authorize construction of cottage type lines in blocks of four. All lines are to be provided with individual latrines of a type specified by the Director of Health Services.

The regulations also provide clauses to ensure that families with grown-up children are allotted double-room lines.

Approximately 2,313 estates were scheduled under the Medical Wants Ordinance (Chapter 176) and the approximate labour population was 994,705.

The staff consists of 1 Inspecting Medical Officer (Estates) full-time, 55 Medical Officers of Health and 4 Medical Officers, all part-time.

There were 66 hospitals and 116 dispensaries maintained by the Government in the Estate Medical district in charge of Medical Officers and Apothecaries for rendering medical aid to estates as well as the indigenous population. Ninety-nine estate hospitals and 678 estate dispensaries (including the 99 dispensaries attached to the estate hospitals) were maintained by the estate authorities exclusively for the treatment of plantation labourers.

MALARIA CONTROL

One of the most remarkable achievements in recent years has been the near eradication of malaria, which for centuries had been the major health problem of the Island. Apart from the large toll of deaths that this disease had claimed from year to year it had sapped the vitality of the people and rendered them incapable of active work whether in agriculture or in industry. Many of the major undertakings of the Island in the past had been foiled by the prevalence of malaria.

Immediately after the cessation of hostilities in the Second World War, a scheme of malaria control by residual spraying of D. D. T. was launched in 1945. The success achieved by this experiment was phenomenal and the scheme was gradually extended to cover the whole Island. The results achieved today are evident from the following figures :—

Year	Estimated Population	No. of Malaria Cases	Morbidity rate per 1,000
1936	5,631,000	2,947,555	523
1937	5,712,000	2,308,976	404
1938	5,810,000	2,053,079	353
1939	5,897,000	3,210,795	544
1940	5,951,000	3,413,618	574
1941	6,020,000	3,220,360	535
1942	6,021,000	3,220,477	536
1943	6,134,000	2,141,329	349
1944	6,276,000	1,672,478	266
1945	6,496,000	2,539,949	391
1946	6,695,000	2,768,385	413
1947	6,879,000	1,350,521	196
1948	7,086,000	775,276	109
1949	7,297,000	727,769	100
1950	7,544,000	610,781	81

Today the country enjoys good health and it has been possible to develop the vast one-time malaria stricken areas, as is evidenced by the multi-purpose project at Gal Oya and the various colonization schemes in the dry zone.

Malaria was successfully controlled throughout Ceylon in the year 1950. There was no major change in the control programme during this period. The downward trend of the endemic indices noted in the past two years has been maintained and the health of the country has improved.

There were two notable events that occurred during the year. The question of malaria eradication by species elimination was fully considered. Dr. Bruce Wilson, Malariologist of the Rockefeller Foundation, whose services as consultant were made available by the WHO visited Ceylon in February and after studying the question fully over a period of about three months, advised the Government that species eradication was not feasible under Ceylon conditions. The second event was the definite confirmation of the earlier finding that *A. culicifacies*, the malaria vector, breeds in the forests of Ceylon in situations far away from human habitations.

TUBERCULOSIS

With the control of malaria, tuberculosis has become the most serious medical and socio-economic problem in Ceylon. It is reasonably calculated that while there are at least 70,000 persons in Ceylon suffering from open pulmonary tuberculosis, the actual number of total cases is over 100,000.

Before the magnitude of the tuberculosis problem in the Island was fully realized and the importance of preventive activities appreciated, reliance was placed only on treatment, and the Anti-Tuberculosis Institute was inaugurated in 1915, with two institutions attached to it—the Kandana Sanatorium and the Ragama Chest Hospital. A further sanatorium was opened at Kankasanturai in 1932, while a Chest Clinic at Jaffna was inaugurated shortly afterwards. In 1941, steps were taken to reorganize and extend the Anti-Tuberculosis Campaign. Plans were made for the training of officers abroad for tuberculosis work, for the purchase of additional equipment for diagnostic and therapeutic work, for the provision of more tuberculosis beds, and for investigation and control measures. Chest Clinics were opened at Kandy and Galle in association with hospitals in these areas in 1947, and special wards were provided for the cases in each hospital. A large number of additional beds were provided by the opening of Welisara Hospital in 1945.

and allocation of a part of Keerimalai Hospital for the patients in 1948. In addition to beds made available in certain other civil hospitals, there is now hospital accommodation for a minimum of 1,685 T. B. patients in Ceylon.

X-rays and mass radiography are now employed in diagnosis. Mass campaigns of B. C. G. vaccination were initiated in March, 1949, with the visit of a foreign Scandinavian team. This campaign will in future be given the assistance of the International Red Cross Association.

The problem of tuberculosis received the serious attention of the department and was given top priority among its activities. Further consultations were held with representatives of the World Health Organization and the International Tuberculosis Campaign during 1950; and, as a result of these consultations the Anti-Tuberculosis Campaign received valuable assistance with the arrival of the B. C. G. team from the International Tuberculosis Campaign and the appointment of a Central Tuberculosis Laboratory by the World Health Organization and by the donation of a mobile Mass Radiography Unit by the same body to supplement the static mass Radiography Unit installed by the department.

As in 1949, the activities of the Anti-Tuberculosis Campaign were mainly directed, during the year under review, towards the hospitalization of the sick and towards the prevention of diseases among the contacts and others. In addition, towards the end of the year a planned case-finding campaign was commenced with the use of mass miniature radiography.

Training of medical officers in India was continued and three officers were sent out for the D. T. C. Course at the University of Delhi. The two officers sent out in 1949, returned after having obtained their diplomas.

Marked progress has been made in the building programme. X-ray blocks were completed at Kankesanturai and Kandana Sanatoria and also at Ragama Chest Hospital and at Puttalam Hospital.

In addition, quarters for House Officers were built at Ragama and at Welisara Chest Hospital and at Kandana Sanatorium, while work on the construction of a Convent for Religious Sisters was commenced at Welisara.

A welcome feature during the year 1950 was the generous public support offered to this campaign. Rs. 100,000 was donated by Mr. Thassim, Mayor of Galle, for the construction of a Tuberculosis Clinic at Galle, while the Ceylon National Association for the Prevention of Tuberculosis has undertaken the construction of a Children's Ward at Welisara Chest Hospital. The activities of this association will be further assisted by the generous donation made by the Ceylon Turf Club, which body has gifted to the association the entire proceeds of one of its Race Meets.

During the year under review, no increase in the number of beds for T. B. patients was possible. The total number remained at 1,658. It is hoped that the scheme for the conversion of the Puttalam Military Hospital and of the Agricultural Camp at Wirawila, will be finalized soon. During 1950 Rs. 170,000 was released by the King George V Memorial Fund for the project at Wirawila, while a supplementary vote of Rs. 62,000 was voted for the work at Puttalam and contracts have been called for by the Public Works Department.

TUBERCULOSIS BED STRENGTH FOR THE ISLAND, 1949-1950

<i>T. B. Institutions</i>	1949	1950	<i>Civil Hospitals</i>	1949	1950
Welisara	614	614	Galle	52	52
Ragama	444	444	Kandy	31	31
Kandana	129	129	Kankesanturai (Keerimalai)	125	125
Talagolla	32	32	Eheliyagoda	24	24
Kankesanturai	84	84	Undugoda	31	31
			Hambantota	12	12
			General Hospital (Regent Street Section)	80	80
	1,303	1,303		355	355

VENEREAL DISEASES

Anti-Venereal work as such was started in Ceylon subsequent to the recommendations of the V. D. Commission which arrived in this Island in May, 1920. After touring the country and meeting various sections of the people, they established a Ceylon National Council for combating V.D., affiliated to its counterpart in Great Britain. They addressed influential local organizations on the subject of V. D. They distributed free, a part of the publicity material brought by them ; and a part was bought by the Medical Department.

As a result of the visit of the Commissioners and the efforts of the National Association on V.D., three special clinics were established : (1) in the Port of Colombo for the treatment of seamen ; (2) at the Branch Hospital, Colombo, for the treatment of women and children on two afternoons in the week ; and (3) at the Out-patients' Department, General Hospital, Colombo, for the treatment of males on two afternoons in the week.

A new scheme formulated in 1936 and given effect to in 1938 included the following:—(1) Training of an officer in curative and sociological work ; (2) Bringing all sections of the curative organization as regards V. D. work under one control ; (3) Establishing clinics in the outstation hospitals and dispensaries, training of personnel, provision of accommodation, staff, &c. ; (4) Publicity to be put on proper lines.

In 1938 the Venereal Disease Ordinance was enacted and can be enforced in any area that it is proclaimed. It prohibits the treatment of venereal disease otherwise than by a registered medical practitioner, or specially authorized practitioner of indigenous medicine. As a result of the emergency created by World War II, regulations were framed in 1942 and 1943, which made venereal disease a notifiable disease, both by the sufferer and by the medical attendant, and provides for the prevention of the disease by an individual directly or indirectly.

The control of venereal disease is one of the problems to which the department proposes to give the highest priority in the coming years.

With this object in view, the assistance of the W.H.O. has been secured to further this project. Dr. Leiby and Dr. Jungalwalla have visited the Island and examined V. D. organization. Their advice and co-operation have been very helpful.

Preliminary plans have already been made for the reorganization of this work. A new spacious building with adequate accommodation to house the laboratories is being provided. Staff and equipment for this project have been promised by the W.H.O.

In the reorganization scheme, the Seafarers' Clinic which is being conducted at the Port of Colombo under the Brussels Agreement will also be improved.

The medical officers and one Sanitary Inspector have been sent abroad to study the latest developments of V. D. Control.

FILARIASIS

A scheme for the control of filariasis was established under the Public Health Department of Ceylon in November, 1947. Its activities which have now been developed to cover all the endemic areas include field work aimed at spraying oil on stagnant drains, catch pits, &c., where the *Culex fatigans* finds favourable breeding places.

During the 1937-39 survey, 13,100 blood films were taken out in the night from residents in endemic areas and, out of these, 1,777 were found positive for microfilariae, and 2,273 clinical cases were also detected. During 1948, 1,027 additional clinical cases and also 400 microfilaria cases were detected. During 1949, further 1,920 clinical cases and 1,421 microfilaria cases were detected out of 19,461 blood films examined. A well equipped clinic has been established at Dehiwala and also in eight other endemic areas. During the year 1949, 3,256 cases have been treated with Hetrazan at these clinics. Of these 496 have been followed up regularly after treatment and 412 of the following-up cases are now free of microfilariae.

The necessity of mosquito control measures has been fully realized and even in the non-endemic areas Medical Officers of Health have been instructed to pay special attention. Suitable legislative powers are provided by way of regulations framed under the Quarantine and Prevention of Diseases Ordinance.

At the beginning of 1950 the operational procedures in the Filariasis control scheme were brought in line with Dr. Iyengar's recommendations made in his first Report (1949). Dr. Iyengar came a second time in the early part of the year to carry out further experiments to find out a suitable larvicide for the work.

The W.H.O. expert, Dr. M. O. T. Iyengar, made very far-reaching modifications in the Filariasis Control scheme. His main recommendations, which were accepted and implemented, were as follows :—

- (a) Concentrate mainly on mosquito control measures as a satisfactory method of Filariasis Control ;
- (b) Dissociate Clinics from the Filariasis Control Scheme and hand them over to the Curative Branch of the department. (Stop further opening of Clinics.) ;
- (c) Stop the field distribution of Hetrazan.

As for the control of mosquitoes in Bancroftian areas, he recommended that attention should be paid mainly to the larvicidal treatment of catch pits and polluted drains. He recommended dispensing with the use of Gammexane hitherto used by the department, and replaced it with 1 per cent. wettable D. D. T. as an efficient larvicide. He also recommended stopping the collection and disposal of empty discarded tins, water holding receptacles, &c.

The total recorded cases for the whole Island—

	<i>Clinical Cases</i>	<i>Microfilaria Cases</i>
Detected during 1937 survey	2,273	1,777
Detected during 1948 survey	1,027	400
Detected during 1949 survey	1,920	1,421
Detected during 1950 survey	1,852	974
	<hr/> 7,072	<hr/> 4,572
Cases freed of microfilaria with Hetrazan during 1949		313
Cases freed of microfilaria with Hetrazan during 1950		765

LEPROSY

The history of the control of leprosy can be divided into two periods, the period before 1932 with the compulsory segregation of all cases of leprosy as the only controlling measure, and the period after 1932 with a more humane approach to the leprosy problem with selective voluntary segregation and modern treatment, control of contacts and social welfare of dependants. The scheme for the control of leprosy was based on the accepted theory that the disease is infectious and transmitted by close and prolonged contact and that the only practicable method of controlling the disease was by separating the infective case from susceptible individuals.

Leprosy control in Ceylon consists of two sections : the institutional control and the field control. There are two institutions for the segregation, nursing, and treatment of infective cases of leprosy viz., the Leprosy Hospital at Hendala, and the Leprosy Hospital at Mantivu. An agricultural colony at Urugaha for able-bodied cases is under construction. The field organization controls the non-infective cases and contacts in their homes, and provides treatment in eighteen clinics distributed in the endemic areas.

RADIOLOGY

During the year 1950 a high standard of efficiency was maintained in making available to the public facilities for Radiological Diagnosis, Electro-Medical Diagnosis, X-ray and Radium Therapy and Physiotherapy, with the equipment installed and the medical and technical staff available. The policy of the department to equip all the provincial and district hospitals with these facilities has been amply justified by the results shown at hospitals and institutions where such are already available. Unfortunately the progress of this work was impeded by the delay in the provision of the necessary buildings due to various difficulties encountered in obtaining building materials.

Steps have now been taken for the implementation of an organized scheme for training technical personnel locally and Medical Assistants in the United Kingdom. The equipment obtained from America has yet to be relied on as being the most suitable for operation in a damp, tropical climate like Ceylon, because the set-up of this equipment has been so designed as to eliminate the vagaries of temperature and humidity.

The X-ray Diagnostic and Physiotherapy departments of the General Hospital are still accommodated in a section of the Administrative Block of this hospital. To meet the needs of patients accommodated in the Medical Section of the hospital, who are too ill to be moved to the main X-ray room, a small X-ray laboratory has been provided to meet routine requirements. Similar facilities are provided at the New Out-patients' Department and Orthopaedic Clinic.

The conversion of the vacated Out-patients' Department building for accommodating the departments of Radiology and Physiotherapy was completed. The arrival on time of all the apparatus that were due to be installed in the new departments made it possible for every piece of equipment to be set up, tested and calibrated simultaneously with the completion of the alteration to the building. The new equipment consists of one 500 M.A. plant, two 200 M.A. plants, one 100 M.A. plant, two ward units, all of ultra-modern design, for diagnostic X-ray work, while several items of physiotherapy equipment that will be used, perhaps for the first time in the East, have been obtained and only await installation in the new block. The set-up of the new departments of Radiology and Physical Medicine at the General Hospital, Colombo, will certainly be a credit to the premier hospital in Ceylon.

A full complement of staff is available for enabling the new departments to function without delay. Every effort has been made to ensure that international recommendations for the safety of working personnel and patients have been provided for in these departments.

HEALTH EDUCATION AND PUBLICITY

A well organized scheme of Health Education is now being carried out in schools with the co-operation of the Department of Education. The channels through which the health education of the adult is carried on are the Press, Cinema, Public Lectures, Group talks, Posters, Pamphlets, Health Bulletins (Health News), Leaflets, and well organized Health Exhibitions.

The All-Ceylon Health Week, another mass health education activity started in 1938, has been carried on regularly for the last twelve years. The object of the Health Week is to focus public attention for one week in the year (usually the third week in July) on matters of health and to arouse a sense of personal responsibility for health without which all Public Health Work, whether by the Government or Local Authorities, must fall far short of its aims. This movement has gained in popularity and has been greatly instrumental in making the people health-conscious. In recent years an effort has been made to make the Health Week the occasion to educate the people with regard to the welfare services offered to them by various other Government departments as well, and from 1949 World Health Day activities were included in the programme.

In all areas of the Medical Officers of Health, weekly conferences of the sanitary officers of the respective areas are held regularly. During each conference the work of the week is reviewed, difficulties are discussed, and the work for the next period is planned. A feature of these conferences is the reading

of a paper on some particular phase of their work by one of the Sanitary Inspectors and this forms the basis for the day's discussions. The Sanitary Inspectors have formed an association of their own. They hold an annual conference when papers on various subjects dealing with their work are read. These are published in their annual journal. The Public Health nurses and Public Health midwives have their respective associations and they too hold annual conferences, the proceedings of which are published in their annual journal. Courses in Health Education for Teachers are conducted in all the Teachers' Training Colleges by officers of the Medical Department.

QUARANTINE SERVICES

Ceylon's chief weapon against the introduction of dangerous infectious diseases like cholera, smallpox, plague, yellow fever, and typhoid, from the neighbouring countries, is its quarantine regulations made under the Quarantine Ordinance, No. 3 of 1897. Ceylon being a signatory to the International Sanitary Conventions carries out her obligations through the Quarantine Department. The work of the department falls under the following heads : (i) General measures against the quarantinable diseases ; (ii) Ceylon Quarantine Camps in South India (Mandapam and Tattaparai) ; (iii) Port Health Service ; (iv) Air Port Health Service.

The Colombo Port Health Organization plays an important role in the administration of the quarantine measures. Its chief objective is the prevention of infection carried by incoming ships. Annually over 2,000 ships that call at Colombo are inspected to determine whether they are healthy or infected. Infected ships are dealt with suitably in order to prevent the infection from spreading ashore.

II. Ceylon and International Health

The solution of many problems in the field of health depends largely on international action. During the last fifty years many international organizations such as the International Office of Public Health at Paris, Pan-American Sanitary Bureau, the Health Organization of the League of Nations, and the Health Division of the United Nations Relief and Rehabilitation Administrations, were created to solve some of these problems. Soon after the second world war the necessity for a world-wide inter-governmental health organization within the general framework of the United Nations, became quite apparent, owing to the immense destruction and ruin, and consequent ill-health caused to millions of people by the war. Not only did the war bring destruction and ruin but it resulted in immense progress in the field of scientific knowledge as applied to Medicine and Hygiene. For the application of such knowledge to the betterment of the people in all countries of the world, there could be no better machinery than that adopted by the World Health Organization.

The World Health Organization granted nine fellowships during the year 1950, and the fellowships were as follows :—

- (a) *Venereal Diseases* : Three fellowships for Medical Officers to specialize in Venereal Diseases for a period of 12 months, in the United States of America ; and one fellowship to study social aspects of the disease for a Sanitary Inspector, for six months, in the United States of America.
- (b) *Maternity and Child Health* : One fellowship for a Medical Officer for a period of 12 months in the United States of America.
- (c) *Paediatrics* : One fellowship for a Medical Officer for 12 months in the United States of America.
- (d) *Paediatric Nursing* : Two fellowships for nursing for 12 months in the United Kingdom.
- (e) *Food inspection* : One fellowship for a Sanitary Inspector for ten months in the United Kingdom.

The sixth revision of the International classification of diseases and causes of death recommended by the WHO was accepted with certain modifications necessary owing to local conditions. This will enable mortality and morbidity statistics of Ceylon to be compared with those of other countries. For comparative purposes, it is essential that classification of diseases and causes of death be uniformly followed by various countries.

The World Health Organization made available \$5,500 for the supply of medical literature and teaching equipment. From this money equipment was obtained for the Medical Research Institute and the Field Training Centre, Kurunegala.

The Third World Health Assembly was held at Palais Des Nations in May, 1950. Delegates from 56 member-states and one associated member-state attended the Conference. There were also representatives from 8 other countries and 28 international organizations including representatives from the United Nations and its specialized agencies. A three-member delegation represented Ceylon at this assembly.

The Third Sessions of the Regional Committee for South-East Asia was held in Kandy from September 22 to 26, 1950. The Government of Ceylon acted as the host country.

Delegates from Afghanistan, Burma, Ceylon, French India, India, Portuguese India, Indonesia, and Thailand, attended the meeting. There were representatives as observers from UNICEF, UNESCO, Rockefeller Foundation, and Ceylon Red Cross Society.

The Committee reviewed the work that was done in the past year through the assistance of WHO and endorsed the programme for 1951.

At the termination of the Third Sessions of the Regional Committee for South-East Asia, a conference of the Directors of Public Health of the countries in the South-East Asian Region was held in Kandy from September 29 to October 1, 1950. This conference was attended by the Directors of Public Health of Afghanistan, Burma, French India, Government of India and 17 Indian States, Indonesia, Portuguese India, Thailand, and Ceylon.

Discussions on Public Health Administration Finance, Medical and Paramedical training, maternity and child health, school health, health education, industrial health, environmental sanitation, and health statistics, took place. The final conclusions arrived at on these subjects are to be submitted by the Regional Director, to the Governments of the countries in South-East Asia for consideration.

AYURVEDIC MEDICAL SERVICES

The Indigenous Medical Ordinance, No. 17 of 1941, which was passed by the State Council in March, 1941, provided for the incorporation of the Board of Indigenous Medicine and for the continuance of the College of Indigenous Medicine, the Hospital Pharmacy, and Dispensary, as Government institutions. It also provided for the registration of practitioners of indigenous medicine. The passage of this Ordinance was responsible for placing Ayurvedic medicine on a secure foundation.

In August, 1941, Government took over the College, the Hospital, and its ancillary institutions, and since then they have expanded considerably and rendered valuable service to the community. The following figures indicate the progressive increase in State expenditure on these institutions :—

Rs.		Rs.	
1943-44	173,546	1947-48	556,756
1944-45	252,207	1948-49	627,511
1945-46	352,733	1949-50	689,867
1946-47	400,998	1950-51	778,276

Since its inception the College has turned out over 500 practitioners of indigenous medicine, the great majority of whom have settled down in rural areas and minister to the needs of the rural population.

WATER SUPPLY

Colombo.—The Colombo water supply is obtained from Labugama Reservoir which is situated in the Western Province, at a distance of $28\frac{1}{2}$ miles from the City.

The reservoir was formed by impounding the water of the Wak Oya, a tributary of the Kelani Ganga.

The catchment area which is 2,500 acres in extent is free from any habitation or cultivation, all the land as far as the summit of the watershed having been reserved together with a strip, two chains in depth along the adjacent water sheds.

The area of the reservoir at the present top water level is 205 acres. This lake is 374 feet above sea level and has a maximum depth of 73 feet. The storage capacity of the reservoir is 1,960 million gallons. Filtration works of the 'Jewel Rapid Gravity' type are situated immediately below the reservoir dam.

The water has a very low alkalinity and is remarkably pure. It is conveyed to the two service reservoirs in Colombo through four separate pipe lines; two of these are of cast iron, each 20 inches in diameter, and the other two of steel, each 30 inches in diameter.

There are some 330 miles of supply and distribution mains, varying in size from 30 to 3 inches in diameter. Water service is available to almost all premises within the City and also to shipping in Colombo Harbour.

In addition to filtration the water is sterilised by the chloramine treatment.

Seventy-four Deacon meters for the detection of waste have been fixed throughout the City.

The average daily consumption is now between 17 and $18\frac{1}{2}$ million gallons, or 48 gallons per head of resident population.

In order to augment the present supply of water from Labugama the construction of another reservoir impounding the water of the Kalatuwawa Ela, another tributary of the Kelani river in the Ratnapura District was begun in 1949, and the work is now in progress. It is expected that the scheme will be completed by the end of 1953.

The catchment area feeding in new reservoir is 3,320 acres. The total storage capacity of the reservoir will be 3,510 million gallons. The estimated safe yield from this source is 20 million gallons per diem.

Kandy.—The existing scheme consists of a small impounding reservoir of 44 million gallons capacity, fed from a conserved catchment of 400 acres and supplemented by two pumping schemes from the Mahaveli-ganga.

In 1944, when a large number of service personnel was stationed in Kandy, the Public Works Department, at the instance of the Commander-in-Chief, started the construction of a Pumping Scheme to obtain 300,000 gallons per diem from the river at Peradeniya. This scheme was completed at the end of 1951, and at present, with 10 hours pumping, 250,000 gallons per diem are obtained from this source.

The investigations carried out by the Public Works Department to obtain sufficient water from Hunnagiriya Catchment for the needs of the fast developing hill-capital proved that its resources were insufficient. As no data was available on the potentialities of another upland source the Council requested the Hon. the Minister of Health, to provide another pumping scheme, capable of obtaining 600,000 gallons per diem to tide over the period required to investigate and put into execution a major scheme sufficient to supply all the needs of Kandy, inclusive of the proposed drainage scheme. The Public Works Department started this emergency scheme in 1950, and it is hoped that the scheme will be completed early.

As the investigations carried out by the Public Works Department to harness an upland source at Ramboda disclosed the fact that sufficient water was not available in this catchment during dry weather and as there were no storage facilities at Ramboda, the Public Works Department was of opinion that another upland source, like the Atabage source should be investigated. Prior to this decision, the Council obtained a report from Brigadier G. B. Gifford Hull, M.I.C.E., on the Ramboda source and a major river pumping scheme. On grounds of economy in capital and maintenance costs, Brigadier Hull preferred a pumping scheme and it was decided to adhere to a major pumping scheme utilizing the Mahaveli-ganga as the source. At the request of the Prime Minister the necessary specifications and particulars were furnished to the Director of Public Works in 1951 to enable him to invite tenders from reputed Consultants for the design of the Scheme.

CHAPTER VII

EDUCATION

1. Historical Sketch

THE two main features of Ceylon education, the division of function between Government schools and voluntary schools, and the distinction between 'English education' and 'Vernacular education' have been with us for almost the whole period of the British connection. In the maritime provinces the Government took over the schools provided by the Dutch Government, schools in which Sinhalese and Tamil were the medium of instruction. Some of them were closed as a measure of economy in 1803, though later some were opened as mission schools. Until 1831 Government provided very little education in English, but as a result of a report by Lieutenant-Colonel Colebrook in that year the emphasis of Government effort was shifted to English schools. The various missionary societies began establishing schools from 1812 onwards. They were interested at first in providing English education for Europeans and the children of the 'Mudaliyar' class, but later they extended their work into the villages and founded Sinhalese and Tamil as well as English schools. By 1832 there were 235 Protestant missionary schools and ninety schools under the direct control of Government. The number of Roman Catholic schools at this time is not known, but five years later there were 118 of them.

The system of assisting missionary schools by means of grants began in 1842 when it was decided, owing to difficulties of administration, to close the Government English schools in the Jaffna Peninsula and to make grants to the missionary societies instead. Elsewhere, however, Government returned to the practice of establishing Sinhalese schools. The period from 1841 to 1847 was in fact one of considerable development on the part of Government, which acted through the Central School Commission. The Commission had been established in 1814 on the recommendation of Governor Stewart Mackenzie, who had also laid down that schools should be open to children of all denominations, that children should be taught to read their own language before they were taught English, that books should be translated into Sinhalese and Tamil, and that teachers should be trained.

This period of development of Government provision for education was, however, followed by one of set-back. After 1845 there were differences in the Commission; financial depression began about 1847; and the rebellion of 1848 supervened. In 1848 Government had twenty-four vernacular schools and fifty-two English schools. In addition there were three central schools for boys, three superior schools for girls, and the Colombo Academy whose name was later changed to Royal College. For the rest, education was provided by the missionary societies, though in the case of twenty-eight English schools in the Jaffna District Government provided grant. The various difficulties which began in 1847 resulted in education passing more and more into the hands of the missionary societies. Two of the central schools were closed and the normal classes at the Colombo Academy were stopped. The Colombo Academy was in peril but survived. The staffs of the English schools were heavily reduced and the fees raised, with the result that attendance declined. The vernacular schools were compelled to levy small fees. In 1858 the Government Normal School for vernacular teachers, which had survived the crisis of 1848, was closed.

In the sixties this combination of Government and missionary education was regarded by many as unsatisfactory and the Legislative Council appointed a sub-Committee 'to inquire into and report upon the state and prospects of education in the Island and the amount of success which has attended the working of the present system of education'. Its report, printed as Sessional Paper VIII of 1867, recommended as follows:—

- (1) Elementary education in Sinhalese and Tamil should be undertaken by Government on a larger scale. More Government schools should be set up, but greater encouragement should also be given to denominational bodies.

- (2) Anglo-Vernacular schools should take the place of 'mixed' schools.
- (3) More central schools (*i.e.*, schools where English and practical subjects were taught) should be established.
- (4) The rules as to religious education in grant-in-aid schools should be revoked so as to leave all religious bodies free to teach religion as they pleased.
- (5) The School Commission should be abolished and a Department of Public Instruction under the Director of Public Instruction established.

These recommendations were put into operation and resulted in a great increase both in Government and aided schools as the following figures indicate :—

	1869	1874	1879	1884	1889	1897
Government schools	64	243	372	431	468	474
Aided schools	21	595	814	938	1,042	1,172
Total	85	838	1,186	1,369	1,510	1,646

The Sinhalese and Tamil schools charged no fees and the grant covered a large part of their cost. Fees, varying from school to school, were charged in the English schools, and the grant was meagre.

Until 1886 all the schools, except a few private schools not aided by Government, were either Government or Christian schools. The Buddhist Theosophical Society was established in that year and by 1897 it had sixty-three grant-aided schools under its control. There were also thirteen aided schools managed by Buddhist priests and twenty-seven aided schools managed by Buddhist laymen. There was no widely organized effort on the part of Hindus and Muslims to establish schools for children of their religion, but by 1897 Government had established six schools for Muslim girls in which provision was made for instruction in the Koran. This was part of a general development of educational facilities for girls. Until 1869 there were very few girls' schools but by 1897 there were eighty-five girls' schools provided by Government, 284 such schools aided by grants from Government, and 645 schools for boys and girls which were aided by grants from Government.

Compulsory education in the urban areas was introduced by the Town Schools Ordinance, 1906, and in the rural areas by the Rural Schools Ordinance. The increase in the number of Government Schools was not, however, as great as had been anticipated as the following figures show :—

	1905	1910
Government schools	554	759
Grant-aided schools	1,582	1,910

Meanwhile, some effort had been made to develop higher education in the Island. The Cambridge Senior and Junior Local Examinations had been introduced in 1880, and candidates were sent forward by Royal College, and the denominational English schools. The Matriculation examination and Intermediate examination in Arts of the University of London were held in Ceylon from 1882 and 1885 respectively. Also certain of the grant-aided schools were affiliated to the Universities of Calcutta and Madras and prepared for their examinations. By 1897 there was a Government Medical College, whose licentiates were recognised by the General Medical Council; an agricultural school; a school for supplying skilled workers for the Railway, Survey, Public Works, and Postal Departments; and fifteen grant-aided industrial schools. By 1907 the school for skilled workers was known as the Technical College, and in that year a Committee (*see* Sessional Paper XXXIV of 1907) recommended that those who had passed through the College should be preferred for appointment in the technical departments. In 1908 Governor McCallum appointed a Commission to consider ways and means of making the Royal College self-supporting and directed that the question of its amalgamation, in whole or in part, with the Technical College should be

considered. The majority of the Commission recommended that Royal College should be maintained as a model institution in spite of the cost, but that the fees should be raised. The Technical College was recognised to have been a failure. The Commission nevertheless recommended its maintenance; but, considering that there was not sufficient demand for trained engineers, did not advocate the introduction of higher classes.

Thus in 1910 there was no higher technical or professional education in the Island except in law and medicine. Except for a few students presented for Indian degrees, there was no University education. A special examination was held annually for the award of 'Government University Scholarships' the successful candidates being sent to Great Britain at the expense of Government. From early in the nineteenth century there had been suggestions for a University in Ceylon, and an association was set up in 1906 to advocate this development. In 1911 an Education Committee was appointed to survey and make recommendations on secondary and higher education, and was assisted by Mr. J. J. R. Bridge, an Inspector of Schools of the English Board of Education. The Committee recommended the establishment of a University College and proceeded to discuss secondary education. Among other recommendations, it suggested the compulsory teaching of Sinhalese or Tamil to Sinhalese or Tamil pupils in the primary classes, the institution of an Elementary School Leaving Certificate, the development of commercial education, and the making of grants for school buildings. Perhaps the most important recommendation was that a change be made in the system of assessing grants. The system introduced in 1871 on the recommendation of the Sub-Committee of the Legislative Council was the 'result' system, by which the amount of the grant depended on the results shown by the examination of individual pupils in individual subjects. Except in eleven schools, this system was still in operation in 1911. The Committee recommended that, provided that equipment and staff were adequate, grants should be based on average attendance; but an increased rate per pupil should be paid for each trained teacher employed. It also recommended that a minimum scale of fees be insisted upon.

The recommendations of the Committee were accepted by the Executive Council and forwarded to the Secretary of State, who consulted the English Board of Education (*see* Sessional Paper XXVI of 1913). All the proposals, except that for a University College, were accepted by the Secretary of State (*see* Sessional Paper VII of 1914) and brought into operation by the Departmental Code of 1914.

Ordinance No. 1 of 1920 provided for the establishment of Government schools in purely non-Christian areas, the closing of missionary schools in those areas, State neutrality in religious instructions and the observance of a conscience clause by Assisted schools. The Department of Education and the Board of Education were given legal status, and the powers of the latter were increased, though it remained advisory. District Committees were set up for the construction of new Government schools, the repair of existing school buildings and the enforcement of compulsory attendance. The whole cost of education was transferred to general revenue.

The Government had for a considerable time found it difficult to raise the standard of teaching in the Assisted schools. Both under the early haphazard grant scheme and under the 'result' system adopted in 1871, the Assisted schools were left to determine the salaries of their teachers, and neither system permitted of the introduction of incremental scale unless the schools were able to increase their revenue from other sources. Even in the Sinhalese and Tamil schools, where the grant covered most of the expenditure, there was no variation according to the experience of the teachers. The 'result' system was gradually abolished in the English schools, but the only differentiation even after 1914 was that a higher grant was paid where trained teachers were employed. As a result of pressure from teachers, increased grants were sanctioned to Sinhalese and Tamil schools in February, 1920, in order that higher salaries might be paid; and later in the same year an increase of 15 per cent. was sanctioned for English schools. The percentage was increased to 30 in the financial year 1920-21. There was, however, no guarantee that the increase accrued to teachers, and it appeared that they gained by 10 per cent. only. Accordingly, the Department decided to lay down minimum salary scales; and this was done by Circular C 4 of October 14, 1922, for Sinhalese and Tamil schools, and by Circular D 7 of February 26, 1923, for English schools. The scales were incremental and were dependent upon qualifications.

This decision did not solve the problem, for there was no guarantee that managers would have funds to pay salaries. A Select Committee of the Legislative Council appointed on April 19, 1923, recommended that the grant should be a proportion of teachers' salaries.

The Committee's report was referred to the Board of Education, which approved it, drew salary scales, and defined an adequate staff by reference to maximum units of pupil attendance for teachers of different qualifications. The Board also recommended that the manager's share of the salary cost in English schools should be made constant and drew up a scale of manager's contributions (*see* Sessional Paper XXI of 1925). A Committee appointed to report on a pension scheme produced a draft scheme in the same year (*see* Sessional Paper XVII of 1925). The Board of Education recommended the creation of an Advisory Committee, consisting of members of the Board and teachers' representatives, to advise the Director of Education on the salary scheme and the suggested pension scheme. Some members of the Legislative Council were added later. The salary scheme took effect from October 1, 1925, but was modified in the following year on the recommendation of the Advisory Committee (Sessional Paper XXXIII of 1926). Further details were laid down in the Code of 1927, and the status and prospects of teachers were much improved by the passing of the School Teachers Pension Ordinance, No. 6 of 1927.

An important development in the education field is the establishment of the University of Ceylon on July 1, 1942. The establishment of a University College was the only proposal of the Committee of 1911-12 not immediately accepted by the Secretary of State. Governor Chalmers took up the question soon after his arrival and on January 20, 1914, wrote a despatch supporting the proposal. The Roman Catholics, however, requested the establishment of a separate (grant-aided) College to be affiliated, like the University College, to the new University when established. The Governor recommended the proposal, with the qualification that no grant should be paid. In view of this qualification the Roman Catholics abandoned their proposal, and on March 30, 1915, the Secretary of State approved the proposal for the establishment of a University College affiliated to the University of Oxford.

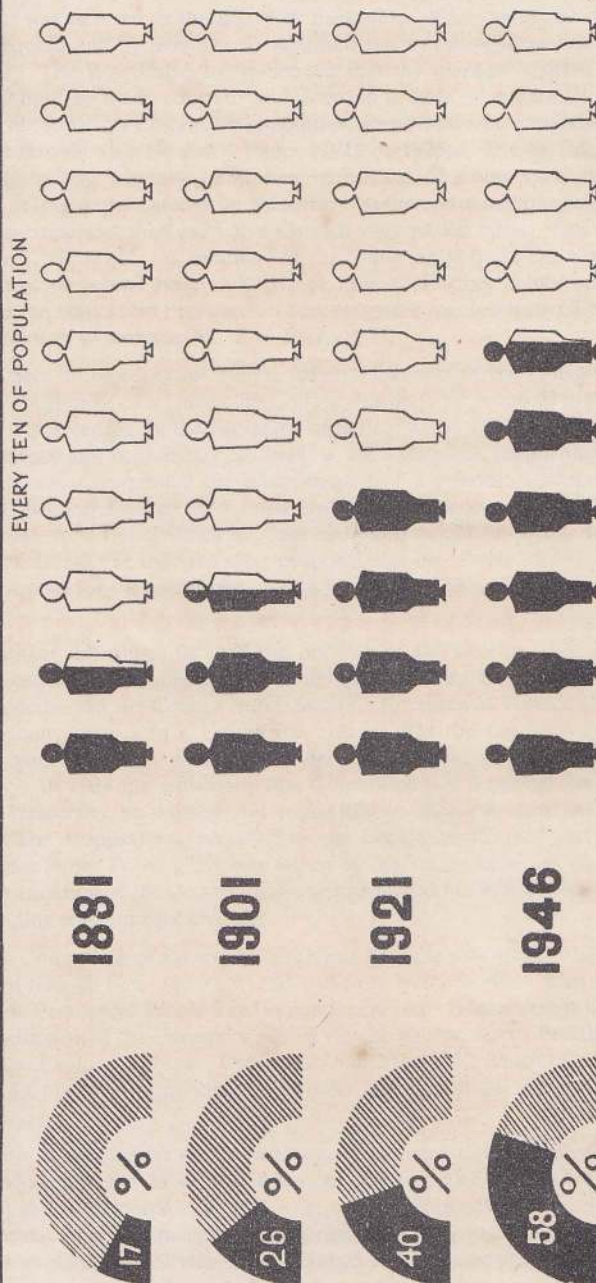
The war and the post-war difficulties delayed the opening of the College until January, 1921. Affiliation with Oxford proved to be impossible—though an Advisory Committee was appointed by the Hebdomadal Council—and the College began teaching for external London degrees. Plans were made for its early conversion into a University, and in 1924 the Legislative Council voted Rs. 3,000,000 for land and buildings. Controversy developed, however, over the location and nature of the University. In 1927 the University Site Committee (*see* Sessional Paper V of 1927) recommended that the University be unitary and residential in character and that it be located on a site near Kandy. The proposal was accepted by the Legislative Council and the University Commission (*see* Sessional Paper IV of 1929) was set up to draft a constitution on this basis. A bill based on the recommendation of the Commission was introduced in 1930, but was not proceeded with owing to the impending constitutional changes.

Though the Executive Committee of Education established by the new Constitution took up the University question from time to time, there was still difficulty over the site. This was not settled until 1938, when the New Peradeniya Estate was (in part) acquired. Thereupon it became possible to proceed with the organisation of the University with a view to its transfer to Peradeniya when the site should be ready. The Ceylon University Ordinance, No. 20 of 1942, which fused the University College and the Medical College and provided the University constitution, was passed by the State Council on April 2, 1942.

The Special Committee made a series of far reaching recommendations, chief of which was the recommendation that education should be free from the Kindergarten to the University. After analysing the defects of the educational system it went on to recommend that school education be divided into two clear cut stages, primary and post-primary—the dividing line being at the end of the 5th Standard. The primary school was to be a single type of school organised in six stages or classes, while the post-primary school was to be of three types :—

- (a) Secondary schools leading to the University and Professional Colleges ;
- (b) Senior schools leading to Polytechnics and Technical Schools ;
- (c) Practical schools leading to Agricultural and Trade Schools.

LITERACY IN CEYLON 1881 - 1946 POPULATION 5 YEARS AND OVER



LITERATES

ILLITERATES

Each of these post-primary schools were to be divided into lower and higher departments, the work of the lower department extending over three years being practically the same in all three types. The complete course in both departments being seven years in the secondary school, five in the senior school and three in the practical school.

The recommended medium of instruction in the Primary school was the mother-tongue. The mother-tongue was so defined that it could be English, Sinhalese, Tamil or Malay, depending on the racial stock of the parents. English was to be a language subject in all primary schools where it was not the medium. Similarly in schools where English was the medium of instruction, Sinhalese or Tamil was to be introduced as a language subject.

In the sphere of examinations two types of tests were recommended—fitness tests and attainment tests. The former was to be held at the conclusion of the 8th standard. The attainment tests recommended were a senior school certificate for pupils completing the senior school course, a practical school certificate for pupils completing the higher practical course in practical schools, a higher school certificate for secondary schools pupils who have passed the senior school certificate and diploma examination for pupils who complete the respective courses of the technical schools, agricultural schools and trade schools.

But the main recommendation was that education should be free from Kindergarten to the University. This included the provision of free board and lodging to poor students where necessary, whatever the type of education they received.

EXPENDITURE ON EDUCATION, 1940-1950

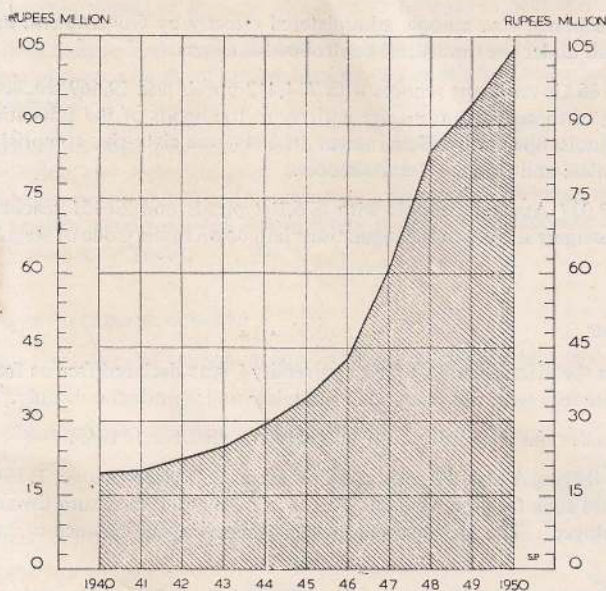


TABLE 7.1 EXPENDITURE ON EDUCATION

Year	Total Expenditure Rs. (Thousand)	Per Capita Expenditure Rs. c.
1938	18,498	3 18
1939	19,376	3 29
1940	19,514	3 28
1941	20,110	3 34
1942	22,332	3 71
1943	24,827	4 05
1944	29,557	4 71
1945	34,934	5 38
1946	42,897	6 41
1947	60,954	8 86
1948	84,732	11 96
1949	94,436	12 94
1950	105,598	14 00
1951	117,114	15 13

II. Educational System

GENERAL

Primary and Post-Primary education in Ceylon under the control of the Honourable the Minister for Education is administered by the Department of Education, with the advice of a Board of Education and twenty-five Local Advisory Committees.

Local Advisory Committees have been established in the municipalities and Revenue Districts. These Committees which are appointed by the Honourable the Minister for Education and which consist of officials, Members of Parliament and other local representatives, advise the Director of Education on the Educational needs of the areas they represent.

The Board of Education is composed of twenty-five members nominated by the Minister for Education on the recommendation of the Director of Education who is the Chairman of the Board. The personnel of the Board includes Managers of Schools, Representatives of Teachers' Associations and prominent educationalists.

The function of the Board, which is not vested with any administrative or executive powers, is to give advice to the Director on matters relating to education in the Island which may be referred by him to the Board. The members of the Board can also initiate proposals and recommendations.

It is proposed to replace the Board of Education by a Central Advisory Council of Education.

Attendance at school between the ages of six and fourteen is compulsory, subject to few exceptions ; such compulsion, however, applies only when school accommodation is provided within a reasonable distance from the residence of the pupils. Specially appointed Attendance Officers see to the effective operation of the regulations governing compulsory attendance, and take action to prosecute parents who violate these regulations when gentler methods of persuasion are ineffective.

TYPES OF SCHOOLS

The schools of Ceylon are not divided on a basis of race or nationality. All schools which are maintained by Government or assisted by means of grants are compelled by law to admit pupils irrespective of race, nationality or religion.

There are two distinct types of schools, *viz.*, schools administered directly by Government, and schools assisted by Government and under the immediate control of Managers.

On May 31, 1951, there were 3,286 Government schools with 734,412 pupils and 19,669 teachers. The arrangements for the running of these institutions are entirely in the hands of the Education Department. The number of schools opened by Government in 1949 was sixty-six, comprising nineteen English, forty-seven Sinhalese and thirteen Tamil schools.

On May 31, 1951, there were 3,037 Assisted schools with 676,102 pupils and 20,351 teachers. These schools are conducted by Managers subject to the regulations laid down in the Code of Regulations for Assisted schools.

THE FREE EDUCATION SCHEME

All education in the Island 'from the Kindergarten to the University' was declared free as from October 1, 1945. Prior to that date fees were not charged in Sinhalese and Tamil schools only.

All Government schools came under the Free Education Scheme from October 1, 1945.

The Free Scheme affected the fee-levying Assisted English Schools mainly. Before October 1, 1945, these schools charged fees and from such fees the Manager had to contribute a fixed sum towards the salary of each teacher he employed. The Government grant consisted of the balance of such salaries.

Under the Free Scheme Government undertakes to pay the entire salaries of the approved staff of a school together with a maintenance and equipment grant calculated at specified rates.

A number of Assisted schools became free schools from the inception of the scheme. The remaining Assisted schools were given time till October 1, 1950, to make a decision on this matter.

No grant of any kind for any period commencing on or after July 1, 1950, will be paid from Government funds to any Assisted school which did not comply with the revised regulations on or before July 1, 1950.

The only fees that may be levied in any school, Government or Assisted, under the new regulations are :—

- (a) A fee for the provision of facilities for games or physical training. This fee shall not exceed fifty cents for each month.
- (b) A fee for the provision of dental treatment. The rate shall not exceed fifty cents for each occasion on which dental treatment is given.

THE MEDIUM OF INSTRUCTION

One of the conditions governing the provision of Free Education was the introduction of the mother-tongue as the medium of instruction in the primary classes of schools. The new system and the consequential changes are thus described in the regulations :—

‘ The mother-tongue of the pupils is the medium of instruction in the primary classes and English is taught as a compulsory second language from Standard 3 upwards in primary classes where the medium of instruction is Sinhalese or Tamil. Where the medium of instruction in the primary classes is English, either Sinhalese or Tamil, at the option of the parents is taught as a compulsory second language. The mother-tongue in relation to any pupil, whose parents are not both Sinhalese or both Tamil, is taken to be that one of the three languages Sinhalese, Tamil and English, which is ordinarily spoken in the home of that pupil, or which, in the case of a Muslim pupil, is approved by the parents of that pupil. ’

The medium of instruction in schools varies according to the type of school. In the post-primary classes of English schools the medium of instruction is English with either Sinhalese or Tamil taught compulsorily as a second language. There are a very few cases where English primary classes are allowed in respect of children whose mother-tongue is neither Sinhalese nor Tamil.

In Sinhalese and Tamil schools the medium is entirely Sinhalese and Tamil respectively. In some of these schools an optional course of English for one period a day is given in all classes above Standard 2.

It will be seen, therefore, that broadly speaking according to the system of education prevailing in Ceylon, the pupils are given the following alternative course : (a) a full course of instruction in Sinhalese or Tamil ; (b) a full course of instruction in Sinhalese or Tamil plus a working knowledge of English ; and (c) a full post-primary course of instruction in English with a good knowledge of Sinhalese or Tamil.

ACADEMIC SCHOOLS

In the majority of schools a non-vocational type of instruction which is general and academic is given.

These schools can be classified as follows :—

<i>English Schools</i>	<i>Sinhalese and Tamil Schools</i>
Collegiate	—
Central	—
Senior	Senior
Junior	Junior
Primary	Primary
—	Infant

Infant schools are allowed where the attendance justifies the separate organization of such schools.

Primary schools provide a course of instruction up to and including Standard 5.

Junior schools conduct classes from Standard 6 to Standard 8 and may have classes up to Senior School Certificate with the approval of the Education Department.

Senior schools provide a course of instruction from Standard 6 to the Senior School Certificate. With the approval of the Director of Education, Senior schools may have a further course leading up to the standard of the Higher School Certificate and the University Entrance Examinations. These schools may have lower classes starting from the kindergarten, or from Standard 2.

Central schools provide a course of instruction from Standard 6 upwards to the standard of the Higher School Certificate and University Entrance Examination. They may have primary schools attached to them. Central schools are administered directly by Government. They are established on a territorial basis and have feeder schools. Scholarships are awarded in every Central school to deserving pupils on the results of a special test at the Standard 5 stage. Scholars are given board, lodging and clothes free. On May 31, 1951, there were fifty-four Central schools.

The introduction of the mother-tongue as medium in the primary classes of all schools has meant in effect that all schools which aim at the English medium in the post-primary classes must adopt some form of bilingual education at the commencement of the post-primary stage. The existing bilingual schools have been converted to junior schools.

In addition to the schools, that come under the classification referred to above, there is a class of schools known as Pirivenas which are primarily intended for the Buddhist priesthood. These schools are divided into two grades—Junior and Senior. The syllabus of the Junior Pirivena includes school subjects in addition to an elementary course in oriental language. In a Senior Pirivena only oriental languages are taught.

VOCATIONAL SCHOOLS

Vocational schools are those schools which give a specialized form of instruction. Besides full-time agricultural schools under the Department of Agriculture, there is a Technical College. Many industrial schools and Demonstration Centres are either entirely run by the Department of Industries or assisted by that Department. The schools, as opposed to the centres are run purely as instructional institutions while the centres are organised into Learner Societies soon after the training is over to enable the learners to share profits arising from sale of articles produced with their own capital.

These industrial schools and centres give instructions in the following crafts : textile weaving, coirwork, matweaving and allied work, rattan, brass and ironwork.

Part-time instruction in handicrafts, such as woodwork, ironwork, coirwork, lacework, rattanwork, basketwork, and cloth weaving is given in several Central, Senior, Junior and Sinhalese and Tamil schools. The work is so planned as to provide a course of training preparatory to more intensive industrial training for pupils who are likely to take to an industrial vocation. Handicraft sections are being organized in every Central school.

The only full-time Vocational schools controlled by the Department of Education are the Training colleges for teachers. There are eighteen such institutions, one of which, the Government Training College, Maharagama, provides a one-year course of training for graduates and a two-year course for non-graduates. The other Training colleges train teachers for Sinhalese and Tamil schools. Ten of the institutions are administered by Government and the rest are conducted by various denominational bodies assisted by the Government grants. In these colleges the normal course of training is one of two years.

There are two schools for lepers, one at Hendala and the other at Mantivu.

ADULT EDUCATION

Since 1939 an organised effort has been made to bring the benefits of Adult Education within the reach of the rural population. With this object in view, evening classes for adults were started in Government schools. These classes were staffed by Government teachers, who were given a small

allowance as an honorarium. In 1945 a literacy campaign was launched and the formation of adult classes was further stimulated throughout the Island. Though the actual number made literate is not known, it is believed that the movement produced good results.

While the main aim of these adult classes is instruction in reading, writing and number, other activities like indoor games, talks on useful topics of village life and the encouragement of music, singing and dancing also formed part of the programme of work. Several adult classes have radio sets. The departmental cinema vans visit most of these classes and the shows attract large crowds of village people who welcome such forms of entertainment and the useful information they could gather in this manner.

In May, 1948, a further step was taken by the formation of Adult Centres attached to Government Training Colleges and Central and Senior schools. The staff at these institutions were considered competent to develop a more advanced type of education suitable for even educated adults. In addition to the activities prescribed for adult classes these centres are expected to devote more attention to lectures on History, Health and Civics and to encourage general reading of both newspapers and books. Gramophones have been supplied to these centres and it is hoped to instal radio sets in all of them. The number of centres has now increased to thirty and applications have been received for many more.

Two special officers have now been appointed to organise and work a comprehensive scheme of Adult Education for the whole Island, and the services of an Adviser on Adult Education have been secured from India to assist these officers to make a complete survey and report on a suitable plan, making the best use of all available resources.

Literature and posters suitable for rural adults are being prepared in collaboration with the Information Department and are widely distributed to classes and centres. Steps are also being taken to make use of some of the Information Department films produced locally and to provide Sinhalese and Tamil commentaries to some of the imported films now shown in rural areas.

The Rural Development Department, the Local Government Department, the Mahila Samiti and other organisations continue to do valuable work in the field of Adult Education in Ceylon, and the new scheme will aim at bringing about a harmonious co-ordination of the activities of these and other bodies now contributing towards the welfare of the rural adult.

EDUCATION OF DEFECTIVE AND DELINQUENT CHILDREN

The Ceylon School for the Deaf.—The schools for the deaf and for the blind were separated at the beginning of 1949. This change facilitates planning for the educational needs of the deaf and of the blind separately.

The number on the roll is 148 including 36 admissions made during the year. The ages of the children range from three to nineteen. The majority of the children are below the age of ten. Several applications for admission of children from four to eight years had to be refused owing to the lack of accommodation both in the hostels and the classes.

The Principal of the school is a Ceylonese who has been trained in deaf work at the Department of Deaf of the University of Manchester. He is in turn instructing his staff in the latest methods of teaching the deaf.

A modern hearing-aid equipment has been installed in the school.

The children follow a normal course of education with suitable extra-curricular activities up to the age of eighteen, and, as the school-leaving age has been raised to twenty-one, they are given an education with a practical bias during the last three years of their schooling.

The Ceylon School for the Blind.—The school functions as a unit apart from the school for the deaf. The number on roll is 117.

A Technical Training school has been started to teach young people a trade till they are twenty-one years of age. The practical subjects so far introduced are rattan work and knitting. Shorthand and typing for the blind were introduced into the curriculum in May. Two students are learning scientific massage.

The prospects of a Sinhalese Braille are favourable in the opinion of Sir Clarke Makenzie, Consultant in Braille to U.N.E.S.C.O. to whom was entrusted the task of evolving a Universal Braille.

Certified Industrial School, Maggona.—This institution is the only male reformatory school for juvenile offenders. The number on roll in 1950 was 454.

The ages of the new admissions range from ten to sixteen. The majority of them were sentenced by courts in the Western Province.

The boys were taught the following trades in the workshops of the institution :—

Carpentry, tailoring, printing, book-binding, iron work, kitchen and infirmarians' work.

There are two schools in the premises—one, a Sinhalese school and the other, Tamil. Classes are held in the afternoon. Satisfactory work was done in both the practical and the school sections.

The Jail Schools at Welikada and Mahara continue to do satisfactory work.

III. Educational Reconstruction

The most significant event of the year 1950 was the publication of the White Paper on Education. It is fitting, therefore, that the events leading to this New Plan of Education should be recapitulated and its main features described.

It was under war conditions that the educational position was examined by a Special Committee which is reported in November, 1943. Its proposals were revised by the Executive Committee of Education, and their recommendations came before the State Council in June 1945. Since then a number of these decisions have been put into effect, either wholly or in part. Some had to be carried out almost immediately, while other could only take practical shape by easy stages. With the lessons of the past in mind, a new plan for education in Ceylon was produced in 1950 and was received with much goodwill. A feature of the new plan is that Assisted schools have been given increased equipment grants and provision has been made for the charging of a 'facilities fee'. The law has now been amended to put the new scheme into force.

Education is to be divided into three stages, Primary, Secondary and Further. It is functional, and not based, as in the past, on linguistic divisions. The first two years of compulsory education will be spent in an Infant Department. The Secondary stage, which will begin at 11 plus, will be divided into two sections, viz., Junior Secondary schools providing a three-year course, and leading to a Selection Test at the end of standard eight; and Senior Secondary schools leading to a First School-leaving Certificate, and thereafter, to Collegiate schools, in which students will be prepared for the University, and Technological courses.

The first sorting out process is to take place at the end of the Junior Secondary course. After a test, including cumulative records, children will be assigned to a multi-lateral type of Senior Secondary school. The child who is not likely to profit by this form of education will have the opportunity of going to Vocational schools conducted by Departments other than the Department of Education. However, the Department of Education will maintain with such children and provide certain non-vocational studies.

Four Polytechnics are to be established at Kandy, Galle, Jaffna and Batticaloa, and will have particular regard to the development of technical, commercial, literary, musical and dramatic studies. It is also proposed to establish evening classes, where there is a demand, in areas distant from Polytechnics.

Education will be free from 5 to 14 years and those able to profit by an education in the Senior Secondary school will not be charged fees. The new educational structure brings Independent schools, Assisted (mostly Denominational) and Government schools under one system, and all the evidence shows that this will be to the greater benefit of Ceylon.

The medium of instruction is to be one of the national languages, Sinhalese or Tamil, although in the secondary stage some subjects will still have to be taught for the time being through the medium of English. As from June 1, 1953, however, all work in standard 6 will be through the medium of one or other of the vernacular languages. In 1954, standard 7 and in 1955, standard 8 will similarly change over. English will be taught as a compulsory second language from the third standard.

In the matter of studies, much more attention will be given to handicrafts than was previously possible. Moreover, forms of practical education, wherever possible related to the environment, will be given in all types of schools, thus, the academically-minded boy in the Senior Secondary or Collegiate school will have some practical work as an integral part of his studies.

PREPARATIONS TO IMPLEMENT THE WHITE PAPER PROPOSALS.

The details for the execution of this programme of reconstruction are being worked out. The following are some of the many matters in which steps are being taken to meet urgent needs :—

(i) *The supply of Teachers*

Much progress has been made since 1947 in this matter as the following table shows :—

<i>Year</i>	<i>Teachers in training</i>
1947	1,246
1948	1,520
1949	2,070
1950	2,383
1951	2,773

With the transfer of the Government Training College to Maharagama and the increase in accommodation provided by new buildings (such as at Balapitiya) and extensions, it will be possible to take in larger numbers of teachers for training in the future. Improvement in the supply of teachers has been qualitative as well as quantitative. The Principals of all the Training Colleges (including Principals of Assisted Training Colleges) met me and as a result of full and frank discussions, the curriculum has been revised to make the training more effective.

The position regarding the supply of practical teachers has also improved. Teachers trained at the Technical College and the School of Art are now taking the place of the workshop instructors whose function so far has actually been that of demonstrators and not teachers. The necessity for increasing the supply of practical teachers in view of the demands that will shortly be made, has been fully realized, and measures are being taken to increase the output.

(ii) *Grants to assisted schools for workshops and workshop equipment*

Reference was made in the report of the Director of Education for 1949 to the difficulties experienced by the managements of Assisted schools in procuring the necessary capital for constructing and equipping workshops. A scheme is now in operation whereby loans can be given to Managers, on favourable terms, for capital expenditure on the organization of practical sections in their schools. It is now expected that attention to handicrafts will be given in all Assisted schools.

(iii) Improvements in methods of teaching

The adoption of sounder educational measures has not been confined to Training Colleges. Much needed reforms of teaching method in the Infant Department have already begun. Interest in modern teaching methods has been stimulated by conferences of teachers—both primary and secondary on educational subjects. It is noteworthy that the first extra-mural activity undertaken by the University of Ceylon was connected with education. On that occasion the University Education Department held a symposium on Primary Education which was largely attended by teachers.

The importance of visual aids has been stressed at these conferences and at special demonstrations. Due emphasis has been laid on the fact that, for the use of the visual method, the possession of expensive equipment is not necessary. Training Colleges, however, have now all received film-strip projectors, while special posters are being sent to Central schools, as a beginning, in an effort to popularise this method of teaching. However, teachers can do much themselves by collecting newspaper and magazine illustrations, and using them in the class room.

(iv) Other features

In several other respects, too, 1950 was a year of progress. The establishment of an Educational Publications Board brought the serious problem of text-books within the range of effective consideration and action.

EDUCATION (AMENDMENT) ACT

Towards the end of 1950 an Education (Amendment) Bill was introduced in Parliament. Its purpose was to bring the Education Ordinance, No. 31 of 1939, and the School Teachers' Pension Ordinance into line with the recommendations contained in the White Paper.

The main features of the Bill were the establishment of a Central Advisory Council to the Minister of Education in place of the existing Board of Education, an extension of the Minister's powers to make regulations for the payment of grants to Assisted denominational schools, the enforcement, for the present, of the upper limit of the compulsory school-going age, *viz.*, fourteen years, in all schools, the provision of free education at the end of the Junior Secondary School course to all pupils who are found suitable for Senior Secondary Education on the basis of certain criteria of their ability and aptitude : pupils who are found unsuitable to continue further academic studies may continue in Assisted schools on payment of fees.

Provision was made for facilitating and encouraging secondary education through the medium of the national languages progressively when practicable, while preserving English as a compulsory second language in all schools.

Part VI of the Ordinance was amended to provide for a more effective operation of the law in regard to estate schools. The limits of existing state control over unaided schools have been more clearly defined while provision was made for teachers in these schools to acquire pension rights under the School Teachers' Pension Ordinance on compliance with necessary conditions.

Appended to the Bill, and forming part of it was a Schedule of 19 Regulations, which set out in clearer perspective under the necessary headings the manner in which the provisions of the Bill are to be carried into effect within the existing framework of school and departmental organisation. The Appendix to the regulations sets out the new rates for the computation of the Maintenance and Equipment Grant. These regulations, on being passed, have effect as though they were made under the principal Ordinance, as amended by this Act, and form part of the Code.

IV. University, Legal and Technical Education

UNIVERSITY OF CEYLON

At the beginning of the sessions in 1950, there were 2,036 students in residence. The corresponding figure for July 1949 was 1,814, but that figure did not include 30 graduate students in Education, whose course started in September. The Education courses, for which 40 students were registered, began in June. Consequently, the real increase was 192 which was due entirely to the registration of 208 students in the Faculty in Engineering. In other Faculties there was a decrease of 16 students due to strict rules for the re-admission of students who had failed examinations. In the Faculty of Medicine, where these rules were inapplicable, the number of students rose from 558 to 653.

TABLE 7.2. COMMUNITIES OF STUDENTS, 1950

Community	Oriental Studies, Arts and Science		Medicine		Engineering	Total		Grand Total
	Men	Women	Men	Women	Men	Men	Women	
Sinhalese	569	210	299	45	95	963	255	1,218
Tamils	263	70	226	32	79	568	102	670
Burghers	28	12	25	1	3	56	13	69
Moors and Malays	24	4	13	0	5	42	4	46
Others	11	3	8	4	7	26	7	33
Total	895	299	571	82	189	1,655	381	2,036

The heavy concentration of Tamils in the Faculties of Medicine and Engineering is noteworthy. The experience of the selection committees was that many students were seeking to enter these two Faculties not because they had any vocation for, or even interest in Medicine and Engineering, but because their parents thought that these professions offered "prospects". This is, of course, a general tendency but it was particularly noted among the Tamil students.

TABLE 7.3. RELIGIONS OF STUDENTS 1950

Religion	Oriental Studies, Arts and Science		Medicine		Engineering	Total		Grand Total
	Men	Women	Men	Women	Men	Men	Women	
Buddhists	456	143	194	25	66	716	168	884
Hindus	188	41	152	22	54	394	63	457
Roman Catholics	93	40	102	14	24	219	54	273
Other Christians	128	69	109	21	39	276	90	366
Muslims	28	4	13	—	5	46	4	50
Others	2	2	1	—	1	4	2	6
Total	895	299	571	82	189	1,655	381	2,036

TABLE 7.4. HOME RESIDENCE OF STUDENTS, 1950

Home Residence	Oriental Studies, Arts and Science		Medicine		Engineering	Total		Grand Total
	Men	Women	Men	Women	Men	Men	Women	
W. P.	445	198	353	61	111	909	259	1,168
N. W. P.	39	11	17	0	3	59	11	70
N. P.	154	17	104	13	46	304	30	334
N. C. P.	6	0	0	0	0	6	0	6
C. P.	73	29	29	0	9	111	29	140
E. P.	14	0	3	1	4	21	1	22
Sabaragamuwa	29	11	11	0	2	42	11	53
Uva	6	0	1	0	3	10	0	10
S. P.	129	33	51	7	11	191	40	231
Burma	—	—	1	—	—	1	—	1
Malaya	—	—	1	—	—	1	—	1
Total	895	299	571	82	189	1,655	381	2,036

It is quite impossible to assess how many students, particularly women, are deprived of University education because of the lack of hostel accommodation. The removal of the Faculties of Oriental Studies, Arts and Science to Peradeniya will solve many problems, but it seems clear that efforts are necessary to provide Halls of Residence for 300 men and 30 women in the Faculty of Medicine.

There was only a slight increase in the number of candidates at the University Entrance Examination, possibly because the 'private' candidates under twenty-two are now scrutinized so as to keep out those who have not the remotest chance of success. Many of these candidates have entered on two or three previous occasions. The following are the figures :—

TABLE 7.5. UNIVERSITY ENTRANCE EXAMINATION

	Candidates			Admitted		
	1948	1949	1950	1948	1949	1950
Oriental Studies, Arts and Law	758	717	688	159	219	239
Science and Agriculture	312	264	249	70	65	56
Medicine and Veterinary Science	450	584	506	114	113	124
Total	1,520	1,565	1,443	343	397	419
Percentage	100	100	100	22.3	25.4	29.0

The above analysis of candidates exhibits a swing away from Arts and Science and towards Medicine. What is more, the quality of the Arts and Science candidates appears to be deteriorating. The explanation is no doubt to be found in present employment conditions. Though the prescribed standard was everywhere insisted upon, the admission in Arts and Law increased ; it did not quite reach the 1947 figure, but it was above the 1946 figure, when the prescribed standard was not insisted upon. There were only seven qualified candidates in Agriculture and none at all in Veterinary Science. A special entrance examination was therefore held in May and twenty candidates who had previously applied for Medicine were accepted. In view of certain changes in future entrance examinations it will be possible for candidates who cannot be offered places for Medicine, to be offered places for Veterinary Science.

TABLE 7.6. STUDENTS ACCORDING TO RACE

	1945	1946	1947	1948	1949	1950
Sinhalese	624	803	952	977	1,114	1,218
Tamils	337	383	468	492	592	670
Burghers	64	64	73	65	67	69
Moors and Malays	28	37	45	40	40	46
Others	12	15	26	15	31	33
Total	1,065	1,302	1,554	1,589	1,844	2,036

TABLE 7.7. STUDENTS ACCORDING TO RELIGION

	1945	1946	1947	1948	1949	1950
Buddhists	402	552	686	686	798	894
Hindus	202	241	287	330	406	457
Christians	420	453	514	508	573	639
Muslims	28	36	47	44	43	50
Others	13	20	20	21	24	6
Total	1,065	1,302	1,554	1,589	1,844	2,036

TABLE 7.8. DEGREES AWARDED, OTHER THAN HONORARY DEGREES

	1943	1944	1945	1946	1947	1948	1949	1950	Total
Ph.D.	—	1	—	—	—	—	2	1	4
M.A.	—	1	2	4	—	2	4	3	16
M.Sc.	—	—	1	1	—	—	—	—	2
B.A.	44	59	64	56	66	87	108	172	656
LL.B.	—	—	—	—	—	—	—	4	4
B.Sc.	20	22	27	31	33	40	44	52	269
B.Sc.Agr.	—	—	—	—	—	—	—	14	14
M.B., B.S.	23	36	34	61	43	70	59	56	382
B.D.S.	—	—	—	—	—	1	—	—	1
Total	87	119	128	153	142	200	217	302	1,348

TABLE 7.10. STUDENTS FOLLOWING SPECIALIST COURSES (SECTION B)
IN ARTS AND SCIENCE

	1942	1945	1946	1947	1948	1949	1950
Arabic	—	—	1	2	1	1	1
Indo-Aryan	8	—	—	—	—	—	—
Sanskrit	—	5	12	12	27	23	8
Pali	—	8	10	17	19	11	17
Sinhalese	13	15	22	30	25	29	27
Tamil	3	3	2	1	6	7	9
English	6	13	8	12	10	14	14
History	25	15	13	13	21	26	30
Economics	43	34	46	47	71	84	86
Philosophy	—	4	3	7	20	15	5
Western Classics	14	16	15	12	7	6	6
Geography	14	17	23	22	20	15	12
Mathematics	11	9	12	9	10	12	13
Physics	7	12	14	13	12	12	9
Chemistry	18	29	24	24	24	32	30
Botany	9	10	9	9	9	10	8
Zoology	2	2	2	5	13	16	19

THE LAW COLLEGE

The Ceylon Law College which is controlled by the Incorporated Council of Legal Education exists for the supervision and control of the legal education of students desiring to qualify themselves as advocates and proctors of the Supreme Court. The Council consists of the Judges, the Attorney-General, the Solicitor-General, and such other persons of standing in the legal profession as the Judges may appoint. The members hold office for three years at a time. The academic qualifications requisite for admission in the case of advocates are (1) a degree in Arts or Science of any University in the British Empire, (2) a pass in the Intermediate Examination in Arts or Science of the University of London or the First Examination in Arts or Science of the University of London or the Higher School Certificate Examination of the University of Ceylon; in the case of proctors (1) a degree in Arts or Science of any University in the British Empire, (2) a pass in the Matriculation Examination of the University of London or the Intermediate Examination in Arts or Science of any Indian University, or the Senior Local Examination of the University of Cambridge, or the Cambridge Senior (English) Examination with credit standard in English and Latin, provided always that the candidate shall adduce proof that he has passed an examination in English and Latin, such examination be either the examination on which he relies for his qualification or some one or other of the aforesaid examination of any University in the British Empire.

Admission to the Ceylon Law College takes place in the month of September and the number of students admitted during the years 1948, 1949 and 1950 were :—

	1948	1949	1950
For the Advocates course	21	29	19
For the Proctors course	64	47	59

The staff consists of sixteen lecturers appointed to hold office for a period of three years at a time, and a Principal.

The examinations provided for by the Rules of the Incorporated Council of Legal Education are held in the months of December and August, the examiners being appointed annually. The number

of candidates who in 1948, 1949 and 1950 entered for these examinations, and the number successful therein were as follows :—

	Entered			Passed		
	1948	1949	1950	1948	1949	1950
Examinations for the admission of Advocates	142	130	98	87	84	57
Examinations for the admission of Proctors	427	382	355	182	165	152

THE CEYLON TECHNICAL COLLEGE

The Ceylon Technical College was recognised by the London University in 1941 for preparation of students for its external degree in Engineering which examination is held annually in Ceylon.

In 1942, it was separated from the Education Department to constitute an independent Department under the control of the Executive Committee of Education. Along with this separation a complete re-organisation was effected increasing considerably the scope and functions of the College.

The four-year day course for the College Diploma and the B.Sc. Engineering (London) in Civil, Mechanical and Electrical Engineering was transferred to the Faculty of Engineering of the University of Ceylon with effect from July, 1950. However, the College Diploma Examination is being conducted by this Department, for those who started the course at this Department.

The courses conducted in this institution are as follows :—

Engineering Section

- (a) 1. Two year full time day course for Junior Technical Officers—S. S. C. with Mathematics and Physics is the minimum qualification for entry, and admission is on the results of an entrance examination.
2. Two year part time day course for Engineering Apprentices—This course is meant for apprentices from Government technical departments and firms who are released for two days in the week.
3. One year full time day course for Draughtsmen Apprentices—This is a course for the preliminary training of Draughtsmen. Qualification for entry is the S. S. C. and admission is on the results of an entrance examination.
4. One year full time day course for Surveyors and Levellers—This is a course to prepare students for the Surveyor-General's Licence examination. Qualification for entry is the S. S. C. with Mathematics and Physics and admission is on the results of an entrance examination.
5. One term course in Motor Mechanism—This is a part time course conducted in English and national languages and deals with both the theoretical and practical aspects of the subject.

- (b) Evening Engineering Course—A preliminary course (Course B) of two years' duration in General Science is conducted before specialization in the branches of Engineering given below—

Three year courses in Electrical Engineering, Mechanical, Municipal and Structural Engineering, Architecture, Building Construction and Surveying and Levelling. Students who have passed the S. S. C. with Mathematics and Physics are exempted from the preliminary course in General Science.

- (c) Evening Vocational Courses—

1. Three year courses in Workshop Practice, Carpenters' Drawing and Printing.
2. Two year course in Radio Servicing.
3. One year course in Electric Wiring (in English and in the National Languages.)
4. One year course in Plumbing (in English and in Sinhalese).
5. One term course in Motor Mechanism for Owner Drivers—No qualifying examination is specified for above except for Radio Servicing where an elementary knowledge of physics is required.

Commerce Section

1. Four year day course for the Diploma in Commerce—The minimum qualification for entry is the S. S. C. and admission is on the results of an entrance examination. Students successfully completing the first two years' course will be awarded the Preliminary Certificate in Commerce.
2. One year day course in Stenography—Students who have passed the S. S. C. or higher examination are admitted to the course. Those who do not possess the minimum qualification will be required to sit for an entrance examination in English.
3. Two year afternoon course in Commerce—Minimum qualification is the J. S. C. Admission is on the results of an entrance examination. Students with S. S. C. or higher qualification are exempted from the entrance examination.
4. Three year evening course in Accountancy—The minimum qualification for entry is the S. S. C. Preference will be given to those who have served as audit or accounts clerks for two years or more either in a Government Department or a firm, and admission is on the results of an entrance examination.
5. Two year evening course in Inter Commerce—The minimum qualification for entry is the London Matriculation or exemption therefrom. Admission is on the results of an entrance examination.
6. Two year evening course in Book-keeping, Shorthand and Typewriting—Minimum qualification for entry is the J. S. C. ; admission is on the results of an entrance examination. Students with S. S. C. or higher qualification are exempted from the entrance examination.
7. Six months' afternoon course for Typists—Students are expected to attain a speed of 25 words per minute in Typewriting at the Final Examination at the end of the course. Minimum qualification for entry is the J. S. C. (English) and admission is on the results of an entrance examination. Students with S. S. C. or higher qualification are exempted from the entrance examination.

Arts and Crafts Section

- (a) 1. Three year course in Drawing, Painting, and Sculpture.
2. Two year course for English Teachers' Drawing Certificate.
3. Two year course for the Vernacular Teachers' Drawing Certificate.
4. Three year evening course in Painting.
5. One year evening course in Photography.
- (b) 1. Two year weaving course leading up to the Industrial Teachers' Certificate examination in weaving.
2. One year course leading up to the Industrial Teachers' Certificate examination in weaving.
3. Three other courses in (1) Pottery, (2) Lac work, (3) Coirwork, each of one year's duration.

Vocational Teachers' Training Course

Practical training was given to the trainees from the Training College in Workshop practice and Methods and Commercial subjects.

A course of training for teachers in Art and Arts Crafts and Mechanical Sections is being conducted since October, 1948.

Bursaries are provided at this institution to deserving students. Scholarships and Exhibitions are awarded to those who come first and second in order of merit in each class.

CHAPTER VIII

EMPLOYMENT, LABOUR AND THE SOCIAL SERVICES

MEASURES to maintain employment, the enacting of labour laws and the provision of Social Services in Ceylon are of comparatively recent origin. They are bound up with the withering away of the old policy of non-intervention and the increasing association of the Government in the economic and social life of the country. The State gradually assumes the role of protector, abolishes the quasi-feudal conditions of labour and, in a succession of legislative acts, compels employers to establish and maintain certain conditions relating to the well-being of the worker.

This chapter deals with (i) Employment and Unemployment ; (ii) Labour Organization and Industrial Relations and Welfare ; (iii) Labour Legislation ; (iv) Ceylon and the I. L. O. ; and (v) The Social Services.

I. Employment and Unemployment

THE GAINFULLY EMPLOYED

Statistics on the economic activities of a people—the number and characteristics of the persons engaged in economic production, their occupations, and their distribution among the branches of economic activity—constitute for a country an inventory of its human resources and reveal its economic and demographic characteristics. They are of considerable value for the purposes of planning and the administering of governmental programmes.

The statistics given in Tables 17·1 and 17·2, relating to the gainfully employed are derived from the figures furnished at the population census of 1946. 'Gainful occupation' was defined as an occupation by which the persons who pursued it earned money or money equivalent. Only the principal occupation, *i.e.*, the occupation which was regularly followed and brought in the largest income was treated as the gainful occupation of the person enumerated. An activity which was not regularly practised and which did not bring in a regular income was excluded from gainful occupation. Thus, housewives who did odd jobs and earned some money and contributed to the support of a family were not included within the category of gainfully employed. This definition of gainfully employed had a narrower range than that of 'earners', information about whom were collected at the 1921 census. These earners included women and children who helped to augment the family income. In comparing statistics for 1946 with the figures recorded at previous censuses note should be taken of the change in the respective definitions. The gainfully employed as of the 1946 census as well as the earners of the previous censuses included those persons who were temporarily unemployed at the time of the census. The 1946 census figures also collected information in regard to employment status, defining an 'employer' as one who employed helpers in transacting his own business and an 'employee' as one who worked for a salary or wages and was subject to the direction and control of an employer and 'worker on own account' as one who was gainfully employed but was neither an employer nor a wage-earner.

MEMBERSHIP STRENGTH OF TRADE UNIONS

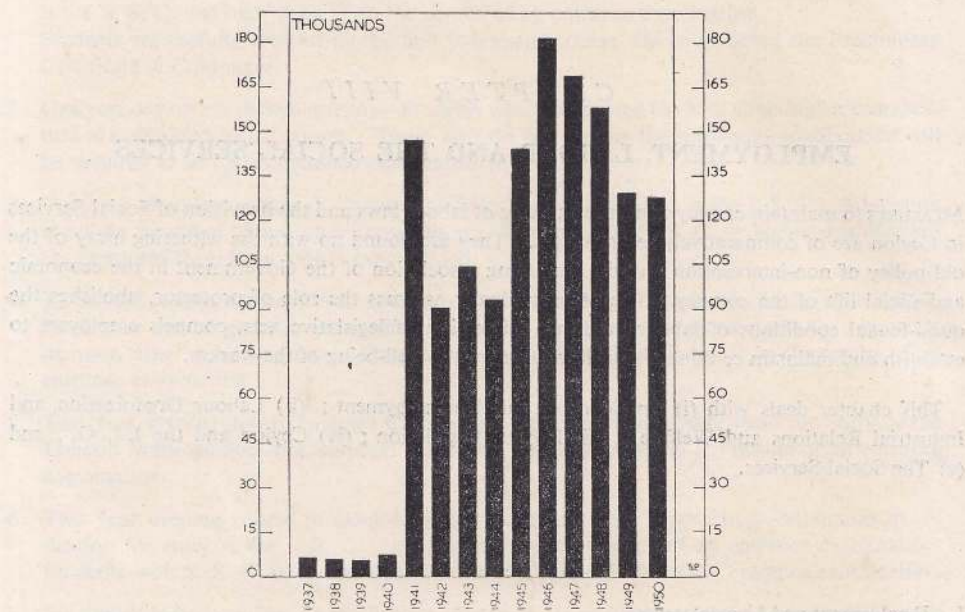
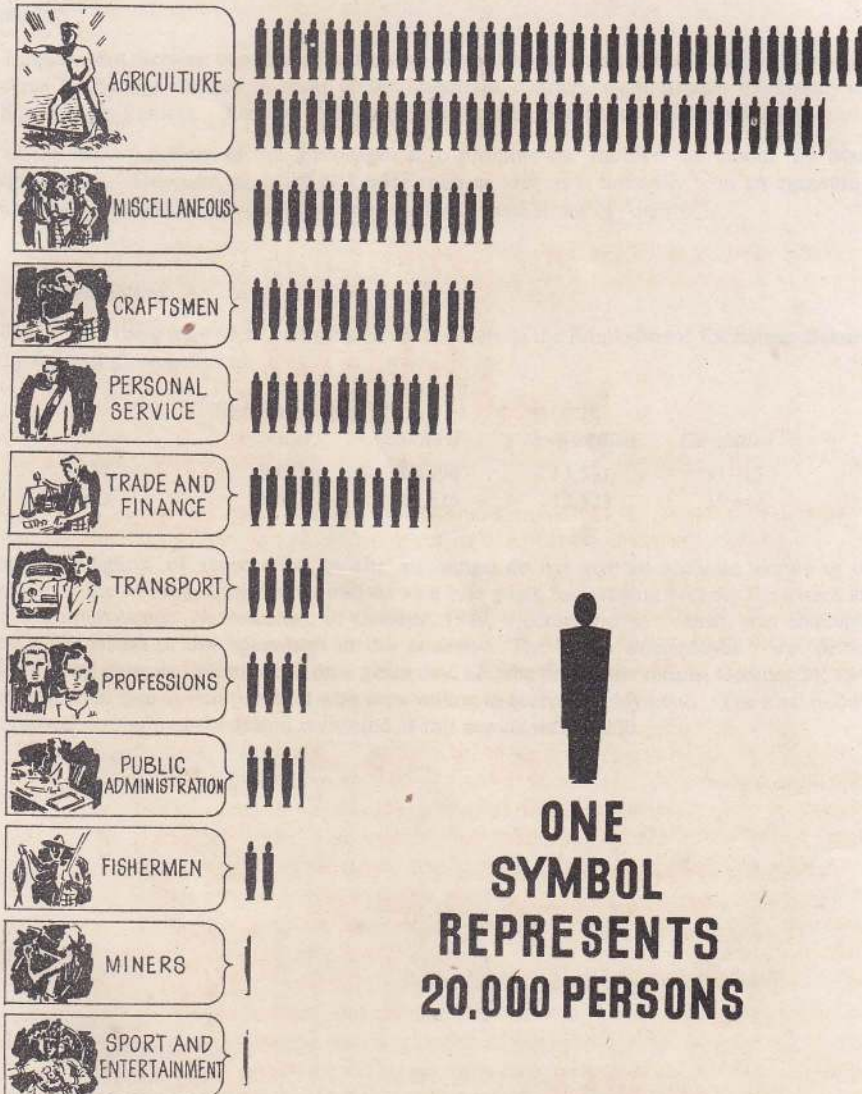


TABLE 8.1. GAINFULLY OCCUPIED POPULATION, CEYLON, 1946 BY BROAD OCCUPATIONAL GROUPS, SHOWING PERCENTAGE IN EACH GROUP OF ALL GAINFUL WORKERS

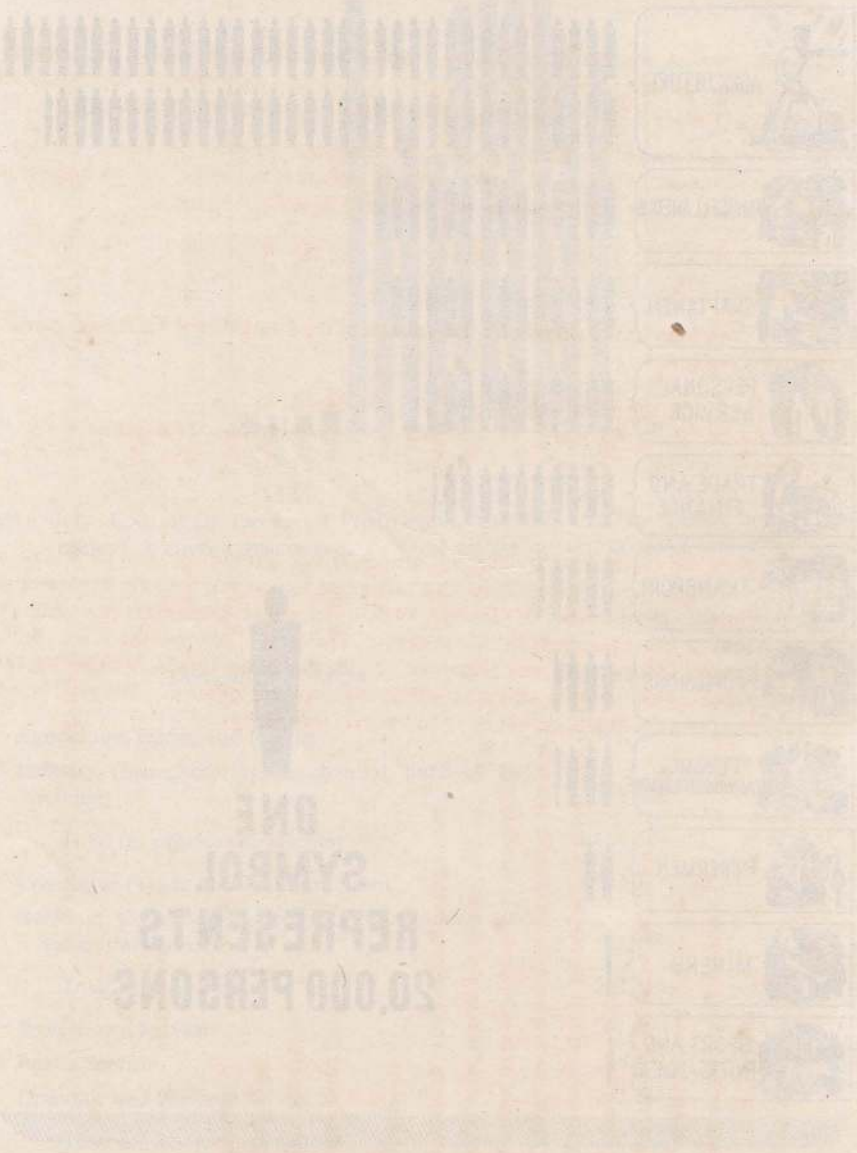
Occupational Groups	Gainfully occupied	
	Number	Per Cent. of all Gainful Occupation
Agriculture, fishing and forestry	1,381,612	52.9
Industry (manufacturing, mechanical pursuits and mining)	286,507	11.0
Total for physical production	1,668,119	63.9
Commerce (Trade and Transportation)	530,029	20.2
Banking, Commission Agencies, Accountancy and Secretarial Services	22,489	.9
Total for distribution	552,518	21.1
Professional Service	61,800	3.1
Public Service	66,802	2.6
Domestic and Personal Service	242,285	9.3
Total for Service occupations	390,887	15.0
Grand Total	2,611,524	100.0

The total number of 'Gainfully Occupied' persons in 1946 was 2,611,524, which is 38.9 per cent. of the total population of the Island for that year.

OCCUPATION DISTRIBUTION 1946 CENSUS



1943 CENSUS OCCUPATION DISTRIBUTION



EMPLOYMENT EXCHANGES

The first Employment Exchange in Ceylon was established in 1938 by the Labour Department as one of the essential elements in the campaign to alleviate unemployment. In 1945, with the large-scale demobilisation of military personnel and the discharge of workers from emergency departments, the Government established a network of Employment Exchanges throughout the Island to facilitate the registration and orderly placement of workers in suitable employment. The Employment Exchange Service gives information to workers of possible openings and the qualifications and experience required, so that suitable persons may readily avail themselves of such opportunities.

The Employment Service consists of a Central Employment Exchange situated at Colombo, eleven Area Exchanges situated in most of the important districts, eight Branch Exchanges and eleven Registration Centres. There is also a separate Women's Exchange in Colombo.

One of the main functions of the Exchanges is to promote the mobility of labour by active propaganda work. However, mobility of labour remains low, as it normally is in an agricultural country where home and family ties emphasize the traditional factor of 'inertia'.

UNEMPLOYMENT

At the end of 1950 there were 65,122 persons on the registers of the Employment Exchanges classified under the following categories :—

	<i>Technical and Clerical</i>	<i>Skilled</i>	<i>Semi-skilled</i>	<i>Un-skilled</i>
1949	5,132	11,994	13,591	39,015
1950	5,627	10,525	13,523	35,447

Though the figures of registration at the Exchanges do not give an accurate picture of unemployment in the country, they can be utilised as a safe guide for gauging broadly the extent and trend of unemployment. Nevertheless, in October, 1949, a comprehensive census was conducted throughout the Island of unemployment in this country. The term 'unemployed' was defined as referring to all persons seeking work on a given day, *i.e.*, the day of the census, October 24, 1949, who were not employed at that time and who were willing to accept employment. The total number of unemployed throughout the Island registered at this census was 86,230.

TABLE 8.2. OCCUPATIONAL ANALYSIS OF THE POPULATION, 1921 AND 1946 CENSUSES

Occupation	1921			1946		
	Total	Males	Females	Total	Males	Females
Total Population	...	2,381,812	2,116,793	6,657,339	3,532,218	3,125,121
Gainfully Employed	...	1,479,567	741,145	2,611,524	2,041,524	570,000
Occupied (not gainfully)	...	4,893	4,036	9,174	5,532	3,642
Others (Dependants, &c.)	...	897,352	1,371,612	4,036,641	1,485,162	2,551,479
Gainfully Employed :						
A. Agricultural and related occupations	1,356,893	904,824	452,069	1,343,438	994,139	349,299
B. Fishermen, hunters, trappers, &c. ...	28,597	28,213	384	38,174	38,169	5
C. Workers in mine and quarry occupations	3,368	2,878	490	9,086	7,691	1,395
D. Craftsmen and production process workers	255,746	111,863	143,883	259,799	200,871	58,928
E. Workers in transport and communications	78,518	72,608	5,910	93,968	91,548	2,420
F. Trade and Finance	151,411	116,510	34,901	205,065	183,504	21,561
G. Public administration and defence...	14,624	14,353	271	66,802	64,920	1,882
H. Professions and liberal arts	46,046	39,474	6,572	76,474	57,663	18,811
I. Sports and Entertainments	2,265	2,219	46	3,744	3,587	157
J. Personal service	142,346	83,734	58,612	235,645	164,941	70,704
K. Miscellaneous	140,898	120,891	38,007	279,329	234,491	44,838
Total	2,220,712	1,479,567	741,145	2,611,524	2,041,524	570,000

II. Labour Organisation, Industrial Relations and Welfare

TRADE UNIONS

The compulsory registration of trade unions in Ceylon is provided for by the Trade Unions Ordinance, No. 14 of 1935. Registration is performed by the Registrar of Trade Unions, who is also the Commissioner of Labour.

In 1947 there were eighty-one registered unions functioning. Membership of trade unions increased from 6,717 in 1937 to 169,031 in 1947. For the period 1935 to 1940 the average total of trade union membership per year was about 5,800 with only one union with a membership of over 1,000. This was the period in which conditions of economic depression made the development of trade unions difficult. In 1941, however, the total membership of unions rose from 7,703 in the previous year to over 147,000 as a result of labour on estates forming themselves into trade unions.

At the end of 1949 the total membership of Workers' Unions amounted to 129,327. This gives a density of 8.62 per cent. if the total number of organisable workers in the country is assumed to be 1,500,000. In the United Kingdom the density for 1948 was 39.54 per cent. and in Australia more than 50 per cent. During 1950, fifty-two unions were registered as against forty-four in 1949. One hundred and eighty-five unions with a membership of 127,809 were functioning at the end of the year 1950. The largest membership of unions was in the plantation industry which had 87,168 members compared with 75,771 in the previous year.

Since the amendment of the law relating to trade unions in August, 1948, making provision for the registration of unions of public servants, various classes of public servants have formed trade unions. During the year 1950 thirty-five such trade unions were registered as against twenty-eight in 1949.

The total number of unions of public servants functioning at the end of 1950 was 76.

TABLE 8.3. ANNUAL REGISTRATION OF TRADE UNIONS

<i>Year</i>	<i>Number</i>	<i>Year</i>	<i>Number</i>
1940	25	1945	23
1941	28	1946	33
1942	20	1947	18
1943	29	1948	34
1944	24	1949	44
		1950	52

TABLE 8.4. MEMBERSHIP STRENGTH OF EMPLOYEE UNIONS

<i>Year</i>	<i>Membership</i>	<i>Year</i>	<i>Membership</i>
1940	7,703	1946	181,774
1941	147,076	1947	169,031
1942	90,552	1948	158,178
1943	104,690	1949	129,329
1944	93,479	1950	127,809
1945	144,240		

EMPLOYERS' ORGANISATIONS

In 1950 there were nine unions of employers in the different industries grouped under the Employers' Federation of Ceylon. The planting industry has organised itself into the Ceylon Estate Employers' Federation. The Employers' Federation of Ceylon was formed in 1929 by a group of employers who recognised trade unionism as a part of the natural economic and political growth of the country. In this way, it was possible to represent to trade union leaders the views of employers in order to settle trade disputes. The scope of the Employers' Federation has since been widened so as to provide a basis of consultation with labour leaders, not only on employment conditions but also to examine wider questions of economic and social planning.

INDUSTRIAL RELATIONS

In 1950 there were 109 strikes reported as against 94 in 1949. The total number of man-days lost as a result of these strikes in 1950 was 106,470 as against 695,916 in 1949. The number of strikes and the number of man-days lost each year during the period, 1945-50 are given in the following table :—

TABLE 8.5. NUMBER OF STRIKES AND NUMBER OF MAN-DAYS LOST

<i>Year</i>	<i>No. of Strikes</i>	<i>No. of Man-days lost</i>
1945	81	157,673
1946	156	282,696
1947	105	743,831
1948	53	52,431
1949	94	695,916
1950	109	106,470

INDUSTRIAL HYGIENE, SAFETY AND WELFARE

A Division of Industrial Hygiene, Safety and Welfare has been organised within the Department of Labour. Its functions are :—

- (i) A technical consultant service to Government Departments,
- (ii) The detection, control and prevention of occupational health hazards,
- (iii) An advisory service to industry on medical supervision and Labour Welfare amenities,
- (iv) The control and prevention of industrial accidents and industrial illness.

An environmental hygiene survey of selected occupational groups is being carried out preliminary to the more detailed investigation of hazards in industry. Field sampling and investigation are conducted by specially trained officers of the Labour Department, while chemical investigation is carried out at the laboratory of the Government Analyst.

Clinical and radiological surveys of industrial groups are carried out in collaboration with the medical staff attached to the Chest Clinic, Colombo, and laboratory investigation of clinical material is referred to the Medical Research Institute, Colombo.

A special study of the respiratory system of underground workers in the Plumbago Industry was undertaken for the purpose of determining the period of work which plumbago miners could perform without undue fatigue.

A weekly industrial health clinic is held at the Government Press, where regular health examinations are carried out to detect early cases of lead intoxication, and necessary remedial measures adopted. A weekly dental clinic is also conducted and a qualified dental officer is in attendance. Milk is distributed free daily to all employees exposed to a lead hazard.

The Labour Welfare section was created in August, 1947. Its primary object was to provide a focus for the co-ordination of welfare work in industry, and to develop on a voluntary basis, activities to promote the well-being of work people. It is intended that the Labour Department should be in a position to advise employers of labour, both Government and private on the subject of Labour Welfare with a view to the promotion of contentment among workers and the establishment of cordial relations between employers and employees.

III. Labour Legislation

The earliest measure of protection afforded to labour in Ceylon did not relate specifically to labour but formed one branch of the general law of contract. Its provisions were contained in the Contracts for Hire and Service Ordinance, passed in 1865. This laid down that contracts for hire and service for periods longer than one month should be clearly expressed in writing and attested before a Magistrate or a Justice of the Peace ; also, that the employer was responsible for the food, lodging and medical care during the period of incapacity of a servant who fell ill.

ESTATE LABOUR

The first section to benefit from the new legislation was Indian estate labour. For about this period, the reluctance of indigenous labour to accept work even for a money wage on the new coffee plantations compelled planters to turn their attention to South Indian labour. The principal problem which confronted them was not so much the determination of mutual rights and obligations of employers and workers but that of settling the conditions of recruitment, sanitation and health involved in the arduous journey of the Indian labourer from his home around Trichinopoly to Dhanuskodi, and thence to the estates of Ceylon.

A prominent factor in this matter was the considerable loss of life due to epidemics of cholera and smallpox which ravaged the provincial populations on the way and took heavy toll from the immigrants. In 1867, there were over 10,000 cases and 22,478 in 1877. To meet this situation it was decided to establish Quarantine Camps. These camps were opened in 1899, and as they have been most effective in the prevention of epidemics, the system has been maintained. Tataparai was the main camp until 1914, from which year the route taken by estate labourers was diverted to Mandapam. When the Tataparai Camp was opened it was found that numbers of labourers arrived there without money for food and so underwent hardship. Their presence in the village also brought the danger of cholera close to the camp. A scheme was then evolved by which a 'Kangany' going to India was given a number of tokens, which served as vouchers for admittance of himself and his followers to the camp, for their feeding and despatch to the estate, the cost being recovered by Government from the estate. One of the worst features in this system of recruitment was the chronic indebtedness of the labourer as a result of the 'tundu' system. The travelling expenses of the recruit from his home in South India until he reached Ceylon and secured employment on an estate, were advanced to him by the recruiting 'Kangany' and this constituted a life-long debt of the labourer. The Indian labourer once recruited on these conditions had hardly

any personal existence. He was practically a serf of the 'Kangany' and followed his fluctuating fortunes from estate to estate as he migrated. This pernicious system was abolished in 1921 by the Tundu Prohibition Ordinance.

In July, 1923, there was formed the Department of Indian Immigrant Labour. In that year the Legislature had enacted the Indian Immigrant Labour Ordinance and the new department, with a Controller at its head, was set up to carry out certain functions relating to Indian labour on estates. There were now substantial privileges which were not available to other categories of labour and which placed the Indian estate worker in a more favoured position than the rest of the labour population. By the introduction of the Donoughmore Constitution in July, 1931, additional subjects were assigned relating to industrial association, industrial disputes, wages and hours of work of labour, factory inspection, social insurance, poor relief and unemployment. The early nucleus of staff was also expanded into a general Labour Department. The protection originally afforded had thus been widened to include additional features and embrace, at the same time, more categories of workers within the scope of labour supervision.

The regulation of sanitary conditions on estates is governed principally by two Ordinances, *viz.*, Diseases (Labourers) Ordinance and the Medical Wants Ordinance (Chapter 145-146 of the Legislative Enactments of Ceylon). The Diseases (Labourers) Ordinance applies to all agricultural estates of which 10 acres or more are cultivated. The Superintendent of such an estate has to notify the Director, Health Services of the prevalence or imminence of cholera, plague, smallpox, chicken-pox, measles and dysentery. The onus is cast on the Superintendent to carry out the necessary directions regarding removal of labourers to hospital for treatment, and the destruction and reconstruction of lines which have been condemned. Regulations made under the Ordinance prescribe that accommodation provided for labourers should be in accordance with plans or designs approved by the Medical Department. The Ordinance also enables insanitary lines to be condemned for the erection of temporary 'lines' (tenements for labourers) for a period of not more than four years. The employer is also required to keep the surroundings of the 'lines' clear of weeds and to take necessary steps to conserve latrines, clean drains and provide adequate water supply and latrine accommodation. Specification for house accommodation includes floor space of not less than 120 square feet, height 8 feet, doors 6 feet by 2½ feet and windows of 8 square feet.

The Medical Wants Ordinance consolidates and amends the law relating to the medical wants of labourers in planting districts. After providing for the organization on estates of medical services, the Ordinance imposes the duty on the superintendent of every estate to maintain 'lines' of his estate and their vicinity in fair sanitary conditions, to relieve the sick, to send labourers to hospital when directed by the Medical Officer and to call for his services in case of serious illness or accident. He is also required to notify the Medical Officer of every birth and death on the estate and to supply every female labourer giving birth to a child with sufficient food and lodging for one month after birth and to ensure that she does not work for one month after confinement. Further it casts a duty on him to see that children under the age of one year receive proper care and nourishment.

Under this Ordinance the medical services of the Island are made available to the estates and hospital treatment is available to every labourer who requires it. Supplies are made by the Director of Health Services of such drugs, as may be required for the medical wants of the labourers on an estate, up to a value not exceeding 50 cents per labourer per annum, and provision exists for further drugs to be supplied at cost price. Where provision has been made by the estate for the health of its labourers to the satisfaction of the Medical Wants Committee, a rebate is granted. The rules that govern the rebate prescribe that estate hospitals, dispensaries and latrines constructed subsequent to the making of the rules should conform with the plans approved by the Medical Wants Committee.

Rules regarding hospitalization ensure that a bed is provided for each patient and that the minimum superficial area for each bed is 60 square feet in ordinary wards with a cubic space of not less than 900 feet. Onus is also cast on the Superintendent to provide proper dwelling accommodation for the labour force.

MATERNITY BENEFITS

The earliest provisions relating to maternity benefits in this country were the benefits which plantation employers, except on coconut estates, were obliged to provide under the Medical Wants Ordinance. This Ordinance required Superintendents of estates to provide resident female labourers, who gave birth to children on the estates, with sufficient food and lodging, free of cost, for a period of one month from the date of confinement.

In July, 1941, there came into operation the first Maternity Benefits Ordinance, No. 32 of 1939. This Ordinance, the administration of which was vested in the Labour Department, brought within its purview not only women workers on all types of estates but those employed in shops, mines, and factories, which employ ten or more workers.

The main provision of the Ordinance was the payment of maternity benefits, at the rate of 50 cents a day for a period of two weeks prior to the date of confinement and the four weeks following, to a woman worker who had completed with her employer nine months' continuous service on the date of her confinement, or the whole period of gestation. Contracting out is forbidden, and notice of dismissal without sufficient cause within three months before her confinement will not deprive a woman of her benefits.

An estate employer, on whose estate there were resident women entitled to benefits under the Medical Wants Ordinance, could obtain a certificate from the Commissioner of Labour authorizing the provision of alternative maternity benefits which consisted of—

- (a) The provision of a Maternity Ward for use at the confinement ;
- (b) The services of a midwife at the confinement ;
- (c) Food for the period spent by the labourer in the Maternity Ward ; and
- (d) The payment in cash of Rs. 2 per week for two weeks before and four weeks after confinement.

In August, 1946, an amending Ordinance to the Maternity Benefits Ordinance became law. The 'nine months' continuous employment' rule was altered into a qualifying period of 150 days within the twelve months immediately preceding the date of confinement. This change-over solved many vexed problems, chief among which was the difficulty of drawing a line of demarcation between regular and casual employment and also the definition of a reasonable out-turn for work during the nine months. The other major change over was in the provisions relating to payment of maternity benefits. The original Ordinance in its provisions had fixed the amount payable, but the amendment, while adopting the same periods in respect of which benefits are payable, has left the actual amount to be fixed from time to time by regulation. This change is far reaching, as it substitutes a facile method of enabling maternity benefits to keep pace with wage conditions for the normally arduous task of amending the principal legislation. Under the new provisions the scheme of alternative maternity benefits is still confined to estate employees. But while the acceptance of alternative maternity benefits is compulsory for the resident workers on estates, which enter the scheme, non-resident women workers are allowed the option of availing themselves of the scheme provided the option is exercised before confinement takes place.

The benefits prescribed under the Maternity Benefits Ordinance at present are the payment of Re. 1 per day for the period of fourteen days prior to confinement and four weeks immediately following, or, in the alternative, (with a certificate of authority from the Commissioner of Labour) provision of the following :—

- (a) the use, for the confinement, for a period of not less than ten days, of a Maternity Ward or Lying-in room, approved by the Commissioner ;
- (b) the services of a midwife at the confinement ;

- (c) food for each worker during the time she remains in the Maternity Ward or Lying-in room ;
- (d) the payment in cash—

- (1) of four rupees a week to each such worker for the period of two weeks immediately preceding her confinement, or, if she has worked during that period, four-sevenths of a rupee for each day in that period succeeding the last day on which she so worked ; and
- (2) of four rupees a week to each such worker for the four weeks immediately following her confinement.

The Commissioner of Labour is responsible for the administration of this Ordinance and for this purpose he and his staff are vested with powers of entry, inspection and examination.

WORKMEN'S COMPENSATION

The payment of compensation to workmen meeting with accidents in the course of their work is provided for under the Workmen's Compensation Ordinance, No. 19 of 1934, which was brought into operation in 1935. The Ordinance was administered by the Commissioner of Labour as Commissioner for Workmen's Compensation up to February, 1948, but, with the establishment of the Department of Social Services, its administration has been vested in the Director of Social Services.

A workman, as defined in the Ordinance, is entitled to receive compensation from his employer if he sustains personal injury by accident arising out of and in the course of his employment. The Ordinance expressly extends the term accident to include occupational diseases which are specified in the Ordinance such as anthrax, lead poisoning and phosphorous poisoning. Anthrax excepted, a worker is required to be six months in continuous employment, before responsibility in respect of an occupational disease may be fixed on that employer. Compensation is not payable in respect of any other disease unless it can be established that it is directly attributable to a specific injury by accident sustained by the worker out of and in the course of his employment.

Compensation is payable to a worker who falls within any one of the categories or types of occupations set out in the schedule attached to the Ordinance, provided his monthly wages do not exceed Rs. 300. The Ordinance, however, specifically excludes persons in all branches of the fighting forces, personnel of the Police force and casual employees who are employed otherwise than for the purposes of the employer's trade or business. Among the more important occupations listed in the schedule are vehicular transport, manufacture of goods, mining, quarrying and excavating, port labour, blasting operations, outdoor work in Government departments, and tapping or coupling of palm trees.

An injury must result in disablement for a period exceeding seven days to impose liability on an employer. The employer cannot, however, be made liable to pay compensation in respect of accidents which do not result in death and which are caused by the worker being under the influence of drink or drugs, or as a result of wilful disobedience to an order expressly given or to a rule expressly framed for the purpose of securing his safety or by wilful removal or disregard by the worker of any safety device which he knew was provided for such purpose.

The amount payable is determined on the basis of the wages earned by the workman and in accordance with the schedule contained in the Ordinance. In the case of temporary disablement as a result of the injury, half monthly payments must be made during the period of the disablement and these vary from half month's wages to Rs. 30 per half month. Accidents resulting in death are compensated by a single payment ranging from Rs. 500 to Rs. 4,000 and in the case of a minor Rs. 200. When the injury results in total disablement of a permanent nature the amount of compensation varies from Rs. 700 to Rs. 5,600. In case where, although the disablement is permanent, the loss of earning capacity is only partial, the compensation is proportionate to the amount payable for total disablement.

In 1949, Schedule II to the Workmen's Compensation Ordinance was amended to include those 'employed in scavenging or conservancy or with any work connected with or incidental thereto' and 'employed in any park or on any work connected with or incidental to the maintenance thereof'. The preparation of the draft bill to amend the Ordinance in accordance with the recommendations of the Social Services Commission is receiving attention.

According to returns furnished by employers, the claims paid by them to employees who met with accidents while at work during the years 1935-1950 were :

	Rs.		Rs.
1935	17,261	1943	269,632
1936	119,378	1944	302,996
1937	154,464	1945	400,361
1938	174,481	1946	343,612
1939	172,178	1947	442,184
1940	220,445	1948	481,343
1941	262,234	1949	554,224
1942	202,589	1950	536,386

WAGES BOARDS

Minimum wage legislation in Ceylon originated with the Minimum Wage (Indian labour) Ordinance of 1927, the application of which was confined to Indian labour. In May, 1938, the Ministry of Labour, Industry and Commerce approved in principle the introduction of legislation for the setting up of Wages Board machinery to cover indigenous labour as well. The legislation finally appeared on the Statute Book in the shape of the Wages Boards Ordinance, No. 27 of 1941, which, with two subsequent amendments, continues to be the principal minimum wage legislation in the Island to-day. Part I of the Ordinance deals with all employers and workers in all trades in a general way, while Part II provides for the application of the Ordinance to a particular trade involving the setting up of Wages Board machinery for the trade. Part III deals with the appointment and powers of officers under the Ordinance and with the offences and penalties defined by the Ordinance.

Under Part I, which is applicable to all trades, time limits are placed in regard to payment of wages, and maximum deductions from wages, which can only be made with the consent of the worker, are limited to 50 per cent. of the wages due for any wage period. Part II of the Ordinance prescribes the procedure for applying it to a particular trade and establishing a Wages Board to fix wages, &c., in that trade. It also prescribes the powers, functions and duties of Wages Boards. These powers include the ability to fix minimum rates of wages and prescribe conditions under which a worker may be paid at less than prescribed rates, intervals at which wages shall be paid, hours of work, weekly and annual holidays. A Wages Board may determine different rates of wages, hours of work or holidays or make such other provision for special circumstances obtaining in particular branches of the trade as it may consider expedient.

At present the following trades are covered by Part II of the Ordinance :—

Tea Growing and Manufacturing	Rubber Export
Rubber Growing and Manufacturing	Toddy, Arrack and Vinegar
Cocoa, Cardamom and Pepper Growing and Manufacturing	Cigar Manufacturing
Coconut Growing and Manufacturing	Motor Transport
Engineering	Match Manufacturing
Printing	Cinema
Plumbago	Dock, Harbour and Port Transport
Tea Export	Building

A Wages Board for any trade is composed of persons representing employers in the trade, an equal number representing workers in the trade, and nominated members who must have no connection or interest in the trade as employer or worker. If a Board so desires, it may appoint District Wages Committees which will serve as advisory and reporting bodies on any subjects as may be referred to them by the Board.

The existence of Wages Boards has proved in Ceylon, as in other countries, that they can provide a common meeting ground for the discussion and solution of what appears, at first sight, to be irreconcilable interests. Their value in preventing industrial unrest can perhaps never be accurately gauged but their activities have resulted in an increase in the material welfare of the workers in the industries to which the Ordinance has been applied, as is disclosed year after year in the Administration Reports of the Commissioner of Labour. The functioning of these Boards in practice has finally laid to rest the early fears entertained that this method of wage fixation might prove unsuitable to this country, and their success is in a large measure due to the co-operation of all parties concerned in the working of the Ordinance.

While the determination of the terms and conditions applicable to a trade is the function of a Wages Board, the task of enforcing these decisions is cast upon the Department of Labour. With the gradual extension in the application of Part II, the Inspectorate has expanded and to-day a trained body of Inspectors is fully engaged in seeing that the provisions of the Ordinance and the decisions of Wages Boards are complied with. The Inspector, in the course of his duties, enforces the law and also makes it his duty to educate employers and workers respectively as to their rights and obligations under this Ordinance. Prosecutions are entered only on failure, after every endeavour is made, to recover short payments or to correct the employer by departmental procedure. During 1950, the wages of 519,346 workers were checked and short payments amounting to Rs. 248,145 were recovered and paid to the workers concerned.

FACTORIES, MINES AND SHOPS

The Factories Ordinance, No. 45 of 1942, makes provision for the safety and welfare of workers in factories. It provides for the compulsory registration of factories and deals, among other things, with the following :—

Health—The matters dealt with under this part include cleanliness, overcrowding, maintenance of reasonable temperature in each work room, effective ventilation, lighting, drainage, sanitary conveniences and the enforcement of provisions relating to these matters.

Safety—The provisions under this part prescribe adequate protection for all machinery and plant including prime movers, transmission machinery and all machines used in the manufacturing processes, generally. Special safety measures are provided in regard to steam boilers, steam receivers, steam containers, air receivers and gas holders. This part also deals with plant for the lifting of persons and material such as hoists-lifts, cranes, chains, ropes, &c. Provision is also made to ensure safe means of access to and from the places of employment in normal conditions and to safeguard against loss of life by fire and dangerous fumes.

Welfare—This part deals with the following matters :—Drinking water, washing facilities, accommodation for clothing, facilities for sitting, first aid, and welfare regulations.

In Ceylon the number of factories is greater than is generally appreciated, there already being 2,624 listed in the registers. The number of workers is in the region of 150,000.

Special Health, Safety and Welfare provisions of the Ordinance deal with dust or fumes, facilities for taking meals in dangerous trades, protection of eyes, shuttle threading by mouth suction, humid factories, underground rooms, laundries, prohibition of excessive weight lifting for certain workers, safeguards for certain processes. The provisions relating to the employment of women and young persons deal with general conditions including the hours of employment, overtime employment, annual holidays, regulation of employment in certain occupations and certificates of fitness.

The Factories Ordinance, No. 45 of 1942, amending Ordinance No. 22 of 1946, came into force in January, 1950.

The Mines and Machinery Ordinance (Chapter 163 of the Legislative Enactments of Ceylon) provides for the regulation and inspection of mines and machinery and for the safety of persons employed in them. It regulates the opening of mines, besides making provision for ventilation, safety devices, fencing, sanitation and reporting of accidents and investigation. Portions of the Ordinance are administered by Government Agents, the Inspector of Mines and the Director of Public Works. Regulations made under the Ordinance prescribe inspection of plumbago mines once in six months for the purpose of seeing that timbering, modes of ascent and descent and removal of water, use of explosives, protection of entrance, ropes, chains and provision of signals. Regulations further prohibit the employment in mines of persons under 15 years of age and persons under 18 or over 55 in blasting operations in tunnels and galleries.

The health provisions of this Ordinance which are administered by the Director of Health Services require one latrine for every twelve persons. It also provides for the setting up of such latrines and the abatement of nuisances and removal of night-soil.

The Shops Ordinance came into force on August 1, 1939, and the regulations under the Ordinance on October 1, 1939. A Closing Order was made on July 23, 1940, applicable to the shops within the administrative limits of the Municipal Councils of Colombo, Kandy and Galle and on August 31, 1945, another order was made applicable to the Urban Council areas in the Island.

The Shops Ordinance is a piece of social legislation meant to grant relief to the shop assistant, who was the victim of unlimited hours of business, particularly in the Municipal and Urban Council areas. Provision is made in the Ordinance, *inter alia*, for limiting his hours of work per day and per week, for the payment of overtime wages, for granting weekly and annual holidays and sick leave, and, in the cases of all except certain classes of shops, for forbidding the transaction of business before and after certain hours.

There are health provisions, too, in the Ordinance to secure to the shop assistant certain health amenities and comforts in his place of work. Owing to housing shortage and building difficulties, however, these provisions are left in abeyance ; but they will be enforced in the near future.

The Ordinance has, in the comparatively brief period of its application, succeeded in improving considerably the conditions of employment of shop assistants, but there is still much room for improvement. Some of the factors which have militated against speedier and more spectacular results are :

- (a) the time-worn habits of unplanned shopping, as a result of which a householder finds he has to buy some article when the shops are required to be closed for business ;
- (b) the custom of shop owners and their employers living on the premises themselves, which state of affairs leads to the temptation for a customer to buy, and the shop-keeper to sell, outside business hours ;
- (c) and in a general way, the absence of recreational habits on the one hand, and sufficiently attractive recreational facilities on the other, for the proper and beneficial use of leisure.

A new Ordinance, embodying certain improvements and including in its ambit mercantile and similar establishments, will be brought before Parliament shortly. With the co-operation of the public and the employers, the workers covered by the Ordinance should enjoy benefits on a wider scale and thus add to their own contentment and that of the community.

IV. Ceylon and the I. L. O.

Ceylon was admitted as a member of the International Labour Organization at its 31st Session, held in San Francisco (June-July, 1948). Prior to 1947 she formed part of the non-Metropolitan territories administered by the United Kingdom. The latter undertook to apply to Ceylon certain Conventions ratified by the United Kingdom, and Ceylon thus became bound to observe such Conventions.

In response to the invitation of the Ceylon Government, the I. L. O. held the Asian Region Conference in Nuwara Eliya from January 16 to 27, 1950. A five-member delegation represented Ceylon at this Conference.

The 33rd Session of the Conference was held in Geneva from June 7 to July 1, 1950. Ceylon was represented at this Conference by a tripartite delegation. The Conference discussed (1) Industrial relations ; (2) Equal pay for men and women workers for work of equal value ; (3) Agricultural labour ; (4) Minimum wage regulation in Agriculture ; (5) Vocational training of adults. The committee sent up by the I. L. O. to examine the conditions of plantation workers held its 1st Session at Bandoeng in Indonesia from December 4 to 16, 1950.

The Asian Advisory Committee of the I. L. O. held its 2nd Session at Bandoeng from December 18 to 20, 1950. The Asian Advisory Committee was set up to advise the governing body of the I. L. O. on Asian questions and the Asian aspects of general problems. The Asian Technical Conference on Co-operation was held at Karachchi from December 26, 1950, to January 2, 1951.

During 1950 five I. L. O. Conventions were ratified. They were :

1. Convention (6) Night work of Young Persons employed in Industry.
2. „ (7) Minimum Age (Sea) 1920.
3. „ (41) Night work of Women (Revised)—1934.
4. „ (45) Underground work of Women—1935.
5. „ (80) Final Articles Revision.

V. Wages and cost of living

During the war, wages rose in Ceylon because of the increased demand of war services and industries, increased cost of living, labour's growing consciousness of its rights, and recognition by the State of its duties to labour.

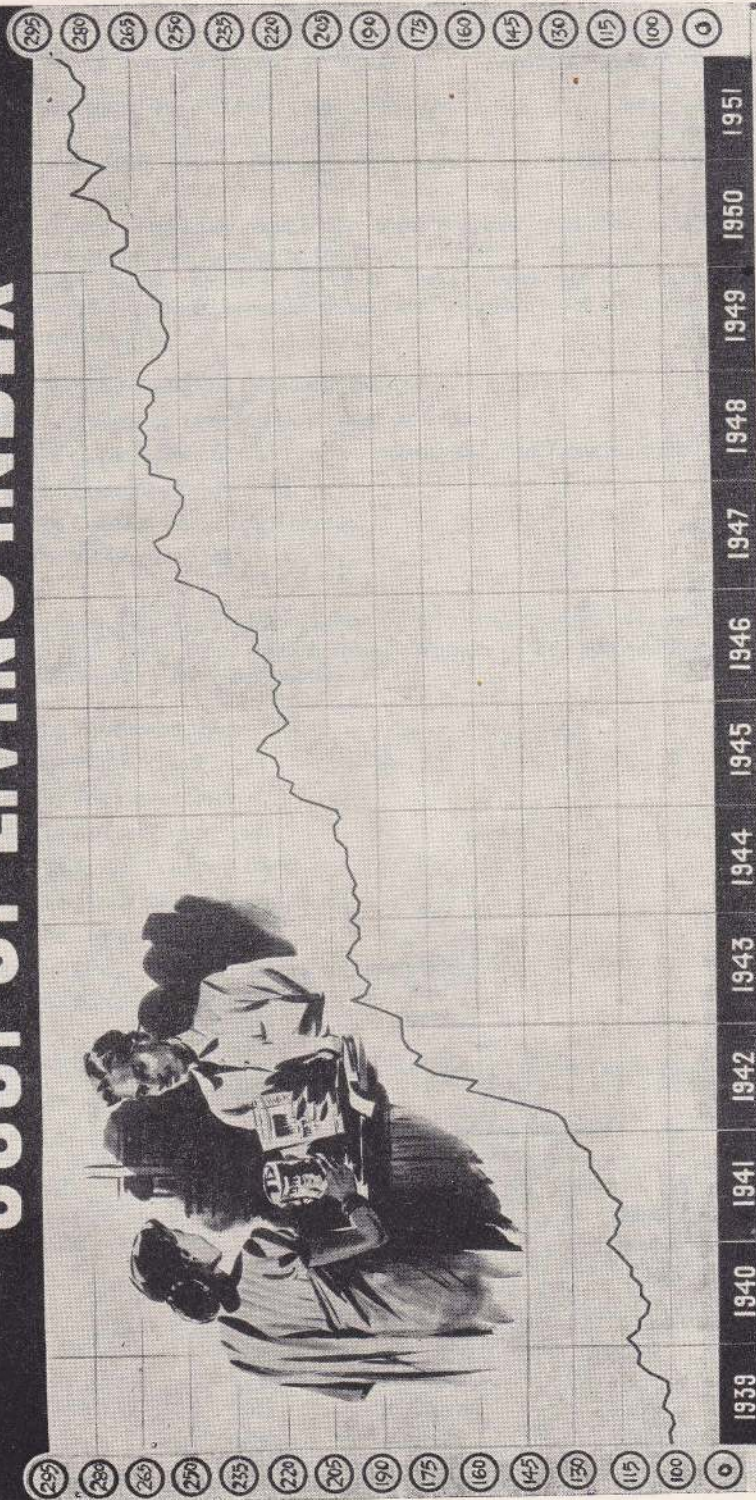
A precise measure of the change in the general level of wages is not available. An approximate idea can however be had from the index numbers of wages of workers in tea and rubber estates and of unskilled workers in Government employment given below.

WAGE RATE INDEX OF WORKERS ON TEA AND RUBBER ESTATES

Base : June 1939 = 100

	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951
January	101	122	188	207	215	273	285	295	324	356	426
February	110	122	202	207	220	278	285	295	324	361	431
March	110	141	205	210	222	278	285	307	324	366	450
April	110	151	207	212	222	278	298	320	332	366	462
May	110	163	195	212	220	278	290	320	324	366	462
June	110	166	198	213	222	273	290	320	320	356	457
July	110	171	200	215	227	273	298	312	310	366	457
August	110	185	205	215	278	278	290	312	310	366	457
September	110	193	202	217	273	285	298	320	305	373	457
October	110	188	202	215	278	285	302	320	310	373	457
November	110	188	205	212	278	285	298	320	310	378	462
December	110	188	205	212	278	285	298	320	349	439	462

COST OF LIVING INDEX



WORKING CLASS COLOMBO TOWN

C.K.L.S

முகவரி எண் 101, சென்னை 600 001

சென்னை 600 001

WAGES INDEX OF UNSKILLED WORKERS IN GOVERNMENT EMPLOYMENT IN COLOMBO

1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951
100	100	111	145	174	204	252	412	455	470	468	499	540

Two cost of living index numbers are being prepared : one, the cost of living index number of Colombo working class families by the Director of Census and Statistics and the other, the cost of living index number of estate labour by the Commissioner of Labour. The cost of living allowances paid to workers in the undermentioned trades are based on the cost of living index number for estate labour.

- (1) The Tea growing and manufacturing trade.
- (2) The Rubber growing and manufacturing trade.
- (3) The Cocoa, Cardamon and Pepper growing and manufacturing trade.
- (4) The Coconut growing trade.
- (5) The Coconut manufacturing trade.
- (6) The Plumbago trade.

Government and Mercantile employees are paid cost of living allowances based on the Colombo working class cost of living index number. Workers in the undermentioned trades are also paid allowances based on this index number.

- (1) The Engineering trade.
- (2) The Printing trade.
- (3) The Tea Export trade.
- (4) The Rubber Export trade.
- (5) The Motor Transport trade.
- (6) The Match manufacturing trade.
- (7) The Cinema trade.
- (8) The Dock, Port and Harbour Transport trade.
- (9) The Building trade.

The following table provides a comparative study of the two indices—Colombo Working class and Estate Labour :—

COST OF LIVING INDEX NUMBERS

	Colombo Working Class	Estate Labour
1940	112	106
1941	122	119
1942	164	154
1943	187	196
1944	200	211
1945	221	222
1946	229	228
1947	252	239
1948	260	259

	1949		1950		1951	
	Colombo Working class	Estate Labour	Colombo Working class	Estate Labour	Colombo Working class	Estate Labour
January	263	269	271	273	281	272
February	261	266	271	277	284	288
March	257	272	266	275	284	291
April	255	266	266	275	283	292
May	254	262	266	269	283	287
June	255	261	271	271	284	285
July	256	262	272	272	281	286
August	256	259	274	277	279	285
September	256	261	283	278	279	287
October	259	261	279	273	282	292
November	262	264	277	274	284	294
December	264	266	273	268	288	296

Colombo Working Class Base—Average Price

November, 1938-April, 1939 = 100

Estate Labour Base—Average Price

July-September, 1939 = 100

VI. The Social Services

The first systematic and centrally organized efforts to deal with social distress date back to not more than twenty years. Until then the people of Ceylon relied exclusively on public charity, private alms, government grants and free medical assistance for social service. These proved satisfactory so long as the Island economy was fundamentally rural and as long as the three main export products brought in valuable returns.

The economic depression of the early 1930's created here as in other parts of the world the problem of mass unemployment. The prevailing distress pushed into prominence the question of poor relief. The Weddeburn Report published in 1934, served as a guide to Government policy in the years that followed. The Malaria epidemic of 1934-35 brought to the forefront of public questions the necessity for State intervention in times of distress. Special measures of relief were taken and the expenditure which fell on the Government during this period of relief was Rs. 8 million whereas organized charity was able to provide only Rs. 140,000. The Newnham Report on the relief of distress due to sickness, published in 1936, pointed out that the specially dangerous feature of the domestic economy of many of the people was that they were brought to starvation point by any small disturbance of their normal equilibrium such as the death of a man, sickness or unemployment, bad weather conditions or an invasion of their small patch of cultivation by deer, wild boar, an elephant or a neighbour's cattle. The economic surveys conducted by the Ministry of Commerce about the same period revealed clearly the poverty that existed in the villages.

The inadequacy of the existing social services to meet the problem became evident, and in July, 1944, a Commission was appointed to inquire into and report upon—

- (i) The adequacy of existing social assistance and allied services including the schemes for the payment of workmen's compensation and maternity benefits and the methods of improving, extending and co-ordinating those services.

(ii) The question of introducing social insurance schemes for providing all or any of the following:—

- (a) old age pensions ;
- (b) relief during distress or prolonged disability ;
- (c) relief in cases of unemployment ;
- (d) pensions on retirement from work ; and
- (e) pensions or other relief to widows and orphans.

The investigations of the Commission together with its recommendations were embodied in a report published as Sessional Paper VII of 1947. Consequent upon this report a separate Department of Social Services was created in 1948 to deal with the subjects of Poor Relief, Workmen's Compensation, Charitable Institutions, Relief of Distress, and Social Insurance. These were previously administered by the Department of Labour.

PUBLIC ASSISTANCE

The most important piece of social legislation that was promulgated for rendering public assistance to the poor was the Poor Law Ordinance of 1939. Its place as a residuary service even in a fully developed society was recognized by the Social Service Commission in their report. But, considering the rudimentary character of the Social Services in Ceylon, its need here assumed even wider importance. Also, being a highly personal service requiring a strong civic consciousness and an awareness of local conditions, its administration was recommended to be vested in the three major Municipalities and other local authorities. It has however not yet extended beyond the Municipalities of Colombo, Kandy and Galle.

In areas outside the Municipalities of Colombo, Kandy and Galle, the full responsibility of administering relief is borne by the Central Government and the following schemes are administered through the Revenue Officers of the districts :—

- (a) Public assistance ;
- (b) Relief of distress caused by floods, and
- (c) Relief of widespread distress due to failure of crops, epidemics and other exceptional causes.

Where destitution would otherwise result, assistance in the form of monthly allowances is given to the sick, the aged, the infirm, the physically and mentally defective and destitute widows. The 1946 scale of assistance, namely Rs. 5 per mensem for an individual and Rs. 10 for a person with dependants, continued to operate till April, 1948, when the scale was increased to maxima of Rs. 10 and Rs. 20 respectively.

CASUAL RELIEF

Allowances are payable for the relief of acute distress resulting from accidents or 'acts of God' and affecting individuals in isolated cases or in small groups. The maximum grant in each case is limited to Rs. 300. The relief covers distress resulting from loss of earnings or food supply by fire or accident, assistance to purchase implements of trade or tools lost through fire, rain, storm or other cause. In 1936-37 Rs. 526 had been spent on casual relief, while in 1948-49 1,600 persons were relieved at a cost of Rs. 142,000. In 1949-50, 1,459 persons were relieved at a cost of Rs. 117,000 and 1,706 persons were relieved in 1950-51 at a cost of Rs. 135,000.

VOLUNTARY AGENCIES

The existence of voluntary agencies is an index to a country's social progress. Their importance is measured not only by the funds collected and distributed and voluntary service undertaken, but also by the educative value which emphasizes the social obligation of the citizen and prompts the

attention of the wealthier classes to the conditions of their less fortunate fellows. This obligation in Ceylon derives from an ancient tradition and is supported and maintained by the precepts of all the religions. Although voluntary agencies continue to perform a very necessary and useful service, the paucity of funds generally makes their efforts inadequate in relation to the large numbers seeking assistance. Government grants are therefore given to them in varying amount. The grants given to voluntary agencies since 1948 are as follows :—

<i>Year</i>	<i>Number of Voluntary Agencies Assisted</i>	<i>Grant (Rs.)</i>
1936-37	21	32,100
1947-48	20	41,861
1948-49	38	106,540
1949-50	47	135,805
1950-51	62	312,570

HOMES FOR THE AGED

Government's policy in regard to Homes for the Aged has been to assist by means of grants existing homes which are financed by private subscriptions and some by voluntary agencies. But owing to the fact that voluntary agencies are unable to cope with the demand for institutional relief, Government has decided to establish homes for the aged. One has already been established at Koggala in the Southern Province and steps are being taken to establish State Homes in the other provinces as well.

THE DEAF AND THE BLIND

The principle that the after-care of the deaf and blind persons is the responsibility of the State has been accepted. A sum of Rs. 504,000 has been included in the 1951-52 estimates for the establishment of improved buildings for the sheltered workshops for the deaf and blind at Seeduwa. Steps are being taken to build and equip the workshops before the end of the financial year. Two scholars were trained in the U. K. in welfare work among the deaf and blind. They have returned and are rendering valuable service to the deaf and blind population.

THE PROBLEM OF VAGRANCY

Rehabilitation of the vagrant and other anti-social elements is being dealt with by the Government through the House of Detention and Home for Vagrants. At present the House of Detention and Home for Vagrants are two separate institutions. The former is under the direct management of the Department of Social Services while the other is managed by the Salvation Army on behalf of the Department of Social Services. The House of Detention is meant for persons convicted under the House of Detention Ordinance. Convicted persons are detained as long as is necessary to rehabilitate them. It acts as a clearing house. The Superintendent of the House of Detention finds employment for those who are able to work. The others are sent to the House of Vagrants where an endeavour is made to rehabilitate them. Many hard cases have been reclaimed to a life of decency while on the other hand there are some who have lapsed into vagrancy as soon as they are released. Government proposes to put up buildings on a 23-acre site at Gothatuwa. Plans and estimates have been prepared and Rs. 1,038,000 has been provided during 1951-52 for this purpose.

REHABILITATION OF THE DISABLED

The term 'disabled persons' is popularly associated with disabled ex-servicemen and civilian casualties. But, however, industrial accidents and diseases are an equally important cause of disablement. Although liability for compensation in such cases is placed on the employer under

the Workmen's Compensation Ordinance, no obligation is imposed on him to assist either in the rehabilitation or resettlement of the worker. At present a scheme for the rehabilitation and resettlement of those disabled due to war service exists. It includes medical rehabilitation and the supply and fitting of artificial limbs through the Orthopaedic Clinic and the resettlement of disabled persons in suitable occupations. Resettlement grants to set up in business is allowed to a maximum of Rs. 500 on condition that they will not liquidate their business within six months.

A scheme to provide vocational training to all disabled persons in the Orthopaedic Workshop is under consideration. It is proposed to pay these trainees an appropriate subsistence allowance as their vocational training is designed to rehabilitate and at the same time prevent them and their families from falling into destitution. Whenever possible the Orthopaedic Workshop will absorb some of the persons who have successfully completed their training. The other will register with the Employment Exchanges and arrangements will be made to accord them priority in finding employment.

CRECHES

The establishment and organization of creches for children of working mothers has hitherto been recognized as a labour welfare problem, but in the context of a modern Social Welfare State the tendency is to view it as a general measure of community welfare. An important factor why creches should be woven into the pattern of general social welfare measures of the country is that there is a group of mothers who, though not working, are in a state of chronic poor health or have no help in the home, and for whom the need for creche facilities is great. The scheme for creches envisages development in several stages. It is proposed to build 12 creches and have them functioning by the end of the financial year 1951-52. These creches would be run as far as possible through the agency of voluntary bodies and local authorities and where this is not possible the State will run them. In view of the emphasis given to health supervision of creches, it is intended to co-ordinate and combine the activities of children's Health Clinics and Milk Feeding Centres with Creches. The buildings have been designed with this end in view and, accepting standard practice, accommodation will be provided for 50 children. The scheme prepared by the department is now being considered by Government.

RELIEF OF DISTRESS

A common cause of abnormal distress is flooding or the uncertainty of the rains. In 1947, several districts were affected by unprecedented floods while a severe drought was experienced in the dry zones. Since 1949 distress due to floods and crop failure have not been extensive. The scheme for relief due to floods provides for the immediate grant of relief in the form of food, clothes and shelter to those rendered homeless, and grants of money to those whose houses require repair or rebuilding. Assistance to relieve distress due to crop failure usually takes the form of provision of unskilled employment in relief works.

RESETTLEMENT OF FLOOD VICTIMS

In the past few years over a million rupees have been spent on relief of distress due to floods. Since the same areas are repeatedly involved, the solution to the problem was either to control the flood waters or to resettle the affected population above flood level. Resettlement Schemes have therefore been drawn up by the Department of Social Services. The Gampola flood victims are to be resettled in Mariawatte Estate and a sum of Rs. 1,135,000 has been provided for this purpose. Similar schemes have been drawn up for Ratnapura, Kegalla, Matara, Galle, Kalutara, and Matale. It is hoped that the resettlement of flood victims in Gampola, Matara, and Matale, will be completed before the end of the financial year 1951-52.

SOCIAL INSURANCE

The Department of Social Services has done preparatory work for the introduction of Social Insurance recommended by the Social Service Commission. An inter-departmental committee with the advice of Mr. Maurice Stack, head of the Social Insurance section of the I. L. O., prepared a report for the introduction of a scheme covering Health and Unemployment Insurance and a National Provident Fund. A modified scheme, suitable for implementation in the initial stages and within the financial resources of the country, has been prepared by the department for consideration by Government. An Actuary, Mr. C. E. Clarke, F. I. A., seconded for service by the U. K. Government under the Colombo Plan, is now reporting on the actuarial aspects of the proposed scheme.

LEGISLATION

The Poor Law Ordinance for rendering public assistance was applied to the Municipalities in the first instance, in 1940. Some Municipalities finding the obligations imposed on them under the Ordinance too irksome, have made requests that they be relieved of this duty or be given adequate financial assistance to meet their obligations. The question of the repeal of the Poor Law and of the Central Government assuming the obligations imposed by it, is being considered by the Government.

The preparation of a draft bill to amend the Workmen's Compensation Ordinance in accordance with the recommendations of the Social Service Commission is being undertaken.

A draft Charities Regulation Bill to prevent improper collection of funds, allegedly for charitable purposes, has been prepared and it is expected that it will become law this year.

The percentage of expenditure on Social Services in Ceylon by the State stands out in distinct contrast with other countries in South East Asia. In the pre-Donoughmore period from 1925-1930, approximately 16.4 per cent. of the expenditure of Government was spent on Social Services, principally for the improvement of health and education of the people. In the period before the grant of Independence, the figure was 26.4 per cent.

Under the present Government the expenditure on Social Services has risen to 41.4 per cent. of the total expenditure for the years 1947-1951. This represents a two-fold increase over the expenditure on these services before the grant of Independence. This expenditure on Social Services is an indication of the steady progress made by the Government towards providing social security for its people.

VII. Rural Development

GENERAL PATTERN

The scheme as contemplated at the inauguration of the Department of Rural Development was one of setting up in rural areas throughout the Island, Rural Development Societies for both men and women, functioning within Village Headmen's units. Although the scheme in general remains unchanged, the year 1950 has been one of consolidation and further advancement of the movement on the same lines. The year's experience has more than convincingly proved the soundness of the plan of Rural Development, which the department set itself at the very outset of the movement. The drop in the number of Men's and Women's Societies from 4,986 and 819 at the end of 1949 to 4,477 and 665 respectively in 1950, was due in the main to amalgamation of some societies into more appropriate working units. In addition to these there were 497 Women's Societies working under the aegis of the Lanka Mahila Samiti. These Women's Societies of the Lanka Mahila Samiti have been left to organize their own societies under the control of the Central Board and District Committees, aided and assisted, where so requested, by officers of the Department of Rural Development. This Samiti movement, which is required to conform to the principles of rural development laid down by Government, has complied with other requirements such as the provision of adequate

training facilities for women workers, thus qualifying for the payment of the annual grant amounting to Rs. 33,000. Women's organizations of the Harispattu and Uda Hewaheta Divisions of the Central Province and of the Jaffna District, the only areas where there exist concentrations of women's welfare work outside the Mahila Samiti, received grants totalling Rs. 2,000. Other Women's Societies functioned without any special assistance, almost wholly directed and organized through channels of this department.

RURAL DEVELOPMENT GROUPS AND UNIONS

Group Societies are an important link in the chain of the society organization and are reckoned as of greater importance to the movement at this early stage than unions. Group meetings are the main channels by which officers of the department of rural development are able to maintain an effective link with the Rural Development Societies which now have become far too numerous for frequent individual contact in view of the limited staff in the Rural Development Department. The Rural Development Unions have served the purpose of co-ordinating the programmes and activities of the societies affiliated to them. Necessarily in the early stages of a growing movement, the functions of these unions have required close watching and direction, and the year 1950 has been one of careful training rather than of achievement. During the year there were 97 Rural Development Unions made up of 320 Group Societies.

DIVISIONAL AND DISTRICT COMMITTEES

These committees, constituted for each Divisional Revenue Officers division and Government Agent's or Assistant Government Agent's District respectively, have continued to be the levels at which Rural Development Societies, through their groups and unions, have been able to link up with the activities of the various Government departments, all working together in committee at the junior level of Divisional Revenue Officer's division presided over by the Divisional Revenue Officer, and at the senior level of District Officers presided over by the Government Agent or the Assistant Government Agent of the district. The department of rural development has kept in the forefront the importance of these committees as a means of achieving the co-ordination of the efforts of Government departments in welfare work with the representatives of the people of the areas fully associated with them both in the planning and execution of development activities. Nineteen District and 264 Divisional Committee meetings were held during the year. It cannot be claimed that these committees have functioned with full efficiency. Despite the authoritative decision to regard the scheme of Divisional and District Committees as an accepted policy, figures reveal that the scheme of District Committees has been almost inoperative, the average number of meetings per district being in the majority of cases only one for the whole year. It is hoped that in the future the importance of this link between the people, engaged in their own betterment, and Government departments, devoted to their welfare, will be better realized and, as a result, the full usefulness of these committees will be proved.

THE PART PLAYED BY THE RURAL DEVELOPMENT OFFICERS IN THE FIELD

The rural development officers continued to be attached to the Divisional Revenue Officers' Divisions on the average of one to each division. Due to shortage of staff, some areas had to be left uncovered or attached to a Rural Development Officer of an adjoining division. These Rural Development Officers were directed and supervised by the Divisional Revenue Officer of each area, through whom Village Headmen of each division were drawn to the aid of Rural Development. The supervisors of Rural Development were attached to the Kachcheries and under the guidance and direction of the Government Agent or Assistant Government Agent of the District, these officers endeavoured to co-ordinate the work of rural development within each district. The scheme for a concentrated drive in four zones, marked out as specially backward areas, with these Rural Development Assistants and a Senior Supervisor of Rural Development in charge and resident in the particular areas, was worked with some success for about 8 months; thereafter, due to lack of suitable staff,

it was necessary to close down this scheme in three out of the four backward areas, leaving only the Western Zone comprising the Demala Hatpattu in Puttalam District, Wanni Hatpattu in Kurunegala District, and Kalagam Palata in North-Central Province.

The approach to the problem of welfare of backward communities, particularly of the Veddha, became a matter of active Government consideration during the year. A proposal for the setting up of a special Advisory Board to undertake welfare work where there are concentrations of these communities, was receiving active consideration.

At the end of 1950 one Senior Rural Development Assistant was employed to carry out a survey of cottage crafts in the Central Province. In view of the prevailing conditions of extreme backwardness in certain sections of rural life, the necessity for a survey of such conditions as a preliminary to any plan of systematic betterment, has been realized. Apart from the departmental experience gained in the arranging out of such work, it is expected that the survey will provide very useful information for the experts from the International Labour Organization whose arrival is awaited to investigate the problems of handicraft in Ceylon.

GENERAL PRINCIPLE AND POLICIES

The scheme has continued to give first place to the principle of self-help in the achievement of results. It has therefore continued to place in the forefront, in the minds of Rural Development Societies, the necessity and importance of self-help as a cardinal principle of the movement, drawing at the same time on the schemes of assistance available from the various Government departments and local bodies for work of village betterment in a systematic and organized manner and in close association and co-operation with the departments and local authorities concerned, so that the best benefits of State services can flow to the people expeditiously and without waste. In this manner Rural Development Societies have been trained to bring their needs before Government departments through a systematic channel of Group Societies, Unions, Divisional Committees, and District Committees, for implementation at appropriate executive levels.

The work of organizing the rural population to enter into close association with Government in betterment schemes, requires also the setting up of village leaders trained in the principles of Rural Development through self-help. The creation of the right attitude of mind among Village Headmen who function at such close levels to the villager and in such normal fields of village administration as virtually cover his entire life, is also an important requisite in this work.

Training of 9,102 village workers and 1,522 village headmen was completed during the year 1950. The biggest success of the department may well be claimed to be the growing faith of the rural people of the country in the value of self-help. Whereas in the early stages there was almost open hostility and better criticism of the departmental plea for self-help as the basis of rural betterment, it is gratifying to note that societies have shown a steadily growing appreciation of the importance of this principle and have openly and frequently declared their faith in this principle quite apart from actually engaging themselves in numerous betterment ventures on the basis of self-help.

THE SCHEME AT WORK

It is not possible to cover in detail all the activities carried out under the aegis of Rural Development Societies. Reference can only be made in general terms under the heads of certain activities in which the societies were engaged.

FOOD PRODUCTION

The problem of food production was kept prominently in the forefront during 1950 and Rural Development Societies were directed to participate to the fullest measure in all schemes for increased food production organized throughout the country under the votes of the Land Commissioner's Department, and through its scheme of Co-operative Agricultural Production and Sales Societies. Rural Development Societies were also encouraged to enlist their members in the membership of

the local Co-operative Agricultural Production and Sales Societies and thereafter to participate actively in the Food Drives planned and directed by the District Agricultural Committees. The record of success in this field belongs to the Department of the Land Commissioner. Suffice it to say that the close co-operation of Rural Development Societies which organized the villager to carry out particular programmes of Food Production under departmental schemes, in their own areas, has contributed in some measure towards the outstanding successes achieved in this field of work.

Rural Development Societies co-operated in the Food Production Drives organized by local Co-operative Agricultural Production and Sales Societies under the Food Production Scheme of the Department of Land Development for 1950-51. Drawing useful advice, guidance and assistance from the Department of Agriculture, some Rural Development Societies established their own nurseries for the distribution of planting materials. Societies also actively participated with the Agricultural Department in schemes for improved paddy production.

The Diyagama Rural Development Society in Kalutara donated Rs. 145 in cash out of its savings on contract works, for the purchase of manure, &c., for agricultural schemes of its members. The Ambahena Rural Development Society in Kurunegala organized the cultivation of about 50 acres of paddy on co-operative lines with considerable reduction in the expenditure of the small holding cultivators who normally find paddy cultivation uneconomic.

1,467 Food Production Drives in which Rural Development Societies participated were held during the year. This figure illustrates the contribution that Rural Development Societies can and do make to the agricultural effort of the country.

It is necessary to record that but for the enthusiastic organisation of Co-operative Agricultural Production and Sales Societies through the officers of the Co-operative Department and the provision of necessary funds by the Department of the Land Commissioner, the enthusiasm of Rural Development Societies in the work of increased food production might well have proved of little benefit to the country.

INDUSTRIAL SCHEMES

215 Industrial units have been set up in the Island through the endeavours of Rural Development Societies. The activities of societies in this connection receive the support of the Department of Industries, both in the matter of Teachers and Demonstrators for instruction at the Industrial Centres as also in the marketing of such articles that are turned out at these centres.

Rural Development Societies also helped craftsmen to organize themselves into co-operative societies with the aid and assistance of the Co-operative Department. In the four gravets and Wellaboda Pattu of Matara District, a group of local carpenters was so organized into three co-operatives which later served some major orders from the Education Department.

HEALTH DRIVES

Rural Societies have endeavoured to improve health and living conditions in rural areas in co-operation with the officers of the Health Department. They have also sponsored schemes for the promotion of playground and other recreational facilities, by working in close co-ordination with bodies such as Community Centres which are engaged in problems of village recreation.

Over and above the working of the normal health activities in co-operation with officers of the Medical and Health Services, Rural Development Societies rendered valuable assistance in establishing Dispensaries, Health Clinics, and Maternity Homes. The Beligalla Rural Development Society in Hambantota District laid the foundation stone for a type-plan building for a Maternity Home approved by the Medical Department and estimated to cost Rs. 21,000. The Horaguna, Kalawalagama, Kurugama and Dambana Rural Development Societies in Badulla District constructed four buildings for dispensaries. These were handed over to the Government. Free Ayurvedic medicine distribution-centres were established by several societies.

Rural Societies have also taken an interest in the establishment of Milk Feeding Centres under a scheme drawn up in consultation with the Director of Food Supplies with the approval of the Food Ministry. Selected Societies were authorised to supervise Milk Feeding Centres in their areas under

the direction of the officers of the Department of Food Supplies. A further improvement to the scheme was the supply at some centres of fresh milk obtained from local Rural Development Societies, organized into proper Milk Marketing Co-operative groups. In Anuradhapura District fifteen milk feeding centres were so supplied and have added over Rs. 15,000 to the meagre income of the members of these societies. This is a source of income which had never previously been tapped.

Of the 1,581 Milk Feeding Centres sponsored by the Rural Development Societies, 590 centres were supervised by these societies themselves.

The supplementing of the Free Midday Meal Scheme of the Education Department, made headway in some parts of the Island. The Pahala Maragahawewa and Katupathwewa Rural Societies in Nuwaragam Palata, Anuradhapura District in consultation with the head teacher of the local school decided to supplement the Government allowance of six cents per child per day, in order to provide a substantial meal to their children. The allowance of six cents per child was utilized for purchasing rice and the members of the societies undertook to supplement this with the necessary curries each day under a scheme drawn up by the members. This scheme is gaining in popularity and has spread from the North-Central Province to as far as Ratnapura District, where the Urawala Rural Society in Kadawata and Meda Korales also made a start.

CONSTRUCTION OF ROADS

One of the features of village development which has received the attention of almost every rural development society in the Island is the problem of improved road communications. Societies have vied with one another to improve communications within their villages and in several instances, groups of societies have combined to construct important roads through several villages. In this work they have been sometimes assisted with technical advice by the Superintendents of Minor Roads and officers of similar status attached to village committees, in setting out traces, &c. Assistance has at times been available from relief funds to complete special works involving skilled labour, the earthwork being entirely a voluntary contribution from the people. In general, societies have confined themselves to widening existing village committee paths so as to permit their use for vehicles, the land required for such widening being in every instance donated free by the owners themselves, despite the fact that often such widening was through fully developed land. In the up-country areas such widening of roads has involved the blasting of rocks and the removal of huge boulders which have necessitated the use of blasting powder and sometimes even elephants. The expense of all this has been faced by the societies themselves.

During the year 1950 in the absence of adequate funds, it was possible to give very little or no assistance to societies to complete outstanding work on these self-help schemes, which involved the expenditure of funds on skilled items, such as construction of culverts. It is hoped to make good this defect during the coming year as funds have since been provided. The total mileage of roads cut during the year 1950 on a self-help basis was 1,123.

CONCILIATION BOARDS

Towards the latter part of 1949 a scheme for setting up Conciliation Boards to function under the aegis of the societies was initiated for the purpose of settling village disputes which frequently resulted in grave crime among the illiterate in rural areas. The entire scheme is worked without expense to Government and is built on the confidence that is known to exist among villagers in the judgment of one another. It is a feature in the make-up of rural society which is keeping with the country's traditions, that there still exist in villages people who are looked up to by their fellow villagers and whose judgment is held in high esteem. The scheme of Conciliation Boards seeks to draw on this rich reserve of human material for the purpose of keeping the villager out of wasteful litigation and grave crime caused by ignorance and the lack of a correct outlook on village problems.

This is a venture which promises great possibilities for bringing about better understanding and greater harmony among village folk who are now obliged to resort to wasteful litigation for the settlement of even their minor differences. In 1950, 2,395 Conciliation Boards were organised and as many as 10,084 cases were settled by them. This indicates the growing usefulness of the scheme in village welfare.

RURAL VOLUNTEER PATROLS

This is another scheme of village welfare which was organized early in 1949. Under this scheme, energetic and dependable members of Rural Development Societies are organized into volunteer patrols or squads which undertake the protection of their village against crime and corruption. Their powers are no more than their civil status entitles them to, but they are guided and assisted by the local police who work in close co-operation with them in the prevention of crime in rural areas. The recognition of these volunteers by the Police Department has on the one hand added greatly to their prestige as social workers, while on the other, the willing association of the people with the police in this manner has lightened the work of the police and has created a new spirit of understanding and inter-dependence between the police and the public. The number of patrol squads so organized was 2,597 with 22,700 rural volunteers.

SAVING SCHEMES

Rural Development Societies were encouraged to promote the habit of thrift in villages and organize their members as much as possible into Savings Groups, Co-operative Thrift Societies and other savings schemes of Government. Over 560 Savings Groups formed through the Rural Societies during the year.

In Kandy District the Dambarawa Rural Development Society in Pata Dumbara made a record saving of Rs. 9,000 in nine months. The active participation of rural societies was a special feature in the year's World Thrift Day Celebrations held in October, 1950.

The field staff of this department worked in close collaboration with Superintendents and Supervisors of the National Savings Movement.

PROPAGANDA

Reference must also be made to the interest taken by Rural Development Societies in setting up their own magazines and news letters as a measure of propaganda for local rural development activity. Monthly and quarterly magazines have thus been started by societies in different parts of the country, even in distant Bintenne. Apart from news and notes pertaining to rural development work within the district or division concerned, these magazines contain very useful articles on various aspects of rural welfare work. There is little doubt that these magazines fulfil a useful purpose and are greatly appreciated by the members who support them. These ventures are organized entirely by the societies themselves under the general supervision of the local Divisional Revenue Officer and are maintained without any assistance from Government. Their contribution towards the development of a healthy public opinion in rural areas is one of considerable value. The Pitigal Korale North Rural Development Union in Chilaw District, organized Propaganda stalls at Munnessaram Camp and at St. Anne's, Talawila. Rural craft goods were exhibited and over Rs. 1,000 was realized from sales. Rallies and exhibitions were held at various times in the central province at Harris Pattu, Udunuwara, and Pata Hewaheta and in Kandy itself as part of the Perahera Carnival. At these exhibitions local craftsmen were able to dispose of their goods.

The Department of Information has also carried out useful propaganda for the movement by publishing in the monthly issues of the 'Sri Lanka' notes and news on Rural Development activities of special interest and articles contributed by members of the public as well as by officers of the Department of Rural Development.

CHAPTER IX

ARCHAEOLOGY, NATIONAL MUSEUMS, AND ASPECTS OF CEYLON CULTURE

1. Archaeology

SCATTERED throughout the length and breadth of the Island of Ceylon are numerous ancient monuments and other relics of the past, bearing witness to its long and varied history, a record of which is available in ancient chronicles and other literary sources for a period of over two thousand years beginning from about the fifth century B.C. The vast majority of these monuments are of a religious character and testify to the ardour of ancient kings and nobles, as also of the common man, for the cause of Buddhism—the religion which still counts as its adherents sixty-five per cent. of the Island's population. Many of these shrines are still the centres of religious worship and are in charge of the various religious organizations, while others have been ruined and abandoned to the jungle which now covers a good part of what were once the centres of great social, political and religious activity. Apart from the sentimental interest with which these relics of the past are naturally considered by the people as the handiwork of their ancestors, they are of considerable interest to students of history, religion, architecture and art. Many hundreds of inscriptions, found at ancient sites, not only enable us to supplement and to study critically the historical information contained in the ancient chronicles, but they also unfold the story of the evolution of the Sinhalese language and script during a period of two thousand years.

ARCHAEOLOGICAL SURVEY

The Archaeological Survey of Ceylon has been engaged, though with restrictions, in the clearing, excavation, conservation and interpretation of these memorials of the past. The Antiquities Ordinance, No. 9 of 1940, places the administration of antiquities in the Island on a sound footing and brings it into line with the policies pursued by enlightened Governments in other parts of the world with regard to cultural matters. One of the most important features of this Ordinance is that it makes provision for the protection of monuments which have passed into private ownership and provide machinery to prevent further irreparable damage to many ancient shrines of historic and artistic value in the course of restorations by individuals and societies whose religious zeal is not combined with any appreciation of aesthetic values.

At Anuradhapura was completed the clearing of the remains of the Royal Palace, taken in hand towards the close of 1949. This furnishes an example of a royal residence at this ancient city, though the monument belongs to the latest period of the city's occupation. It is smaller in size than either of the palaces at Polonnaruwa and Parakramapura, but is of the same ground plan. The latest king who resided at Anuradhapura was Vijayabahu I (1058–1114 A.D.) ; the unpretentious character of the edifice, built from materials collected from earlier buildings, agrees well with the conditions which prevailed during the reign of this monarch, which followed nearly a century of occupation by a foreign power and constant warfare, resulting in the impoverishment of the country. The gateway leading to the edifice, situated on private land, was also cleared of the debris which buried it. Excavation work was continued near the site of the Lohapasada and at the Eastern Gate, but the results were not very encouraging. The conservation of Dakkhina Thupa was also continued and part of the three basal terraces and the cylindrical drum were reconstructed. The work will go on for some years. The pond on the southern sector of the Magul Uyana, as well as that adjoining it, was excavated. Dixon Road was publicly closed on May 30 as a preliminary towards reclamation of the ancient Mahavihara establishment and this enabled certain excavations to be conducted at the Lohapasada. The southern retaining wall, which holds in position the raised platform on which are 1,600 stone pillars of the monument was conserved to a length of nearly 90 feet. The dismantling of the Kuttam Pokuna, perhaps the most impressive example of ponds in this ancient city, was completed and the conservation of the northern pond was taken in hand. When completed, the twin ponds would make a splendid sight, with their chaste classical stone work.

At Mihintale, the work was continued of pointing the brickwork of the Kantaka Cetiya, and making the monument water-proof. Retaining walls and a flight of steps on the northern side of the Convocation Terrace were also conserved. The excavation was started of the mound to the east of the Kantaka Cetiya, marking the site of a *stupa* of which the very name has been forgotten.

At Polonnaruwa, the remains of monastic edifices on the terraces of the northern sector of the Alahana Parivena were laid bare. In one of the small *stupas* were discovered the objects deposited in two receptacles, one of them below the ground. This discovery is of great importance for a study of the *stupa*, the particular example being most probably a tomb. The nature of the objects deposited clearly indicates that the idea behind a *stupa* in those days, was to represent the universe. Satisfactory progress was made during the year in conserving the monastic remains and retaining walls on the terraces to the east of the Lankatilaka.

The work of conserving the remains on the summit of Sigiri rock made good progress, and the visitor can now form an idea of the ground plan and the nature of the buildings erected at Kassapa's orders at such immense cost and labour. The rebuilding of the sides of the moat on the western side of the city was continued and that portion of the moat from the draw-bridge to the north-western corner was completed. Excavations in the area of the city to the west of the rock are gradually laying bare a complex and extensive layout of ponds, passages, pavilions, *prakaras* and other architectural features, the precise purpose of which can only be ascertained when the entire architectural scheme is exposed to view on plan. The work has had at least one important result so far—to show that the interest of Sigiri is not limited to the rock. This should have an important bearing on the origin and purpose of the City of Sigiri taken as a whole.

At Panduvasnuvara, the work consisted mainly of exposing the remains of the citadel walls and conserving them. The walls on the southern and eastern sides of the citadel have been completely dealt with, the work being at present concentrated on the western side. The view presented to the visitor by the conserved remains of the citadel walls and the moats is much more striking than any monument of the type seen elsewhere in the Island.

At Yapavu, the conservation of the remains of the three gateways was the principal work carried out. The work on the northern gate—that through which runs the path to the modern *pansala* at the place—was completed before the end of the year; that on the other two had proceeded about half-way. An interesting find of three fine Chinese porcelain cups and a hoard of coins in an earthenware pot was also made here. The coins, of which 1,352 were Chinese, were mixed with twenty-one copper coins of the Chola Emperor, Rajaraja (985–1014 A.D.). The Chinese coins ranged between the dates of the Emperors Kao Tsung (618–627 A.D.) and Ning Tsung (1195–1225 A.D.). The porcelain cups may be seen in the departmental museum at Anuradhapura; the finest one, which is light green, is a splendid example of Chinese ceramic ware. The find of Chinese coins is evidence of the cultural and commercial intercourse which then existed between Lanka and the Celestial Empire. Numerous literary references too attest to such intercourse. In relation to the period during which Yapavu was of political importance, we are told by Marco Polo that, in 1284, the famous Kublai Khan of the Yuan dynasty sent an embassy to the king of Ceylon asking for the relics of hair, teeth, and begging bowl of the Buddha.

Mahatittha (Sin. Matota), now known as Mantai or Tirukketisvaram, also received a good share of the department's efforts during the year. For over a thousand years, this was the principal sea-port of Ceylon and all the main cultures which had influenced the history of the Island have left their traces in or about this ancient trading centre. To the Hindu Tamils of Ceylon, the place is of particular interest, for the Saiva shrine of Tirukketisvaram is a *padal-perratalam*, i.e., it is one of the shrines sanctified in the hymns of the Nayanmar. As it was in the case of the earlier excavations by Hocart, the present work did not reveal architectural remains of note, but there is reason to be gratified with the results achieved.

At Avukana the roof which had stood over the image for several years was removed and this noble piece of sculpture now stands clear of ugly contraptions. The necessary conservation is being effected.

The 'protected' monuments were periodically inspected and, in the case of those in connection with which permits have been issued to private parties for restoration, the necessary measures were adopted to see that the regulations were duly observed. The restoration of the Mahaseya at Mihintale, which is being carried out departmentally, made slow but steady progress. Of the monuments 'protected' under section 19 of the Antiquities Ordinance, during the year under review, the shrines at Dorabavila and Navinna, both in the Kurunegala District, represent a type of edifice of which hardly any examples would be left in a few decades. They date from the eighteenth century and constitute a small shrine of wooden construction supported on stone pillars. From them we can understand the purpose of the forest of stone pillars to be seen at the site of the Lohapasada at Anuradhapura. Numerous examples of this type of *pilima-ge* existed in the Kandyan Provinces during the nineteenth century. These shrines of the seventeenth and eighteenth centuries do not possess architectural or artistic qualities of a high order, as do the monuments of the earlier periods at Anuradhapura and Polonnaruwa, and for that reason have not attracted much attention. But, if a few representative examples of the edifices of each period are not protected and preserved, the later periods of Ceylon history will soon be a blank so far as the development of architecture is concerned. Moreover, apart from their individual merit, these buildings of a later period throw welcome light on the purposes and functions of earlier edifices. At the request of the Abbot of Mahiyangana Vihara and the Society engaged in the restoration of the *dagaba* there—one of the holiest shrines of Ceylon Buddhists—some excavation work was undertaken on this site, in spite of the fact that the monument, which is not on Crown land, has not been 'protected' under section 19 of the Antiquities Ordinance. The main purpose of the work was to ascertain the various stages in the history of the monument and the platform on which it is built, with a view to furnish data for the preparation of designs for the restoration work. The results achieved here are extremely gratifying. In clearing away the debris formed by the collapse of successive restorations, in order to expose the original brickwork, we came across a relic-chamber dating from the eleventh century and in it were found objects of great antiquarian and historical interest, including fragments of frescoes.

Outside the main centres of archaeological work, excavations were undertaken and carried out at Rajangane in the Vanni Hatpattu of the Kurunegala District. The *vatadage* at this place, badly damaged by vandals, is worth conservation. Inscriptions brought to light reveal the fact that Rajangane is the site of the ancient Hatthikuchchi Vihare referred to in the Pali commentaries in the same breath with Mihintale.

Exploration work undertaken particularly in the Gal Oya area, has contributed material to the List of Monuments which is under preparation. Exploration and opening up of sites were also made in the Kegalla and Matale Districts, the Western, Southern, Sabaragamuwa, Central, Uva and Eastern Provinces.

Special mention should be made of the bridge constructed across the Kavudulu oya on the road to Medirigiriya because in it an attempt has been made to demonstrate how the motifs of ancient Sinhalese architecture can be utilized for modern purposes. The bridge was opened in December, 1950. Its construction was of the departmental plan of road-building. The Buduruvagala group of sculptures (near Wellawaya, in Uva Province) will soon have a good road which will draw more visitors to this unique group of Mahayanist figures. At Polonnaruwa, the road by the Alahana Parivena complex was so deviated as to follow the ancient road which brought pilgrims in front of the Lankatilaka. At Mihintale, the motor road from the Katuseya to the Kaludiya Pokuna, passing the Rajagiri lena, was completed during the year. This road enables the visitor to conveniently visit not only the picturesque Rajagiri lena but also the interesting monastic remains and caves in that area. These are rarely visited by pilgrims or tourists. Superfluous trees have been felled so as to convert the area into a park in the same manner as has been done in the rest of the reserve at Mihintale. Much progress has been made in the construction of a circular motor drive at Yapavu; it is hoped that visitors would be able to make use of it before the end of the year.

Considerable progress was made, particularly at Mihintale and Polonnaruwa, in the scheme of converting the archaeological reserves into parks by clearing the undergrowth, felling trees where they are too thick, and planting ornamental and flowering trees. The ancient Royal Park at Anuradhapura received attention, the trees and shrubs planted in previous years being taken care of and new

ones being planted. At Sigiri, Mihintale, and in the Royal Park at Anuradhapura, the visitor can now see the types of trees which flourished of old in parks and gardens, and have been described by poets in Sinhalese and Sanskrit literary works, but which, even to most scholars, have hitherto remained little more than names. The thousands of acres of archaeological reserves contain extensive areas in which useful trees can take the place of the jungle trees that now exist, and if a well thought out scheme of tree-planting be undertaken, such trees would not only add to the aesthetic attractions of these historic sites, but also would eventually be an economic asset of considerable value. This, however, should be undertaken after the reserves have been properly enclosed, and the prohibitive cost of material has deterred us from taking this work in hand in earnest.

The treatment of the frescoes at Sigiri was carried out during the year. It may be mentioned that the plaster on which the paintings have been executed is getting detached from the rock at certain places. This was first noticed in 1939 and the necessary chemical treatment to counteract the possible damage to the frescoes was carried out in 1943 by Khan Bahadur Mohamed Sana Ullah, the former Archaeological Chemist in India. The Khan Bahadur could, of course, treat only the areas of the plaster surface which then showed this deterioration. The frescoes are under constant observation and whenever any portion of the plaster shows signs of getting detached from the rock, remedial measures, similar to those carried out by the Khan Bahadur, are adopted without loss of time. The care of the wall-paintings at Sigiri, Polonnaruwa, and other places is, among the responsibilities of the Archaeological Department, that which required the utmost vigilance and gives rise to innumerable problems. Nothing is more susceptible to deterioration due to natural causes than old painting, and the peculiar location of the examples of ancient frescoes in Ceylon enhances these inherent difficulties. The addition of a trained Archaeological Chemist, expected next year, will enable this aspect of its work to be carried out with greater assurance. Lovers of art may, however, rest assured that this national heritage has suffered no untoward or avoidable deterioration during the course of the last decade.

Among the archaeological finds may be mentioned the Buddha images of bronze or copper discovered at Udattapola near Dodangaslanda in the Kurunegala District. One of these images is of particular interest, for the Buddha is represented as seated on a throne with a backrest. Three bronze Hindu images (two of Siva and one of Parvati) were discovered at Trincomalee in July, 1950, by some Urban Council workmen. They had been buried at some disturbed time and had undoubtedly belonged to a temple in the city. On account of their religious appeal they have been handed over to the Hindu community. All these images are in excellent state of preservation, of high artistic value, considerable interest from the iconographical point of view, and should prove to the student of Indian Art as important as the Hindu bronzes now in the Colombo Museum. On grounds of style, they can be assigned to a date between the 11th and the 13th centuries. A hoard of 2,828 Roman coins was found in Debarawewa in Magampattu and at Ambalantota where, too, 22 Puranas (Eldings) have also been found.

An important inscription deciphered during the year is on a much weathered slab in front of the Vishnu Devale at Devundera. This record can be taken as an edict of Parakramabahu II (1234-1269 A.D.), though the king's name is not satisfactorily preserved. It is attested by Devapatiraja and gives interesting information about the administration of the port which existed at the place in ancient times. The text and translation of this inscription will be included in Volume VI mentioned below. The year's work has added to the stock of ancient inscriptions in the department's collection. The Archaeological Museum at Anuradhapura has been rearranged and has been placed under a permanent officer. There are objects of archaeological and historical value which will repay visiting scholars. A paper on *Sinhalese Arts and Culture* contributed to volume XCII of the Journal of the Royal Society of Arts (London) by the Archaeological Commissioner brought him the Society's Silver Medal for the year. In *Sigiri, the Abode of a God-King*, published in the Journal of the Royal Asiatic Society, Ceylon Branch (Centenary Volume), the Archaeological Commissioner gave an original interpretation of the fortress in relation to King Kassapa. The monumental work on Sigiri graffiti is being seen through the Press; so also the *Memoirs of the Archaeological Survey*, Vol. VI., on the Upulvan Devraja-ge at Devundera. The Archaeological Department conducted exhibitions at Anuradhapura during the pilgrim seasons of Vesak, Poson and Esala.

In Colombo it held a special place in the exhibition organized by the UNESCO at the Colombo Museum in October, in connection with the inauguration in Ceylon of a National Commission of that body.

Guide Books and Picture Post Cards for popular sale amongst visitors and pilgrims to the Ruined Cities have been published in increasing numbers. To take parties round the ancient monuments, a Lecturer Guide each has been stationed at Anuradhapura, Polonnaruwa and Sigiriya, for the first time. Their services are given *gratis*.

II. National Museums

The National Museums of Ceylon commenced with the founding of the Colombo Museum in 1877. Since then three other museums at Kandy, Ratnapura and Jaffna, each with an Advisory Committee of some of the leading people in the area, have been opened both for the benefit of the people in the Provinces and to preserve for posterity the antiquities and the rich and varied culture in the different parts of the Island. These museums are repositories of national collections pertaining to the natural history and culture of Ceylon. Not only are they institutions of popular education, but they are also centres of advanced scientific researches, the results of which are published in the Museum Bulletin, *Spolia Zeylanica*, for the use of scholars both in Ceylon and abroad. Among the collections are the fishes, reptiles, birds and mammals of Ceylon, minerals and gems, fossils, stone implements and bone artifacts of Stone Age man in Ceylon, and other traces of his culture phases jewellery, brassware, bronze and ivory images, stone sculptures, wood carvings, weapons and, armour, masks, pottery, antique painted cloths, copies of ancient frescoes, medieval prints of Ceylon subjects and the like. The small staff of the Museums Department makes these collections from remote jungles and rural parts of the Island.

The rapid flow of acquisitions has resulted in heavy overcrowding and a large number of important objects have to be kept in storage for lack of space for displaying them to the public. The Ethnological Survey of Ceylon, suspended during the period of war, has been resumed and some of its results have been published ; a Pleistocene Survey has also been commenced.

The Director represented Ceylon at I.C.O.M. Congress held in London in June, 1950, and conducted research on the collections at the British Museum of Natural History, the University Museums of Zoology and Geology at Cambridge, and at Bolton Museum. He is a member of the National Commission for Ceylon under UNESCO.

Each museum has an Advisory Committee of its own whose function it is to advise the Director on matters connected with its development.

The expansion of the educational service of the museum is among the latest activities of the department. Guide Lecturers conduct school children round the galleries, explaining the exhibits in English and the vernaculars as needed. During 1950 over 75,000 school children were thus conducted, while the total number of visitors at all the museums exceeded 640,000. Twenty-two popular lectures were given at the Museum Lecture Hall, the lecturers including besides museum officers, a number of delegates to the World Federation of Buddhists and other distinguished scholars.

The results of the research work done in the Colombo Museum Laboratory, are published in the Museum Bulletin which helps to augment knowledge in the field of education, and is of great value to scientists all over the world.

The international recognition of the work done by the Ceylon Museums has resulted in its representations at conferences, and on expeditions conducted abroad, the exchange of specimens and publications between Ceylon, and the museums and scientific organizations all over the world, and in the appointment of the Director as Honorary Herpetologist to the Indo-Pacific Fisheries Council for exploiting the Indian and Pacific Oceans, as Adviser to the American Foundation for the study of Man at Washington, and as Adviser to the UNESCO Editorial Board of the International Museums Section.

The rehabilitation of the Colombo Museum after the war has progressed rapidly. The replacement of the showcases that were damaged is now completed, and the collections exhibited on up-to-date lines of Museum display in newly designed showcases. The entire collections have now increased

to such an extent that a very large number of exhibits are stored away for want of accommodation in the present building. The construction of a new wing has been under consideration and is long overdue. The Kandy Museum is too small for its collections and is expanding into a part of the Palace of the last King of Ceylon. The Ratnapura and the Jaffna Museums are also overcrowded. The provision of proper buildings for these provincial museums, is among the most pressing needs of the department.

The Colombo Museum Library, mainly built up by the research work of museum officers, offers an opportunity to study the results of work done in other parts of the world as well as that of Ceylon's workers. At present the library has a total number of about 60,000 volumes and 3,500 Palm Leaf Manuscripts. Many valuable books have been added recently as donations, by purchase, and in exchange for Colombo Museum publications. Over 1,000 publications from about 440 scientific institutions were received during this year in exchange. The Museum Library is one of the main instruments in working out the Museum collections and is regarded as one of the finest scientific libraries in the East. It is open for reference to approved research students.

RESEARCH

Researches were continued on the Quaternary animals of Ceylon, and several additions were made to the fossil collections. Chief of these are a shoulder blade of the extinct Ceylon Hippopotamus, molars of the extinct wild boar, and a tooth and leg bone of the extinct gaur.

The excavations at the prehistoric site at Ella yielded many artefacts and remains of animals eaten by Stone Age man. It has revealed the presence of several wet and dry phases.

The Assistant in Ethnology continued his studies on the Kinnaraya, the tribe of weavers, the Berawaya or Naketi, the Kumbakarayo or potters, the Oli, and Ahikuntakayo, the Ceylon gipsy tribe. He also investigated the ceremonials of the Kohomba Kankaria, the Socio-religious institution of An-Keliya, and the folk play of Sokari.

Studies were continued on the hitherto unnoticed frescoes from a 3rd or 4th century site at the foot of the rock fortress of Sihagiri (Sigiriya). These paintings showed superimposition of paintings of different ages. The geological and topographical features of this rock fortress were also studied and published.

The Assistant in Zoology has catalogued the bulk of the reserve collections. Work conducted on fishes, reptiles and birds yielded several new species. The most interesting of these is the broad-billed roller which has been named *Eurystomus orientalis irisi*. A donation was received from Mr. Mant of the skeleton of a swamp elephant shot by him. Among other collections are a crocodile and a large leopard measuring 9 feet shot by the Director. The Museum collaborated with Dr. Dillon Ripley on an Avi-Faunal Survey, collecting specimens of birds at Maho.

III. Aspects of Ceylon Culture—Ceylon Painting

Although there are numerous references in early Pali and Sanskrit Literature to 'Picture Halls' (Chitra-Salas) or Art Galleries and allusions to the nobility occupying themselves in painting even in India there is little visible evidence existing to-day of early paintings. But for a few remains in the Mirzapur District the whole period before Ajanta is a blank.

The original 'Picture Halls' were made of wood, clay or bricks. Paintings on such foundations would hardly last many generations. Therefore, although painting itself flourished with vigour posterity was deprived of its evidence.

In Ceylon, too, we should be surprised to see actual evidence of very early paintings. But we find clues by which we can trace painting to the earliest times in Sihalese history. Emerson Tennent once claimed for Ceylon the honour of having used oil colours for the first time in history. But this was due to a mistranslation of a word in the *Mahavamsa*. We find painting referred to in the *Mahavamsa* in the matter of painted vases in the reign of Devanampiyatissa (307 B.C.). We also read in the *Mahavamsa* that Dutugemunu (161-137 B.C.) commanded artists to depict numerous

scenes from the life of the Buddha and particularly the Vessantara Jatakaya in the relic chamber of the Ruwanweli Seya. As Dutugemunu lay dying, Saddha Tissa, after having covered the half-finished Maha Tupa with cloth, commanded painters to make on it 'a Vedita duly and rows of filled vases likewise and the row with the five-finger ornaments'.

King Jetta Tissa (332 A.C.) can be said to have been the first Royal Art Master in Ceylon, having taught the subject to many of his subjects and carried out many arduous undertakings in painting and sculpture.

Fa Hian, the Chinese pilgrim (400 A.C.) states that on a certain occasion either side of the road was decorated with representations of the Buddha in previous births and that these figures were all painted beautifully with diverse colours.

Havell has observed that there was no known process of tempera or oil painting which would withstand exposure to tropical weather for nearly fifteen hundred years as the Sigiriya paintings have done, being in open rock pockets with hardly any shelter from the elements.

The earliest examples of Sinhalese art surviving in Ceylon to-day are the world-famous pictures at the rock fortress of Sigiriya (fifth century A.C.). These 21 three-quarter length figures of women, bearing a close affinity, if not a resemblance, to the pictures at Ajanta, display a full knowledge of the human form and a sureness of line associated with a master. There is a lyrical quality of rhythm and a subtle sense of refinement about these sensuous ladies whose portraits are perhaps the only example of art for art's sake we have from the past.

What do the Sigiriya figures represent ?

There have been many theories. H. C. P. Bell thought they were ladies of parricide Kasyapa's court on their way to a nearby temple carrying flowers and moving in one direction. Ananda Coomaraswamy was of opinion that they were Apsaras because the figures were cut off at the waists by conventional clouds. Havell mixed up both these theories and wrote : 'The subject is a procession of royal ladies, supposed to be Kasyapa's queens with attendants bringing floral offerings to a shrine which seems to be located in the Tusita Heaven for the figures appear to be half immersed in the clouds—the usual convention for heavenly spheres.' Martin Wickramasinghe surmised they were women engaged in water sports and has identified one of the instruments in one woman's hand as a water-throwing gadget. Nandadeva Wijesekera considered these figures as Kasyapa's queens mourning for the Royal Husband. Parānavitana has suggested that they are symbolic representations of clouds and lightning painted round the rock to make it resemble Mount Kailasa.

However close in style the Sigiriya pictures are to those at Ajanta, the thickness of the plaster, the limitation of the colours to natural earths and the presence of alterations, show that the colours have been laid on while the plaster was yet wet and are true fresco in technique and not tempera as has been proved in the case of the Ajanta pictures, with their wide range of colours, over-coatings and thinness of the plaster.

Ananda Coomaraswamy inclined to the view that the Sigiriya frescoes were the product of an isolated school of painting directly imported from India and disappearing in Ceylon soon after, leaving no trace behind.

But two recent discoveries, one at Maiyangana and another at Anuradhapura have shown that it was no such flash-in-the-pan school.

In January, 1950, when a tenth century relic-chamber was opened up at the ancient dagoba of Maiyangana, a scene of the Buddha resisting the temptations of the Maids of Mara under the Bo-Tree was discovered painted in the same style and technique as the pictures at Ajanta. The lively dancing girls especially were of high artistic merit.

In 1950 the Archaeological Department discovered at Veluvanarama, Anuradhapura, after being covered by lime-wash for centuries, pictures of the Bodhisatva in Tusita Heaven before he took his last human form. These pictures show the same excellence of line and brush work, the same strength and richness in colour as displayed at Sigiriya and are in fact reminiscent of the famous Bodhisatva Padmapani of Ajanta. The shrine belongs to the 12th century ; and although seven centuries after Sigiriya and two centuries after Maiyangana, here we see the definite continuation of an art

form hitherto unsuspected due to lack of evidence. Rather than being an isolated example the Sigiriya style was perhaps the beginning of the laborious cultivation of a technique that lasted seven hundred years, until it gradually gave place to South Indian influence of simple story-telling in a series of pictures as has been done by the medieval Sinhalese artist called the 'Sittara'.

That painting was taken for granted in Ceylon in the 12th century, is seen by references in Sinhalese texts. *Sasadavata* speaks of the *Kokum* flower as the red tinted brush with which the canvas of the hearts of husbands and lovers are painted. The same book compares a brief summary of a Jataka story to an outline made by a Sittara of a picture.

Buthsarana (13th century) impresses the greatness of the Buddha as an admirable picture created by an artist. *Saddharma Ratnavaliya* (of the same century) has many references to pastes made by painters with such details as the mixing of *divul* gum with colours to make them last longer.

Elu Attanagaluvamsa (14th century) refers to a five storeyed edifice which was decorated with indescribable varieties of mural painting.

Gira Sandesaya (15th century) warns the parrot not to be deceived by the pictures of fruit-laden trees full of parrots on walls but to be delighted by their beauty.

Only Thotagamuwe Sri Rahula (15th century) in the *Selalihini Sandesaya* refers to the actual style of the painting : ' True friends, alike in weal and woe, show not their backs, like pictures on the wall '. This allusion is perhaps the convention of the Sittara never to paint a figure with its back to the beholder. Most of the figures were done in profile or at three quarters in order to indicate movement of the story. Only the Buddha, the gods, or kings, were given the unique privilege of front view as they became the centre of a picture.

Sevul Sandesa (late 16th century) describes the painting in a Hindu temple near Sitawaka thus : ' Beholding with a heart filled with boundless joy the painting representing in detail the war between Rama and Ravana, the war of the Mahabharatha, and the wars of the auspicious Skanda, and the wars waged by Iswara against the Asuras in ancient times '.

Ganadevi Hella (18th century) says that after the walls were daubed with clay and smoothly plastered with lime, an artist was engaged who painted pictures of *makaras* and *hansas*, *gawaras*, leopards and pretty *kovlas*.

In the *Nilakoba Sandesa* (18th century) the poet addresses the parrot thus : ' Sit quietly on the fruit-laden *kaduru* tree and behold the *ambalama* built at Polonnaruwela adorned with paintings of lions and leopards, as if by the advent of Viswakarma with his mighty power '.

But all allusions to painting in medieval Sinhalese literature show that at no time did we have any philosophy of art. It was always regarded entirely either as decorative or didactic in aim. The Sinhalese have never known what is called art for art's sake. It was only a means of glorifying religion. The Sittara evidently knew no inspirational, spontaneous outpourings of a full heart on canvas in the quick creation of a masterpiece.

In painting, the temple wall was the canvas ; religion the theme ; and narrative the objective. The Sittara with his paint and brush turned the walls into epics in colour in which the devotee could scan the sacred stories. Art for the peasant was only a medium through which an exemplary life could be taught to the sinner and the sacred knowledge revived in the memory of the saint. It was primarily an attempt to present the spirit rather than the form, a story rather than an idea. But this story was told in as attractive a way as possible.

Such an art had necessarily to be traditional in technique, decorative in execution, idealistic in conception, and symbolic in design. Perspective and shading, light and shadow, were unessential to Sinhalese painting.

To understand this idealism and symbolism it is best to study the methods of picturisation of particular objects in our mural paintings. Take the trees or flowers, for instance, in Sinhalese traditional art. Now, when we look upon numberless trees in various lights, the impression created

in the mind is that they are irregular growths of branches and leaves producing a confused effect of light and shade. But when we analyse this impression it will be seen that although each tree has a different and unique scheme, yet the branches and leaves conform to a certain particular form with variations—the branches assume a standard manner of growth; the leaves an average arrangement of their being. When the Sittara painted on the wall a tree, it was not the image of any one tree in particular. It was both a symbol and an ideal. The mango tree was, for instance, the embodiment of the concept of some perfect and rythmical idea of the tree. It was, in a way, the average soul or spirit of all trees of the species the artist had in mind.

The treatment of the lotus was similar. It was the reduction of many and varied complex forms of the flower to some common denominator in art and expression in the one of the many. It was concentrating all the subjective emotion created by the sight of many lotuses into one unlike likeness, an ideal to be used as a symbol.

On the same principles the human figure and animals drawn by the Sittara were not realistic. The Sittara was clearly not illustrating a work in natural history. He was telling a story. The breaking of common rules of realism was imperative to the nature of his art—in order to give a certain idealistic personality and individuality to his art.

How was the majesty of the Buddha, who is described 'unfettered, quiescent and absolutely pure in mind', to be depicted? Or how was the nobility of the horse whose 'neigh was the sound of a storm' and 'who is swift as the wind and stately as the lion' and 'has a gait of a dancer' to be drawn? The expression of these abstract ideas was of more value than the exact imitation of the natural form.

The Ceylon Sittara overcame the limitations of realism to depict the ideal by by-passing realism with a staggering latitude. Parts of the anatomy were exaggerated. The neck and shoulders were made massive; the waist, narrow. The bones and veins were glossed over, making the limbs supple and rounded, as smooth as a woman's, for superman combined the perfection of both sexes but transcended them all. It was a technique which created a symbol of spiritual rebirth by which a man's form could be translated into a god's.

In the case of the lion, the Sittara gave it the lion's share of idealism with a vengeance. He expressed the whole personality of a race of men in the peculiar creature he created which would have made any thinking lion alive, if he had an ounce of sense, call a policeman!

In such an art it would be absurd to search for perspective or prettiness. As a matter of fact most Sinhalese paintings when looked upon through spectacles of modern realism seem grotesque and uncouth. But in vivacity and dignity, chasteness and sureness, they are tense in every line.

In the choice of colours the Sittara had a preference for different shades of yellow and red. Blue and green were used only occasionally to bring out the details in a design. All figures had a clear outline in black. The preponderance of yellow and red shades was due to circumstances under which the Sittara worked. His canvas was the temple wall, usually a dark interior with subdued or faint light. The object of the artist was to impress an image in the minds of the beholder at a glance. Thus the colours had necessarily to be brilliant in order to catch the eyes in subdued light. The black outlines gave point and precision and defined the figures at a first glance. The blue, green, and the brown, introduced here and there, gave a softening effect wherever required. Although the colours and shades were limited, the Sittara made clever use of these. The limitation was more an incentive to stimulate the inventiveness of the painter than to damp his ardour.

But it was in the sphere of design that the Sittara gave full expression to his inward genius. From early childhood boy Sittara learned to master the curve which he later worked into intricate patterns that stir with tense life.

The Sittara being chiefly a decorative and symbolic artist lived in a fantastic world of his own, peopled by fabulous creatures, mythical birds, and fanciful flowers of his own creation. The *Makara*, for instance, was a whole Zoological Garden summarised in lines into an elaborate pattern. It has

the trunk of an elephant, feet of a lion, ears of a pig, the body of a fish, the teeth of a monkey, and the tail of a swan. And to think that the origin of the design was a representation of a crocodile ! Another fabulous creature was the *Kindura* whom Monier Williams and Dawson call a Centaur. There is no half-horse, half-man, in Sinhalese art. What we have is quite enough, thank you ! The *Kindura* is half-man and half-bird, and the bird, if anything, is a swan, playing on a flute. The *Kinduras* are supposed to live in the Himalayas. Another design from the Himalayas is the *Narilatawela*, a creeper of which the flower is a woman in all wise so beauteous to behold that it is known to have shaken the strong vows of hermits. From the Himalayas only one design takes a bold step further and reaches Heaven itself. This is the *Kadupulmal* or *Parasatu*, the flower of the tree under which god Sakra sits on his throne. The ornamental hilt of a sword and the suggestion of a lotus combine to make the pattern of this flower whose scent is said to be felt four hundred *gous* (leagues) away.

Quite a number of examples of work done in medieval times by the Sittara are extant to this day. The more famous and precious of this legacy are seen at the temples of Degaldoruwa, Ridi Vihare, Dodantale, Dangirigale, Lankatilaka, Totagamuwe, and Ganegoda. A number of temples in the south like Mulgirigala also have preserved these frescoes of the pre-British era.

Dr. Ananda Coomaraswamy in his monumental work *Mediaeval Sinhalese Art* (1905) has recorded these folk art forms before they disappeared. This testament of beauty of 400 double royal pages with 50 full page plates and innumerable line illustrations reads to-day like the dying deposition of a fast sinking culture. The book is noteworthy for the interest it created, among not only the Sinhalese but also foreigners, in Ceylon's artistic heritage.

With the coming of the British and the fall of the Kandyan Kingdom, the art of the Sittara has suffered years of neglect and lack of patronage. Western (if not Victorian) art, depending on perspective, light and shade, has almost driven the simpler but more effective and decorative art almost out of existence.

On January 18, 1951, at the Governor-General's residence, Queen's House, a historic conference was held, the object of which was the formation of an Arts Council of Ceylon on the model of the Arts Council of Great Britain. The memorandum discussed at this conference said :

'For many centuries in Ceylon the artist and craftsman mainly relied for his employment on what we should now call public works and services, and for his remuneration and livelihood upon the patronage of the Kings, the Temples, and the Aristocracy.

Since the beginning of the 19th century, two causes have gravely prejudiced his position and prospects :

- (1) The elimination of the Kings, the impoverishment of the Temples and the Aristocracy, and the loss of their patronage.
- (2) The spread of industrialism, and the mass-production and importation of domestic products.

The second cause, industrialism, has been injurious to art and particularly to craftsmanship, all over the world.

In medieval times, both in Britain and Ceylon, the most important patrons of Art were the King and the Church. But in Britian, unlike Ceylon, when the power and resources of the Royal House and the Church declined, their places were taken by the aristocracy and rich merchants whose wealth, in a country rapidly growing more wealthy, enabled them to gratify their ostentation, or their taste, by the patronage of painters, musicians, craftsmen, and architects.'

With reference to the decline of art and craftsmanship in Ceylon the memorandum said :

'Although there are encouraging signs of a revival of interest in painting, music, dancing, drama, and craftsmanship, it is doubtful whether without some organised effort to stimulate, assist and guide this revival, the unco-ordinated activities of various individuals and societies will meet with any lasting success.'

CHAPTER X

JUSTICE, POLICE, AND PRISONS

I. The Judicial System of Ceylon

SUPREME COURT

THE Supreme Court consists of a Chief Justice and eight Puisne Justices. It has appellate and revisional jurisdiction in civil matters and as a general rule it exercises no original jurisdiction in civil cases. However, under Ordinance No. 2 of 1891 it is a Colonial Court of Admiralty. It has also jurisdiction under the Indian and Colonial Divorce Act, 1946, to make a decree for the dissolution of a marriage and as incidental thereto to make an order as to damages, alimony, maintenance and custody of children where the parties to the marriage are British subjects domiciled in England or in Scotland.

The Supreme Court has original jurisdiction in criminal cases and exclusive jurisdiction in respect of more serious offences such as homicide, rape, and the graver types of house-breaking and robbery. In practice it seldom tries cases which do not fall within its exclusive jurisdiction. It usually sits with a jury and tries cases committed for trial by a Magistrate's Court. It also exercises appellate and revisional jurisdiction in criminal cases. The Supreme Court may pass any sentence authorized by law. It has also the power to issue writs of *habeas corpus*, *mandamus*, *quo warranto*, &c., and also to disenrol Advocates and Proctors who are found guilty of deceits, crimes or malpractices. Special jurisdiction is conferred on the Supreme Court to hear election petitions.

DISTRICT COURTS

The District Courts, of which there are at present twenty-five in the Island, have unlimited original civil (including testamentary and matrimonial) jurisdiction and criminal jurisdiction in respect of all offences which are not within the exclusive jurisdiction of the Supreme Court. District Courts try only cases committed to them for trial by Magistrates' Courts.¹ District Courts may pass any of the following sentences :—

- (a) Imprisonment of either description for a term not exceeding two years ;
- (b) Fine not exceeding one thousand rupees ;
- (c) Whipping ;
- (d) Any lawful sentence combining any two of the sentences aforesaid.

When a person is convicted at one trial of any two or more distinct offences the aggregate punishment it can award is twice the punishment mentioned above.

Under sections 3 and 4 of Ordinance No. 2 of 1891 the Minister of Justice has power to appoint a District Court to have a limited Admiralty jurisdiction. The District Court of Colombo alone has been appointed to exercise such jurisdiction.

MAGISTRATES' COURTS

There are thirty Magistrate's Courts and seven Municipal Courts in the Island. The offences which a Magistrate's Court may try are specified in the Schedule to the Criminal Procedure Code, 1898. Various Ordinances have also made other offences triable by a Magistrate's Court. A Magistrate's Court may not pass a sentence heavier than the following, except where an Ordinance has especially empowered it so to do :—

- (a) Imprisonment of either description for a term not exceeding six months ;
- (b) Fine not exceeding one hundred rupees ;
- (c) Whipping, if the offender is under 16 years of age ;
- (d) Any lawful sentence combining any two of the sentences aforesaid.

¹ Under section 152 of the Criminal Procedure Code, a Magistrate who is also an Additional District Judge may, in the course of an inquiry into an offence which is triable by a District Court, proceed to try such offence summarily when he is of opinion that it can properly be so tried. In such a case there is no previous committal.

When a person is convicted at one trial of any two or more distinct offences the aggregate punishment it can award is twice the punishment mentioned above.

Magistrates who hold preliminary inquiries into crimes have the power to commit the accused for trial to a higher court or to discharge him. Special jurisdiction is conferred on Magistrates' Courts to make orders for the maintenance of wives and children.

COURTS OF REQUESTS

Courts of Requests have original civil jurisdiction (subject to certain exceptions) in all actions in which the debt, damage or demand or value of the land in dispute does not exceed Rs. 300.

There are thirty Courts of Requests in the Island, of which one (the Colombo Court) is presided over by a separate Commissioner. All the others are presided over by a District Judge or a Magistrate who acts as Commissioner of Requests in addition to his duties as District Judge or Magistrate.

RURAL COURTS

The Rural Courts Ordinance, No. 12 of 1945, which repealed sections 64-128 of the Village Communities Ordinance and the fourth schedule to that Ordinance, was brought into operation from October 1, 1946.

The civil jurisdiction of a Rural Court extends to the trial of all actions in which the debt, damage or demand or the value of the land in dispute does not exceed Rs. 100. A Rural Court has criminal jurisdiction to try the minor offences enumerated in section 10 of this Ordinance and in the exercise of such jurisdiction may sentence any person convicted of an offence to imprisonment of either description for a period not exceeding 14 days or to a fine not exceeding Rs. 50.

A Rural Court is presided over by a President appointed by the Judicial Service Commission. There are forty-seven Rural Courts in the Island : Five in the Western Province, six in the Central, eight in the Southern, six in the Northern, five in the Eastern, six in the North-Western, three in the North-Central, three in the Uva, and five in the Province of Sabaragamuwa.

THE JUDICIAL SERVICE COMMISSION

The Judicial Service Commission as constituted under the provisions of section 53 (1) of the Ceylon (Constitution) Order in Council, 1946, assumed office on October 4, 1947. From that date until February 3, 1948, the powers of appointment, transfer, dismissal, and disciplinary control of Judicial Officers remained vested in the Governor acting on the recommendation of the Judicial Service Commission. With the coming into effect of the Ceylon Independence Act, 1947, and the Ceylon Independence Order in Council, 1947, from February 4, 1948, appointments, transfers (including those involving increase of salary), dismissal, and disciplinary control of Judicial Officers became vested in the Commission.

In addition to the above powers vested in the Commission, section 6 of the Minute on the Ceylon Judicial Service, modified and published in the *Gazette Extraordinary* of September 24, 1947, placed the Judicial Service for the purposes of leave and general administration under the general control of the Judicial Service Commission.

II. Police System and Crime Statistics

The Police Service of Ceylon was established and is regulated under Ordinance No. 16 of 1865, as amended by subsequent Ordinances though there was a Police Branch of the administration dating as far back as the early 19th century.

Before the Police Service was constituted the duties of the Police were attended to by the village headmen. Regular Police have been introduced gradually into most populated districts of Ceylon since 1865. In the rural areas of the provinces the headman plays an important part in the detection and investigation of crime. The gradual policing of the unpoliced areas is being continued and seven new police stations were opened during the year.

COMPOSITION

The sanctioned strength of the Service on December 31, 1949, and December 31, 1950, was as follows :—

	1949	1950
Inspector-General	1	1
Deputy Inspectors-General	3	3
Superintendents and Assistant Superintendents	84	84
Chief Inspectors	11	11
Inspectors and Sub-Inspectors	521	526
Sergeants-Major	2	2
Sergeants	826	841
Constables	5,212	5,262

The following Police Stations were opened in 1949 and 1950 :—

1949	1950
Bombuwela	Akkaraipattu
Inginiyagala	Amparai
Kekirawa	Mullaitivu
Moneragala	Alawatugoda
Kilinochchi	Baduraliya
	Akmimana
	Poddala

CAUSES OF CRIME AND PREVENTIVE WORK

There has been an appreciable decrease in grave crime in 1950, as compared with the figures of the previous year. It will be of interest to note that grave crime in the Island has come down to the pre-war level. This reduction can be attributed to the gradual policing of unpoliced areas, careful supervision of re-convicted criminals, increased activity and vigilance of night patrols in arresting thieves on suspicion, co-operation of public bodies such as Rural Welfare Societies, Village Welfare Societies, and improved methods of detection and mobility.

There has been a general all-round decrease in crime against property and person. The majority of crime against person is unpremeditated and committed in a sudden fit of anger. The weapons commonly used are knives and firearms. Deterrent punishment is meted out to offenders against the Dangerous Knives Ordinance and the Firearms Ordinance and this has mainly contributed to the reduction in crime against person. The Police by taking up minor offences in respect of rowdyism, unlawful gaming, loitering, &c., have prevented serious crime.

The Rural Welfare Societies have played a great part in educating and enlightening the average villager on the evils of crime and the fact that crime does not pay. In many village areas, petty land disputes and quarrels are settled by peaceful means, the mediators being the Police and Headmen, assisted by the various Welfare Societies.

The following is a statement of crime reported for the five years ended 1950 :—

	1946	1947	1948	1949	1950
True	20,892	20,090	17,863	15,003	13,632
Conviction	5,140	6,021	6,121	5,672	5,134
Pending	5,066	4,044	2,967	2,949	3,141

The following is an analysis of the main heads of crime reported for the five years ended 1950 :—

	1946	1947	1948	1949	1950
Homicide	543	561	462	403	374
Attempted homicide	384	357	277	236	223
Grievous hurt	1,891	2,186	2,061	1,951	1,997
Hurt with dangerous weapons	3,324	3,777	3,197	2,971	2,716
Burglary	7,619	6,367	5,492	4,604	4,480
Cattle thefts	2,321	1,488	1,642	1,464	1,143
Robbery	2,194	2,384	2,006	1,603	1,382
Theft over Rs. 20	9,026	8,494	7,320	6,358	5,786
Bicycle thefts	1,309	1,352	1,114	974	1,097
Other offences	1,110	1,320	1,077	985	931
Total	29,721	28,286	24,648	21,549	20,129

MOTOR TRAFFIC

A total number of 41,295 prosecutions were entered by the Police for motor offences in 1950 as against 33,691 in 1949 and 31,360 in 1948. Accident figures are as follows :—

	1947	1948	1949	1950
Total number of accidents	6,266	8,265	9,566	10,342
Persons killed	210	230	157	286
Persons injured	3,875	4,806	4,104	5,091

III. Prisons

The Prisons Ordinance, 1877, placed all the prisons in Ceylon under the control of the Inspector-General of Prisons (which title has now by Ordinance No. 41 of 1944, been changed to that of Commissioner of Prisons and Probation Services). Ceylon, therefore, enjoys the advantages of a unified prison system which renders possible classification by institutions in addition to sub-classifications in institutions. The Probation Services is also administered as part of this Department.

The principle upon which this classification proceeds is the separation of the different types of offenders—especially the separation of the young offender from the adult, the first offender from the 'habitual', the convicted from the unconvicted, males from females, &c. To each type of offender appropriate methods of treatment and training are applied.

YOUNG FIRST OFFENDERS

All young offenders of the age of 16-21 inclusive with sentences of over one month are detained at Welikada in separate wards. Rover Scout principles are utilized for their training and regular camps are held. The Welikada Prison Rover Troop is the first officially recognized prison troop in the world. Educational classes, industrial and vocational training, first-aid instruction, boxing, gymnastics, drill and games form a part of the regular curriculum, in addition to the various Scout activities.

LONG-TERM FIRST OFFENDERS

The progressive stage system—a feature of the English prison system—has been adapted to suit local conditions and is largely used in connection with the training of these offenders. According to this system prisoners fall into different classes. Every prisoner sentenced to imprisonment immediately enters and remains in what is called the penal stage for one month. He then enters and remains in Class IV, when he becomes eligible to earn remission, for eleven months.

Conditional upon good conduct and industry, he is promoted to Class III where he remains for one year and then on the same conditions to Class II. At the end of one year if his conduct is satisfactory, he is promoted to Class I. Promotions from class to class carries with it a graduated scale of privileges and, on entry into Class II, gratuity and good conduct badges can be earned. Prisoners who show special skill and aptitude in the various trades are appointed Instructors (Grade I and II) who are accorded enhanced rates of pay and privileges.

Another feature in the training of these long-term first offenders is the placing of responsibility on individual prisoners. Long-term first offenders in Class I of exemplary conduct are selected for appointment as Disciplinary Prison Orderlies. Their duties consist in assisting the regular prison officers, they are left in charge of small parties inside the prison, and act as escorts within prison walls, &c.

All long-term first offenders are employed and trained in one or more of the many trades and handicrafts taught in Welikada Prison. On reaching certain grades of the stage classification they earn money, part of which may be spent in the purchase of books and extras to the diet, or sent to their families, and part of which is accumulated and paid on discharge.

RECONVICTED PRISONERS

For the training of selected types of reconvicted prisoners there are two classes in Mahara and Bogambara Prisons. Specially selected reconvicted prisoners with sentences of two years and over constitute Class 'B'. These prisoners while at work are kept separate from the others. Evening classes are held for them and they are supplied with books from the prison library. They are also given the privilege of playing games, &c. After a probationary training for six months in this class, all who prove satisfactory are transferred to Kandy where they form special class 'A'. Prisoners in special class 'A' are treated like first offenders in all matters relating to pay, industrial training, privileges, &c.

MISCELLANEOUS

The output value of prisons industrial undertakings during the four years ended 1949-50 was as follows :—

1946-47	1947-48	1948-49	1949-50
Rs.	Rs.	Rs.	Rs.
781,560	1,066,466	1,271,241	1,180,736

For young offenders, that is, those of 22 and under, vernacular education is compulsory. At Welikada, Bogambara, and Mahara Prisons, evening classes conducted by volunteer social workers have been organized for the benefit of both young offenders and adult offenders. These classes are held in English and in the vernacular. Commercial classes in typewriting, shorthand, &c., are also held in Welikada Prison for the benefit of Star Class Prisoners.

Well conducted prisoners, particularly young offenders, star class prisoners, first offenders, preventive detention prisoners, and prisoners in the special classes 'A' and 'B' who have reached an advanced stage in their training are allowed to take part in games both indoor and outdoor. Boxing, gymnastics, and volley ball are popular games.

There are no Prison Chaplains in Ceylon but representatives of all creeds and denominations are allowed to visit the prisons, hold services, and give religious instructions. Services are held every Sunday and all prisoners are encouraged to attend the services of their particular denomination.

All criminal prisoners sentenced to rigorous or simple imprisonment (except under Chapter 7 of the Criminal Procedure Code) become eligible to earn remission of sentence, which is conditional on good conduct and industry and which is based on the mark system, on completion of the first month (30 days) of their sentences.

Whole-time resident Medical Officers are provided for the three Colombo Prisons and for Mahara Prison. The Medical Officers attached to all the other prisons are not whole-time officers but have other outside duties to perform as well.

All cases which need operative treatment or special nursing are transferred to the ordinary civil hospital for treatment. Prisoners are also now being sent to the Hospital of Indigenous Medicine for treatment in cases where the conditions are considered incurable by the Western system of medicine or where the Superintendent considers such treatment desirable.

The total number of deaths of prisoners (both convicted and unconvicted) was as follows :—

1947 ...	48
1948 ...	24
1949 ...	29
1950 ...	22

These deaths include prisoners who died in the Prisons and Prison Hospitals as well as in Civil Hospitals and other medical institutions, but are exclusive of judicial executions.

STATISTICS

The following table contains the statistics for the years 1947, 1948, 1949, and 1950 :—

		1947	1948	1949	1950
Number of admissions on conviction—	Total	14,310	16,312	14,154	12,248
	Males	13,803	15,784	13,636	11,857
	Females	507	528	518	391
Number of admissions on conviction from Supreme Court and District Courts		1,183	1,423	712	443
Convictions for murder and culpable homicide not amounting to murder		440	400	278	200
Number of male persons sentenced to death		110	97	70	51
Number executed		44	35	20	19
Number pardoned and released		3	—	—	—
Daily average population (convicted and unconvicted) —	Total	6,516	6,679	6,720	6,093
	Males	6,406	6,580	6,626	6,014
	Females	110	99	94	79
Number of reconvicted prisoners		5,461	6,614	5,666	5,163
Admissions for non-payment of fines		4,947	7,261	6,588	6,100
Imprisonment for statutory offences		2,228	5,659	3,281	4,265

There were no prisoners sentenced to or serving terms of preventive detention during the years 1947, 1948, 1949, and 1950. No statistics are available as to the number of cases in which time was given for the payment of fines or for payment by instalments.

YOUNG OFFENDERS

(a) *Young first offenders.*—The number of admissions of young first offenders of the age group 16–21 was as follows :—

1947 ...	1,407
1948 ...	1,569
1949 ...	1,220
1950 ...	1,157

(b) *Young reconvicted offenders.*—The number of admissions of young reconvicted offenders was as follows :—

1947 ...	650
1948 ...	763
1949 ...	585
1950 ...	504

RACE AND RELIGION

<i>Nationality</i>	<i>1947</i>	<i>1948</i>	<i>1949</i>	<i>1950</i>
Resident Europeans	—	—	—	—
Non-Resident Europeans	35	4	18	9
Burghers	52	55	47	48
Sinhalese	10,202	11,489	10,007	8,353
Tamils	2,799	3,274	2,790	2,709
Moors	1,156	1,408	1,212	1,057
Malays	33	45	42	40
Others	33	37	38	32
	<u>14,310</u>	<u>16,312</u>	<u>14,154</u>	<u>12,248</u>
<i>Religion</i>				
Christians	1,292	1,477	1,399	1,183
Buddhists	9,281	10,607	9,160	7,617
Hindus	2,473	2,771	2,353	2,327
Muslims	1,256	1,447	1,232	1,114
Others	8	10	10	7
	<u>14,310</u>	<u>16,312</u>	<u>14,154</u>	<u>12,248</u>

PRISON PUNISHMENTS

The number of punishments imposed on prisoners for offences against Prison discipline during the years 1947, 1948, 1949, and 1950, was as follows :—

1947 ...	7,287
1948 ...	8,878
1949 ...	7,278
1950 ...	6,186

the number of individuals punished being 5,957, 6,973, 6,127, and 4,749 during the years 1947, 1948, 1949, and 1950 respectively. In most cases the offences were of a trivial nature.

IV. Probation Service

The Probation Service since its inauguration in 1944, has been expanded to cover the Judicial Divisions of Colombo, Galle, Kalutara, Negombo, Jaffna, Kegalla, Dumbura, Gampola, Gampaha, Panadure, Point Pedro, Chavakachcheri, Balapitiya, Batticaloa, Chilaw-Puttalam, Ratnapura-

Avissawella, Kurunegala, and Matara. These divisions have been grouped into five Area Groups, and a Chief Probation Officer is in charge of each Area Group. The five Area Groups are (1) Western, (2) Central, (3) North-Western, (4) Southern, and (5) Northern.

Chief Probation Officers have already been appointed for the first four Groups and the fifth will be appointed shortly. With the appointments of the 17 new Probation Officers now undergoing training, the Probation Service will be expanded to cover the remaining Judicial Divisions of Nuwara Eliya, Tangalla, Matale, Mannar, Trincomalee, Anuradhapura, Badulla, Kayts, Mullaitivu, and Hambantota; thus bringing the whole Island under the provisions of the Probation of Offenders Ordinance, No. 42 of 1944. With this expansion the Probation Service now has a staff of four Chief Probation Officers, 38 full-time Male Probation Officers, 1 full-time female Probation Officer, and 11 unsalaried part-time female officers. The Service is under the supervision and control of a Superintendent but owing to expanding volume of work and in order to decentralize the administration, an additional Superintendent has been appointed and will assume work in the near future. The Island will then be divided into two administrative areas each in charge of a Superintendent.

Provision has also been made for the establishment of three Remand Homes for Juvenile Offenders and three Probation Hostels in Colombo, Kandy, and Galle. These institutions will be in charge of Wardens who will be assisted by Assistant Wardens, Matrons, and Assistant Matrons. The Remand Homes and Probation Hostels will accommodate about fifty children to begin with. The administration of these Homes will also be a function of the Probation Branch of the Department of Prisons and Probation.

PROBATION STATISTICS

	1948	1949	1950
Carried over under supervision from the previous year	623	1,009	1,125
Placed on Probation	708	596	751
Completed satisfactory	225	374	614
Completed unsatisfactory	97	144	169
Remaining on Probation at the end of the year	1,009	1,125	1,092

TRAINING SCHOOL FOR YOUTHFUL OFFENDERS

The Young Offenders (Training School) Ordinance, No. 28 of 1930, was proclaimed in January, 1940, and the school was established and opened at Wathupitiwala as from March 1, 1940. There is accommodation for 150 inmates at present but with the completion of the 2nd Stage of the Expansion Scheme shortly, there will be accommodation for a total of 260. Agriculture still forms the most salient feature in the training of the lads, but industrial training—carpentry, tailoring, blacksmithy, &c.—is also given. There is an After-care Association for the school under the control of a Committee of Management with the Government Agent, Western Province, as Chairman and with a full-time paid manager.

AFTER-CARE OF DISCHARGED PRISONERS

An association called the Ceylon Discharged Prisoners' Aid Association, which was thoroughly re-organized a few years ago, is now functioning satisfactorily with a substantial government grant and a full-time paid secretary. There is a Central Committee of the association in Colombo with a network of local Sub-Committees at most Prison centres which are charged with this active work of after-care.

CHAPTER XI

LAND DEVELOPMENT

I. Land Tenure and Agrarian Relationship

UNDER the Sinhalese Kings land tenure was on a feudal basis. The King was in theory the owner of all lands and all land grants were made by him. The chiefs and subjects for their part had to render services to the King. Thus arose the system known as 'Service tenure'. This continued well nigh into modern times in the ownership of temple lands and some Nindagam lands. The tenant known as the Paraveni Nilakaraya had to perform certain services to the temple or the Nindagama overlord, as the case may be, in return enjoying the produce of the land. The performance of services was commuted to a money payment by Commissioners acting under the authority of the Service Tenure Ordinance (Chapter 323 of the Legislative Enactments).

From very ancient times the claim of the subject to own lands as of right has been unquestioned. Under the Dutch a large area of the rice land was held in return for personal services under the title of 'accommodessans'—a tenure which was commuted by a proclamation by the British to a tax of 1/5th of the produce. This varied in different parts from 1/2 to 1/14th of the produce owing to historical reasons. The system of collecting this tax was altered several times and finally the tax itself was abolished in 1892 by Ordinance No. 4 of that year. Since then no tax appears to have been collected from the subject *qua* cultivator till the Income Tax Ordinance came into operation in 1932. Local Government taxation on agricultural lands was negligible till the authorisation granted to Village Committees in 1938 to levy a 'land-tax' based on acreage. The committees were at first slow to take advantage of this provision, but since then many of them are collecting this tax which is not in any sense a serious burden on the cultivator.

WASTE LANDS ORDINANCE

The adjustment of claims between the State and the subject to waste or jungle land has been the subject of bitter controversy for a long time. The Crown claimed all residuary land not owned by its subjects and an Ordinance entitled the 'Waste Lands Ordinance' was passed in 1840 to define precisely the boundary between state and private ownership. Under this Ordinance all waste or unoccupied land was declared property of the Crown and special officers were given powers to inquire into and determine claims to such land from subjects. The administration of this Ordinance in the middle of the last century appears to have caused a certain amount of hardship, and considerable extents were declared property of the Crown on the ground that they were 'unoccupied'. On behalf of the Kandyan peasants it has often been urged that it was this Ordinance and its iniquitous application that deprived the Kandyan peasantry of their best lands and drove them to the less congenial valleys below. This Ordinance has been amended several times and now has been replaced by the Land Settlement Ordinance. Even under the present Ordinance special officers known as 'Settlement Officers' inquire into and determine claims between the subject and the Crown to unoccupied jungle land. The decisions of settlement officers have the same force as decrees of courts of law.

FIDEI COMMISSUM

The conception of trusts known to English Jurisprudence whereby beneficial ownership is separated from legal ownership is recognised in Ceylon law also. But from the Dutch was inherited a peculiar institution, namely, *fidei commissum* as known to the Roman Dutch Law, which system is still the general law.

Fidei commissum is more a kind of ownership than a system of tenure. The fiduciary, the immediate holder, has the right to use and enjoy the land, but he has no right to dispose of the corpus. He can, however, alienate his beneficial interest, viz., his right of using and enjoying the land during his ownership. The *fidei commissary*, corresponding to the remainder-man in English law, on the other hand, has no immediate interest in the land. His rights of ownership and user commence on the termination of the fiduciary's rights. During the life of the fiduciary his (i.e., *fidei commissary's*) only interest is in the nature of a *Spes successionis*. However, this does not have much economic importance as the *fidei commissary* is often a descendant of the fiduciary.

Since family ties are so strong the fact that the land is subject to *fidei commissum* does not act as a deterrent on the development of that land. But it may be noted that *fidei commissum* may arise unexpectedly, and sometimes defeats the title of a bona fide purchaser for value without notice of the *fidei commissum*. Even the law of prescription is not of much avail to such purchaser as prescription does not run against minors and it is generally minor *fidei commissaries* who cause many upsets when they attain majority. The Banking Commission and Mortgage Commission referred to this as a disturbing factor in determining title to land, and a solution for this problem that will be fair by the *fidei commissary* and the purchaser has to be found.

LAND DEVELOPMENT ORDINANCE

The Land Development Ordinance created a new system of tenure. At first land is alienated as a lease and the allottee is required to develop the land and reside on it. Once these terms are complied with, the allottee is given a grant by deed. This grant contains conditions against alienation and fragmentation. The grantee can nominate a successor who will succeed to the allotment. The grantee is for all practical purposes the owner of the allotment—except of course for the provision against alienation and fragmentation and for the payment of rent known as 'annual payment'. This is, in the case of peasant allottees, one to two per cent. and in the case of middle class allottees four per cent. of the unimproved value of the land. Both peasant and middle class allottees must reside on the land. Peasants must work the lot themselves while the middle class allottees may employ hired labour.

Estates acquired for village expansion and divided and given out to many allottees as well as lands restored to former owners under the Land Redemption Ordinance are given on this system of tenure.

LEASEHOLDS

Tenure under leasehold deserves special notice. Ordinarily all leases other than a lease at will or for any period exceeding one month should be notarially executed as required by the Prevention of Frauds Ordinance (Cap. 57 of the Legislative Enactments) which provides as follows in section 2:—

'No promise, bargain, contract or agreement for establishing any security, interest or incumbrance affecting land or other immovable property (other than a lease at will or for any period not exceeding one month) shall be of force or avail in law unless the same shall be in writing and signed by the party making the same or by some person lawfully authorised by him or her in the presence of a licensed Notary Public and two or more witnesses present at the same time and unless the execution of such writing, deed or instrument be duly attested by such Notary and witnesses.'

Judicial interpretation of the term 'interest in land' has taken the view that planting agreements and asweddumization agreements whereby a cultivator undertakes to asweddumise or plant land belonging to another and hand it back to the owner, are not instruments affecting 'interest in land', and need not therefore be notarially executed. However, an exception is made in the case of a 'contract or agreement for the cultivation of paddy fields or chena lands for any period not exceeding

12 months, if the consideration of such contract or agreement shall be that the cultivator shall give to the owner of such fields or lands any share or shares of the crop or produce thereof', by section 3 of the Frauds Ordinance which declares that this class of contract need not be notarially executed in all provinces except the Eastern Province. Apparently in the Eastern Province even contracts for cultivation on a share basis for a period of one year or less have to be notarially executed.

There is no system in Ceylon of registration of title, but there is a system of registration of instruments affecting land under Cap. 101 of the Legislative Enactments. Subject to certain exceptions, instruments take priority according to their dates of registration and not their dates of execution—registered instruments taking precedence over unregistered instruments. The cumulative effect of Cap. 57 and 101 of our Legislative Enactments is to require that all leases other than those for share cultivation for a period of less than a year should be notarially executed and registered at the Land Registry. This involves considerable expenditure for the poor tenant, but this is the only means of securing the leasehold rights to him.

SERVICE TENURE

A tenant claiming under a notarially executed lease agreement is secure so long as he complies with the terms and conditions of the lease. But very few tenants have notarial leases. The majority are tenants at will and change of tenancy at the end of the cultivation season is not infrequent—especially in the areas where pressure on the land is great. However, ordinarily annual leases are renewed on the same terms if the landlord is satisfied with the tenant. Legal recognition of non-notarial lease agreements might improve the position. The holder under the Land Development Ordinance is secure so long as annual payments are made and the conditions are complied with. The fiduciary is the owner during his lifetime and cannot be ousted. The holder of service tenure land is secure so long as he pays the rent due to the temple of the Nindagama overlord.

The system of service tenure described above appears to have had its origin in the grant of allotments to their domestics and retinue by the kings and aristocrats of old. The descendants appear to have accepted this as a system of tenure and as noted above it has now been commuted to a money payment.

ESTATE LABOUR

In the estates¹ well over 90 per cent. of the immigrant labourers and a small percentage of the indigenous labour is resident on 'lines' belonging to the estate. They are in law looked upon as analogous to servants and have no rights of tenancy. Consequently no tenancy is attached to lands given to them by estates for cultivating kitchen gardens. When the labourer leaves the estate he has no legal claim for compensation. However, it is not unusual for Superintendents to grant recognition to a transfer to another labourer on the estate by private treaty. So long as the labourer is on the estate Superintendents do not as a rule interfere with the cultivation of vegetable gardens. Many labourers have taken advantage of such facilities and have earned substantial sums from the sale of vegetables grown in them.

II. Land Development

The total extent of Crown land in Ceylon is approximately 19,000 square miles, 3/4ths of the surface area of the Island. The climate varies considerably in different parts of Ceylon, and this fact has an important bearing on the development of land in the Island. There are two main climatic divisions, namely, the wet zone (comprising the centre and the south-west of the Island) and the dry zone (comprising the northern and eastern parts).

¹ A description of the conditions of tenure obtaining on land alienated by the Crown is embodied in the section on Land Development.

The wet zone is the part of the Island, roughly a quarter of it, that receives the rain of the south-west monsoon. The rainfall in this zone is both ample and well distributed, with the result that conditions are favourable for agriculture. Tea, rubber, coconuts, and other economic crops can be grown readily and, under normal conditions, profitably. In addition, village cultivation flourishes. The opening of new lands in tea and rubber, however, was controlled from the year 1938 as a result of international agreements to restrict the production of these two commodities. For many years past the wet zone has steadily developed and the population has increased considerably. At the present time this zone contains the greater part of the population of the Island, and there is comparatively little land available for development.

In the dry zone, owing to adverse conditions, land development is more difficult. In the first place the rainfall, though not really inadequate, is so unevenly distributed that the country suffers badly from drought each year, except where extensive storage tanks have been constructed. In the second place, a large part of the dry zone has been extremely malarial.

For these reasons the greater part of the dry zone is thinly populated. Where the land can be irrigated or the rainfall is favourable, paddy is grown and a certain amount of land, chiefly near the coast, has been planted with coconuts. Many villagers, however, are dependent on 'chena' cultivation, that is to say, the periodical clearing and cultivation of tracts of jungle, which are abandoned after one or two crops of grain or vegetables have been grown on them. Attempts are being made to develop this area by restoring ancient irrigation works which have long run into disuse, and by constructing new irrigation works such as Gal-oya. Plans have also been drawn up for the establishment of dry farming scheme intended not only to increase food production by converting vast tracks of jungle in the dry zone into food growing areas but also to establish that farming on a rotational basis (as opposed to chena cultivation) can be done in the unirrigated land of the dry zone.

The Land Settlement Ordinance, No. 20 of 1931, as amended by Ordinance No. 22 of 1932, and Ordinance No. 31 of 1933, was introduced for the speedy adjudication of claims to land of the following description :—

- (a) Forest, Waste, unoccupied or uncultivated land or chenas or other land which can only be cultivated after an interval of several years ;
- (b) Cultivated or otherwise improved land within a period of 25 years.

Prior to the Land Settlement Ordinance, the machinery which provided the law for dealing with the claims of private persons to land which was presumed to be property of the Crown was the Ordinance No. 12 of 1840, Waste Lands Ordinance, No. 1 of 1897, as amended by Ordinance No. 1 of 1899, No. 5 of 1900 and No. 4 of 1903. The administration of the Land Settlement Ordinance is now carried out by the Settlement Officer, assisted by fourteen Assistant Settlement Officers. During the year 1950, seventy-one villages covering an area of 28,949 acres were completely settled and handed over to the respective Revenue Officers. 134 Notices calling for claims under this Ordinance were published in the *Government Gazette* and the Newspapers and 4,903 persons sent in their claims, which are now under investigation ; further an extent of 2,186 acres were declared to be the property of the Crown, while 1,044 acres were settled on the claimants. The settlement of land results favourably in the opening up of the country with good results both to the prosperity of the people and to the revenue of the State.

As in the past intimate contact was maintained between officers of this department and villagers. Insistence was laid on the settlement of private claims to land to which the presumption in favour of the Crown, under section 7 of the Crown Lands Encroachment Ordinance, could not be rebutted. In this process it has been possible to settle many bitter disputes over the ownership of village lands. Several villages were settled in which there were lands appertaining to "paraveni pangu" and subject to services registered by the Service Tenure Commissioners. The large majority of claimants to

Such lands were in favour of individual settlements but it was seldom possible to settle such claims owing to the intransigence of a few people. Such lands are not presumed to be at the disposal of the Crown and there was no alternative to declaring them not claimed by the Crown.

DISPOSAL OF CROWN LAND

The present policy of the Government is to take the initiative in disposing of Crown land, and the machinery for mapping out Crown land and its disposal is provided by the Land Development Ordinance, No. 19 of 1935, which came into force on October 15, 1935. Under this Ordinance all Crown land in a village area has to be 'mapped out' before any land is alienated. In mapping out prior consideration is given to the requirements of the local villagers and the actual mapping out is done either by Revenue Officers or by the Settlement Officer in consultation with the local villagers. Mapping out schemes require the sanction of the Land Commissioner. No scheme which has been confirmed by the Land Commissioner can be varied or modified so as to enable land mapped out for village needs and for peasant colonization to be utilized for alienation without the consent and approval of the Minister of Agriculture and Lands. In mapping out a village area, land is set apart for the following purposes, priority being given according to the order in which they are placed :—

- (1) Village expansion.
- (2) Village forest.
- (3) Village pasture.
- (4) Chena cultivation.
- (5) Village purposes not specified above.
- (6) Peasant colonization.
- (7) Protection of the source or courses of streams.
- (8) Prevention of soil erosion.
- (9) Forest reserves.
- (10) Government purposes including buildings and roads.
- (11) Preservation of archaeological areas and of historical interest.
- (12) Requirements of local villages.
- (13) Development of towns.
- (14) Alienation to middle-class Ceylonese.
- (15) Alienation to persons irrespective of class or race.
- (16) Any other purpose.

Mapping out as defined in the Land Development Ordinance has been deliberately designed to safeguard the interests of villagers.

NEW SYSTEM OF LAND TENURE

The Land Development Ordinance makes further change in the tenure of land alienated by the Crown. The principal features of the new system of land tenure are as follows :—

- (a) The owner is obliged to cultivate the land, or utilize it in a manner specified in the grant.
- (b) The owner is required to make a small annual payment to the Crown not exceeding 2 per cent. of its value in perpetuity.

- (c) The land cannot be subdivided beyond the limit specified in the grant, or held in undivided shares smaller than the fraction specified.
- (d) The succession to the land is not regulated by the ordinary law of inheritance, but by special rules designed to prevent the sub-division of the land or alienation outside the family.
- (e) In certain cases, the owner is forbidden to lease or mortgage the land except to the Crown and may not otherwise dispose of it without the Revenue Officer's consent. Nor can this land be seized and sold by a court of law.

This system of tenure prevents fragmentation of land and protects the land even from the allottee himself and assures that the land will remain in the family as long as it is properly cultivated. The Land Development Ordinance prescribes in detail the procedure for the alienation of land. In order to assure that the disposal should be as fair as possible, alienation can be done only by a Revenue Officer personally and at a Land Kachcheri to which wide publicity must be given at which all possible applicants are entitled to state their claims. Any person aggrieved with the decision at a Land Kachcheri has the right to appeal to the Land Commissioner. The alienation of land under this Ordinance is such that even if the Crown requires it for any public purpose it has to be acquired in the same manner as private land is acquired under the Land Acquisition Ordinance. In alienating land mapped-out for village expansion it is the definite Government policy to give to each peasant an extent sufficient to enable the peasant family to maintain a reasonable standard of living, and he is given the necessary financial assistance to develop this land and to build a cottage according to an approved type plan in a short period. Such peasant settlements are also provided with irrigation facilities, road access, public wells, &c., free by Government.

COLONIZATION PROCEDURE

The colonization schemes in the dry zone are planned out in detail before the land is cleared of forest. This involves the co-ordination of the work of several departments. When the Survey Department has completed the engineering survey and the Irrigation Department recommends the construction of irrigation facilities, the Department of Agriculture arranges a soil survey of the area to determine the suitability of the land for different crops. The land is then blocked out into peasant holdings of 3 acres of irrigated paddy land and 2 acres of unirrigated garden land. Land is also set apart for public buildings, parks, religious purposes, pastures, &c.

While the Irrigation Department is engaged in its share of the task, the Land Development Department clears the land of forest and constructs cottages, wells, hospitals, dispensaries, schools, civic centres and co-operative stores. The paddy area is contour-ridged in continuous tracts to facilitate mechanized cultivation. The paddy area is also fenced with barbed wire along the perimeter and is partially stumped. The colonists then move into these ready made farms. They are encouraged to form co-operative organizations for the sale and processing of agricultural produce, purchase of stores and implements and for granting credit facilities. Government also issues to them planting material, implements, cattle, and poultry. Soon a homogeneous community is formed out of colonists who were recruited from different parts of the country.

The colonization of the dry zone was begun in earnest in 1930 and the policy of the Government was developed gradually in the first colonization schemes established at Minneriya, Kagama, and Tabbowa. The development during the first few years was slow on account of high incidence of malaria, lack of communication, and the general fear of the peasantry to migrate to the dry zone ; but much headway was made during this period by the Irrigation Department in providing the necessary irrigational facilities for the future colonization schemes. The success of the first colonization schemes has caused a keen demand for land in these colonization areas, and the extent of land which can be provided with irrigation facilities can meet only a small fraction of this demand from the peasantry. The attitude of the peasantry has now changed and men, who a few years ago refused to leave their villages, are now anxious to migrate to the dry zone.

The following extents of land have been developed during the past ten years :—

	<i>Acreage alienated Acres</i>
January 1, 1939, to November 31, 1947	21,252
January 1, 1948, to December 31, 1948	4,089
1948-49	30,006
1949-50	15,871
1950-51 (Programme)	21,583

REHABILITATION POLICY

In order to meet the demand of the increasing population of the thickly congested areas where Crown land is scarce, private lands both developed and undeveloped are acquired by the Crown for allocation to peasants resident in such areas. The extent acquired in 1950 was approximately 5,126 acres.

The normal procedure followed in alienating land acquired under this scheme is to allot such lands in individual blocks to landless villagers under the Land Development Ordinance, selected at Land Kachcheries by the Revenue Officers. But this system has proved unsatisfactory and it has since been decided that where large planted-up estates are acquired the land should be worked as a single unit on a co-operative basis by the selected allottees. The allottees are provided with cottages and live in settlements within the estate.

Ceylon is essentially an agricultural country and it is mainly by the development of land now in forest that this country can find employment for an increasing population and raise the standard of living of the peasantry as a whole.

Regulations have been introduced under the Food Production (Estates) Ordinance, No. 2 of 1943, to exempt the proprietors of rubber estates from the liability imposed therein to plant a part of their estates in food crops or commute such liability. This will relieve the industry of a rather heavy burden. In the interest of food production, however, where any area of a rubber estate can be asweddumized, the proprietor's liability will still remain.

ADMINISTRATION OF ESTATES ACQUIRED BY GOVERNMENT

Hitherto, the ultimate objective in regard to estates managed departmentally was to vest their management in a Co-operative Society consisting of selected allottees. This was in accordance with the policy recommended in Sessional Paper XIV of 1946 on the Ma Oya and Mary Mount Estates.

A major change in policy has since been introduced. The co-operative scheme of ownership and management ultimately envisaged for departmentally managed estates, was revised. Allottees were to be selected for these estates to receive suitable economic units of land in individual blocks. Alienation in accordance with this new policy was to take effect only after houses required for the number of allottees to be selected had been built. This change in policy was based on the fact that the system of alienating estates in individual blocks would satisfy the needs of more landless persons than was possible if co-operative management was retained.

To ensure that the alienation of estates in small units will not result in the deterioration of their agricultural condition, arrangements are being made to establish Co-operative Agricultural Production and Sales Societies which will be responsible for the proper agricultural management of the land, and the collection, processing, and marketing of the allottees' produce. Supervisors will also be appointed to advise these allottees to carry out good agricultural practices.

LAND REDEMPTION

During the year the working of the Land Redemption Ordinance, No. 61 of 1942, was reviewed and it was decided that no further applications would be entertained for the redemption of any land which had been sold in execution of a mortgage decree after December 31, 1940, or which having been mortgaged as a security for a debt was transferred after December 31, 1940, to the creditor or his heirs, executors, administrators, assigns or nominees in full or part satisfaction of the debt.

An extent of 275 acres was reduced during the year at a cost of Rs. 352,475.07 and eighty-five applicants were given the lands they applied for.

THE AGRICULTURAL CORPS

Approved by the State Council in March, 1944, as an 'Emergency Measure' to tide over the grave situation caused by the rapid overrunning by the Japanese of the rice-producing countries of the East, upon which Ceylon was entirely dependent for her rice supplies, the Ceylon Agricultural Corps was formed in May, 1944, with the primary object of providing labour for food production.

This aim has been accomplished in large measure by the establishment of Agricultural Corps Camps in the dry zone close to agricultural and land development schemes, where the main problem in the past was the difficulty in attracting and securing a supply of staple labour owing to extremely unhealthy and climatic conditions.

During the year 1950 the Agricultural Corps was mainly engaged in various types of land development work including construction of minor roads in the areas developed. Normal land development work was carried out at Elahera, Kagama, Beragama and at Polonnaruwa where an Agricultural Corps Camp was opened in November, 1950, on the premises formerly occupied by the Ex-Servicemen's Scheme. The Paragahakelle Camp was mainly employed on clearing a part of the Gal Oya reservoir bed. A small mechanical unit was set up at Relapanawa in the Anuradhapura District for clearing jungle and building tank bunds and roads for a dry farming project of the Agricultural Department. The unit also carried out for the Government Town Planner earth moving and levelling jobs with machinery in the new town at Anuradhapura. The work at Ridiyagama in the Southern Province was completed and the camp buildings there were sold to the Ceylon Army. The work at Beragama was also completed and the temporary camp closed down.

The total number of man days available to the Corps in the year was 408,422 inclusive of all supervisory staff as against 557,467 in the previous year. The revenue earned from the main sources was approximately Rs. 1,250,000. Although the total revenue was less than that in the previous year owing to the considerably reduced strength, the revenue earned per man day was very much higher as a result of the individual output being increased by better supervision and better organization of working parties.

III. Land Registration and Valuation

LAND REGISTRATION

Ordinance No. 8 of 1863 is the first Statute which attempted to introduce a system of land registration. It provided for the registration of deeds as well as of title to land on a cadastral survey. This was modified by Ordinance No. 5 of 1877, which made registration of title compulsory only in notified areas. The new legislation was proclaimed in the undeveloped areas of Dehiwela, Wellawatta and Kirillapone, but extension to other areas was soon abandoned on the ground of expense. The law was again changed by Ordinance No. 14 of 1891, reintroducing the principle of registration of deeds contained in the Ordinance No. 8 of 1863 and incorporating the idea of priority registration. In 1907 Ordinance No. 3 was passed which combined the system of registration of title and of compulsory registration of land transactions, but not being proclaimed it was never brought into force. Ordinance No. 23 of 1927 gave effect to the priority system of registration of documents providing that an unregistered deed be void against all particularly an adverse interest thereto on valuable consideration by virtue of any subsequent instrument which is duly registered. Finally the Registration of

Old Deeds and Instruments Ordinance, No. 35 of 1947, requires that deeds registered prior to January 1, 1864, should be tendered for registration or other prescribed steps taken for registration, before January 1, 1948. This Ordinance was designed to secure title to land against claims based on unknown instruments, chiefly those creating *fidei commissum*.

Land registration in Ceylon may be divided into three categories, viz. :—

- (a) registration of title to land ;
- (b) registration of deeds and other documents affecting land ; and
- (c) registration of grants under the Land Development Ordinance.

As regards the grants referred to at (c) these are instruments affecting land and granted by the Crown. They are registered in a separate set of registers. 128 grants were registered in 1948, 98 in 1949, and 174 in 1950.

The nature and number of deeds affecting immovable property registered during 1948, 1949 and 1950 are shown in the following table :—

TABLE 11. 1. NATURE AND NUMBER OF DEEDS REGISTERED AFFECTING IMMOVABLE PROPERTY

Nature of Deeds	1948	1949	1950
	Number	Number	Number
Transfer by sale, gift, &c.	124,749	133,377	138,921
Mortgages	66,581	70,263	63,321
Discharges	21,861	22,200	26,252
Leases	15,035	15,368	16,112
Other deeds	6,962	7,077	11,624
Settlement orders	103	35	16

TABLE 11. 2. NATURE AND NUMBER OF OTHER REGISTERED DOCUMENTS

	1948	1949	1950
Applications for registration of addresses for services	20,844	22,294	22,319
Applications for registration of <i>lites pendentes</i>	3,691	4,103	5,931
Fiscals' seizures	502	503	474
Priority notices	86	135	115
Caveats	185	220	261
Renewals	5	29	42
Cancellations	26	48	80
Trusts	8	6	1

Before any instrument affecting land is registered, it is necessary to see that the document is properly stamped in accordance with the provisions of the Stamp Ordinance (Cap. 189) ; for, the registration of an instrument which is not properly stamped is void. It is also essential that an instrument must be registered in the proper folio of the land register. The proper folio to register a document is the folio where the land affected had been previously registered. Before a document is registered, it is therefore necessary to search for the proper folio in the register ; and this searching is facilitated by means of an index to the land registers. All transactions relating to a land will appear in one folio or in a continuation of that folio. Registration of a deed which is improperly stamped or is registered in a wrong folio will entail serious consequences to the public, such as loss of title to a land. Land registration is therefore a very responsible measure requiring great care and precision.

LAND VALUATION

Valuations for acquisition of lands for public purposes under the Land Acquisition Ordinance of 1876
During the year 1950 the valuations of 1,547 lots in extent 3,440 acres assessed at a total value of Rs. 7,312,475 were undertaken for various authorities for acquisition of lands, estates, &c., for village expansion and colonization, road widening, housing schemes, water supply schemes, hospitals, schools and various other public purposes.

Estimates for Heads of Departments and other Local Bodies in connection with proposed acquisitions

- (a) Number of estimates furnished during 1950 was 201
(b) Valued at Rs. 13,038,417

Valuations furnished to the Land Commissioner under the Land Redemption Ordinance, No. 61 of 1942

- (a) Final valuations—No. of cases—117 (comprising 227 lots in extent 440 acres)
Total valuation Rs. 577,505
(b) Preliminary valuations (i.e., estimates)
No. of cases—112 (extent 1,900 acres)
Total valuation Rs. 2,399,023

Valuations for the Commissioner of Estate Duty and for District Courts

- (a) Number of properties in respect of which valuations were furnished 1,453
(b) Total valuation Rs. 18,621,762

Valuations for the Commissioner of Stamps and Registrar-General

- (a) Number of properties 434
(b) Total official valuation Rs. 3,651,421

Details are as hereunder—

	Number of Properties	Official Valuation
		Rs. c.
(a) Colombo town properties where the value is disclosed	348	1,950,190 00
(b) Colombo town properties where the value is not disclosed	56	887,550 00
(c) Outstation properties where the value is disclosed	16	138,600 00
(d) Outstation properties where the value is not disclosed	8	189,956 00
(e) Agricultural estates	6	487,125 00

Other valuations

- (a) Valuations for the Public Trustee—properties in extent 1 rood and 16 perches
Total valuation Rs. 139,300
(b) Miscellaneous valuations (Loan Board, &c.)—
No. of properties valued 19
Total valuation Rs. 4,990,433

Assessment of rental values of Government or privately owned land and buildings

- (a) No. of private buildings and Crown properties hired for Government purposes assessed for rent 1,229
(b) Rental value Rs. 50,071

Assessment of Crown properties within Local Authorities' areas

1,107 properties of an annual value of Rs. 698,855 were revised during 1950.

General revision of town assessments for rating

The revision of the following towns was undertaken and completed during the year 1950 :—

Trincomalee, Vavuniya, Mullaitivu, Piliyandala, Rattota, Balangoda, Veyangoda, Madampe, Manipay, Polgahawela, Panadure extension, and Alutgama extension.

The revision of the following towns was commenced, but could not be completed within the year :—

Kotte, Nuwara Eliya, Ambagamuwa, Beruwala, Kankasanturai, Ratnapura, Galboda Korale, and Otarapalata.

Revision of assessments under section 237 of the Municipal Councils Ordinance (Chapter 193)

The total number of applications received and revised in 1950 amounted to 1,313, the total annual value reported being Rs. 226,749.

Division and consolidation of assessments

Thirty-two applications were received and reported on in 1950.

Assessment of compensation in respect of land and buildings taken possession of or used under Emergency Powers

Requisitioning of Land Act, No. 33 of 1950, enabled Government to continue in occupation of land requisitioned and to take possession of land requisitioned for essential purposes. The following work was done in 1950 :—

152 properties were assessed for damages at Rs. 498,981 against claims of owners amounting to Rs. 769,470. Five properties were assessed for rent at Rs. 987 per annum. The valuation of 52 Service Fixed Assets taken over by Government amounted to Rs. 4,494,686.

IV. Land Surveys

SURVEY DEPARTMENT

No land can be alienated or otherwise dealt with by the Crown until it has been surveyed and demarcated by the Survey Department. The activities of the department consist of the following :—

Triangulation

Records of systematic triangulation in Ceylon began with the measurement of a base at Negombo, on the west coast, in 1857. A second base was measured at Batticaloa, and theodolite observations for the fixation of trigonometrical stations were made throughout the Island between the years 1858 and 1906.

In 1930 the two bases were re-measured with modern apparatus, some observations were re-taken, and the principal triangulation was re-computed ; the results being published in 1933.

Since then this branch of work has been confined to breaking down figures for large-scale surveys, and in some flat parts of the Island the triangulation has been supplemented by primary traversing. In 1950 the observation sheets of four hundred additional trigonometrical points were examined, A total of 283 miles of primary and secondary traverses was also run.

Levelling

The earliest recorded levels were taken in 1865, and lines of levels were run to meet immediate engineering requirements, rough determinations of mean sea level being made at five tidal stations.

In 1909 work was started on a systematic network of levels ; but was stopped on the outbreak of war in 1914.

After constructing fundamental Bench Marks, a network of precise levels was observed with modern instruments between 1926 and 1930, covering almost the whole of Ceylon, the total length of the lines of levels being approximately 2,400 miles. Automatic tide gauges were established at Colombo and Trincomalee for the determination of mean sea level, and the results of the Precise Levelling were published in 1932.

Since then secondary levelling has been carried out to meet the requirements of engineering surveys in many parts of the Island, and the principal network is being systematically broken down as staff permits.

In the year 1950, 125 miles of primary and secondary levelling, 105 miles of secondary benchmarking, 38 miles of tertiary benchmarking and levelling were carried out. Benchmarking and Levelling for two major schemes (Heda Oya and Padawiya) were done through wild and difficult country.

The re-levelling of the Kandy-Dambulla line was completed. In the areas of heavy traffic on the main road the levelling was done between the hours of 9 P.M. and 4 A.M., the staves being illuminated.

TOPOGRAPHICAL SURVEYS

The topographical survey of Ceylon which was started in 1897 resulted in the publication of the first topographical map on the scale of 8 miles to one inch in 1903. A contoured topographical map on the scale 1 inch to 1 mile, covering the whole Island, was completed in 1924. Since then systematic revision has been carried out and new editions issued from time to time.

In 1950, 177 square miles were revised in the North-Central Province.

ENGINEERING SURVEYS

Engineering Surveys, for the provision of contoured plans for use in the design and construction of irrigation schemes, drainage works, and flood control projects are carried out at the request of the Irrigation Department and other Departments of Government.

In 1950 a heavy programme was undertaken and the problems of acute water shortage, inadequate means of communication, and danger from wild animals had to be faced. A total extent of 136,915 acres was surveyed including 31,000 acres of contoured reconnaissance survey. A survey of 305 acres was carried out in the Province of Sabaragamuwa for the exploitation of iron ore deposits, and a close contoured survey of 11,000 acres in the Elephant Pass saltern area in the Northern Province.

Contoured plans for the following irrigation projects covering an extent of 58,146 acres were completed and issued, viz., the Parakrama Samudra, Elahera-Minneriya, and Huruluwewa Schemes, North-Central Province; the Kantalai and Allai Extension Schemes, and the Gal Oya Scheme, Eastern Province, the Walawe Ganga Scheme, Southern Province, the Dewahuwa Scheme, Central Province and North-Central Province and the Puttur area in Jaffna District.

BLOCK AND SETTLEMENT SURVEYS

Block Surveys comprise the survey of large areas of land for the final settlement of claims as between the Crown and private owners. These include skeleton Block Surveys, where Crown Lands are demarcated to prevent encroachment and to form the framework for subsequent Block Survey.

In 1950 an extent of 5,030 acres was surveyed for the settlement of claims round the Kottukachchiya State Farm in the North-Western Province. New Block Survey Plans issued for settlement covered an extent of 5,125 acres in the North-Western and Uva Provinces.

Twenty-seven demarcation requisitions and 39 requisitions for acquisition and other purposes were completed in block-surveyed areas.

LAND DEVELOPMENT SURVEYS

Land Development Surveys for colonization and peasant proprietor allotments carried out in 1950 totalled 45,568 acres extent. The major surveys were for the Bathmedilla Colonization Scheme and the Middle Class Colonization allotments in Pitagala, Galle District.

TOWN SURVEYS

The following town surveys were dealt with—

- (a) Rakwana Town and Contour Surveys, 147 acres.
- (b) Bandarawela Town Development and Contour Surveys, 2,100 acres.
- (c) Bandarawela Town Revision and Contour Surveys, 500 acres.
- (d) Matale Town Revision Surveys, 1,256 acres.
- (e) Anuradhapura Preservation Scheme, 17,935 acres.
- (f) Colombo Town Revision, 1,335 acres were revised during the year.
- (g) Alutgama Town Survey, 190 acres.
- (h) Kurunegala Town Survey, 2,763 acres.
- (i) Rambukkana Town Survey, 870 acres. Survey is in progress.

MISCELLANEOUS SPORADIC SURVEYS

The survey of 71,140 acres of Forest Surveys was continued. Acquisition Surveys carried out during the year covered an extent of 9,363 acres and acquisitions under the Land Redemption Ordinance totalled 853 acres.

MAP PUBLICATION AND MODELS

The requests for printing from outside departments were high. These included preparation of designs for rice ration books, crests, diagrams, leaflets, maps, charts, posters, &c. 438,087 copies of maps, diagrams, illustrations, &c., were printed for these departments.

A new large size double colour Lithographic printing machine was brought into use at the Buller's Road Lithographic Office for large printing orders for colour printing. A new photostat machine was imported from England and was installed at the Buller's Road office. 2,613 departmental maps (458,290 copies) were printed during the year.

Maps available for sale to the public include one inch to a mile Topographical maps, Motor maps, Geographical maps, Historical maps, and Town maps of Ceylon. Town maps are available of Colombo, Ambalangoda, Anuradhapura, Badulla, Batticaloa, Bandarawela, Chilaw, Dehiwala-Mt. Lavinia, Diyatalawa, Galle, Gampola, Jaffna, Kalutara, Kandy, Kurunegala, Madampe, Matale, Matara, Minuwangoda, Nawalapitiya, Negombo, Nuwara Eliya, Panadure, Puttalam, and Weligama.

The following models were prepared during the year—

- 2 models of Ceylon on 8-miles scale for outside departments.
- 1 model of Ceylon for the Survey Department.
- 62 one-inch models for other Government departments.
- 7 one-inch models for private parties.
- 12 one-inch models for the Survey Department.
- Large-scale models of Minneriya and Gal Oya Development Schemes for exhibition purposes.

TRAINING SCHOOL FOR SURVEYORS

A class of 17 students completed their training at Diyatalawa and received their appointments and a new class of 15 students commenced training. Two survey probationers too completed their training, and one of them left for a course of training at Cambridge University.

The Training School also offers facilities for officers of other departments to be trained in Survey work.

CHAPTER XII

AGRICULTURE

1. Agriculture

THE entire economy of Ceylon depends upon her export trade in the three main agricultural industries, tea, rubber and coconuts. The money obtained by selling these three main products, as well as other exports, helps to pay for Ceylon's imports of essential commodities. Ninety-five per cent. of her exports consists of tea, rubber and coconuts and, 80 per cent. of the income is derived from these export industries. Those employed in trade and other businesses connected with the production, distribution and export of these three main industries account for two-thirds of the occupied population.

AVAILABLE LAND

The total area of Ceylon is estimated to be 25,332 square miles or about $16\frac{1}{4}$ million acres. In 1950 the four major crops covered the following areas * :—

Tea	561,031 acres
Rubber	655,225 acres
Coconut	1,070,942† acres
Paddy	901,500 acres

Three million acres, therefore, out of a total cultivated area of $3\frac{1}{4}$ million acres, are occupied by these major crops. The area under total productive agriculture thus works out to 20 per cent. of the total area of Ceylon.

It is not only cultivation that takes up land space. It is estimated that roads, streams, tanks, towns and villages occupy $1\frac{1}{4}$ million acres ; forests, including national reserves and sanctuaries, occupy $3\frac{1}{2}$ million acres : rocky and steep land, as well as land above 5,000 feet occupy $4\frac{1}{4}$ million acres, thus making a total of a little over $9\frac{1}{2}$ million acres. Therefore, out of a total area of $16\frac{1}{4}$ million acres, about 13 million acres are either occupied, cultivated, earmarked for definite purposes, or uncultivable and a balance of $3\frac{1}{4}$ million acres is available for future agricultural development:—an extent as large as the area already under productive cultivation.

The land surface of Ceylon is divided into two large groups, the wet zone and the dry zone. The wet zone consists of the Western, Central, Sabaragamuwa and portions of the Uva and Southern Provinces. It covers an area of 4 million square miles with a population of $3\frac{1}{2}$ millions. The dry zone occupies the rest of the Island, the Northern, North-Central, North-Western and Eastern Provinces and the balance portion of the Southern and Uva Provinces. It covers an area of 12 million acres and contains a population of 3 millions.

WET ZONE CROPS

The wet zone is today climatically the healthiest portion of the Island and is fully developed agriculturally.

Nature has divided the Island into these two land masses differing in climatic conditions, rainfall and agricultural possibilities, through the medium of the large central mountain mass which covers an area of 3–4 million acres, above 500 feet in height. This mountain mass has affected the climate

* Extents for 1951 were as follows : Tea 567,288 acres, Rubber 655,501, Coconut 1,070,942, Paddy 907,431.

† The acreage according to the 1946 Census was 920,942 (excluding cultivations in Town and Village Gardens). The extent under Town and Village Gardens has been estimated at 150,000 acres.

of Ceylon and its economic development and has thus shaped its civilization in the past, shapes it in the present and will continue to shape it in the future. The two great monsoons of the Indian Ocean, the south-west and the north-east, fall on these two areas in different ways. The wet zone which gets the full benefit of the south-west monsoon, as it lies in the south-west region of the Island, and also benefits from the north-east monsoon, has an average rainfall of 135 inches a year. The dry zone, which by normal world standards cannot be called 'dry' but is so in relation to the wet zone, has an average rainfall of about 65 inches a year.

The rain that falls in the central hills flows from them to the north, south, east and west of the Island and into the sea through the rivers which man has used through the centuries. Owing to the steepness and the unevenness of the land surface of the wet zone, cultivation depends to a large extent on the seasonal rains.

For large-scale paddy cultivation, therefore, which is the main food crop of the Island, the wet zone alone cannot be depended on. It is, however, admirably suited for the cultivation of crops such as tea, coconut and rubber which do not need a constant and controlled flow of water. The British and Ceylonese planters have made full use of these possibilities. The wet zone has been fully exploited. Investigations have been conducted to find out what crops should be substituted if economic circumstances compel rubber to go out of production. Steps have also been taken to rehabilitate the coconut industry which now needs replanting. It has not been forgotten that though the cultivation may wither and perish away, the land, the soil, the rain and the water exist to be used by man.

THE DRY ZONE

The dry zone, on the other hand, presents a totally different picture. The rivers that flow through the large open and flat spaces of the dry zone, such as the Mahaweli-ganga, the Gal-oya, the Walaweganga, the Nilwala-ganga, and the Deduru-oya, to mention the largest, draw their strength from the waters that fall on the central hills. They therefore carry a perennial supply of water.

The ancient Sinhalese who depended entirely on food crops such as rice for their existence, did not civilize the wet zone except for a few small settlements by the side of the river banks, such as the Kelani-ganga civilization of King Kelani Tissa and the Naga Kings before him. The ancient Sinhalese preferred to utilize the waters that flow through the dry zone rivers by tapping these rivers at convenient places, conducting the water through huge *elas*, river-like in their size and length, and at suitable places bunding up the water so conveyed in *wewas* or lakes. Every one of the rivers mentioned was so utilized hundreds of years ago. The Mahaweli-ganga and its tributaries were tapped in several places, and the early Sinhalese civilization from the Vijayan period to the end of the Polonnaruwa era, extending over a period of 1,500 years, may truly be called the Mahaweli-ganga civilization. The value of this method of irrigation was that the water thus collected could be used by the cultivator independent of the vagaries of the weather.

Today these ancient artificial lakes are being brought into use again, the broken bunds reconstructed, the *elas* restored, 'the land reclaimed, and with the land the men, and with the men the race'. It is anticipated that the resources of the dry zone can supply a regulated and constant flow of water for the vast extent of land that the Government contemplates bringing under cultivation in the immediate future. It is only in the dry zone that this is possible.

II. Food Production

During the year 1950, the Department of Land Development concentrated all efforts on—

- I. Opening up further new lands and bringing it under cultivation with paddy and other food crops.

- II. Opening up of Dry Farming Schemes.
- III. Increasing further the yields of crops especially paddy by the adoption of improved methods of cultivation.
- IV. Granting financial help to cultivators through Co-operative Agricultural Production and Sales Societies.
- V. Increasing the production of food crops by the operation of the Guaranteed Price Scheme and Special Drives to extend the area cultivated with maize, sorghum, onions, &c.

OPENING UP OF NEW LAND

Most of the land still available for cultivation lies in the so-called 'dry zone' of Ceylon, which occupies the Northern, Eastern, North-Central, North-Western and Uva Provinces of the Island. This zone which has an average annual rainfall of over 50" cannot be called 'dry' by normal world standards, but it is so in relation to the wet zone of the Island, which has an annual rainfall of over 130".

The dry zone of Ceylon, has a large number of rivers running through it to the sea. As most of the rivers have their origins in the central mountains which receive rainfall during most of the year from both the south-west and north-east monsoons, they seldom run dry. The ancient Sinhalese had a systematic and widespread system of irrigation by leading waters of these rivers to artificially constructed tanks. Some of these were vast and irrigated large extents of low lying lands on which paddy was cultivated. During the Tamil invasion from the north the elaborate irrigation schemes were neglected and soon the whole of the dry zone was overrun with forest. During the 19th century the British restored a number of these tanks and the work of restoration is still going on now at a faster pace. In addition, new schemes are being opened up (*e.g.*, Gal-oya Multi-purpose Scheme) or are under contemplation (the Walawe Multi-purpose Scheme).

The development of cultivable land of the dry zone has presented itself as an immediate solution to unemployment, increasing pressure of population in the wet zone and the increasing cost of the Food Bill.

In pursuance of this policy, a Six-Year Plan has been drawn up to bring under cultivation 131,137 acres; 81,912 will be under paddy and 49,225 acres under garden crops. Although this total extent is only a small fraction of the cultivable area, the lack of technical staff has been in the way of further progress in increasing the extents to be opened up. However, the target set for 1949 has not only been achieved but even exceeded by 5,609 acres and the Department of Land Development hopes to bring under cultivation 6,570 acres of new land in the dry zone during 1950-51, which has not been included in the Six-Year Plan.

The work of restoration or construction of Major Irrigation Schemes and the lay-out of the channels is the responsibility of the Irrigation Department. While the irrigation work is being carried out, the Department of Land Development clears the virgin jungle that is to be benefited by the provision of irrigation facilities, stumps and ridges the land, makes it ready for paddy cultivation and puts up a peasant cottage on each allotment: 3 acres of paddy land, 2 acres of high land is the usual extent of an allotment. Once the land is ready for settlement the Land Commissioner with the help of Government Agents of the Provinces selects suitable colonists to take up residence on these allotments. The Colonists are given in addition to the above, the seed materials necessary for the first sowing. These colonization schemes are now very popular among the cultivators of the wet zone and there is a great demand for allotments in these schemes.

In the latest and so far most successful colonization schemes, the land is handed over as a 'going concern' having been cleared, fenced, irrigated and stocked. As the land is allotted in colonies, the problem of schools, hospitals and other public establishments has been easily solved. The cost of colonisation schemes has been enormous, but once a colony has been successfully started it

ought to grow of its own accord even beyond the maximum capacity of the land under the particular irrigation scheme. Much money has been spent on experiments, many of which have succeeded and success brings success in geometrical proportion. It has been found that the policy of colonization is not economically impossible and that it will be possible to shift part of the surplus population of the wet zone back to the dry zone. The trek to the dry zone is no longer an adventure. The 1946 Census discloses that in the North-Central Province, the heart of the dry zone, the population has increased by 43.2 per cent. since 1931, the largest provincial increase in the Island.

MINOR IRRIGATION

In addition to land opened up under Major Irrigation Works, new land is also brought under cultivation under Minor Irrigation Works. Here it is the local provincial Government Agent who is responsible. Generally the work undertaken is the repair of a small abandoned or breached tank which is capable of irrigating about 10 to 100 acres of paddy land. Every year a large extent is brought under cultivation by the repairs done to these Minor Irrigation Works which are scattered all over Ceylon, mainly in the dry zone. During the year 1950, a sum of approximately Rs. 416,264.39 was spent by Government Agents on 89 minor irrigation schemes and during the year 3,500 acres of new land brought under paddy cultivation besides assuring 6,439 acres with better irrigation facilities by improving or constructing channels, regulators, &c.

Thus every year a large extent of new land is brought under cultivation either by constructing vast irrigation schemes or by repairing minor irrigation works. In this way the Government hopes to extend the area under cultivation of essential food crops and thus help in solving the problems of increase in population, lack of employment and the increasing Food Bill.

RECLAMATION OF MARSHES

Besides, clearing and opening up irrigation schemes in the dry zone, Government has also made plans for reclaiming the swampy and saline marshes that border the lakes and rivers especially of the wet zone. An Island survey of marshy lands has revealed that there are 70,372 acres suitable for reclamation and development. About 60 per cent. of these lands are in the Western and Southern Provinces. Already a beginning has been made in the reclamation of the Muthurajawela marshes (7,000) acres by the construction of a salt water Exclusion Scheme to prevent brackish water flowing in and by the setting of an internal drainage system to remove surplus rain water from the fields. A suitable type of salt resistant paddy seed called Pokkali has also been obtained from India and about 1,000 acres were successfully cultivated in 1949. It is expected to bring by gradual stages under cultivation the full extent of 7,000 acres. Similar schemes have now been opened up in the Southern Province especially near Hikkaduwa, Balangoda and Pokkali is being successfully cultivated in these saline marshes. The cultivators have taken to this paddy in spite of the fact that floods in certain years have caused complete failure as they realise that this is the only paddy that can stand salinity and a minor flood (a well established plant is able to stand two or three feet of water).

OPENING UP OF DRY FARMING SCHEMES

However, the extent of land in the dry zone for which irrigation facilities can be provided is limited by the amount of water and other natural facilities available and the lack of technical staff. Government has now realised that if Ceylon is to attain any degree of self-sufficiency in foodstuffs in spite of her growing population it cannot be achieved by developing lands under major and minor irrigation schemes alone, as the extent that can be annually provided with irrigation facilities is limited by various factors. The vast tracts of unirrigable land in the dry zone have to be brought under foodstuffs and the cultivation carried out according to a scientific rotation of crops.

In accordance with the Government decision to open up dry farming schemes, a series of experiments have been carried out by the Department of Agriculture. The objects of these experiments were to ascertain whether an average peasant family could, using simple agricultural implements,

farm a specified acreage of unirrigable land in the dry zone and obtain a sufficient income and at the same time maintain the fertility of the soil over long periods under the prevailing conditions of intense rainfall (50"-60") during the comparatively short rainy season, of long spells of drought and of high temperatures. The results so far obtained by the Department reveal that there are possibilities of establishing Dry Farming Schemes in the dry zone if the peasants are given substantial help by the State. A detailed report of these schemes it is not intended to outline here, but it has been established that the conditions essential to the opening of a successful dry farming scheme are a minimum rainfall of 55"-60", suitable soil, availability of drinking water throughout the year and accessibility.

The results of experiments already carried out are sufficiently encouraging to proceed with these schemes and during this and the coming years more and more jungle lands now lying unproductive in the dry zone will be brought under the plough. By increasing the number of these dry farming schemes, Government intends to increase food production and at the same time to settle the landless peasants of the wet zone.

INCREASING YIELDS OF CROPS, ESPECIALLY PADDY

In the campaign to increase the production of foods in the country, attention has naturally been focussed on the necessity to obtain increased yields from paddy fields. Official estimates at one time gave a low average yield figure, probably the lowest for any rice growing country in the world. Since then the figures have been re-examined and yield survey recently conducted on the most modern statistical techniques has shown that Ceylon yields are not so poor. It is however granted that great improvements in paddy yields can still be achieved if the 'improved methods' of cultivation presently known only to a few technicians and favoured farmers could be taught to the general mass of peasant farmers. At present they are too conservative to change age-old practices and are by nature cautious and generally pessimistic. Very often there are peculiar difficulties such as a share-cropper's dislike of seeing his landlord gain by his efforts by his adoption of improved agricultural practices. But most often it is still the lack of knowledge or lack of faith in the technician's advice.

Government, therefore, realising that there is a limit to the rate and cost at which new lands can be brought under paddy cultivation and that it is uneconomical not to use existing paddy lands to the fullest advantage has begun an Island-wide food production drive to improve paddy yields. The present high price of paddy and the Government's guaranteed minimum price of Rs. 9 per bushel * have already removed one of the major obstacles to improved methods of cultivation. Farmers now realise that with these favourable prices, every effort should be made to raise yields and therefore farmers now on their own without much persuasion are adopting improved practices.

The inducement of profit and obligation on the part of farmers to improve yields have already begun to show good results. But in view of the inefficiency to which paddy growing had fallen, the reluctance of farmers to incur risks in trying unfamiliar methods, their conservatism and poor financial strength it has been decided to demonstrate to them cultural and other improvements which are within their capacity to apply. These considerations led to the initiation of a series of small demonstration plots in villagers' own lands, scattered all over the Island where the farmers could watch the crops' progress and determine from their own observations the value and feasibility of the improved methods of paddy cultivation shown to them. The demonstrations now given are mainly confined to—

- (a) Transplanting ;
- (b) Transplanting combined with manuring (green manure as well as artificial manure) ;
- (c) Harrowing the standing crop and hand weeding ;
- (d) Use of selected seed ;
- (e) Use of improved ploughs and more efficient implements.

* An increase in the guaranteed price of paddy from Rs. 9 to Rs. 12 per bushel has since been considered by the Government.

There is now no doubt that the yields of most of the paddy fields of Ceylon can be very greatly improved by the introduction of farming methods which have been tried and proved successful in these series of village demonstrations. The widespread propaganda and demonstrations that are now being carried out are proving to the farmer that improving the yields by adopting good agricultural practices is neither difficult nor expensive.

GRANTING FINANCIAL HELP TO CULTIVATORS THROUGH CO-OPERATIVE
AGRICULTURAL PRODUCTION AND SALES SOCIETIES

To further aid the production of foodstuffs and make such a profitable source of income, Government has decided to establish Co-operative Agricultural Production and Sales Societies throughout the Island. On September 30, 1948, there were only 74 societies but they were soon so popular that by September 30, 1949, they had increased to 153 and now there are 337 societies registered. These societies are increasing both in number and strength and are helping cultivators to develop the means of production at their disposal on a proper economic basis by arranging for the development of agriculture, animal husbandry, and—

1. Bringing the maximum extent of land under cultivation.
2. Introducing scientific and economic methods of cultivation.
3. Arrangements for the collecting, grading, processing, bulking, transporting and selling of produce through the society.
4. Constructing such buildings and installing such plant as the better business of the society may require.
5. Supplying members seed materials, livestock, implements, manure and other equipment necessary for good agriculture.
6. Making advances to members against the security of their produce.

In order to help them to carry out these duties, Government grants loans, short-term as well as long-term, for the following purposes :—

- (a) Purchase of seeds and planting material ;
- (b) Purchase of manure ;
- (c) Purchase of implements ;
- (d) Purchase of buffaloes, draught bulls and poultry and cows ;
- (e) Cash loans not exceeding Rs. 15 per acre for transplanting, repairing and threshing ;
- (f) Preliminary cultivation expenses at the rate of Rs. 20 per acre for a maximum of 5 acres ;
- (g) Construction of office and go-downs ;
- (h) Construction of mills and purchase of machinery ;
- (i) Purchase of vehicles for transporting produce ; and
- (j) Marketing of agricultural produce.

The loans given to these societies by Government since the decision to establish them in 1947 have amounted to Rs. 20,070,935.57 and Rs. 12,273,055.36 have been already paid back.

These loans given to cultivators through Co-operative Agricultural Production and Sales Societies have enabled them to obtain easy credit at very low interest not only for purchase of seed and planting material, manure, implements, cattle, but also for meeting expenses incurred in adoption of improved agricultural practices such as transplanting, threshing and cultivation expenses at times of sowing. The societies are also given loans for marketing of their members' produce and purchase of agricultural machinery, tractors, rotary hoes, rice mills, and motor vehicles for transport of produce.

Co-operative Agricultural Production and Sales Societies have now come to be regarded as having a very important part to play in the Food Production Programme of the country and the Government expects in the coming years to give more assistance to cultivators through these societies.

INCREASING THE PRODUCTION OF FOODSTUFFS BY THE OPERATION OF A GUARANTEED PRICE SCHEME

One of the biggest problems that faced the pre-war producer was the general low prices of foodstuffs. Cheap foodstuffs such as rice from Burma and Siam, onions and chillies from India and all manner of foodstuffs were imported into Ceylon without any restrictions. The local producer with his unsatisfactory marketing organisation, unskilled methods of production, could never hope to compete with these cheap imported foods. Rice could not be sold at more than nominal cost and cereals such as kurakkan, maize, sorghum, &c., never entered the trade. The absence of an attractive price for his foodstuffs, was thus the greatest obstacle in the way of the producer.

Since Ceylon gained her independence in 1946, Government has done and is doing much to remove these difficulties. It was realised very early that an increase in the local production of food cannot be achieved except by the continued effort of the whole agricultural population and that the direct activities of Government in assisting agriculture such as better irrigation facilities would not by themselves produce the desired results. The best incentive to the cultivator would be the establishment of the conditions necessary by which agriculture could be made a profitable occupation. Government therefore decided to guarantee to the cultivator a fair and economic price for his agricultural produce and in 1948 the Guaranteed Price Scheme was set up. Paddy, kurakkan, maize, sorghum, chillies, onions, mustard, pepper, gingelly, coffee, green gram, tamarind and turmeric have now all been brought under this scheme and prices based on cost of production with a small margin of profit to the cultivators have been fixed by Government.

The policy of Government in arriving at this decision is based on a firm conviction that local production of foodstuffs with the long term objective of self-sufficiency is the solution to a better national economy ; and there is no better method of stimulating production than by offering not merely a fair price, but an attractive price to the farmer for his produce. The present economic problems of the country, the high food prices and the uncertain international situation underlie the need for measures yielding quick results for reducing our dependence on imported food supplies. The raising of the prices of the locally produced foodstuffs to a sufficiently attractive level must be and has already been a decisive incentive to increased production. The farmer has now come to be regarded not merely as the proverbial back bone of the country but also the producer of food and the saviour of the national economy. Thus it follows that Government is now directing all its efforts to remove the impediments in the way of the producer.

The producer is, therefore, now offered a remunerative price for his produce. Government buys whatever guaranteed commodities he is unable to sell at the guaranteed price. Government therefore has not only guaranteed the price of certain important foodstuffs but also assured the cultivators of a ready market. The agents for the buying of these commodities on behalf of Government are the Co-operative Agricultural Production and Sales Societies of which there are over 337 in the Island. These societies which are associations of farmers registered as Co-operative Societies under the Co-operative Societies Ordinance of 1936, have been found to promote the economic interests of their members and more particularly to arrange for the better development of agriculture and marketing. The establishment of such a generous scheme has led to an increased production of all foodstuffs and the most remarkable increases have been noticed in the production of onions, chillies, paddy, maize, mustard and gingelly. There is no doubt that the guaranteed price scheme has solved two of the biggest problems that faced the producer of food crops, namely, lack of marketing facilities and lack of remunerative price for his goods.

Further incentives under the Guaranteed Price Scheme to encourage cultivators of food crops are being examined. Hitherto the period of guarantee has been for a period of only one year. This it is considered is not a sufficient incentive to increased production. A guarantee for a longer

period of about 3 years is necessary if the country is to get farmers to take a greater interest in food production and increase the output. A guarantee for a period of 3 years would give the farmers a greater sense of security and land now left fallow would be utilised for cultivation of foodcrops. Government has now accepted the proposal to fix guaranteed prices for a period of 3 years and this is expected to help further in production of food.

The undernoted commodities are now under the Guaranteed Price Scheme and the prices presently paid are :—

	Rs. c.
Paddy	9 0 per bushel *
Kurakkan	6 75 do. *
Maize	7 0 do. *
Sorghum	7 0 do. *
Gingelly	20 0 do.
Mustard	40 32 per cwt.
Chillies, Grade I	125 0 do.
Chillies, Grade II	112 0 do.
Green gram, Grade I	35 84 do.
Green gram, Grade II	33 60 do.
Tamarind (cleaned)	24 40 do.
Black pepper	336 0 do.
Coffee seed	122 0 do.
Turmeric	56 0 do.
Red onions	20 16 do.

PADDY OR RICE

Acreage.—The area under wet land paddy in 1950 was estimated to be 901,500† acres yielding approximately 15 million bushels of paddy (grain in husk) per annum. The greatest proportion of the acreage lies in the North-Western Province. But large extents are found in all the provinces.

If 'hill' paddy (*elvi*) is excluded, it may be said that the cultivation of paddy in Ceylon is based upon a plentiful supply of water. Not only are the plants dependent upon a good supply in all stages up to the ripening period, but the processes of cultivation in all parts of Ceylon, except some of the most northerly, are dependent upon it.

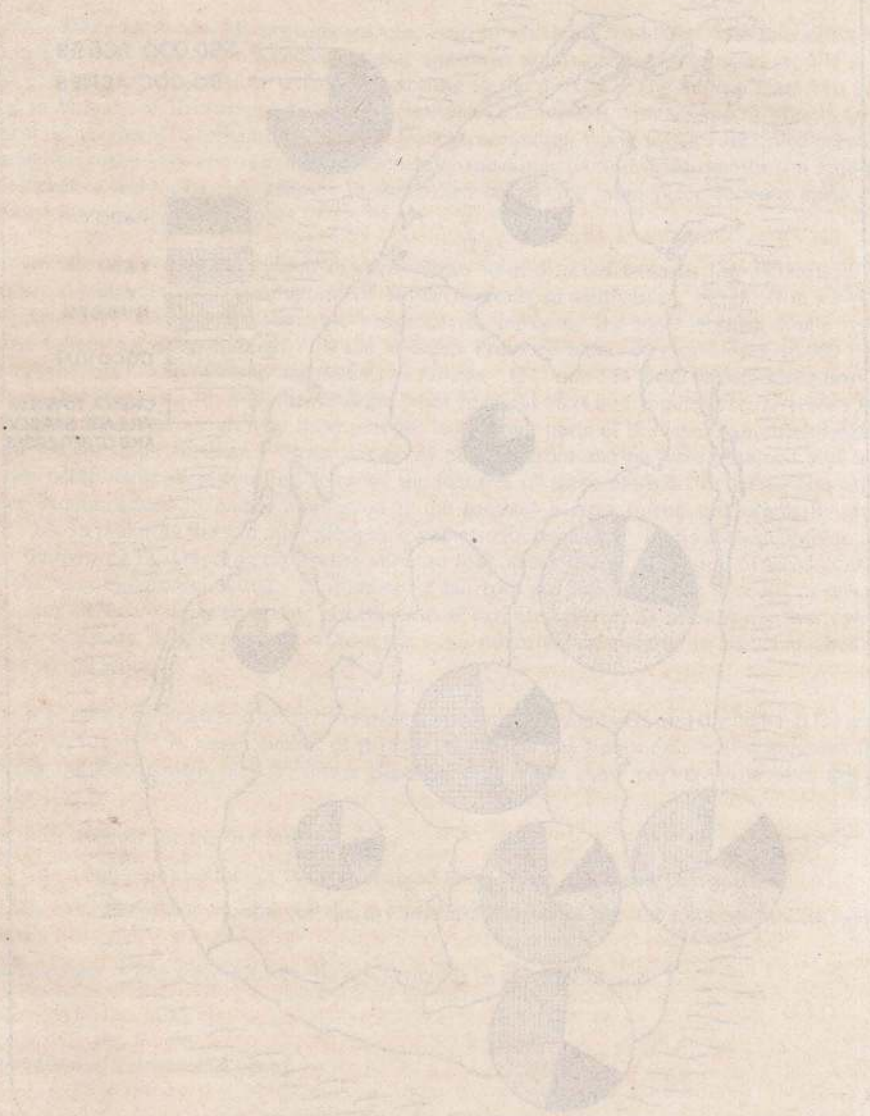
Rain-water Cultivation.—Cultivation without the help of irrigation is carried on, not only in dry districts like Jaffna, but also in wetter parts like the Kandy District. The success of the crops is entirely dependent upon a sufficient and reasonable rainfall, and upon the soil being capable of retaining the water for a fairly long period in order to tide over the rainless intervals. Should the rains fail after the paddy has been sown, the crop will perish, and then the cultivator must re-sow his field with a paddy which can mature in the remainder of the season, or lose the season entirely. Similarly, if the rains are late, the earlier maturing varieties of paddy must be sown.

* An increase in the guaranteed price of the locally grown commodities viz., paddy to Rs. 12/-; Kurakkan to Rs. 7/-; Maize to Rs. 7/50; Sorghum to Rs. 8/- has since been considered by the Government, with an incentive to better production.

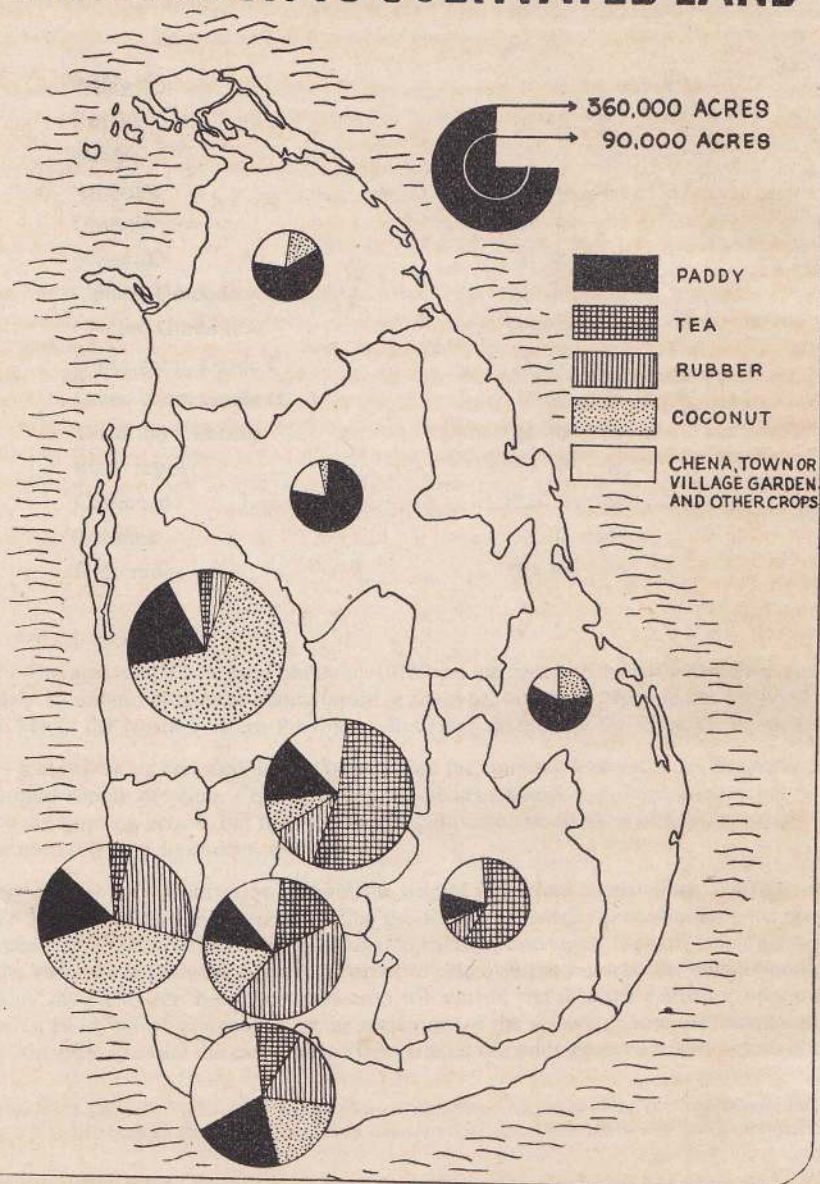
† The actual extent sown in 1950 was—

1949-50—'Maha'	..	..	..	671,916 acres
1950—'Yala'	..	..	..	394,134 acres
				<hr/> 1,066,050

IN RELATION TO CULTIVATED LAND ACREAGE OF MAJOR CROPS



ACREAGE OF MAJOR CROPS IN RELATION TO CULTIVATED LAND



Irrigation.—When paddy is grown under irrigation, the water may be supplied by springs, streams (*elas*), wells or reservoirs (*tanks*). Cultivation under streams may be seen in the Central and Uva Provinces and under tanks in the drier Eastern, Northern and North-Central Provinces.

Asweddumization.—In all cases where a system of irrigation is employed the land must be asweddumized, or prepared for paddy. Should the paddy area not be level, it is necessary to terrace it. This terracing is brought to a high level of perfection in the hilly districts. Distribution channels convey the irrigation water to the upper plots, and drains carry off the surplus water.

Seasons.—There are two paddy-growing seasons, both of which are made use of for the cultivation of the same tract of fields when sufficient labour and water are available. The *maha* crop is sown from the end of July to middle of October, according to the district. The harvest from this crop is reaped in January or February. The *yala* crop season commences with sowing in March-April, the harvest being reaped in July to September. The corresponding Tamil seasons are called *munmari* and *pinnari* or *kalapokam* and *sirupokam*. Generally speaking, six and three months are required for the respective *maha* and *yala* crops. In some districts sowing takes place between *maha* and *yala* seasons for a *meda* or *iddi* crop.

The main efforts of the Department of Agriculture were directed towards the increase in the production of paddy by the introduction of better methods of cultivation. Light iron ploughs for the preparatory village operations are progressively replacing the local wooden single typed implement called the village plough. In the Western Province alone there are over 10,000 light iron ploughs in use. The two popular models so far are 'C' and 'D' the former being heavier and more suited to work with buffaloes and the latter for light soils and smaller oxen. Over 1,000 demonstrations have been given with these ploughs in different parts of the Island and preference is shown for one or other of them. Three types of ploughs from Burma were obtained and new models are being made incorporating some of the features of these ploughs for test. The other implement recommended in paddy cultivation is the toothed harrow introduced originally from Burma for use in puddling the soil after ploughing and also for levelling. It was subsequently found useful for harrowing the standing crop when three to four weeks old as a measure of weed control and for thinning out excess plants. A number of harrows are now in use as a result of several demonstrations which have been given. In the case of varieties of over 4½ months age, harrowing will not be necessary if transplanting is adopted. An intensive campaign has been launched to popularise this practice.

The value of pure line paddies is being increasingly appreciated by growers and the demand for seed far exceeds the supply. A large number of private seed farms has been organised to augment the supply from the Department of Agriculture Seed Stations. The most popular pure lines are as follows :—

Podiwi.—Six months for the wet lowland areas.

Sulai.—Three and half months for the wet lowland areas in the *maha* and *yala* seasons.

Vellai illankalayan.—Four months for the dry lowland as well as the wet lowland for the *maha* season.

Pachahaiperumal.—Three months for the dry lowlands in the *yala* season.

III. Production of Commercial Crops

TEA

Acreage, &c.—In 1950 there were 561,031 acres under tea (*Thea sinensis*) consisting of 2,447 estates and 78,841 small holdings. It is grown at elevations varying from sea level to 6,000 feet above. Teas grown over 4,000 feet are classified as High Grown, over 2,000 feet as Medium Grown and below 2,000 feet as Low Grown. The better quality of teas is grown in the higher elevations.

The manufactured product consists of the young tender shoots which after plucking undergo the process of withering, rolling, fermenting and drying or firing.

Rainfall.—A fairly evenly distributed rainfall of 80 to 120 inches a year is required for tea.

Labour.—The labour force on tea estates consists mostly of immigrant labour from India. An estate requires on an average about 1 labourer per acre.

Yields.—Yields vary considerably according to elevation, cultivation, &c., but may be said to range from 300 to 1,200 lb. made tea per acre.

Factory.—The principal machinery required consists of tea rollers, roll breakers, shifters, &c., and dryers. Suction gas engines are the usual source of power.

Preparations for export.—Tea is exported in metal lined wood packages. It is usually blended and packed in packets before it actually reaches the consumer's hands.

Restriction.—At the end of March, 1948, the Tea Control Ordinance implementing the International Tea Agreement ceased to be operative. The International Tea Committee, under whose supervision the International Tea Agreement was, with the concurrence of the Governments of the participating countries, have drawn up a new agreement on the lines of the previous agreement for a further period of two years. This agreement has now been signed by the main producing countries India, Ceylon, Netherlands East Indies and Pakistan. Pending the passing of a new Tea Control Bill, the export of tea was regulated under the Defence (Control of Export) Regulations, as a temporary measure.

Tea Research

The Tea Research Institute of Ceylon was founded in 1925, and from small beginnings has developed into a concern which is internationally known. The institute maintains fully equipped laboratories on St. Coombs Estate, Talawakelle, which is situated at an elevation of 4,500 feet in the heart of the main tea growing regions. This 400 acre estate has its own factory, which is equipped both with modern commercial machinery and small-scale experimental plant. A small sub-station is also maintained at Passara in the Uva Province, whilst during the year a start was made with the establishment of a new sub-station near Kalutara to serve the needs of low-country growers. Three officers are also stationed in out-districts for advisory work to small holders.

The Institute is maintained by the tea industry itself by means of a cess on tea exports, during 1950 this was collected at the rate of 25 cents per 100 lb. of made tea exported.

The control of the blister blight disease of tea again continued to be of outstanding importance and with the receipt of the first of a series of special annual contributions of Rs. 150,000 from the Tea Control Fund, the Institute's efforts in this connection were greatly expanded. At one time or another almost all of the staff were occupied with some aspect of this work.

Probably the most important single experiment carried out during the year was that on Kataboola Group, Kotmale, in which 200 acres of tea recovering from pruning during the south-west monsoon were protected by wet spraying with a copper fungicide. This experiment was completely successful and effectively demonstrated that a satisfactory degree of protection on an estate scale was not only possible but economically practicable.

A further important result arising from this and other experiments was the discovery that spraying with copper fungicides during quite heavy monsoon rain was still capable of affording a reasonable degree of protection. This discovery is likely to prove of considerable value in protection work on other crops besides tea, since it had previously been the general opinion that spraying during rain would prove useless.

Many other field experiments in connection with the application of crop protection and agricultural control methods to tea in bearing were also carried out during the year. Some of these experiments effectively proved that it was equally possible to protect tea plucking on a field scale by means of wet spraying with copper fungicides. Therefore, on receipt of the information in October 1950 that the U. K. Ministry of Food was prepared to allow Ceylon teas a temporary tolerance of 150 parts per million of copper, no further purely technical difficulties remained to prevent the protection of tea against blister blight. The Institute accordingly advanced the date of its Ninth Biennial Conference to the 1st December 1950 so that all available information could be given to the industry to enable an early start to be made in the adoption of crop protection measures. This Conference was most enthusiastically welcomed by the industry (attendance 680) and the proceeding of the first day, devoted entirely to blister blight control, are published in full in the *Tea Quarterly*, Volume XXI, Pt. IV.

As an integral part of the blister blight campaign basic research on fungicides was greatly extended and, in co-operation with the Shell Laboratories, Amsterdam, some 188 different formulations were tested. The addition of an engineer to the Institute's staff and the establishment of a small but well equipped workshop also enabled work in connection with the testing and development of crop protection machinery suitable for use under Ceylon conditions, to be further extended.

Vegetative propagation (by internode cuttings) again formed an important part of the Institute's work, whilst the extensive fertiliser trial plots, some of which were laid down over 20 years ago, continued to provide valuable information concerning the effects of nitrogen, phosphoric acid and potash at different levels. Trials with green manures also continued and the value of high yielding grasses, such as Guatamala, and Napier, as a source of organic matter was under investigation.

Details of the Institute's work are published in the *Tea Quarterly* and bulletins issued by the Institute, which are supplied free to all tea estates and to those associated with the industry.

RUBBER

Acreage, elevation and rainfall.—The acreage under rubber in 1950 was 655,225 acres. The rubber tree cultivated in Ceylon (*Hevea brasiliensis*) flourishes at elevations below 2,000 feet and requires a well distributed rainfall of not less than 80 inches per annum. It is cultivated to varying extents throughout the Island, chiefly in the Province of Sabaragamuwa and in the Western, Central and Southern Provinces.

The Rubber Control Department was established in May, 1934, under the Rubber Control Ordinance, No. 6 of 1934, to implement the International Rubber Regulation Agreement signed in London on May 7, 1934. This Agreement, which expired at the end of December, 1938, was extended under a new Ordinance No. 38 of 1938, till December, 1943, and eventually terminated on April 30, 1944.

In 1942 as a result of the extension of the theatre of war to the East, the issue of rubber coupons was suspended; and Ordinance No. 38 of 1938 was amended by Ordinance No. 63 of 1943. This Ordinance repealed *inter alia* the sections relating to the assessment of rubber lands and the issue of coupons.

The Department now functions for the collection of statistics of acreage, production, exports, imports and local consumption; issue of permits for new-planting and replanting; maintenance of registers of rubber lands, and allocation of rubber dealers' stocks.

Ceylon is a member of the Rubber Study Group, London, an organisation comprising almost all the territories substantially interested in the production or consumption of rubber and the statistics collected are transmitted monthly to this Group.

Acreage.—The total area under rubber in Ceylon as at December 31, 1950, was :—

	<i>Acres</i>
(a) Area under rubber as at December 31, 1949	629,405
Less cancellation of registrations, reduction of acreage, replacements in other crops, &c.	600
	628,805
(b) New plantings, 1943–1949	26,569
Less cancellation of registration, &c.	866
	25,703
(c) Area planted in 1950	717
	655,225

Approximately 69 per cent. of this area has been planted prior to 1922.

The acreage of 655,225 acres was distributed as follows :—

	<i>Acres</i>
Wholly planted	531,577
Interplanted	72,208
Budded rubber	51,440*
	655,225

This extent of 655,225 acres fell into the following categories :—

<i>Description</i>	<i>No. of Registrations</i>	<i>Total extent Acres</i>
(a) Lands below 10 acres	122,911	170,020
(b) Lands 10 acres to 100 acres	5,434	140,680
(c) Lands over 100 acres and below 550 acres	645	147,689
(d) Lands 500 acres and above	215	196,836
	129,205	655,225

The rubber acreage is owned in the following proportion :—

Ceylonese	61·4 per cent.
European	36 per cent.
Others	2·6 per cent.

* Excludes an area of 52,591 acres replanted during the period June, 1934 to December 31, 1950. The replanted extent is included in the ordinary rubber area.

PRODUCTION

The following table indicates the monthly production of rubber during 1950 and 1951 :—

	Production (tons)			Production (tons)	
	1950	1951		1950	1951
January	8,500	10,500	August	11,000	9,000
February	4,500	7,500	September	10,000	8,500
March	7,000	8,000	October	11,500	10,000
April	9,000	8,000	November	11,000	10,500
May	9,500	8,000	December	12,000	11,000
June	9,500	6,500			
July	10,000	7,500	Total	113,500	105,000

Rubber Rehabilitation Loan Scheme

The Agricultural and Industrial Credit Corporation (Amendment) Act, No. 4 of 1950, enabled Parliament to advance one million rupees from the Consolidated Fund to the Agricultural and Industrial Credit Corporation for the purposes of this scheme at $1\frac{1}{2}$ per cent. per annum. The Corporation in turn was to grant loans at 2 per cent. per annum to proprietors of rubber land for :—

- (a) replanting existing rubber lands with high yielding rubber on the Rubber Controller's recommendation,
- (b) replacing existing rubber areas with Tea on the recommendation of the Tea Controller, and
- (c) replacing existing rubber areas with other permanent crops on the recommendation of the Director of Agriculture.

This scheme which was modelled generally on the recommendations regarding the rehabilitation of Ceylon's uneconomic rubber areas contained in the Rubber Commission Report—Sessional Paper XVIII of 1947—was brought into operation in May, 1950.

According to the information supplied by the Corporation itself, no loans had been issued during the year 1950.

Rubber Research

The Rubber Research Scheme is established under the Rubber Research Ordinance (Chap. 302) and is financed by a cess of 55 cents per 100 lbs. of rubber exports. The Headquarters of the scheme are at Dartonfield Estate, Agalawatte, and there are two experiment stations at Nivitigalakele, Matugama, and Hedigalla, Latpandura, where various trials on breeding, manuring, disease resistance, &c., are carried out under the supervision of the research staff.

The shortage of senior scientific staff continued during 1950 and no major investigations were undertaken but the existing experiments were continued. The search for new improved rubber planting material was pursued and promising and well recommended budwood of new clones developed in Malaya and Indo China were imported for trial in Ceylon. A large number of seedlings resulting from hand pollinations carried out by the scheme using high yielding parents were multiplied and put out for test purposes.

The severity of the damage from *Oidium heveæ* was greater than for some years and provided a useful introduction to this disease from the Oidium Research Officer who took up duty in July, 1949. Clone LCB. 870 again showed very satisfactory resistance qualities to this disease. Cross pollinations were carried out between this resistant but low yielding clone and high yielding clones in the endeavour to combine resistance and high yield in the progeny. Crown budding of this clone on high yielding tapping panels was carried out experimentally, and the crown budding experiment undertaken at Hedigalla in 1949 was proceeded with. Budwood of this clone was distributed through the rubber districts. Work on the life history of the fungus which causes rubber leaf mildew was greatly advanced.

The long term manuring experiment was continued with no outstanding effects.

A clone trial was put out at Hedigalla to test the new NAB. series and some other new clones against standard material. The long term clone trials and tapping experiments were continued.

A survey of rubber small holdings was completed and much useful information was gained from the data so obtained. Several Small holders' Co-operative rubber centres were established in various districts with great financial benefit to the individual small-holders.

Rubber prices continued high during the year. This stimulated commercial replanting programmes and much advisory work was called for in regard to recommendations for planting material both clonal seeds and buddings as well as for general plantation work.

COCONUT

Acreage.—During the Census of 1946 an effort was made to collect more accurate statistics of the acreage under coconut in Ceylon. Consequently, it was revealed that the extent under coconut in Ceylon was 920,942 acres. This figure does not include coconuts growing in town and village gardens, most of which contain a few trees for domestic use. The total of these holdings of one acre or less, usually forming the compound of a dwelling-house, is 309,381 acres of which about 150,000 acres are under coconuts. Thus the total area under coconuts in Ceylon is little over one million acres, the largest acreage under any crop in Ceylon.

Cultivation.—On estates regular ploughing and disc-harrowing are usually carried out. It is estimated that only about 25,000 acres of coconut land are regularly manured with artificial fertilizers on small properties, cultivation is manual for the most part ; some form of cattle manuring is common, usually by tying cattle round the palms.

Yields.—Coconut palms are usually planted at about 60 to the acre. In such fertile areas as Madampe and Rajakadalawa and Marawila, first class properties give annual yields of 4,000 nuts per acre or more. 3,000 nuts per annum is a reasonable estate average ; but the general average of all coconut land in Ceylon is not reckoned to exceed 1,700 over a period of 5 years. Crop fluctuations occur because a serious drought in one year can reduce yields in the year following.

According to the report of the Ceylon Coconut Commission, published in October, 1949, the peak year of production was 1948 when, according to the estimate, a total crop of 2,001,622,165 nuts was obtained. This is equivalent to a yield of 1,900 nuts per acre.

Coconut Research

A scheme for research on coconuts was initiated in 1929 under Ordinance, No. 29 of 1928 ; in 1951 it was finally established as the Coconut Research Institute of Ceylon with headquarters at Bandiripuwu Estate, Lunuwila, and a sub-station at Ratmalagara Estate, Madampe. In addition to research on the selection, breeding and improvement of coconut palms, and on coconut soils, fertilizers and manures, this Institute is now also studying the problem of animal husbandry in relation to coconuts.

The Institute issues advisory leaflets, bulletins, &c., in Sinhalese, Tamil and English and now publishes the "Ceylon Coconut Quarterly" (English) and "Pol Sangharawa" (Sinhalese). The publications of the Institute are available to overseas subscribers but only at an inclusive rate of Rs. 15 per annum.

From the census of the industry made in 1946, it was discovered that 40 per cent. of the palms were over 60 years of age and therefore past the years of peak production. A scheme for rehabilitating the coconut industry was therefore initiated in 1949 and this work is gaining momentum. With the aid of special annual grants, from the Department of Agriculture, 25 nurseries for the production of high-grade seedlings have been established and it is estimated that about 15,000 acres have been planted or replanted since the inception of the replanting project. The required rate of replacement is estimated to be 15,000 acres per annum.

An advisory service for small-holders has also been started and the officers appointed for this work operate in close collaboration with the now-numerous Coconut Producers' Co-operative Societies and the Rural Development and Welfare Societies.

Coconut Products

Copra, Coconut oil and Desiccated coconut.—The exportable surplus of Ceylon's coconuts, estimated at 900 million nuts, could be converted into approximately 180,000 tons of copra, 120,000 tons of oil, or 130,000 tons of desiccated coconut. All these products are in fact exported.

Poonac.—Before 1940, exports of coconut cake (poonac) averaged over 20,000 tons a year. There has been very little export since 1940 and the policy of the Ministry of Agriculture in Ceylon is definitely to discourage its export, in order to retain this essential feeding-stuff for the Island's livestock.

Fibre.—The husk of the coconut is converted into fibre in mills, 1,000 coconut husks being estimated to produce $1\frac{1}{4}$ cwt. of mattress fibre by hand after soaking from three to six months in saline water, this industry being mainly in the South West of the Island. This fibre is used for making mats, brushes and ropes.

Coconut Shell Charcoal.—The commercial crude charcoal is made by burning coconut shells (a by-product of the copra curing and desiccated industries) in pits with exclusion of air. The yield of crude charcoal is about 30 per cent. of the weight of the shells. Considerable quantities of coconut shell charcoal were exported from Ceylon between 1936 and 1940. There has been comparatively little exported since 1940, although there is a moderate local consumption as fuel for laundries and bakeries, and for gas engines.

Toddy and Arrack.—The production of toddy and arrack forms two important industries dependent on the coconut-palm. For the formation of coconuts a large quantity of saccharine juice is supplied by the tree to the flowering stalks or spadices, which are enclosed in spathes. If the spadix is "tapped" before the nuts mature, and a pot attached to it, a quantity of the juice, varying from 6 to about 12 drams per day, can be collected in the pot. A dram is equivalent to $\frac{1}{48}$ of an imperial gallon. If lime is not used to prevent fermentation, the action of yeasts, which are present in the air or in the pot, will convert the sugar in the juice into alcohol, and the liquid will be converted into "toddy", with an alcoholic strength of about 4 to 8 per cent. Toddy is also obtained similarly from the palmyrah and kitul palms. It is sold in taverns under Government licence at rates varying from Rs. 1.50 to Rs. 3 per gallon. A considerable industry depends upon the sale of toddy, which attracts many of the small Ceylonese and Malayalee capitalists. The cost of production of toddy (exclusive of transport and retailing costs) may be estimated at about Re. 1 per gallon, and considerable profits are made when the sales are active.

The toddy consumption in 1949-50 (the rent year being from October 1st to September 30th) was 5,368,256 gallons, compared with 5,026,728 gallons in 1948-49, the average consumption per head of population being 0.81 gallons for 1949-50 and 0.76 gallons for 1948-49. These figures do not include the toddy consumed in Jaffna district. All toddy taverns in that district were abolished and replaced by the Tree Tax System. Under this system, any person may tap any number of trees up to a maximum of 20 on payment of a tax of Rs. 2.50 per male palmyrah and Rs. 10 per female palmyrah or coconut tree. The toddy is sold at the tree-foot by each licensee; figures for consumption under Tree Tax System are thus not available. The actual toddy revenue (inclusive of tree tax) collected in the two financial years was Rs. 7,812,509 in 1949-50 and Rs. 6,891,111 in 1948-49, the revenue per head being Rs. 1.18 and Rs. 1.04 respectively. In 1948-49 the rents of 151 toddy taverns were sold for Rs. 6,387,576 and the rent sale of the 146 sanctional taverns for the financial year 1949-50 was 7,300,206.

By the distillation of coconut toddy, the local spirit known as "arrack" is produced, and this is sold, like toddy, in taverns licensed by Government. The whole of the distilling and sale of arrack is in the hands of Ceylonese capitalists. Distillation of arrack prior to 1923 was carried on in about 250 small pot-stills of the most primitive variety; it is now concentrated in 9 large modern distilleries in the Kalutara District, the out-turn capacity of each being not less than 60,000 gallons at 27° U.P. per annum. A Government distillery containing two large pot-stills and one Patent still have now been established at Seeduwa in Colombo District, and has been functioning since August, 1949. Its out-turn capacity is 300,000 gallons at 27° U.P. Three of the private distilleries have installed patent stills for continuous distillation, each capable of producing 1,000 gallons of arrack per day. All distillery operations are carried on under the close supervision of the Excise Department. The

arrack made at these distilleries is far purer and almost entirely free from copper than any arrack previously distilled from coconut toddy in Ceylon. Insistence on the better straining of the toddy wash, and on greater cleanliness generally, has resulted in a steady improvement of the quality of arrack. The extra special quality of pure pot-still arrack, matured in wood for five years, has been very well received. These new private distilleries were started in April, 1924. They supply arrack to Government at a fixed price under what is known as the "contract supply" system.

About 8 gallons of toddy are required to produce a gallon of arrack at proof strength, *i.e.*, the out-turn in arrack (proof gallons) of a distillery is about 12 per cent. of the toddy distilled. The distiller's cost of production is about Rs. 8.50 per proof gallon, according to variations in the prices he has to pay for his toddy supply on contract. The distillers sell their arrack to Government at Rs. 8.93 per proof gallon. Government stores and matures the spirit in wood, and carries on reducing, blending and bottling operations.

The quantity of arrack distilled during the three years 1948, 1949 and 1950 were as follows :—

	Private Distilleries Proof gallons	State Distillery Proof gallons
1948	873,394	—
1949	991,898	74,597
1950	765,638	103,073

The corresponding percentage of out-turn for three years in the private distilleries was 11.9, 11.5 and 12.1 respectively. The consumption of arrack was 1,338,030 gallons in 1949-50 and 1,151,213 gallons in 1948-49.

The number of arrack taverns exclusive of canteens was 145 in 1948-49 and 142 in 1949-50. The revenue, after deducting expenses of the distribution and storage system, was Rs. 44,004,878 in 1949-50 and Rs. 36,558,951 in 1948-49 which are equivalent to Rs. 7.28 and Rs. 6.12 respectively per head of population. The arrack consumption per head of population was 0.17 gallons and 0.20 gallons in 1948-49 and 1949-50 respectively. The arrack revenue per gallon was Rs. 36.10 in 1949-50 and Rs. 35.26 in 1948-49.

Vinegar Manufacture.—Toddy Vinegar is obtained from the aceticization of fermented toddy, which takes place naturally after about 36 hours.

In 1924 special licences were issued first to vinegar manufacturers only in the Western and Southern Provinces, with a view to encouraging the manufacture of toddy vinegar as a local industry. Rules were passed in 1926 to control vinegar stores. Fifteen licences were in force during 1949-50 (a decrease of 1 as against 1948-49).

CACAO

Commercial 'Cocoa' is produced from the seeds of the plant *Theobroma cacao*. The variety now grown in Ceylon is largely *Forastero*, though there is a small proportion of *Criolla cacao*.

Elevation and rainfall, &c.—The cultivation of cacao is restricted to favourably situated valleys at an elevation between 50 to 2,000 feet which receive a well regulated rainfall of 60 to 80 inches and are protected from high winds. Plantations lie almost entirely in the Kandy and Matale Districts of the Central Province. Of an approximate acreage of 19,700 acres under cacao in the Island 55 per cent. is in the former districts and 33 per cent. in the latter.

Labour.—The labour required for a cacao estate works out at about one labourer for 2 acres. Tamils generally form the bulk of the labour force, but Sinhalese are also employed for lopping, &c.

Planting.—As the young plant requires to be carefully shaded, shade trees must be planted at the same time between the rows about the same distance apart as the cacao.

Crops.—Cacao commences to bear fruit about the fifth year, two crops a year being then gathered. The general average yield is about 3½ to 4 cwt. per acre.

Packing.—Cacao after grading is packed in bags (112 lb. to a bag) when it is ready for export. Most of the cacao from Ceylon is shipped, in this form.

CINNAMON

Cinnamon, once the main export, still occupies a place, though a minor one, in the trade of the Island. The approximate total acreage is 30,000 acres.

The industry is entirely in the hands of Ceylonese. The number of large properties of 100 acres and over in extent is limited and these receive systematic attention. The majority of plantations are small areas of 10 to 25 acres in extent.

The tree.—The cinnamon tree may grow to the height of 20 to 30 feet and the trunk may be upwards of a foot in circumference. The trees cultivated to produce the cinnamon of commerce are coppiced, and long willowy shoots are produced, growing to a height of about 10 feet and to the size of a fair-sized walking stick. The shoots are cut and the bark is peeled off, and rolled into quills, which constitute the cinnamon of commerce.

CITRONELLA OIL

Citronella oil grass is a large coarse grass growing 3 to 4 feet high, cultivated in Ceylon (and of late years in Java) for its essential oil, which is obtained from the leaves by distillation. It flourishes up to an elevation of 2,000 feet, but its cultivation is confined entirely to the Southern Province where the acreage under this crop is estimated to be 34,000 acres of which over 50 per cent. are in Matara District and the rest in Hambantota District. Cultivation is in the hands of the Ceylonese. The grass is readily propagated by division (seed being rarely produced), and may be planted about 2 by 3 feet apart in rows. Two cuttings a year may be obtained, and about 40 lb. of marketable oil per acre is an estimated annual yield. The oil is of a strong aromatic odour; it is exported for use in scenting soaps, perfumery, &c., and is also a preventive against the bites of mosquitoes and leeches.

TOBACCO

Acreage and localities.—The extent under tobacco in 1950 was 10,500 acres. Of the total acreage, a little over half is found in Jaffna District, which is in the Northern Province where great care is given to cultivation. The methods adopted are peculiar to this area and the manufacture of the leaf gives rise to the most important industry in the district. Another variety of leaf is grown in the Central Province which claims about 20 per cent. of the total acreage under the crop. Dumbara in the Kandy District is a particularly favoured area, while in the Matale District the crop is of some importance to the peasant, besides there being a small manufacture of cigars and pipe tobacco from the local leaf as in the case of Dumbara. Tobacco is also grown in the Kurunegala District where the method of manufacture to produce a chewing tobacco differs from that adopted in Jaffna. Elsewhere cultivation is carried out in the North-Central and Eastern Provinces to less extents.

Cigarettes Tobacco.—Within recent years attention has been given to the possibility of establishing an industry for the cultivation and flue-curing of cigarette tobacco. This tobacco can be grown either as a purely rain-fed crop in the *maha* season or on well drained paddy lands under irrigation in the *yala* season. Good quality leaf has been produced and it is hoped that the cultivation of cigarette tobacco will find its place in the agricultural economy of the Island in the future.

CARDAMOMS

Acreage.—The total acreage under cardamoms is estimated to be 6,000 acres, of which about 80 per cent. is confined to the Central Province—Kandy, Nuwara Eliya, and Matale Districts. The rest of the cultivations is in Kegalla and Ratnapura Districts (Province of Sabaragamuwa). The bulk of the plantation is in the hands of the European owners, but the number of small gardens of a few acres in size in the hands of peasants, is not inconsiderable.

Uses.—Cardamoms are of a commercial value on account of the spice obtained from them, which is well known to cooks and confectioners, and is used in pharmacopæia as a deadner of tastes and a medicine.

Habitat, &c.—The commercial value of the plant lies in the fruit which is borne on racemes rising from the ground. The plant itself (*Elettaria cardamomum*) grows in stools or clumps under the shade of forest trees at elevations between 2,800 and 4,000 feet, with a rainfall of 115 to 150 inches a year.

Manufacture.—The fruit is collected and is manufactured into either (1) bleached, or (2) green dried.

ARECANUTS

Conditions.—The arecanut palm is grown in all village gardens in the wetter districts of the Island. It produces heavy crops of fruits, and provides straight stems, which are used for the erection of temporary structures. Pure cultivations of the palm similar to those to be found in Southern India are rarely seen in Ceylon, although in the Kegalla District there are some fairly extensive pure plantations. The area under arecanut is about 71,000 acres.

The fruit.—The fruits of the arecanut palm are harvested when ripe, and are sold in their unhusked state in all the bazaars and markets of the Island.

Arecanuts are generally exported to India and the Maldiv Islands.

COTTON

This is one of the important annual cash crops suitable for cultivation in the dry lowlands. It is mainly grown in chenas, but it can be successfully introduced as a rotation crop. For the 1947-48 *maha* season, 1,774 cwt. were produced by peasants and the crop was purchased by the Department of Agriculture acting on behalf of the Spinning and Weaving Mills at Wellawatta. For the 1948-49 season, about 2,500 acres were planted with the medium staple cotton originally received from Uganda. In tests, it has proved greatly superior in yield and quality to the former *cambodia* strain. It is estimated that about 3,700 acres were planted under this crop in Maha 1949-50, but the actual yield of seed cotton was only about 2,800 cwt. due to adverse weather conditions resulting in the failure of the crop.

IV. Animal Husbandry

The transfer of the administrative control of major livestock farms to the livestock division was effected in early, 1950. The Livestock Officer who was acting in an advisory capacity took over the administrative control of the farms : the cattle farms at Bopatalawa and Ambawela had hitherto been under the administration of a Divisional Agricultural Officer.

At both these farms considerable improvements were made by reclamation of the swampy deniya land by proper drainage, improving natural pastures and bringing larger areas under Napier, Paspalum and Molasses grass.

The Bopatalawa cattle farm which is the largest upland farm where dairy cattle are bred represents the Agricultural Department's biggest undertaking in the matter of breeding European types of cattle. Situated at an elevation of over 5,000 ft. the climatic conditions obtaining on the farm are favourable although the land does not itself lend to easy development on account of its hilly nature and sour soil. The extent of the farm is approximately 4,350 acres and consists of (a) Fodder 502 acres, (b) improved pastures 484 acres, and (c) natural pastures 2,150 acres.

Four breeds of cattle are reared in the farm, viz., Friesians, Shorthorns, Jerseys and Red Polls. The milking average for each breed of cattle was :—

Friesians	16·9 lb.
Shorthorns	13·7 lb.
Jerseys	10·8 lb.
Red Polls	10·8 lb.

The total production of milk during 1950 was 681,814 pints. The cattle farm at Ambawela is 1,200 acres in extent and maintains only one breed of cattle, viz., the Ayrshires. Situated at a higher elevation than Bopatalawa, this farm experiences more acute weather conditions and on this account progress has been necessarily slow. The land utilized by the farm is not a compact block but a narrow winding valley bounded on the sides by forest reserves, with restricted areas for fodder cultivation and pasture. A total extent of 30 acres were planted with Napier and Paspalum, but the growth was disappointing due to inadequate preparatory cultivation and manurial treatment. The total production of milk during 1950 was 378,399 pints with a daily milking average of 13·34 lb. per cow. The low average was due to the shortage of cattle food experienced during the early part of 1950 and the presence in the herd of several old cows which were falling in production.

Of lesser importance were (a) the Livestock Farm at Polonnaruwa, where the breeding of dairy cattle suitable for the dry zone and the wet low-country is carried on. Scind cattle and Murrah buffaloes, besides the rearing of Jamnapari goats, (b) the cattle farm at Kilinochchi which maintains a herd of Khillari cattle for producing draught cattle, and (c) the cattle breeding station at Karagoda Uyangoda situated about fifteen miles inland and to the north of Matara where cattle of the Sinhala breed are reared.

The dairies run by the Agricultural Department and distributed all over the Island continued to make useful contribution towards the Island's milk supply. The total milk production in all departmental farms and dairies amounted to 337,407 gallons during the year 1950.

There were 89 Government stud centres and 92 subsidized private centres in operation during the year for grading up of cattle. The former utilized 316 and the latter 92 stud bulls. The campaign for castration of scrub bulls was pursued by the Department throughout the Island. Polonnaruwa continued to be the breeding farm for the Jamnapari variety of goats. There were heavy demands for goats of this breed from private breeders. A small herd of Saanan goats, a popular breed of milch goats in Australia consisting of 13 does and 2 bucks, was imported from Victoria. They arrived during the latter part of 1950.

The interest in poultry breeding was maintained by issuing hatching eggs and good quality birds from the various departmental poultry stations. The total number of eggs produced in the departmental stations was 482,202 of which 356,102 were sold for table purposes and 50,101 for hatching. 1,031 cockerels were also issued.

VETERINARY SERVICES

Anthrax.—Although the outbreak of Anthrax reported during 1949 was suppressed, a recrudescence of this occurred in June, 1950, in the infected areas in the Northern Province due to infection being picked up from the soil by un-vaccinated cattle. There is a regular seasonal movement of cattle from the Jaffna Peninsula into the mainland and although cattle owners were warned about the necessity of protecting their cattle against this disease, they sent their cattle into infected areas without availing themselves of the facilities of vaccination provided by the Assistant Veterinary Surgeon Jaffna. 168 deaths due to Anthrax were reported during 1950 and a campaign of vaccination carried out by the Agricultural Department soon put an end to the outbreak.

Foot and Mouth Disease.—4,231 cases of foot and mouth disease were reported during 1950. Except for Province of Uva, all the provinces were affected. The disease was of a mild nature and the symptoms appeared to pass off in a few days.

Rinderpest.—The whole Island remained free from rinderpest throughout 1950. As India where the disease is endemic is close to Ceylon adequate measures had to be maintained to prevent re-introduction of infection.

Tick-borne Diseases in the upland farms have been reduced to the very minimum by the use of frequent dipping of cattle and premunization of young calves. The veterinary laboratory also undertook premunization of cattle imported by private breeders from abroad with very satisfactory results.

Pesudo Fowl Pest (Ranikhet Disease) was well under control with the use of Ranikhet vaccinet which was very popular in all parts of the Island as evident from the reduction in the incidence of the disease. About 190,200 birds were vaccinated during 1950.

The Veterinary Research Laboratory continued to produce all the vaccines necessary to combat infectious diseases of animals and poultry in the Island. An antogenous vaccine to be used against calf pneumonia was added to the list.

V. Agricultural Marketing

The year 1949 has been one of steady progress in the sphere of agricultural marketing. There has been a progressive realization of the policy of helping the primary producer and craftsman to market his produce at a fair price and at the same time assuring to the consumer a good quality product at a reasonable price. The agricultural producer is still the backbone of the country and there is urgent need to encourage him to increase production by assuring him of a steady market and a fair price for the produce. The Marketing Department continued systematic propaganda to popularize the use of a local produce and operate the Agricultural Products Regulation Ordinance and the guaranteed price scheme for foodstuffs such as paddy, maize, kurakkan, gingelly, mustard, &c., to the general benefit of the primary producer. 15,000 copies of the *Marketing Intelligence Bulletin* are distributed free in Sinhalese, Tamil and English, giving retail selling prices of foodstuffs, grains, fruits and other consumer goods and the quantities, prices and varieties of agricultural produce available in important fairs in the Provinces. Among other measures adopted towards improving the lot of the producer and to check exploitation by middlemen by increased prices, &c., are the establishment of Checking Centres in charge of Marketing Officers in the provinces for purchase of produce and of 'Ceylon Products' shops in the principal towns and places such as Inginiyagala, to carry on retail sales. In addition two demonstration vans stocked with local produce frequently visit all parts of Ceylon and help to promote and foster the sale of local products and grains.

RICE MILLS

The Marketing Department runs three rice mills at Anuradhapura, Ambalantota and Batticaloa and ten hulling plants at Matara, Pooneryn, Nikaweratiya, Kalawewa, Trincomalee, Paranthan, Periyapulachchi-potkerni, Nanathan, Medawachchiya and Maho with a total milling capacity of two million bushels of paddy per year.

The system of collection of paddy under the Guaranteed Price Scheme is designed to ensure to the producer the guaranteed price. Co-operative Agricultural Production and Sales Societies deliver paddy to the Department's mills and are paid the guaranteed price plus a commission and transport charges. The purchase of paddy by Government is not compulsory. The mills and hulling plants undertake private milling. The quantity of paddy milled during 1949-50 was 687,836 bushels.

COLLECTION OF EGGS, VEGETABLES, FRUITS, &C.

The Marketing Department has built up a collecting organization with packing sheds established in the producing areas for the collection of vegetables, fruits, eggs and other produce. Each centre is in charge of a marketing officer with field officers to assist him.

The system of collection is generally according to a programme drawn up for each area. The marketing officer attached to the collecting centre sends out fortnightly circulars, containing the buying prices and the routes taken by the Department vans to Co-operative Agricultural Production and Sales Societies and producers in the area. Information copies are also given to the Assistant Government Agents, Assistant Registrars of Co-operative Societies, Divisional Revenue Officers and local authorities. The Departmental vans as a rule go along defined routes on fixed days of the week and take over produce from societies, state farms and producers. In addition the officers visit fairs in the area and make purchases.

During 1950 nearly 5,000,000 pounds of vegetables and 9,000,000 fruits and 4,633,049 eggs were collected. Most of these came through co-operative societies, such as oranges from Wellassa Co-operative Agricultural Production and Sales Society and plantains from the Northern Division Agricultural Producers' Co-operative Union. The bulk of the produce comes to Colombo where sales are effected in departmental shops as well as in the street sales vans. Supplies are also made from the Tripoli Warehouse to the hospitals in Colombo and the suburbs and the departmental kitchen at Borella.

CANNING OF FRUITS

Canning is done in the process section at Chatham Street, in the Walpita State Farm premises and in the Mobile Canning Plant which visits producing areas during season. These Plants also serve to give demonstrations on canning and processing to agricultural trainees and people in rural areas. The output of canned pineapples, jams and jellies during 1950 and the two previous years was as follows :—

	<i>Tins</i>
1948	22,000
1949	77,747
1950	126,386

The canned products have become increasingly popular and large orders from overseas have been received. Production however is limited by the quantity of fresh fruits available.

The Marketing Department offers a minimum guaranteed price of 7 cents per pound for pineapples. In 1950 Department collected 146,000 pineapples compared to 58,203 in the previous year. As a result of the offer of the guaranteed price there are signs of the acreage under cultivation being extended.

HOSPITAL SUPPLY SCHEME

The Marketing Department now supplies provisions to fifteen hospitals in Colombo and forty seven in outstations. The purpose of the scheme is to enable patients to have good food which they did not receive under the contract system. The service has given satisfaction and medical officers have expressed that the standard of supplies is good. During 1949-50, the bill for supplies showed an increase of Rs. 356,000 over the previous year. This increase was due to supplies of extra quantities of vegetables, fruits, coconuts, eggs, beef, mutton, chicken and currustuffs.

CEYLON PRODUCTS SHOPS

The Department runs five shops in Colombo and 12 outstation shops at Kandy, Nuwara Eliya, Anuradhapura, Jaffna, Inginiyagala, Negombo, Ratnapura, Bandarawela, Batticaloa, Kurunegala, Ampari and Galle, having a turnover of nearly Rs. 4,000,000.

The "Ceylon Products" shop at Chatham Street is now a popular shopping centre in the Fort and has engaged in purchasing ebony elephants, ivory, curios, wood carvings, Kalutara baskets, brass, silver and copper ware and other cottage industry products of Ceylon at fair prices and selling them at reasonable prices, keeping a small margin to cover overheads. Purchases have been made from craftsmen direct or from recognized institutions and voluntary organizations like the Kalutara Basket Society, Lanka Mahila Samitiya, Kandyan Art Association, &c. Some of the goods are accepted for sale on a consignment basis. The sales of cottage industry products in the Chatham Street shop in Colombo amount to rupees 150,000 per year. Overseas firms have evinced a keen interest in Ceylon handicrafts and fair quantities of ebony and coconut wood elephants and silver and copper ware have been exported.

In the past the retail sale of vegetables, fruits and other produce in the 'Ceylon Products' shops of the Department, though limited, served as a check in some measure on the rising market prices. The need for keeping prices of commodities stable is paramount at the present time when prices are on the increase and supplies are limited. With the dual purpose of making larger quantities of supplies available to the consumers at reasonable prices and serving as a more effective check on market prices, additional depots should be established in the larger towns.

Recently street van sales in the city have been organized and 4 large vans are sent out daily to sell vegetables, fruits, &c., at important centres in various parts of the city. Application has also been made to the Municipality for stalls to be allotted for selling vegetables, fruits, &c.

KITCHEN AND BAKERY

The kitchen feeds the labour force in the harbour and in various landing companies and Colombo firms with rice and bread meals at a modest price. The annual supply of meals is 6,000,000 meals to the labour force and $3\frac{1}{2}$ million to the school children. The bulk of the production of bread in the bakery is supplied to the hospitals. Under the Gal-oya Scheme, the Marketing Department runs 'Ceylon Products' shops for the supply of provisions to the labour force and other residents at Inginiyagala and Ampari. A restaurant is also run at Inginiyagala to cater for visitors and other employees working on the project. These institutions have proved very popular.

The Marketing Department has an increasingly important role to play in helping the primary producer and craftsmen to obtain a fair price and assure him of a steady market and in making available to consumers these produce at reasonable rate. The Department is fully alive to the imperative need to develop further avenues for the marketing of local produce and handicrafts.

VI. Irrigation

EARLY HISTORY

From the earliest period in the history of the Island, the importance of conserving water for irrigation has been recognized. Historical records indicate that the construction of the necessary tanks and channels came to be regarded as a special and solemn duty assigned to the King for promoting the wealth and welfare of his subjects, and that in proportion to the zeal with which different monarchs had exercised this prerogative their names were venerated. The remains of extensive and intricate networks of tanks and canals can be found today in every part of the Island. Though it is unlikely that all these various irrigation systems ever existed simultaneously in full working order, it is clear that the ancient engineers realized the principles of conserving on a very large scale the intermittent supplies carried by the main rivers, and with the advantage of an unlimited command of labour and an intimate knowledge of their terrain, though handicapped by the primitive nature of their technique and appliances, they made valiant and often successful efforts to apply them.

DECAY AND SUBSEQUENT GROWTH

Indigenous irrigation activity and agricultural prosperity seem to have reached their zenith about the twelfth century A.D. From then onwards to the modern era Ceylon was not infrequently ravaged by internal warfare and pestilence. No large irrigation work was constructed in this period, and, until the advent of the Dutch and subsequently of the British, the works already built were allowed to fall into disuse and disrepair. There is probably no form of civil engineering work that demands more constant and unremitting attention to its maintenance than that connected with the control of water, and it is not difficult to appreciate that without such attention the once great irrigation works very rapidly succumbed to the onset of floods and the ceaseless inroads of the jungle. In modern times many of the old irrigation works have been restored to active usefulness. There are yet others embedded in the jungle which await restoration as and when occasion arises.

IMPORTANCE OF IRRIGATION

The importance of irrigation in Ceylon is due to two causes, one dietetic and the other climatic. Rice is the staple food of the people and its cultivation, though not always remunerative, has, through secular and religious encouragement, acquired a definite social status as the national agricultural industry. Rice practically grows in water, and although the rainfall in the Island is generally adequate in total amount, its seasonal incidence is uncertain. Rice cultivation cannot succeed if it depends solely on the vagaries of such rainfall, and the construction and maintenance of artificial means of diverting and conserving water are manifestly essential.

CLASSIFICATION OF IRRIGATION WORKS

Paddy cultivation in Ceylon can be divided into two main groups according to the system of water supply: (a) Direct rain fed and (b) irrigated. In the former group cultivation is undertaken depending entirely on seasonal rainfall. The success of the cultivations depend on the regularity with which the rains come. The latter group gets its water from storage or from stream diversions. These irrigation works are divided into two classes—Major work and minor work according to the method of maintenance and repayment of capital charges and interest thereon.

The owners of land under major works are required to contribute, by an assessed annual rate, towards the cost of the construction and maintenance of the works. The 'construction rate' is generally a very small percentage of the capital cost of the work and the 'maintenance rate' not infrequently produces considerably less revenue than the actual expenditure incurred by Government on the maintenance of the work.

PROGRESSIVE DEVELOPMENT OF ACTIVITIES

When the Irrigation Department was created in 1900 it was assigned the engineering duties of operating and maintaining those major works which had already been restored in whole or part, and of restoring a selection of old abandoned works under which the prospects of development appeared to be favourable. The administrative side of these works and the general responsibility for all minor irrigation works remained the function of the revenue officers, with such advice and assistance as they required from the Irrigation Department. Under this regime steady progress was made with the extension and improvement of irrigation service under major works, and latterly the engineering resources of the Department have been applied in a rapidly increasing degree to the improvement of minor irrigation tanks and channels on modern scientific lines. Another development of the department's functions, which is rapidly acquiring considerable importance, is the construction of schemes for preventing or abating floods, for improvement of drainage conditions on irrigable lands, and for exclusion of sea-water therefrom. With this development the Department has become directly interested in irrigation, flood protection, salt water exclusion and land drainage in Ceylon and the scope of its service has correspondingly widened.

MODERNIZATION OF CONSTRUCTION

Intensive employment of earth moving and other construction machinery has not only expedited the completion of large construction works, but has also resulted in economy.

Machinery has been imported since 1943 and with the inauguration of the multi-purpose Gal-oya project latest construction and earth moving equipment to conform to modern standards of construction have been obtained and are being used.

Apart from tractors and implements used on mechanized agricultural operations, there are no less than 85 tractors of large and medium sizes together with ancillaries, 22 excavators of various sizes, 9 motor graders, 9 stone crushers, 29 air compressors, 58 pneumatic drills, 20 power road rollers, 19 euclid bottom dump trucks (13 cu. yd.), 15 rear dump euclid trucks, 43 concrete mixers

and a large fleet of transports and several other lesser items of machinery are engaged on intensive construction works throughout the Island. The above excludes the large variety of mechanical equipment which is being used on the construction of the Gal-oya project.

In order to keep and maintain the several machines in repair, a well-equipped mechanical organization is in operation with a central workshop at Ratmalana and other field workshops at work centres.

NEW DEVELOPMENT SCHEME

The construction of Gal-oya headworks, which was started in 1948 was completed in 1951. The construction of the channel system to irrigate 90,000 acres are under way now.

The second multi-purpose scheme—Walawe Ganga Reservoir Scheme is now ready to be given out on contract. This project provides for the storage of 250,000 acre feet and the irrigation of 40,000 acres of new land for two crops a year and the development of 6,000 H.P. of firm Hydro electric power.

The first six year programme is steadily underway according to schedule. The important items of work under this programme that are coming to a close are Parakrama Samudra Scheme, Elahera, Minneriya, Huruluwewa, Kagama extension, Bathmedilla, Ridi Bendi-ela, Minipe extension, Devahuwa, Gal-oya, Kanthalai extension, Allai extension, &c. This programme is solely confined to new development schemes of a productive nature and does not include any of the numerous other major schemes carried out by the Department such as Nalanda-oya Scheme, Jaffna Lagoon Scheme, Balagalla Tank, &c., which are designed either to replenish other schemes or to provide improved facilities. Besides these, 52 minor works were taken up for development with an irrigation potential of 13,500 acres at an expenditure of 2,900,000 rupees.

The following is a brief description of one of the major projects covered by the Developmental Programme :—

Gal-oya Scheme (Multi-purpose)

The Gal-oya valley appears to have been originally populated with people possessing a knowledge of irrigation in about the 3rd century B.C. In the course of time, forests were felled and a vast net-work of tanks was set up with the Gal-oya, called today the Pattipol Aru in the lower reaches as the principal source of supply of water. Unfortunately this progress was not maintained. The Dutch found the irrigation works in ruins and restored part of them. In the early days of British administration the works were once more allowed to fall into disuse but this was remedied towards the end of the nineteenth century. The present irrigation scheme has been well maintained ever since. Before the Gal-oya Board took over the valley about 30,000 acres of paddy land were cultivated of which 26,000 acres derived its water from the Pattipol Aru and its connected streams. The remaining lands were mainly rain fed.

In about the year 1936, the system of irrigation in the area was completely examined. It was apparent, firstly, that the total water running down the Gal-oya was far in excess of the amount required for 26,000 acres, secondly that owing to the denudation of forest, uncontrolled water created undesirable flooding of almost the whole area towards the end of each year, and thirdly, that the capacity of the tanks, some 40,000 acre feet, was insufficient to meet the demands of the dry period in a year of acute drought. An earlier reconnaissance had indicated an excellent dam site on the Gal-oya at Inginiyagala, presently the sentinel of the left abutment of the Gal-oya dam. It was anticipated that the building of a dam at this spot would enable the flood waters to be held and gradually released for cultivation.

Detailed investigations which were finalized by February, 1947, disclosed that 740,000 acre feet of water could be stored in a tank of 30 square miles, sufficient to provide all the water for one crop of paddy on 120,000 acres. Shortly thereafter, on the recommendation of Dr. J. L. Savage, the well-known expert on multi-purpose dams, the project received the sanction of Government.

An analysis of rainfall in the Gal-oya valley, would show the intensity of the rainfall in the wet season—November to March—and its comparative absence in the dry season generally from April to September. It would therefore be easily gauged how desirable it was to store the excess rain in the wet season to be used for irrigation in the dry season while at the same time reducing the liability to floods in the coastal plain. This experiment plans for the control of a 62-mile length of a river called the Gal-oya and the basin-wide development of its catchment of 700 sq. miles. The work of building the dam was accordingly entrusted to a firm of American Engineers, Morrison Knudsen of San Francisco late in 1947. Work commenced in 1949. The necessary main and spill-way dams with ancillary structures including a power plant with a capacity of 5,000 K V A was to be completed by November, 1951.

In the initial stages of the project it was considered possible for a Utilization Committee which was composed of representatives from Government Departments, to lay down a practical rotation of crops primarily with a view to the retention of fertility of the soil and secondly to ensure the use of land and water. This form of control differed very slightly from the existing system operating in the smaller colonization schemes undertaken by the Government, where development was being conducted by a number of more or less independent departments with Island-wide responsibilities with the added handicap of frequent changes in administrative personnel. At an earlier stage it was felt that a scheme of this magnitude could only be carried out efficiently by a centralized authority. In pursuance of a need for one controlling authority to develop an undeveloped or under-developed area, which had been long felt, the Ceylon Government decided that the Gal-oya basin should in the same manner be entrusted to a special statutory board. The policy could be compared favourably with the Tennessee Valley Authority in the United States of America and the Damodar Valley Cooperation in India where the development of rivers and waterbeds on the basis of unified control and the creation of a body on which responsibility for results could be fixed.

The preparatory work required to the dam before the setting up of a Statutory Board was entrusted to Mr. H. J. Huxham, C.M.G., with the title of Chairman-designate Gal-oya Development Board, who took up duties in January, 1949. The Gal-oya Development Board Act became law in November, 1949, and came into operation in December of the same year. This Act provides for its establishment a Board consisting of four members appointed by the Minister of Agriculture and Lands, one of whom be named chairman. Of these four members, one member is nominated by the Minister of Finance. The Board normally functions in Colombo but its members pay visits to the Gal-oya valley, and often hold meetings there. It must be remembered that though the Board has autonomy as regards cadre, the question of salaries, wages, and conditions of service have to be approved by the Government.

Under the Gal-oya Board Act the Area of Authority was divided into the Developed and Undeveloped Areas. The Area of Authority comprises the whole basin of the Gal-oya river from its source west of Bibile to the sea, together with adjoining areas extending from the Andella-oya in the north to Komari in the south. The developed area includes not only the heavily populated coastal belt and existing paddy fields under major tanks, but also the western section of the catchment area. The decision that Amparai should be headquarters of the whole scheme was modified to some extent in view of the Board's decision to take over the small town of Inginiyagala, which was built as a construction centre for the dam. From the point of view of administration Inginiyagala is unfortunately situated, since it is west of the whole area to be developed, but its substantial number of permanent buildings must be utilized by housing the part of the administrative system of the project. Amparai however will be eventually made an important business centre. It must necessarily take the Gal-oya Board some time to accomplish this gigantic task. In essence, the scope of the scheme is to show the people who will make the valley their home the road to self-sufficiency and independence. The principal objective of the scheme is to establish within the Area of Authority the maximum number of families of Ceylon citizens so that the area could maintain at a reasonable standard of good and comfortable living conditions and generally to promote agricultural and industrial development, the economic and cultural progress of these citizens.

The project in view offers an interesting study. Across the river in the maximum sections the earthen dam is 3,600 feet long and 150 feet high. It is 800 feet wide at the base and 30 feet at the crest. Five million cubic yards of earth have to be hauled from distances up to a mile and a quarter up-stream from the dam to construct it.

A mechanical device known as the 'loader' pulled and pushed by tractors combines the process of digging the earth and raising it sufficiently high so that it can be tipped into mechanized dumpers. These are in turn filled by the 'loader'. But there is more in this colossal physical undertaking to raise the dam than dumping earth. Each layer must be carefully spread and rolled. The geographical limits which can be commanded by an irrigation system from the dam of the new reservoir under construction extends northwards almost to Batticaloa and southwards beyond Pottuvil. It is an extent clearly greater than water in the reservoir could supply. The limitation of the scheme is therefore the amount of water available in the tank, not the land, which for all practical purposes is unlimited. It is estimated that the reservoir will provide sufficient water to grow two crops of paddy each year on 60,000 acres. By introducing water conservation and economy, in irrigation, the Board expects to increase this irrigable command. Exercising restrictions on the issue of water from the reservoir 120,000 acres of irrigable land can be cultivated from October to April with paddy and rotated with other crops which can be profitably cultivated from May to September in paddy fields, with half the amount of water required for the paddy crop. The sugar cane industry has been provisionally allowed 27,000 acres of irrigable land, and since it is also an object of the programme to demonstrate that it is the fertilizer which steps up statistics of production, 9,000 acres have been set apart for green manures at a maximum lay out of half an acre foot of water. This tentative estimate of land devoted to the cultivation of sugar cane will depend on a report of the expert who has been called upon to advise.

The construction of two canals which will afford security to the irrigable tracts, has been vested in the Irrigation Department. The canal on the left bank which will command two-thirds of the irrigable area, will have a bed-width of 50 feet from the bifurcation below the bund. It will be eight feet deep carrying 3,000 acre feet of water in 24 hours. In other words, the canal will completely drain Ceylon's largest capacity tank, the Parakrama Samudra in 30 days. On the unit of allocation to each colonist of 4 acres of irrigable with 3 acres of unirrigable land, and allowing for roads, channels, villages and towns, the maximum extent of high and low land to be developed will be about 200,000 acres. To this formidable task which faces the Board, namely, that of clearing, rooting and rendering this land ready for cultivation by plough, there is added the responsibility for designing and constructing an irrigation distribution and road system, of erecting about 25,000 colonists' cottages, and of building houses in the headquarters and all the small towns.

VII. The Island's Food Situation

Under the food supplies Ordinance, Government is constituted the sole importer of rice, flour and sugar until June, 1953, and the Department of Food Supplies is responsible for importing these basic foodstuffs. Procurement of these foodstuffs has grown more difficult since the outbreak of the Korean war which has led deficit countries to undertake stockpiling of vitally needed commodities, especially foodstuffs, and caused severe shortage of freight owing to the diversion of shipping to war purposes. Inevitably the prices of commodities as well as costs of freight have gone up all over the world. Ceylon has been fortunate in overcoming these difficulties and maintaining without interruption a satisfactory level of food stocks. In August 1950 an agreement was negotiated with the Government of Burma for the supply of 300,000 tons of rice to meet Ceylon's needs in 1951 and the Government of Burma then agreed to give Ceylon further supplies when the export surplus for 1951 could be accurately assessed. In March this year a Ceylon ministerial delegation was able to obtain from the Government of Burma the release of a further quantity of 150,000 tons of rice. Arrangements have also been made with the Pakistan Government for the release of a small quantity of rice and other markets are being constantly explored. Negotiations are expected to begin shortly with the Government of Burma for Ceylon's requirements for next year. As a result of the successful negotiations with Burma, Ceylon imported 482,000 tons of rice in 1950; an improvement of 88,000 tons over the previous year. Not only has it been possible to maintain

the ration without interruption but the satisfactory stock position enabled Government to release rice outside the ration so as to counteract the high market price of country rice. Owing to repeated crop failures caused by unseasonal weather conditions the market price of country paddy and rice had shot up to extraordinary levels, paddy being sold at even Rs. 12 per bushel. The release of imported rice outside the ration in April, 1951, restored normal prices for country rice and paddy, in fact, has led to a considerable increase in purchases of paddy under the Guaranteed Price Scheme, under which the price of paddy is fixed at Rs. 8 per bushel.

There has inevitably been an increase in the cost of rice in markets abroad owing to the international situation. The same factors have affected flour. Since the middle of 1950 nearly all flour has come from Australia which is the most convenient source owing to its proximity and less difficulty over freight, the flour being purchased direct from the Australian Wheat Board. The price of flour under the International Wheat Agreement has continued to be high. Under this Agreement, importing countries guarantee to buy and exporting countries to sell specific quantities of wheat or flour each year and prices are negotiated between maximum and minimum levels fixed for each year. Owing to the great demand for wheat under present international conditions its price has continued to remain high. In 1950, Ceylon imported 152,000 tons of wheat flour. It had been expected that the price of sugar would come down owing to the increase in world production, which has already outstripped the pre-war level, but in the case of sugar also prices have continued to advance and have now reached higher levels than even during the war years. 109,000 tons of sugar were imported in 1950, the supply being procured through the British Ministry of Food who control all surplus Commonwealth production. The following figures show the landed cost of rice, flour and sugar imported in 1949-50 and the estimated cost for 1950-51 and 1951-52 :—

	1949-50 Rs.	1950-51 Rs.	1951-52 Rs.
Rice	283,788,707	271,584,000	366,025,000
Flour	86,669,829	83,675,050	85,273,000
Sugar	71,905,803	87,346,240	100,555,320
	442,364,339	442,605,290	551,853,320

Despite the high prices that have to be paid abroad, the Government has not merely adhered to its policy of stabilising the cost of these foodstuffs to the consumer, but has even gone over to the counter-attack, and in the period under review made substantial reductions of consumer prices of rice and flour. In October, 1950, the retail price of rice was reduced from 36 cents (at which level it had stood since 1943) to 30 cents per measure and in December, 1950, the price was reduced still further to 25 cents per measure, which is the present price. In no country in the world, not even in large producing countries, is rice sold at so low a price. Simultaneously with the reduction of the retail price of rice the price of flour was reduced by $5\frac{1}{2}$ cents per lb. and that of bread proportionately. The present cost of rice to Government being about 65 cents (and this price is likely to be still higher in the near future), the Government loses approximately 43 cents on every measure of rice sold. Thus, the subsidized price is about 35 per cent. of the actual cost, and it would be hard to find a parallel elsewhere in the world to so large a subsidy on a staple food. The cost of the subsidies on rice and flour have been estimated at Rs. 1 million for the financial year 1950-51 and, owing to the increase in the cost of rice, sugar and flour, at Rs. 175 million for the next financial year.

The Free Milk Feeding Scheme caters to children between the ages of 2-3 years, described as the 'pre-school' group; and these children receive a free cup of milk daily at Milk Feeding Centres, of which there are at present 3,700 in various parts of the Island. In establishing centres preference has been given to poorer areas of the Island, especially in the dry zones. 300 new centres are planned in 1951-52. It is estimated that a quarter of a million children are fed daily at these centres. Expectant and nursing mothers may also have milk at these centres. Fresh milk being scarce imported skim and milk is reconstituted, and 1,300 tons of skimmed milk are required annually

for the scheme. Supplies of this commodity too are difficult to obtain and the cost is constantly increasing. In a few areas where fresh milk is obtainable at a moderate price from co-operative dairies, centres adopt it in place of skim milk but such centres are still in a minority. The cost of the scheme in 1950-51 is estimated at Rs. 4.2 millions. The scheme renders most valuable service by improving the nutritional standard of that age-group of the country's children which do not derive benefits from either infant clinics or from school feeding.

The Guaranteed Price Scheme is one of the most important measures ever taken in this country to stimulate food production. Under this scheme Government undertakes to buy from the farmer produce of certain specified varieties, of which Government is most anxious to stimulate production both with a view to meeting local needs and to reducing the country's dependence on foreign supplies and has fixed fair prices based on a generously assessed cost of production and a reasonable margin of profit at which it will buy such produce. Co-operative Agricultural Production and Sales Societies have been appointed as the buying agents of the Department, and as these Societies receive the farmer's produce at their depots and pay him the guaranteed price. The Societies then hand over the produce to the Department and receive from it the guaranteed price, which they have paid to the farmer, plus a commission and their cost of transport.

It should be noted that the Scheme is worked on the basis of an expected loss. Loss is inevitable, since the farmer sells his produce to Government only when he cannot get a better price elsewhere, that is, when the market price has fallen below the guaranteed price. It is expected that considerably larger quantities than those purchased in 1950 will come in this year, especially with the extension of the acreage devoted to maize, and sorghum, and the diversion of paddy to the Scheme as a result of the free sale of imported rice. The benefits of the Scheme are evident from the improved economic conditions of dry-zone villages. It is the view of competent observers that no measures has served so much to increase food production and simultaneously better the standard of living of our peasantry.

As the sole importer of the Island's requirements of rice, flour and sugar for the last nine years the Government has been carrying on the largest commercial undertaking for which one single authority has ever borne responsibility. This position places in the charge of the Ministry of Food and Co-operative Undertakings more than 50 per cent. of the import trade of the Island. The public, which has little time to scan the balance sheets of the Department of Food Supplies issued annually, has little appreciation of the stupendous nature of this task which, unlike on ordinary commercial house has to be performed with equal regard to the commercial and the administrative aspects. On the one hand, supplies have to be planned and produced under conditions of keen competition for food which is none too plentiful in the world's granaries; and on the other, purchases have to be made at the cheapest possible price. During next year owing to possible increase in prices and freight costs, and in the quantities necessary to meet increased consumption, the value on a landed cost basis of these three principal items may run to about Rs. 554,000,000. Changes in the supply position of exporting countries and the fluctuation availability of freight impose on the Government the necessity to hold very large reserve stocks in certain periods—about five months' supply was held on one occasion. At the end of June, 1951, the value of stocks held amounted to about Rs. 120,000,000. The merchant whose sole concern is profit and a quick turnover works on a minimum capital. Periodical scarcities or shortages do not bother him; on the other hand they bring him golden opportunities of enhancing his profit. But with a Government in business—particularly in the business of supplying the needs of the nation in respect of the basic food items that sustain its health and vigour—it is entirely different. The predominant consideration is administrative; all the same the business practices and methods of this Government undertaking will bear comparison with those of the best-run commercial houses.

FOOD CONTROL

The main function of the Food and Price Control Department is to see that available supplies of rice and flour are equitably distributed, that the Government subsidy thereon reaches those for whom it is intended and that other essential foodstuffs are available at the controlled prices.

The possibility of food control being removed in the near future does not exist for the following reasons :—

- (i) Production of rice in this part of the world will have to be greatly increased to enable all importing countries to have as much as they want at a reasonable price. It is believed that pre-war production has indeed been passed but the huge increase of population in every country has reduced the 'per capita' production.
- (ii) The availability of exchange. The all-round increase in prices makes it likely that this will be a big factor in determining the amount which Ceylon will import in the future, even if foodstuffs were available for this purpose. The coming into being of a free market in rice from 1950 has added to this difficulty.
- (iii) The necessity to subsidise rice. It would appear that the high imported cost of rice will make this necessary for several years unless the Government decides that the internal price of rice is to be increased to a figure commensurate with the imported cost. The issue of rice on a ration book is the only method of ensuring that every person gets his fair share of this benefit.

Weekly rice rations are presently issued to the following categories :*—

Worker, i.e., male workers over 14 years of age	1½ measures	(W)
Ordinary, i.e., those over 9 years (but excluding the above)	1¼ do.	(O)
Child, i.e., between 3 and 9 years	1 do.	(C)
Infant, i.e., between 1 and 3 years	¾ do.	(I)

The estimated number of persons who came into these categories at the beginning of 1950 was as follows :—

(W)	1,590,000
(O)	3,980,000
(C)	1,080,000
(I)	500,000
Total	7,150,000

The number of rice ration books issued in the beginning of the last rationing year was :—

(W)	1,498,468
(O)	3,737,496
(C)	1,019,277
(I)	514,729†
Total	6,769,968

It will be seen that about 400,000 persons were not issued ration books ; these may be regarded as the number of those fully self-supporting who are not given ration books. Coupons recovered from those partially self-supporting do not appear in the above.

The number of rice ration books issued can therefore be regarded as satisfactory, being neither more than what should have been issued nor less than this as complaints would otherwise be made from those entitled to rice ration books.

For some time now flour has been unrationed and unrestricted issues have been made. Imports of flour are arranged so as to meet the full demand. The flour is sold at approximately cost price but a reduction in the import price about the middle of 1949 resulted in a very small profit being made on this commodity.

* A reduction of a quarter (¼) measure in all the above categories has since been effected as from September 22, 1952.

† The excess in the (I) group is due to the lag in getting (I) books changed to (C) books when the children attain 3 years of age.

CHAPTER XIII

FORESTS, FISHERIES, AND MINERALS

I. Forests

ZONES, TYPES, AND IMPORTANT SPECIES

THE Island may be divided into three main climato-geographical regions each with its own distinctive types of forests, viz. :—

- (a) the wet low and mid-country zone,
- (b) the low-country dry zone, and
- (c) the sub-tropical montane zone.

(a) *The wet low and mid-country zone* comprises roughly the south-western quarter of the Island including also the mountains up to an elevation of 4,000 ft. approximately. The mean temperature of this region varies from 70° to 80° F. Rainfall is heavy and contributed by both monsoons. It ranges from 100 inches to over 300 inches per annum. With relatively high temperature and abundant rainfall the highest possible development of natural vegetation in the world—the Rain Forest—results.

This type of forest is characterized by tall, lofty trees giving the sense and appearance of cathedral vaults. The largest of them stand with crowns isolated well above the dense canopy of the other trees below them. Several other canopy-layers consisting of trees of lesser heights and progressively higher shade-enduring capacity fill up the space between the dominant canopy layer and the dense undergrowth which usually occupies the forest floor. The principal tree species to be found in these forests are: *Hora* (*Dipterocarpus zeylanicus*), *Duns* (*Doona* spp. & *Hopea* spp.), *Hedawakas* (*Chaetocarous* spp.), *Molpedda* (*Isonandra lanceolata*), *Tawenna* (*Palaquium rubiginosum*), *Del* (*Artocarpus nobilis*), *Dambe* (*Syzygium* spp.), *Milla* (*Vitex pinnata*), *Liyan* (*Homalium zeylanicum*), *Etamba* (*Mangifera indica*), *Pelan* (*Kurrimia zeylanica*), *Na* (*Messua ferrea* & *M. thwaitesii*), *Kekuna* (*Canarium zeylanicum*), &c. These are only a relatively small fraction of the very large number of different tree species to be found. Except for those occurring gregariously, like *Hora* (*Dipterocarpus zeylanica*) and *Aridda* (*Camposperma zeylanica*), each species rarely constitutes more than one per cent. of the specific composition of such forest.

Occurring as they do in the most populous quarter of the Island the proportion of forest to total area is very small. In several districts forest occupies less than one per cent. of the land area. There are only scattered and isolated patches of forest in the wet low country. Most of the forests are to be found in the hinterland at the bases and lower slopes of the central mountains. It is imperative that such forests as remain should be most carefully conserved and maintained as such unimpaired, if not improved.

(b) The 'Dry Zone', so called, constitutes practically three quarters of the Island. It includes the northern half of the country, the broad coastal plain east of the south central mountains, and a rather smaller portion to the south of them. On any international system of climatological analysis it would be considered a 'humid' and not a 'dry' region. Mean annual rainfall in this zone varies from 50 inches to 100 inches per annum contributed mostly by the north-east monsoon. Mean monthly temperatures are slightly higher than in the wet zone. Unlike in the latter there is a distinct period of drought of three to four months in the year from May-June to August-September. During this period dry south-west monsoon winds, deprived of their moisture on the windward side of the mountains, are an important inhibitory factor as regards the growth of the vegetation.

There is a fairly high proportion of forest left in this zone. Roughly from 60 to 80 per cent. of the land still remains under forest of sorts. In the northernmost and in an arrow coastwise belt a low thorny scrub jungle is prevalent. Here, as when it occurs more scattered in the interior, it is the result of secondary regrowth following temporary shifting cultivation. The natural high forest is generally of the type known as the 'Dry Mixed Evergreen Forest', that is to say, forest of overall evergreen character with a proportion of deciduous tree species amongst the dominant. The principal economic timber species in this type of forest are *Satin* (*Chloroxylon swietenia*), *Palu*

(*Manilkara hexandra*), *Ranai* (*Alseodaphne semicarpifolia*), *Milla* (*Vitex pinnata*), *Halmilla* (*Berrya cordifolia*), *Kumbuk* (*Terminalia arjuna*), *Ebony* (*Diospyros ebenum*), &c.

The structure of the forest is simpler and the dominant canopy is even without any emergents as in the wet evergreen forest. The undergrowth is relatively light. The tree species mentioned are all durable hard woods. They are usually to be found scattered as single stems in a matrix of *Wira* (*Hemecycilia sepiaria*) except in the case of *Halmilla* which is inclined to be gregarious in moist situations.

(c) *The sub-tropical montane zone* includes the region within the central mountain core of the Island above an elevation of 4,000 ft. approximately. The mean monthly temperatures here vary from about 60° to 70° F. Ground frosts are common on clear nights above an elevation of 5,000 ft. and occur mostly in January and February. Mists are prevalent during the monsoonal periods. Rainfall is relatively heavy—100 to 150 inches per annum generally and over 200 inches around the Adam's Peak range. There is generally no period of drought except in the patana grass-land basin of the Province of Uva. The forests in this region are confined to hill tops and ridges. Their existence to-day is due mainly to the intervention of Sir Joseph D. Hooker, who in 1873 protested to the Secretary of State for the Colonies against the indiscriminate clearing of forest for coffee and tea. In the same year the Secretary of State ordered that no land over 5,000 ft. should be alienated.

The forests in this region are of the sub-tropical wet montane evergreen type. The trees are generally short boled, branchy and xerophytic in character. The canopy is single storeyed, of even height as in the dry evergreen forest and there are no tall emergent trees as in the wet evergreen forest. Undergrowth is heavy, often entirely of *Strobilanthes* spp. The principal timber trees are : *Kina* (*Calophyllum walkeri*), *Dambe* (*Syzygium* spp.), *Mihiriya* (*Gordonia* and *Ternstroemia* spp.) and *Sapu* (*Michelia nilagaria*). These forests are of inestimable importance from the standpoint of the conservation of climatic, soil, water, and scenic values. No great economic returns in the form of timber are to be expected. All forests in the region are to be treated and conserved as climatic and scenic reserves.

FOREST RESERVES

The areas of constituted Forest Reserves and Proposed Reserves at the end of 1950 by Provinces are given in the following table :—

TABLE 13. 1. AREAS OF PRODUCTIVE AND PROTECTIVE FOREST RESERVES—BY PROVINCES

Province	Productive Forests (Area in Acres)	Protective Forests (Climatic) (Area in Acres)
Northern Province	499,954 *	Nil
	8,246	
North-Central Province	102,560 *	Nil
	388,839	
North-Western Province	109,818 *	1,323 *
	243,585	11,577
Eastern Province	524,156 *	Nil
	372,223	
Central Province	13,970 *	3,962 *
	26,658	90,661
Province of Uva	5,843 *	Nil
	12,010	2,932
Province of Sabaragamuwa	23,012 *	20,750 *
	67,045	22,465
Western Province	12,053 *	894 *
	54,286	320
Southern Province	63,148 *	16,982 *
	55,434	7,813

* Areas reserved by Proclamation.

FOREST REGENERATION

The exploitation of the wet evergreen forests is being done, as far as possible, on the basis of inducing and promoting the natural regeneration of economic timber species. In addition there are approximately 6,500 acres of artificial plantations mainly of *Jak* (*Artocarpus integra*) and *Mahogany* (*Swietenia macrophylla*) but also of other species including *Nedun* (*Perclopsis mooniana*), *Lunumidella* (*Melia composita*) and *Alstonia macrophylla*. In the dry evergreen forest and in the sub-tropical montane wet evergreen forest the promotion of the natural regeneration of economically valuable timber species has proved more difficult. In both forest types restitution has largely been through artificial planting. In the former approximately 10,000 acres of teak plantations have been raised. In the latter forest mixed plantations have been raised, of the *Monterey Cypress* (*Cupressus macrocarpus*), *Eucalyptus* (principally *Eucalyptus microcorys*, *E. maculata*, *E. robusta*, *E. saligna*) and several other European and Australian timber tree species. These amount to about 7,500 acres in extent. In addition afforestation of grasslands and estate fuel plantations of *Eucalyptus robusta* make up about another 4,000 acres of artificial plantations.

MANAGEMENT

During 1950, the method of *regeneration fellings* based on the original Malayan 'Seeding Felling' practice and modified as a result of Silvicultural research and experience gained from 1939 onwards, continued to be used for the treatment of wet evergreen forests. The results obtained so far are very encouraging and already some forests may be considered as fully regenerated. 10,054 acres were brought under regeneration fellings in 1950.

In the dry mixed evergreen forests, fellings are of two types, (1) Selective, (2) Intensive. The former is a simple selective operation on a girth limit principle with the precaution of retaining a 'support' tree of the valuable hardwoods for each tree felled. The second treatment includes removal of the inferior species for firewood and poles, where there is a ready demand for this produce. 69,531 acres were worked selectively and 1,352 acres intensively in 1950.

In the wet evergreen forests, the subsequent treatment is termed 'Cleanings', an operation which consists of the cutting back of climbers and rank vegetation and girdling of inferior species to favour advance growth of the preferred species. In the dry mixed evergreen forests, cleanings are mainly confined to forests which contain fairly good advance growth of *Halmilla* (*Berrya cordifolia*), *Ranai* (*Alseodaphne semicarpifolia*) and Ebony. Such forests are of restricted distribution. 3,195 acres of wet evergreen forest and 380 acres of dry mixed evergreen forest were treated thus in 1950.

Thinnings were carried out in (a) 766 acres of plantations of exotic species (chiefly *Eucalyptus* and *Cypress*) in the montane zone, (b) 668 acres of teak plantation in the dry zone, (c) 1,252 acres of jak and mixed species in the 'Intermediate' Zone, and (d) 155 acres of 'Coppice' plantations in the sub-coastal forests of the wet zone. Most of the material from these thinnings was profitably disposed of as poles and firewood.

Artificial Regeneration comprises (a) the afforestation of unproductive land, chiefly the grasslands (patanas) of the montane zone, and (b) the improvement of degraded forests.

Patana afforestation is now regraded as a comprehensive scheme of *Shelterbelts* for ameliorating the climatic and soil conditions in the Dry Patana Zone, chiefly the Uva Basin. In 1950, 125 acres of grassland were planted with *Eucalyptus* species and *Acacia decurrens*, the latter being broadcast on the contour ridges.

Co-operative (Taungya) Reafforestation has been used as the method for raising teak and jak. In 1950, 56 acres of teak in the dry zone and 188 acres of Jak, *Albizzia moluccana* and *Hora* (*Dipterocarpus zeylanicus*) have been raised by this system.

Halmilla (*Berrya cordifolia*) gap regeneration is proving a satisfactory means of improving exploited dry mixed evergreen forest where the soil conditions are suitable for the establishment and growth of this species. This method consists of patch-planting *Halmilla* in trenched plots under a shelterwood. In 1950, 1,819 acres were treated by this method.

UTILIZATION

Production resulting from the cultural operations mentioned above is given in the following table :—

TABLE 13.2. TIMBER PRODUCTION, 1950

	Quantity produced (cu. ft.)
Log timber	1,418,386
Sawn timber	443,674
Sleepers	156,731
Round timber (poles)	557,201
Firewood	1,825,105

The major part of the above material was supplied to Government departments. In addition the under-mentioned imports and local purchases from private sources were arranged to meet their requirements :—

TABLE 13.3. QUANTITY OF TIMBER SUPPLIED TO GOVERNMENT DEPARTMENTS, 1950

Kind of Timber	Quantity supplied
<i>Imports—</i>	
Sleepers	28,468 cu. ft.
Burma teak squares and planks	41,132 „
Pine boards	313,227 sq. ft.
<i>Local Purchases—</i>	
Gini sapu	49,735 cu. ft.
Lunumidella boards	74,922 sq. ft.

FORESTRY RESEARCH

When planned and systematic silvicultural research commenced in 1937, the sum total of basic information concerned with and applicable to local conditions was negligible. The investigations carried out so far have covered—

- (a) fundamental basic studies concerned with the systematy, phenology, pests and diseases, seed germination, seedling characteristics, and behaviour and silvicultural requirements in the early life of our principal timber species.
- (b) special investigations, including a large number and variety of problems.

In the last fifteen years very considerable gains have been made in silvicultural knowledge and techniques.¹

Arrangements have been made since 1948 to extend the research activities of the department to cover also the subject of Timber Utilization. Workshops, laboratory, and administrative buildings required for the purpose are being constructed and suitably equipped. It is intended to undertake research on the structure, working, seasoning, finishing, bending, and other physical properties of the less known Ceylon Timbers as well as methods of their preservative treatment, including treatment under pressure.

¹ For more detailed information reference may be made to the publications :—

- (1) "A decade of silvicultural research in Ceylon" by C. H. Holmes—Proceedings of the British Empire Forestry Conference, 1947.
- (2) "Some Forestry problems in Ceylon and the search for their solution" by C. H. Holmes—Presidential address, Section B, Proceedings of the 4th Annual Sessions of the Ceylon Association of Science.
- (3) Administration Report of the Conservator of Forests for 1950.

Arrangements have been made for the assistance of an expert Timber Working Machinist, through the Expanded Technical Assistance Programme of the F. A. O., to initiate work and train workmen in the newly fitted and organized Wood Working Shop of the Research and Education Branch of the department. A young engineer was selected from a number of Engineering graduates of the University of Ceylon and sent for training in Timber Utilization Research on a F. A. O. Fellowship to the Forest Products Research Laboratory, Princes Risborough, United Kingdom.

The Senior Assistant Conservator of Forests, Research and Education, represented this country at the 1st Sessions of the Forestry and Forest Products Commission for Asia and the Pacific, held in Bangkok, in October, 1950. The country was paid the honour of having its representative elected the Senior Vice-Chairman of the Commission for a period of two years.

The Research and Education Branch has now been elected a full member of the International Union of Forestry Research Organizations.

FOREST EDUCATION

Up to the current year only a small percentage of the executive staff of the Forest Ranger Grade were trained. This has been done by sending two to four students per annum to the Forest Ranger College, Coimbatore. The rest of the Forest Rangers and all the Forest Guards had hitherto not received any kind of training. To meet the necessity of providing some modicum of training for such untrained officers, a Forestry Field Training School has, with some considerable difficulty, been established at last. Two Training Camp centres have been set up—one in a Forest Reserve in the Wet Zone near Waga, and the other in a Reserve of the dry zone near Anuradhapura.

The school provides for the accommodation of 27–30 trainees composed of roughly 10 Forest Rangers and Range Assistants and 20 Forest Guards. The course of instruction is essentially practical and covers a period of three months. The teaching staff is composed of two permanent and eleven visiting lecturers and demonstrators.

One of two Forestry Scholars at the University of Oxford returned after completion of his course. Another Forestry Scholar was selected from Natural Science Honours Graduates of the University of Ceylon and sent to Oxford for a two-year course of training in Forestry.

II. Wild Life Protection

The new Department of Wild Life did not take over the administration of the Fauna and Flora Protection Ordinance from the Forest Department till October, 1950, and was not fully staffed till April, 1951.

Under the Ordinance the following categories and extents of protected areas were in existence at the end of 1950 :—

(a) National Reserves, totalling 665,341 acres and comprising—

- (i) Strict Natural Reserves, into which entry is prohibited except for purposes of scientific research ; in extent 174,599 acres ;
- (ii) National Parks, into which the public are freely admitted on payment of a small entrance fee ; in extent 169,594 acres ;
- (iii) Intermediate Zones, in which shooting is permitted in the open season on payment of entrance and licence fees ; in extent 321,148 acres ;

(b) Sanctuaries, in which shooting and hunting are prohibited but other activities are permitted ; in extent 199,753 acres.

The National Parks, particularly the Ruhuna National Park because of its accessibility, are becoming increasingly popular. The approaches to, and the roads and amenities within, the two National Parks are being improved. The water supplies for the animals during the annual drought are being augmented by the restoration of breached tanks and water-holes. The Department of Wild Life has planned a development programme which will be put into effect early in 1951 and completed in 3 to 5 years.

The weather conditions in the National Reserves were again abnormal in 1950 and the heavy rains of the N. E. monsoon had not yet fallen at the end of the year. In the North-Central Province the issue of shooting licences was restricted.

The National Reserves contain a wide and varied fauna and flora. In the National Parks the animals are seen to the best advantage during the rainy season from November to April. Then they are dispersed in all sections of the Parks, food and water being available everywhere. But during the drought they are concentrated around the few surviving sources of water supply and it is proposed, to avoid disturbance to them during this period of intense suffering, to close the National Parks to the public during August and September every year.

III. Botanic Gardens

There are three Botanic Gardens in Ceylon supervised by a Superintendent of Gardens who is responsible to the head of the Department of Agriculture.

They are in three different climatic zones. All three Gardens enjoy the benefit of both monsoons—

(a) The Royal Botanic Gardens, Peradeniya, whose history dates as far back as 1371 when King Wickrema Bahu III ascended the throne and kept court at Peradeniya, was established in 1821 for the purpose of accommodating exotics. This Garden, which has a world-wide reputation as the best of its kind in the East, is situated 68 miles from Colombo on the way to Kandy at an elevation of 1,550 ft. where the climate is equable. This elevation may be termed the mid-country where the vegetation is transitory between the low-country and up-country flora. Many species of tropical plants from various parts of the world are represented here and are of interest to botanists, scientists and students. The damage done in the World War II when the Gardens were the headquarters of the South-East Asia Command, has been completely repaired and reconstructed with many additions and improvements. Much attention has been paid to the cultivation of flowering trees, shrubs, annuals and perennials suitable to mid-country gardens, some of which are Hibiscus, Cannas and Dahlias. Plants received from other countries have been successfully acclimatized here and are thriving satisfactorily. A few that attract foreign visitors are the species of the orchids, and the palms.

(b) The Botanic Gardens, Hakgala, established in 1861 as a Cinchona Experiment Station, is situated in a more or less temperate climate at an elevation of 5,581 feet, and 6 miles from Nuwara Eliya on the way to Badulla. The vegetation is sub-tropical or temperate with the coniferae and the Rhododendrons predominating. This altitude and climate abounds in a wealth of flora, many species of temperate plants suited for up-country gardens are cultivated here.

(c) The Botanic Gardens, Heneratgoda, Gampaha, opened in 1876 for the reception of the original rubber trees that came to the East, some of which are still existing, is 17 miles away from Colombo at an elevation of 35 ft. above sea level. This may be termed a low-country garden where plants suited to purely tropical conditions are cultivated.

Many improvements have been effected to all three Gardens during recent years. With the completion of the reconstruction work at Peradeniya and Gampaha, improvements to the lay-out of the Gardens, planting of new introductions of trees and avenues and maintenance of drives and paths in good order, have been done. At Hakgala a new rose garden was opened to accommodate the new varieties of roses imported from England, which are doing well.

Research work is being conducted in different aspects of botanical importance with the installation of a garden laboratory at Peradeniya. Scientists from abroad continue to visit the Gardens for material to carry out their research.

Material both for ornamental and research purposes is often supplied from the Gardens. Exchange of plants and seeds is being done with various botanical institutions abroad, thus introducing new varieties.

Royal and other distinguished visitors passing through, never fail to relax a few hours at Peradeniya Gardens and carry away pleasant memories.

The plant supply nurseries continue to function so efficiently that it has been possible to raise many rare varieties of plants for sale.

IV. Fisheries

The Fisheries Department is being reorganized and a general increase of staff has been provided for. This will include a number of 'Technical' appointments and in spite of the dearth of suitably qualified fisheries personnel, a fair proportion of the necessary posts has been filled.

FRESH WATER FISHERIES

Under the development programme of the fresh water resources of the Island, many varieties of imported fish were introduced into village tanks and rivers, to breed, so that they might constitute a valuable addition to the food of the peasants. To ensure that these stocks of fish are not depleted by over-fishing and to give them a fair and reasonable chance of breeding, certain reservoirs and lakes were declared sanctuaries for specified periods, and fishing in any form other than by rod and line was prohibited.

Kudakalapu-ganga in Balapitiya, the Kotte lake, and a section of the Beira lake, were declared sanctuaries during 1950-51, and Honorary Water Bailiffs were appointed for specific areas to check on infringements of Governmental regulations. With a view to safeguarding the interests of law-abiding fishermen, prosecutions were conducted in respect of unauthorized forms of fishing as, for example, the use of prohibited nets, and the placing or erection of obstructions in certain waters.

WINDOW PANE OYSTER FISHERY, TAMBLEGAM

The window pane oyster fishery at Tamblegam which was revived in 1949 after a lapse of several years, was continued in 1951. This will be the last year of the present lease. According to the lessee's returns, over $7\frac{1}{2}$ million oysters were collected during 1950. A rental amounting to Rs. 37,102 was collected from the lessee in respect of the period 1949-51.

PEARL FISHERY, MANNAR

During the period under review, certain preliminaries relating to the Pearl Fishery, 1952, were worked out and notifications announcing the department's intention to conduct the fishery were published both in the local and Indian newspapers. The Assistant Government Agent, Mannar, and the Director of Health Services met officials of the department in conference and drew up the programme of work to be followed during the pearl fishery season.

CHANK FISHING

The Chank Ordinance was amended and tenders were called for from chank traders for the conduct of the chank fishing in Ceylon. However, due to the Indian Government's ban on the import into India of Ceylon chanks, the response to the advertisements calling for tenders was very poor, and no chank fishery was held in Ceylon from 1949 onwards. Consequent on representations made by local chank traders that large stocks of exportable chanks were being held by them, permits for the export of these were issued to them. These permits expired on September 13, 1951.

DYNAMITING AND POISONING OF FISH

The anti-dynamiting campaign which was inaugurated during the latter part of 1949 continued to do useful work and proved popular with the people. The voluntary co-operation and assistance of sister departments and various public-spirited citizens became available and with their help it had been possible for the Preventive Force to detect a number of dynamiting offences. Dynamiting of fish is a cognizable offence under the Fisheries Ordinance. Hence it would be proper for anyone to report to the Police any case of dynamiting fish as and when it occurs, and to have the offender apprehended. The assistance of the Police and the Attorney-General's departments was always available. In collaboration with these two departments, a large number of cases were filed, and a good number of convictions obtained. In order to reduce the incidence of offences of this nature, officials of other departments and public-spirited citizens were appointed 'Authorized Officers' under section 19 of the Fisheries Ordinance, No. 24 of 1940.

Poisoning of fish is yet another menace with which the Fisheries Department has had to deal. Unlike dynamiting, poisoning of fish is difficult to detect. The offence has been curbed to an appreciable extent as a result of the propaganda which has been done.

OPERATION OF TRAWLERS AND FISHING VESSELS

For the major part of the year under review there were three fishing vessels in operation of which two were used for mother-ship experiments. In June, 1951, the new trawler 'Braconglen' arrived in Ceylon. During the year, the 'Raglan Castle' brought in a catch of 652,211 lb. in 20 trips. The 'Braconglen' was out 7 times and brought in a catch of 299,865 lb.

The motor vessels 'Halpha' and 'Seer' have been engaged in various experimental mechanized fishing operations, such as the towing of boats to and from the fishing grounds on the mother-ship principle which is showing excellent results and which has become very popular among the local fishermen.

LIFEBOAT SERVICE

Five lifeboats were in commission during the year and rendered efficient service when occasion arose. They have been used to tow fishing boats to and from the fishing grounds.

ICE AND REFRIGERATION

For the year ending 1950-51, 5,028 tons of ice were purchased at a cost of Rs. 176,941. Out of this quantity of ice, 4,514 tons were sold to the industry, and the balance used in departmental activities.

ESTABLISHMENT OF FISH CURING YARDS

The only curing yard established during the year was at Hendala, but later this yard had to be shifted to Muthurajawela due to local agitation against the establishment of a fish curing yard in the area.

The by-products manufactured at the yard, on a commercial scale, are fish meal, dried fish and shark liver oil. Experiments are being conducted for the manufacture of turtle-shell oil, dehydrated fish, and maldive fish.

A sum of Rs. 16,274 was realized by the sales of dried fish and fish meal.

SEA WEEDS

A survey of weed beds has also been undertaken with a view to determining the scope of manufacturing agar-agar and alginic acid.

Cash Grants recommended to Fishermen to repair damaged boats and gear, through the Director of Social Services

Fishing Centre	Amount recommended (from January to October, 1951)
	Rs.
Colombo	1,205
Moratuwa	1,325
Beruwela	25
Matara	1,350
Hambantota	950
Galle	980
Negombo	825
Chilaw	590
Batticaloa	340
Mannar	1,537
Kalpitiya	400
Trincomalee	300
Jaffna	1,470

CROWN TIMBER FOR BOAT BUILDING

For the period January to October, 1951, 109 applications have been recommended to the Conservator of Forests for issue of timber at $\frac{1}{4}$ royalty, to deserving fishermen, for the making of new boats.

ISSUE OF SALT FOR FISH CURING

Crushed salt is issued through Salt Department Stores and the Welfare Depots throughout the Island. Salt is issued at concessionary rates for fish curing purposes. On the recommendation of the Fisheries Department, salt is made available for issue from salterns on payment of royalty.

FISHING DISPUTES

Various disputes, relating to fishing rights, were settled by the intervention of the Fisheries Department with the assistance of local revenue officers.

WELFARE STORES

Eleven Welfare Stores situated at central points accessible to the fishermen, cater to basic needs of the fishing communities. Sail cloth, yarn, fish hooks, &c., are sold at regulated prices, comparing favourably with local market rates.

In 1951 during the first nine months, Rs. 186,644.25 worth of yarn and Rs. 87,821.91 worth of sail cloth were bought for sale to fishermen. Rs. 354.71 worth of fish hooks have also been handled.

Rice is sold to fishermen at the subsidized prices, outside the ration, and is meant for the use of migrant fishermen who move to fishing camps which are a considerable distance away from their homes.

LOANS TO THE FISHING INDUSTRY

During the year 1950-51 a sum of Rs. 241,939.05 was issued to 11 Co-operative Fishing Societies. A sum of Rs. 20,214.32 has been recovered, the balance due being Rs. 221,724.73.

FISHERY HARBOURS

Harbour work was mainly confined to the dredging of the two harbours at Karaiyoor and Passaiyoor which were constructed in 1949. The enlarging of these two harbours and the construction of two more harbours at Navanturai and Colombogam, are under consideration.

REMOVAL OF OBSTRUCTIONS

The Fisheries Department was able to remove the obstructions to fishing at Panadura, Kosgoda, Ulhitiyawa, and Pattangagalla, with the assistance of private parties. The Colombo Port Commission was responsible for the removal of rocks in the reef at Dehiwala with funds provided by the Fisheries Department. The Arippu Rural Development Society has removed obstruction to fishing, from the sea, at Konduchikudu.

LEADING LIGHTS AND BEACONS

Lights have been provided for the fishery harbours at Jaffna, Panadura, Mutwal, Ambalangoda, and Wadduwa. The minaret has been repaired at Pesalai to guide fishing boats. The installation of lights at Moratuwa, Negombo, and Passaiyoor, are receiving attention.

FISHERY ROADS

A provision of Rs. 275,000 has been included in the 1950-51 Estimates of the Department of Public Works for the construction of 10 roads ; of these only one has been completed and work on the other roads is in progress.

A sum of 2 lakhs had been included in the Local Government Department's construction programme for 1951-52 for the construction of 25 roads. One road has been completed. The work on other roads is in progress.

Important fishery roads have been constructed at Batticaloa, Trincomalee, Talaimannar, Talawila, and Chilaw. Many more roads are being constructed in various parts of the maritime districts.

COLLECTION OF STATISTICS

Collection of statistics of fishermen, craft and gear, and catches, with their classification according to variety, has been made more extensively during the year 1951 than during 1950.

V. Minerals

GRAPHITE

The chief mineral industry of the Island is the mining of graphite (plumbago). The Ceylon graphite deposits are the biggest and most productive deposits of this mineral in the world and for several decades Ceylon has been the world's principal source of graphite.

The history of the graphite mining industry during the past hundred years has been marked by many vicissitudes. The number of mines varies considerably from time to time, depending largely on the level of market prices. During the war years, when the market was firm and prices favourable, there was unprecedented mining activity, and the peak was reached in 1942 when over 27,700 tons were exported. With the end of the war, however, the demand fell off, production declined, and the amount exported in 1945 was the lowest for many years. Since then there has been a slow but steady improvement, and the quantity exported in 1949 had risen to 12,241 tons. The following table gives the export figures, value, &c., since 1939 :—

TABLE 13. 5. GRAPHITE MINES : PRODUCTION, VALUE, &C., 1939-1950

<i>Year</i>	<i>No. of Mines working at the end of the year</i>	<i>No. of Men employed at the end of the year</i>	<i>Exports in long tons</i>	<i>Value in Rs.</i>	<i>Average Price per long ton in Rs.</i>
1939	692	5,820	22,396	3,407,135	152
1940	1,207	18,000 *	23,819	5,689,357	239
1941	858	16,500 *	27,232	10,752,360	395
1942	452	8,925	27,734	13,168,432	475
1943	199	5,452	20,074	10,430,187	519
1944	78	2,769	12,264	5,882,789	479
1945	60	2,163	7,820	3,564,332	456
1946	31	1,785	8,082	3,521,849	436
1947	38	1,640	9,005	3,609,794	401
1948	164	3,146	13,996	6,751,934	482
1949	87	2,413	12,241	6,381,156	521
1950	52	1,579	12,844	6,222,137	484

* Approximately.

A large number of shallow workings are opened whenever the market shows signs of improvement. These small workings have no machinery and do not as a rule go down to depths of more than 250 to 300 feet. In areas where large quantities of water are encountered underground, the small workings have mechanical pumps. The entire production comes from vein deposits, lenticular deposits and pockets, and the disseminated deposits are not worked.

Plumbago mining and the trade in plumbago is entirely in the hands of the Ceylonese and the labour employed is entirely Ceylonese. The principal purchasing countries in the past two years were the United States of America and the United Kingdom. In 1948, 37 per cent. of the exports went to the United States of America and 33 per cent. to the United Kingdom. In 1950 the actual exports were 604 tons more than in previous years but the average price per ton was less. The United States of America was the chief importer, while the United Kingdom and Australia were next with almost equal quantities.

MICA

Small deposits of phlogopite mica of good quality, 'amber mica' as it is popularly called, occurs widely distributed in the hill country in close association with dolomite limestones, and in the contact zones on the borders of crystalline limestones. They occur particularly in the Kandy, Matale, and Badulla Districts. The deposits are irregular, the mica being found in pockets with much harder ground in between. Mining has been haphazard and unsystematic. There is no production at present.

PRECIOUS AND SEMI-PRECIOUS STONES

The gem mining industry in Ceylon is of great antiquity. Precious and semi-precious stones in large variety are found principally in the gravels of the Ratnapura District and the south-west portion of the Island. The most important gem stones are sapphire and ruby (varieties of corundum), chrysoberyl (including cat's eye and the rare stone alexandrite), beryl (aquamarine) and the semi-precious stones topaz, spinel, garnet, zircon, tourmaline, varieties of quartz (cainngorn, citrine, amethyst) and moonstone.

The gem stones are all obtained from alluvial gravels with the solitary exception of moonstone, which thirty years ago was obtained from acid gneisses in the Kandy District, but is now mined from partly kaolinised (decomposed) pegmatites at Mitiyagoda, near Ambalangoda. Most of the precious stones have been derived from pegmatites associated with the Khondalite series of rocks. Garnets, corundum and spinel occur however as primary or accessory minerals of the crystalline gneisses, granulites and limestones.

Mining for gems is carried on almost entirely by Sinhalese on a remarkable system of co-operative sharing of labour, expenses, and profits. According to the nature of the occurrences, the methods employed are (1) surface placer mining, (2) pits in old river alluvium and gravel, and (3) dredging of river beds. Very few pits use mechanical contrivances, e.g., pumps, windfalls or winches, and tubs, &c.

The gems are bought by dealers at auctions or private sales, to be cut and polished by lapidarists (chiefly Muslim), the latter industry being confined to the Ratnapura and Galle Districts.

No estimates of annual production are available, but its value may be put at 1½ to 2 million rupees per year.

RARE EARTH MINERALS

The unusual richness of some of the Ceylon rocks in rare earth minerals has been known for a long time and minerals belonging to the cerium, yttrium, zirconium, niobium, tantalum, thorium, and uranium groups have been identified. Of these, thorianite is perhaps the most important from the scientific as well as from the economic point of view. The mineral was first detected in the heavy

residues obtained from the washing of the stream gravels of the Bambarabotuwa area, and subsequently in Maddegama in the Galle District. From these localities nearly nine tons of the mineral were obtained in the years 1904 to 1910 and exported to England at £1,600 to £1,700 per ton. The deposits were, however, soon believed to be exhausted. Recent work in the past two years has led to the 'rediscovery' of thorianite in the Bambarabotuwa and a few other areas where unworked deposits of the mineral have been discovered. A survey of these deposits was begun in 1947 and was continued in 1949. The new electronic equipment obtained by the Department of Mineralogy towards the end of 1948 has greatly facilitated the field investigation of the deposits.

HEAVY MINERAL SANDS

The minerals ilmenite, monazite and zircon occur in large quantities on the beaches as natural concentrates of a high degree of purity, formed by wave action. Where ilmenite predominates the sands are black in colour and are referred to as 'black sands'.

The largest and best known 'black sand' deposit is the one at Pulmoddai, thirty-six miles north of Trincomalee. This deposit contains about 75 per cent. ilmenite, about 12 per cent. rutile, and about 6 per cent. zircon, and the total quantity of 'black sand' available in a well concentrated form is roughly of the order of four million tons. A comprehensive report on the exploitation of this deposit has been prepared and a site for ore-dressing plant is under investigation. The separation of these sands can be the basis of a sound and remunerative industry.

Smaller deposits of 'black sand', more or less isolated and separated by long stretches of barren sand, are known to occur on the west coast, near the mouths of the Kelani river, Gin-ganga, Induruwa, Kudremalai, &c. These west coast deposits are generally of lower grade and in a less concentrated form, but the total reserves are probably about as much as on the east coast at Pulmoddai. Monazite and zircon are invariable constituents of the west coast black sands, while garnet becomes conspicuous in the more southerly of these deposits. In general the proportion of monazite to ilmenite rarely rises over 2 per cent., but locally, in patches and streaks, much higher concentrations of monazite occur, e.g., at Kaikawela, near Induruwa, and Kudremalai.

IRON ORES

About six million tons of high grade iron ore have been located in recent years, distributed in more or less well-defined belts in the south-west sector of the Island. The ore, which is of secondary origin, consists of a mixture of hydrated oxides, and shows an average content of about 50 per cent. metallic iron. Its occurrence is such that only open cast quarrying will be necessary. Though the ore reserves are comparatively small they would suffice to supply the Island's needs for at least a century and to establish a remunerative industry, provided cheap electrical power is available.

KAOLIN

Very large resources of kaolin or china clay, lying a few feet below the surface, have been located in many parts of the Island. A deposit estimated at about ten million tons has been located at Boralessgamuwa, a few miles from Colombo, and other deposits occur by the coast from Negombo to Galle. When refined, these clays show excellent qualities in regard to chemical composition, burning properties, texture, and plasticity. The refined clay, besides providing the raw material for a local high-grade porcelain industry, can form the basis of a profitable export trade, as the reserves are far in excess of any local demand likely to be made on them.

Other clays found in the Island include brick clays and tile clays, suitable for the manufacture of bricks and tiles.

Quartz Sand.—Several hundred million tons of high grade glass sands containing 98–99 per cent. silica occur as surface deposits on the west coast (Marawila, Kalpitiya) and in the north, near Point Pedro. The Marawila sands are at present being utilized by the Government Glass Factory at Nattandiya. The total reserves are so large as to allow of a considerable surplus for export.

Limestone.—Miocene limestone of a high degree of purity, suitable for use in the manufacture of cement, is found in large quantities in the Jaffna Peninsula. The coral deposits of the west and south coasts, and the crystalline (largely dolomitic) limestones of the interior are extensively burnt for lime.

Magnesite.—A few thousand tons of crystalline magnesite with a content of about 95 per cent, are known to occur in certain parts of Ceylon, chiefly at Randeniya.

Peat.—Over fifty million tons of peat with 50–60 per cent. total combustible matter have within recent years been estimated to occur in the Muthurajawela swamp, south of Negombo Lake, as well as in the swampy ground either side of the lower Kelani valley. Inflammable gas of favourable heating power as well as liquid by-products have been proved in the laboratory, but large-scale commercial tests have still to be carried out.

Building Stones.—The commonest building stone is kabuk (laterite) which is a decomposition-product of the crystalline gneisses and granulites. It is used extensively for small buildings in the south-west. When first quarried, it can be cut into slabs which harden on exposure to the air.

The gneisses and granites are also commonly used, both as undressed building stones and as road metal. Some of these make attractive monumental stones.

THE DEPARTMENT OF MINERALOGY

The Department of Mineralogy functioned during 1950 with a staff which included the Government Mineralogist, Deputy Government Mineralogist, Inspector of Mines, two Assistant Geologists, and a Chemist. The main work of the department is a systematic geological survey of the Island with a view to developing her mineral resources and preparing a geological map. A preliminary geological map on a scale of one inch to four miles has been prepared based on reconnaissance traverses across the Island. Geological mapping on the scale of one inch to one mile has been going on since 1940 and several one-inch sheets in the south-west and north-west sectors of the Island have been completed. This systematic survey has revealed many economic mineral deposits, a few of which are being exploited.

Alongside geological mapping, specific investigations of economic mineral deposits, engineering geology and water-supply problems are undertaken. In recent years these duties have increased to such an extent as to take up most of the officers' time, leaving very little time for geological mapping. This has slowed down the work of the geological survey to a considerable extent.

The department has played a most useful part in the planning and development of the Island's industrial projects. The detailed mapping and investigation of the iron ore fields that are to serve as sources of raw material for the proposed Steel Factory were begun during the year under review. Several sites were investigated and reported on in connection with the water supply for the Paper Factory and the Oil Project. These factories require pure water supplies of the order of from a quarter to one and a quarter million gallons daily. Survey of clay deposits for the Ceramic Factory and for brick and tile manufacture were carried out. Preliminary investigations on the ilmenite beach sand deposits at Pulmoddai were completed and a comprehensive report on the setting up of a Beach Mineral Plant was prepared for consideration by the Government.

The department continued to advise other Government departments in the field of Engineering Geology. Geological traverse surveys were carried out in the Kotmale Valley in connection with the widespread land-slips that occurred in August, 1947. Unstable areas have been mapped out and advice regarding measures to be taken to stabilize the slips was given.

The water supply section of the Public Works Department was advised on the water supply schemes of several towns, among them were Batticaloa, Mannar, Madampe, Erukūlampiddy, Jaffna, Kattankuddy, Piliyandala, and Kuliapitiya.

CHAPTER XIV

INDUSTRY

I. Industrial Development and Policy

Manufacturing industry in Ceylon has only a recent history. Its development has largely been within the last decade. Previous to this period and even now, the main emphasis of Ceylon's economic development has been on agriculture, and the national economic structure has been patterned on the traditional lines of a plantation economy specialising in the export of raw produce in exchange for manufactures in the world markets.

The first World War, 1914-1918, provided an opportunity for a degree of industrial development under the stimulus of war-time scarcities, but it would appear that no such development took place at that time. With the introduction of the Donoughmore Constitution in 1931, industrial development became for the first time under British rule, a specific subject of administration. It became a function of Government under the direction of an elected Minister.

The first few years immediately following the new Constitution were spent by the Ministry then in office in the conducting of exploratory surveys. It was during this period that the scheme for the establishment of a Coir Yarn Factory was mooted. The purpose of the proposed establishment of this factory was to make it serve as a model. The policy of Government was not to nationalize industries, but to bring the possibilities of industrial development to public notice. After the coming into office of the second Ministry of Labour, Industry and Commerce, a separate Department of Commerce and Industries was established in 1938. The establishment of this department can be regarded as the first concrete step towards the industrial development of the country. The functions of the Department, as far as industries were concerned, may be classified under the following main groups :—

- (1) The establishment, maintenance and supervision of factories.
- (2) The establishment, maintenance and supervision of industrial centres, workshops and schools.
- (3) The maintenance of industrial investigation and research.
- (4) Sales development and accounting in respect of the department's factories and industrial centres.

With the inauguration of the present constitution, these functions are exercised by the Department of Industries under the Ministry of Industries, Industrial Research and Fisheries.

POLICY

A brief statement on industrial policy was made in the 1940-41 Budget Speech of the then Minister of Labour, Industry and Commerce, when a few pilot factories had already been set up by the Government. The Minister laid down certain broad lines of policy :—

- (1) It was necessary that suitable persons should be selected for training abroad in certain specialized industries. For this purpose provision had been made for industrial and commercial scholarships.
- (2) State-aid should be and was being given to encourage the growth of industries.
- (3) The Executive Committee of Labour, Industry and Commerce had accepted the policy of earmarking basic industries for development, e.g., textiles, quinine and cement.
- (4) Industrial surveys should be conducted for the establishment of major industries in this country.
- (5) The Department of Commerce and Industries should carry out research on potential industries.
- (6) Demonstration centres should be established throughout the Island as part of the policy of imparting technical advice and instruction in cottage industries.

This policy had the broad objective of opening up avenues for industrial exploitation which private enterprise had hitherto generally not attempted to traverse, and there was no question of industrialisation being the sole monopoly of Government.

In November, 1945, a proposal was made by the Executive Committee that the factories already established should be formed into a corporation, in which the Government and the public were to hold shares jointly. The proposal, however, was rejected by the State Council, which was of the opinion that the Department should continue to run the factories for the present and that the question of a future policy should be considered at a later date.

The continuance of the second World War causing a scarcity of manufactured products from abroad, especially consumer goods, gave an impetus to industrial development and brought to the forefront problems regarding the question of industrial policy. Two lines of action were considered :—

- (1) the establishment of permanent industries, and (2) the establishment of temporary industries to meet scarcities consequent to war-time conditions ; these industries were not expected to survive the return to normal conditions. The Executive Committee of Labour, Industry and Commerce did not consider the latter line as a part of their policy for industrial development, as they were of the opinion that it should not be the policy of Government to embark on a course of action which might savour of indiscriminate industrial development to meet *ad hoc* needs as and when they arose, especially when the period of duration of the emergency was unpredictable. In selecting the industries to be developed they adopted the policy of choosing those on which expert and technical advice were available as well as a sufficiency of natural resources. Such industries, it was thought, were capable of finding a firm economic footing.

A statement on industrial development and policy was published in September, 1946, as Sessional Paper XV of 1946. The report emphasised the fact that the standard of living of the people could not be raised by agricultural development alone and that a measure of industrialisation was needed. More specifically, it stressed the need for industrialisation on the following grounds :—

- (i) Prevailing world conditions with restriction of trade and the possibility of future wars made it essential that every country should have a balanced economy of production, both industrial and agricultural ;
- (ii) Industrial development would enable Ceylon to process certain agricultural raw materials such as rubber and copra ;
- (iii) Import prices had risen far more than export prices, and in a short time Ceylon would be unable to pay for its imports from its exports. Local manufacture would help to bridge the gap and keep up the standard of living ;
- (iv) Industrial schemes were new ventures and would give new employment ;
- (v) Ceylon had valuable raw materials.

The principles of industrial policy as formulated in that report dealt on the following subjects :—

- (1) State Assistance to Industrial Development ; (2) State Control of Industry ; (3) Establishment and Development of Basic Industries ; (4) Non-basic Industries, and (5) The Protection of Industries.

STATE ASSISTANCE TO INDUSTRIAL DEVELOPMENT

Certain fundamental functions which are normally exercised by every State, *viz.*, (i) Provision of competent technical advice ; (2) Creation and sponsoring of institutions that offer long-term and medium-term credit facilities at cheap rates of interest ; (3) Provision of opportunities for technical training to ensure a ready supply of skilled labour ; and (4) Provision of adequate marketing facilities.

The facilities listed above are at present provided by State and State-sponsored institutions. The Department of Industries offers technical advice to industrialists, and undertakes industrial research ; the Government Technical College affords a measure of industrial training, while a Faculty of Engineering has recently been established at the University of Ceylon. The Agricultural and Industrial Credit Corporation offers credit facilities for long and medium-term periods, and is also

empowered with the specific function of promoting industrial ventures by underwriting share capital and even undertaking management, while the recently created Central Bank has as one of its objects the encouragement and promotion of the full development of the productive resources of the country.

STATE CONTROL OF INDUSTRY

The Report on Industrial Development and Policy examined the question of State-control and the forms which such control should take, in the light of the objects of industrialisation, *viz.*, the increase of the total wealth of the country, the increase in the general standard of living of the people, and the development of local raw materials with a view to attaining, within economic limits, a maximum degree of self-sufficiency.

The State-control of industry envisaged the regulation of certain immediate factors which in their turn would contribute towards the objects of industrialisation :—

- (1) The full use of local raw material and power.
- (2) The economic distribution of industries throughout the country, taking into account such considerations as the availability of raw materials and labour, and the use of local power and transport.
- (3) Co-ordination of purpose and the avoidance of risk.
- (4) The provision of adequate wages and living conditions for the labour employed.
- (5) The manufacture of articles to meet the needs of the people of the country at reasonable prices.
- (6) Appropriate protection, taking into account both the industry itself and the interest of potential consumers.
- (7) Equitable distribution of wealth.

To achieve the effective realization of the above factors the report outlined three types of possible control :—

- (1) Complete State management.
- (2) Management by the State and private enterprise in co-operation.
- (3) Private management subject to Government control in the form of legislation.

As against the above arguments the contention was also noted that there should be no control or intervention by the State in industry, and that the only part that Government should play in industrial development should be to promote schemes of assistance to private industry. It was observed that in recent years Ceylonese businessmen had shown a keenness to promote new ventures which have received the ready support of the local investing public. If industrialisation was left to private enterprise, the existence of competition would be a stimulus to efficiency as well as to the making available of manufactured articles at economic prices to the consumers as a result of competitive supply. This contention overlooked the creation of monopolies, but it was maintained that competition from foreign imports would safeguard the interests of the consumer.

After examining both sides of the question the report thought it sufficient if for the present purpose and for immediate policy industries that are capable of development in Ceylon be divided into two categories (a) Basic and (b) Non-basic ; and that the basic industries only be the subject of state enterprise.

BASIC INDUSTRIES

After examining the technological, economic and social factors which generally define a basic industry as well as the circumstances relative to the local economy the report regarded the following industries as falling under the group of basic industries :—

- (1) Power.
- (2) Heavy industries, *viz.*, iron, steel and cement.
- (3) Heavy chemicals, including the group of fertiliser chemicals.
- (4) Specified drugs and pharmaceuticals.
- (5) Cotton spinning.

The report recommended that these basic industries could be best developed to the advantage of the national economy if they are nationalised and made the exclusive monopoly of State enterprise. Even where it was necessary to enlist the service of private enterprise to develop them initially it was considered that they should be undertaken under the responsibility of the State only. It was pointed out that firstly, basic industries occupy positions of strategic value in the development of industrial resources, so that their output and price-levels acquire a national significance; secondly, by their nature these industries are ones that have all the probabilities of becoming monopolies, and supplying as they do the basic needs of the community they would be socially important; thirdly, the industries in question require a large capital outlay, which in the circumstances it is best that the State should provide.

Attention was, however, drawn to the distinction between State-ownership and State-management, and it was recommended that the management of groups of basic industries be vested in separate corporations styled under National Industries Corporations.

NON-BASIC INDUSTRIES

This sector of the industrial field, it was recommended, should be allowed to constitute the province of private enterprise. The qualification was, nevertheless, made that the Government should at the same time undertake industrial research, and publish industrial propositions which hold out prospects of commercial development. If there was no response from private enterprise Government should as the next step arrange to promote companies in partnership with private enterprise.

PROTECTION OF INDUSTRIES

It was observed that industries require not only the right type of organization and the right type of technical, managerial and financial assistance, but also the right type of fiscal assistance. The main purpose of industrial development in the country at present is not to build an export market, but chiefly to cater for domestic needs.

Fiscal assistance to industries could take one or all of the following forms :—

- (1) Exemption from, or reduction of, import duties on materials of industry.
- (2) Protective duties on competing imports.
- (3) Restriction of imports by the quota system.
- (4) Subsidies to assist local industrial production.

The report concluded that efficient and economic industries established in a country should be able to withstand external competition, as their cost of production should compare favourably in relation to the prices of imported goods. But an industrial beginner like Ceylon was expected to bear additional costs not normally incurred by her competitors, such as costs of training labour, of acquiring skill, and of buying sometimes costly experience—cost elements which should be characterized in sense as social costs, which all nascent industries usually have to incur before they advance to the stage of industrial obsolescence. As a compensation for these distinct disadvantages the report recommended that the principle of protection for industrial development be accepted.

NATIONALISATION AND CONTROL OF INDUSTRY

Despite the statement on policy which appeared in Sessional Paper XV of 1946 and in the Budget Speeches of the Minister of Finance for the years 1947-48, 1948-49 and 1949-50, there is at present no legislation relating to nationalisation and control of industries. At the moment the Government has taken a direct part in the industrialisation of the country; but it does not follow that private enterprise is precluded from competing in those same lines.

So far there has been no case of nationalisation of industries; but Local Government authorities, for example, the Colombo Municipal Council have recently taken over the entire running of tramways in the city of Colombo previously owned by foreign capital and had paid compensation on reference to a valuer mutually selected.

All industries are open to private enterprise, though there are varying degrees of control exercised by the Central Government. The more important enactments which exercise control over industries are :—

- (a) Gemming Ordinance, (b) Manufacture of Matches (Regulation) Ordinance, (c) Salt Ordinance, (d) Chanks Ordinance.

Local Government control over various industries is generally confined to the regulation of nuisances and the enforcement of certain health and safety devices where industries are carried out within the limits of their jurisdiction. The following is a list of important industries so covered :—

Manufacture of manure, tanning, manufacture and extraction of fat, manufacture of soap, curing or storing of plumbago, curing of rubber, manufacture of cigars.

II. State Industrial Projects

It will be well to bear in mind that in 1939 the Department of Industries took a bold step in the direct industrialization of the country by setting up a variety of State factories with a monopoly of capital by the Government for the production of basic, essential and consumer goods, then in short supply, created by scarcities of these lines enforced by the second World War. These factories were begun during a period when capital goods were extremely scarce. In many cases, the Department had to make shift with secondhand machinery, and was compelled to improvise with other equipment for the immediate purposes in hand. Structurally, these factories cannot be regarded as part of a long-term policy of industrialization. They represented the initial step in an experiment of State industrialization, which reached its climax in the period 1949 and thereafter.

It would be natural to expect war-created factories to earn the concomitant of war profits created by artificial scarcities ; and this in fact, was the tale for the period 1940 to 1945. Thereafter, with increasing freedom for imported goods to be brought into the country, and with competition from capitalist countries for world markets, the Department's monopoly of sales in the domestic market, from its war-created factories, tended to slacken. The steady reversal of profits came to a head in the year 1950, when after much deliberation, a definite policy was laid down, either for the closure of un-economic factories, or their replacement by modern or re-organized factories.

The losses of State factories must not however be regarded as a proper index of real trading losses. had they been run on the normal principles of commercial management. It is hardly disputable that the Government's management of industrial undertakings creates a surfeit of overhead expenditure which must react detrimentally on the working of these bodies. It will also not be disputed that the regulations of the Government are not exactly appropriate for the day-to-day running of business concerns. Whatever influence these factors may have contributed to the working of the Department's factories, it is fairly clear that good many of them would, in any event, have to face a situation of closure or re-organization in consideration of the obsolete methods of manufacture introduced as a temporary measure, or by the absence of a sufficient outlet for its products in a market which is amply served at cheaper prices, by the import of competing goods.

The following factories were established by the Department of Industries during the years, 1941-1944 :—

- | | |
|--------------------|--------------------------|
| (1) Coir Goods, | (5) Glass, |
| (2) Plywood, | (6) Leather and Tannery, |
| (3) Steel Rolling, | (7) Drugs, |
| (4) Paper, | (8) Ceramic Ware, |
| | (9) Acetic Acid. |

The factories which have had to face a closure without the option of re-organization were the Drugs Factory, the Coir Yarn Factory and the Paper Mill. The Drugs Factory was closed because a diversified production of small quantities would not pay, unless a market was secured for the exportable surplus. The Coir Yarn Factory was closed because this is essentially a cottage industry, which,

for convenience of production, was then organized under factory management. In this case, however, it is proposed that this industry should be continued to be run by one or more co-operative societies, which provide the right organization and environment for the production of coir goods. The Paper Mill was closed because it could not justify the continuance of a method of production based on a war formula, particularly when machine-made paper of superior grades is available at cheaper rates.

For the purpose of re-organization or replacement by new factories, the Ministry of Industries engaged a number of reputed experts and specialists to advise on each particular project. The merits of competing manufacturing processes were examined in relation to the availability of raw material, market, labour conditions, and otherwise; and as a result of those deliberations, it was decided that the following factories should be re-organized :—

- (a) Plywood,
- (b) Glass,
- (c) Leather,
- (d) Ceramic,
- (e) Acetic Acid.

Schemes for the re-organization of the Ceramic and Acetic Acid Factory were begun in 1949, but it was later decided to close them and replace them with entirely new units, which will become, for all practical purposes, new factories. For convenience of reference, however, they are included in the list of re-organization schemes. The following are appropriate notes in explanation of each scheme :—

PLYWOOD

This factory, which began in 1941, was primarily intended to produce 240,000 tea chests per annum from local timber. The annual consumption is in the region of 3 million chests. The factory is situated at Gintota, 68 miles from Colombo, in close proximity to the forest; and is favourably situated by road and rail transport.

Unlike the other war-time factories of the Department, this factory was designed as a modern unit, incorporating new machinery supplied by an American firm of specialists.

In the course of production of plywood, it was found that a large amount of more expensive timbers could equally well be converted to decorative panels for ornamental work for which there is known to be a firm demand in foreign markets. The demand for plywood chests is strong, and steps have been taken under the re-organization scheme to import new machinery at a total cost of Rs. 1,970,808, which will increase the output to 350,000 sq. ft. of plywood for tea chests and a further quantity for plywood decorative panels. Installation of the new equipment is now in hand. A significant departure from the previous method of production is the proposal to incorporate water resistant synthetic glues as the binding medium.

GLASS

This factory was designed by a firm of Indian Consultants, for the production of 450 tons of blown glass per annum. The factory is situated at Nattandiya, 31 miles from Colombo in close proximity to raw material deposits consisting of 99 per cent. silica, as a surface deposit. The method of production is by hand blowing, and the range of output includes tumblers, bottles, and chimneys.

As a preliminary to increasing the efficiency of this factory, steps were taken in 1949 to import a tank furnace, which would cheapen the cost of production and provide a more uniform melt. The equipment, together with other refinements, have arrived. Steps will shortly be taken to complete the re-organization of this factory with the help of expert consultants. As a further improvement, it is proposed to instal automatic blowing machines, mainly for the bottle industry in Ceylon.



POTTERY WORK

LEATHER

This unit which began in 1914 was intended to utilise as raw materials, local hides and skins. Defects in the local hides and skins however, have created doubts over the wisdom of placing too great a reliance on local raw materials. These defects were analysed in 1951 and the re-organization of this factory is to be implemented forthwith. The main improvements are to be in methods of tanning, particularly in the bark tanning process. With this improvement, it is hoped to surmount the main objection to the use of local hides in the finished leather trade. Other improvements are to be effected in the machines, most of which are now obsolete. The factory is situated in Mattakuliya in the town of Colombo, and its raw materials are obtained from slaughter houses in the same district.

CERAMIC

This factory began as a war time structure with improvised machinery. It was found to be losing heavily due to defects in production and equipment. In 1951, steps were taken for the demolition of the obsolete buildings, the erection of new premises, coupled with orders for new plants in which the principle of firing on an automatic tunnel kiln is to be employed. The output of this factory will be 450 tons of finished ceramic ware per year, producing mainly domestic crockery and a limited amount of ornamental ware. This factory is situated in Negombo, and one of the raw materials, viz., kaolin will be drawn from Boralasgamuwa, 10 miles from Colombo. Provision is to be made for doubling the output by the installation of a second tunnel kiln, once the consumption of the Island justifies this expenditure.

ACETIC ACID

The process employed in the Acetic Acid Factory begun in 1942, embodied a new principle which after years of experiment has had to be abandoned mainly on the ground of economy. After careful consultation with experts, it has now been decided that a new Acetic Acid Factory should be built in which the process of manufacture would adopt the standard solvent process for the recovery of Acetic Acid from the fraction obtained from the destructive distillation of ligneous matter. There are two possible sources of raw material either coconut shell (which is the same material as used by the Department in its previous Acetic Acid Factory) or firewood. It is also proposed that this factory should work as a subsidiary unit, but independent for the purpose of capital expenditure and accounting to the new Fertilizer Factory for the production of synthetic ammonia, where the raw material will be wood supplemented by available coconut shell. The capacity of the new Acetic Acid Factory is planned to be 500 to 550 tons per annum of glacial acid, which should provide the full needs of the country for the production of natural rubber.

NEW FACTORIES

The new factories described here are the logical development of the Six Year Plan for Economic Development outlined by the Minister of Finance in his Budget Speech of 1947-1948. Apart from the schemes referred to in the Six Year Plan, there are other major and industrial projects initiated by the Minister of Industries. They are as follows :—

CEMENT

This was a long-term project included in the Government's Six Year Plan with a potential target of 100,000 tons of cement per year. Production was to follow the dry process principle. Raw materials were obtained from 2 areas—clay from Murrugan, in the Mannar District, and lime stones from a site adjacent to the factory. Both sources of raw material are expected to hold good for at least 20 years. The contract for the purpose was awarded in 1947, and the factory was formally opened on October 21, 1950. When this factory was first planned with the help of consultants, the peace-time consumption of cement was estimated at 70,000 tons per annum. By the time construction work began, the consumption had risen to 100,000 tons. With the implementing of

Free Education, housing schemes, construction of hospitals and Government commitments on major industrial and agricultural projects, the consumption of cement had risen to such a pitch that a scheme is now in hand for doubling the output of this factory.

The basic theme in the construction of this factory is to supply cement for housing and Government projects with the minimum of profit to Government.

PAPER

The new Paper Factory is to be established at Valaichenai in the Batticaloa District. The main purpose of this factory will be to provide printing and writing paper with an initial output of 3,750 tons rising to 4,750 tons per annum. As a subsidiary line, the factory will produce the necessary kraft paper bags for the Government Cement Factory. The principal raw materials to be used are paddy, straw and illuk grass. The supply of illuk grass will be obtained from an illuk farm to be run by the Department.

The site selected at Valaichenai covers an area of 195 acres and is well served by road and railway. The contract for the supply of machinery was awarded in September, 1950, and construction work on the Housing Scheme began in October, 1950. The factory is expected to go into production early in 1953.

VEGETABLE OIL

Originally this project was planned to produce, *inter alia*, an edible form of oil sufficiently hardened by hydrogenation to give an accepted substitute for imported varieties. The main raw material was to be coconut oil—a high grade edible oil which was subsequently found to be unsuitable for hydrogenation on an economic scale. In addition it was planned to extract the residual eleven per cent. oil found in coconut poonac. Under the revised scheme however, the hydrogenation of coconut oil has been omitted.

The revised scheme envisages :—

- (a) the recovery of residual oil from poonac and the processing of this oil to give glycerine and fatty acids ;
- (b) the extraction of oil from copra and other oil bearing seeds and the processing of such oils to give refined oil and lauryl alcohol ;
- (c) the compounding of the extracted cakes with other nutritive elements to make cattle and poultry foods.

A good part of these products will find their own market in the country and the balance will sell at a premium in the oil markets abroad. Contracts for the main plant and machinery were awarded early in 1950 and part of the machinery has already arrived. The site selected is at Seeduwa, 16 miles from Colombo and situated in the coconut-growing area. Construction work at the site on the factory buildings and the Housing Scheme commenced in December, 1950, and the factory is expected to go into production in 1953.

CAUSTIC SODA

The manufacture of caustic soda utilising salt produced in the local salterns by solar evaporation was investigated and a detailed plan was presented to Government for its approval. The scheme has been revised in 1951 to include a D. D. T. plant which is being donated by the U.N.I.C.E.F. for the manufacture of D. D. T. from the by-product chlorine. The by-product hydrogen will be used in the manufacture of lauryl alcohol.

Ceylon's requirements of caustic soda vary between 1,500 and 2,000 tons per year, assuming that the soap, paper and textile industries are to be expanded. The present consumption is said to be between 1,000 and 1,500 tons per year. The object of this scheme is to eliminate as far as possible the present imports. Preliminary investigations were carried out with regard to the choice

of site including prospects of water supply. The proposed factory is to be erected at the Elephant Pass Salterns and tenders have been invited for the supply of the necessary machinery and equipment. The factory is expected to be in operation in 1953.

TEXTILE (COTTON)

As a result of investigations made during the year, it has been decided to develop the textile industry in stages with an ultimate target of self-sufficiency to the extent of 85 per cent. The scheme for the first stage of the project was drawn up during 1949 and was awaiting Government approval at the end of 1950. It is to consist of a spinning mill with 25,000 spindles which is the minimum economic unit, a weaving mill with 500 power looms complete with bleaching, dyeing and finishing sections. A fifth of the output of yarn will be made available to the hand loom industry, whilst the balance will be for woven fabric. The production in this first state will be confined to the most popular types of textiles. The total output of the scheme will meet about a sixth of the country's requirements.

Though the quality of locally grown cotton is admirably suited to our requirements, it is not available in sufficient quantity to run the proposed factory. Until such time a self-sufficiency is attained in this direction, the scheme is planned to operate entirely and later partly on imported cotton.

SUGAR

Ceylon has extensive areas of land which can be converted into sugar cane farms. The present import of sugar is in the neighbourhood of 100,000 tons a year.

The scheme for the establishment of a sugar factory to produce 10,000 tons of sugar per year has already been finalised. It is estimated that about seven to ten thousand acres of sugar cultivation will be necessary to support a 10,000 tons per year factory for six months in the year. Land has already been ear-marked for this cultivation and progress of work will depend on the rapid colonisation of this 7,000 acres on the basis of eight acres per colonist.

SYNTHETIC AMONIA FERTILIZERS

The proposal is to manufacture Amonium Sulphate and Superphosphate. The raw material used for the production of synthetic gases will be wood. Sulphur and Phosphate rock will have to be imported.

The establishment of the synthetic ammonia fertilizer has however, been delayed as there are three modern processes of synthetising ammonia, and it has only just been decided which process should be adopted to suit conditions in Ceylon. The estimated output is 80,000 tons of amonium sulphate per year, and 40,000 tons of superphosphate. The project is expected to create employment for about 800 direct labour and 1,200 indirect. The exploitation of the timber for supply to the factory will employ another 300 to 400 people. The estimated cost of the project is Rs. 45,000,000.

IRON AND STEEL

The requirements of iron and steel in Ceylon vary according to different sections of metal. The merchant section requirements could be estimated round about 15,000 tons per year; and the heavier sections can be estimated at a further 15,000 tons per year. Both these estimates are conservative as it is anticipated that with the introduction of cheap cement, building programmes will go forward using cement and merchant sections instead of timber and lime. This scheme for the production of 16,200 tons of steel per year has been accepted and the location of the factory decided upon. The production programme includes the manufacture of bolts and nuts, rivets, hoop iron, wire, nails, barbed wire, &c.

THE SALT INDUSTRY

From time immemorial, the salt monopoly has been regarded in Ceylon as a Royal prerogative, and the practice was continued by the British. Until recently salt was manufactured or collected largely by private enterprises subject to licences, supervision, and a variable excise duty ; but owing to the inefficiency of this system resulting in fluctuating output, insufficient production and poor quality, model salterns have been established and run by Government since the early 1920's. The manufacture of salt in Ceylon, is entirely based on the solar evaporation of raw sea brine.

The climatic features which in theory affect salt manufacture are low rainfall with one short rainy season, the prevalence of strong steady winds, and open bare rocky ground to windward. From this purely climatic angle Ceylon possesses exceptionally favourable conditions. The whole of the dry zone coasts, extending from about Mundel (65 miles north of Colombo) all the way round the north-eastern and southern coast down to Tangalle in the South (126 miles from Colombo) is *prima facie* suitable for salt production. The process of salt manufacture adopted, consists in exposing shallow layers of sea brine in successive stages in enclosures of clay to the evaporative action of sun and wind, until the brine reaches sufficient strength and is saturated with respect to salt. An attempt was made to improve quality by evaporation of brine in deep concrete tanks. Manufacture of boiled salt in 'Grainer' type pans was attempted but resulted in only poor success owing to the unexpected high cost of wood fuel. A double effect vacuum evaporator is now in commercial production. The production has so far only been marketed as table salt, a purpose for which it is not altogether suitable as, though much purer, it is less white and less 'free flowing' than the magnesium treated table salt. As soon as the acceptable quality of first-grade table salt is produced, the ordinary grade will be marked as a refined kitchen salt.

The following table shows the production of salt for the period 1939-50 :—

TABLE 14.1. QUANTITY OF SALT COLLECTED, 1939-50

Year	Quantity (tons)	Year	Quantity (tons)
1939	35,559	1945	41,695
1940	33,264	1946	42,920
1941	28,061	1947	22,791
1942	18,383	1948	77,429
1943	13,563	1949	28,220
1944	28,233	1950	66,859

The cost price of salt is very variable. The approximate costs were as follows :—

	1939	1940	1942	1944	1946	1948	1949	1950
	Rs. c.	Rs. c.	Rs. c.	Rs. c.	Rs. c.	Rs. c.	Rs. c.	Rs. c.
Cost per ton	16 60	14 20	15 00	29 80	24 40	18 60	26 00	22 00

With a view to ironing out extreme fluctuations in production and providing for the needs of an increased population as well as for meeting the new demand for industrial and agricultural purposes, several schemes were drawn up in 1945 and later to augment the productive potentiality in Ceylon. In 1948 plans were laid for the manufacture of caustic soda, one of the by-products of whose manufacture ought to be about 20,000 tons of the finest boiled salt. Some of the schemes have already been taken in hand, and others are being cautiously tested. At present, however, the manufacture of gypsum, plaster of Paris and school chalk is carried out.

Supervision and control have also been tightened up and much greater care than hitherto has been lavished during the rainy season to protect the remaining brine of the previous season. The result has been a remarkable increase in productivity and diminution in cost. Ceylon salt is now among the cheapest in the world, and there is, indeed, every possibility of a surplus of salt being exported at fully economic and profitable prices. The various forms of salt now being marketed include boiled salt, table salt, block salt and pharmaceutical salt.

At present protection for Ceylon salt is afforded by the tariff of Rs. 4 per cwt. on imported salt (which does not apply to Government imports for resale) and a by-statutory licensing system for both imports and exports. Since Ceylon manufactured a second grade table salt the imports of table salt were completely stopped since 1942. No imports of table salt have been permitted since then, but traders found a loophole in the salt used for packing ham, bacon, and the preserved flesh products. This packing salt is now placed on the market as table salt, and commands some acceptance.

III. Cottage Industries

Cottage industries play a vital role in the rural economy of the Island. Cottage industries are many and varied and range from major workshops to demonstration units. Some industries are traditional to certain areas and at those places the availability of local talent has been of considerable advantage. Nevertheless the development of cottage industries has been hampered by the paucity of trained personnel, improved equipment, funds and markets for the finished products.

The technique employed by the craftsmen in a majority of industries is primitive and their workmanship has tended to be crude. Although the services rendered by the Department of Cottage Industries, through its demonstrators have proved useful, there is much room for development.

A considerable part of the village population is engaged in these cottage industries as a full time occupation. For some of them it is the sole means of livelihood. The promotion of these industries naturally contributes to the improvement of the economic condition of the people at large. Many an earnest cottage industries worker is handicapped by want of adequate funds to meet capital requirements. The Government renders them not only technical but also financial assistance. There are 228 industrial units receiving assistance from Government.

Marketing of goods has engaged the attention of a number of Government departments. As far as this department is concerned there are three places where direct purchase and sale of cottage industries products are made. The products are bought from the producer having due regard to quality and offered for sale to the consumer with the addition of a reasonable margin to cover establishment charges. The elimination of the middlemen results in ensuring reasonable profits to the producer and fair prices to the consumer. Inducement is thus given to the producer to concentrate on the production of wares of quality and workmanship.

A noteworthy feature in the organisation of cottage industries is the recent formation of co-operative societies by those engaged in the various cottage industries. Co-operative effort, besides being undoubtedly the best means by which the workers can benefit themselves most, is a step in the right direction. The department is giving all possible assistance to form and foster such societies.

The establishment of cottage industries on a wider scale in rural areas affords scope for alternative employment for the poverty stricken peasantry to tide over periods of distress. The encouragement and promotion of cottage industries has come to be regarded to be of such importance that an added impetus is given by the restriction of foreign imports of certain articles. The production of towels and sarongs has thus been brought under the operation of the Industrial Products Regulations Act of 1949. Under this Act all importers of these articles have to first purchase the locally made equivalents according to a specified ratio before they are allowed to import towels and sarongs for sale in Ceylon.

TEXTILES

Three factors which contribute to the development of this major cottage industry are (a) adequate supply of yarn, looms accessories, (b) availability of trained and suitable technical personnel, (c) popularizing the use of local textiles and introduction of new patterns.

The entire bulk of the yarn imported in 1950 were from India and Japan.

The Department of Cottage Industries conducted a survey with a view to ascertaining the number of trained weavers in the Island. They were required to register themselves and about 3,360 responded to the notice.

Under the Industrial Products Regulations Act, sarongs and towels were issued to the textile trade on a quota basis thereby ensuring a ready market for locally produced articles.

The formation of Weavers' Co-operative Societies will certainly contribute in a large measure to the promotion of this industry. As soon as the registration of these societies is completed, textile unions are expected to be formed so that more effective and centralized action can be taken to enliven the industry.

In respect of hand loom textiles, increased orders were received for hospital cloth. The large orders received for this type of cloth, in addition to keeping the centres occupied provided work to weavers in their homes.

The production of sail cloth has in recent times become very popular. The Weavers' Society at Chiviatheru supplied this material to the local Fisheries Office.

Seven power looms were installed at the Cottage Industries Institute. About 15,000 yards of cloth consisting mainly of brown lines, binding canvas, suiting and verties were produced during the year under review.

COIR

At a Ministry Conference it was decided that the purchase of coir husk should be made by the Divisional Officer at a ceiling to be fixed monthly by a Board. This decision has been made because it was found impracticable to obtain supply of coir husk on tender system owing to the violent fluctuation in price of husk even over short periods.

Coir units are mainly located in the Southern and North-Western Provinces. Three coir workshops and 10 coir spinning schemes were opened in the Southern Province. Coir bags totalling over 41,700 were supplied by this division to the Salt Department during this period for use mainly at the Puttalam Saltern.

In the Eastern Province 2 new retting schemes were organized at Andaipalam and Pullimoddai. Within a month 13,000 husks were soaked at Andaipalam alone. A visiting centre was started at Kurumanveli in the Eastern Province. A coir Spinning Society was also organized at Uppuveli in the same Province.

POTTERY

An examination was held in June for the selection of Grade III pottery demonstrators. Eight demonstrators were selected for training in malleting at the Waragoda Pottery Training Centre and were later posted to various pottery units. Demonstrations in pottery were given at a Home-Science Teachers' Refresher Course held at Meuseus College.

Village pottery development work was started in areas where centres exist in order to teach the workers improved methods of manufacture, and the selection of suitable material to introduce standard body mixture, and improved designs.

Demonstrators posted to the principal pottery villages in Jaffna have undertaken the task of organizing societies and producing pottery wares of good quality. The restriction imposed on imports of Indian wares was an encouragement to the local industry. The illegal immigration of Indian potters has however created a problem to the traditional potters in Jaffna. It is expected that the local potters would regain their position once steps are taken by the Controller of Immigration against further influx.

Pottery demonstrations were started at Badahala (Eheliyagoda) in the Uva-Sabaragamuwa Division. Some units in the Eastern Division are turning out successfully Jaffna patterns and shades. The units in this Division concentrated mainly on the production of exhibits for the festival of arts held in February, 1951.

It is of interest to note that the production of wares of capacities of 5 to 12 gallons which was not tried before, has been successfully introduced.

SERICULTURE

Leguminous Cliricid and Dadaps were introduced on an experimental basis at the Lunugala Silk Farm with a view to improving the soil and thereby the mulberry plantations. The results of this experiment are encouraging.

In 1950, refrigerators and microscopes were supplied to the Puttur and Lunugal Farms for grainage work. 4,600 cuttings were supplied to private parties from the Puttur Silk Farm.

In the Eastern Division practically 90 per cent. of the 48,000 cuttings supplied early in the year germinated. Owing to the success of this venture it was possible to meet a demand for 50,000 cuttings. In all 90,000 cuttings were distributed in this Division and additional land covering about 7 acres was brought under cultivation.

An extensive propaganda campaign was launched with the co-operation of the Divisional Revenue Officers and Rural Development Officers, in the Uva and Sabaragamuwa Provinces. Development work was also undertaken in the Welimada area under the supervision of the Divisional Officer attached to that Division. About 35,000 mulberry cuttings were supplied to the Divisional Revenue Officer of this area for distribution among the villagers.

The rearing of foreign varieties of worms was also started with a view to testing which type gives the maximum yield when crossed with the pure Mysore variety. Silk worm eggs of pure Mysore, 3 foreign races and cross breed were imported from India. A portion of this was distributed among private sericulturists. Sericulture among private parties did not make much headway due probably to the reduction of the price of cocoons from Rs. 2 per lb. to Re. 1 per lb. during the early part of the year.

The silk workshop at Velona was started with 7 weavers working on 4 looms. The weavers were concentrating on the production of pure silk and silk cotton sarees. The progress made so far is satisfactory. The position reviewed at the end of each quarter of the year revealed that the turnout has greatly improved both from the point of quality and quantity.

During the 3rd quarter 9 pure silk sarees and 54 art silk sarees valued at Rs. 982 were produced while the value of the 49 yards of pure silk cloth and 50 cotton-silk sarees produced during the last quarter was Rs. 1,515. The value of silk materials turned out at the Silk Workshop, Velona during the year may be estimated at Rs. 3,137. This includes a sum of Rs. 640 being the amount realized on the sale of silk sarees during the 2nd quarter of 1950.

CARPET WEAVING

This section at the above institute has 4 demonstrators working on 14 looms. 22 learners were trained during the period. Damaged yarn is usually in this section for the making of rugs, &c. About 80 Indian rugs were produced.

BRASS WORKSHOP

During 1950 the brass workshop turned out brass, iron and aluminium articles valued at Rs. 60,000 and they were supplied to the central stores. Articles to the value of Rs. 585 were sold to the public.

IV. Private Industries

In the field of private industry, development began to take effect in the period after September, 1947. A pharmaceutical factory was set up to make a number of tinctures, alkaloids, galls and injectables; tea chest production was increased; new soap factories were beginning to rise with small capital, but had unusual difficulties in obtaining adequate quotas of caustic soda; glassware workshops were rapidly rising to saturate local demands in that line; the first paint and distemper factory took its place as a pioneer effort of Ceylon capital. The co-operative movement was gaining strength particularly in the Northern Province, more as a challenge to the middlemen than otherwise. Interest in the cottage industries movement with a wide variety including textiles, coir, mats, twine and hosiery manufacture, toys, button making, lace production and other miscellaneous subjects was becoming increasingly popular. Salvage schemes began to take stock of accumulations of waste with a view to conserving its needs for important industries for the future, instead of allowing exports as before. Shortages of bricks and tiles precipitated the establishment of new factories with better kilns for supplementing this vital need. Beginnings of a private factory for making chemical products, mainly essential oils on modern principles of distillation were made. Tanneries were being increased in capacity to deal with the full complement of local hides.

The country, however, was not quite ripe for these major changes and supply difficulties began to be felt in many factories. In the plywood manufacture, timber was a big problem; and one factory closed down owing to the increasing cost of timber. Private tanneries have found that owing to the high premium obtainable on exports of raw hides it would pay them better to export them in that form. Private match factories are experiencing difficulties in obtaining replacements of machinery.

This period after September, 1947, was also important in that foreign capital hedged by exchange consideration was looking to newer fields for investment. Proposals for such investments were received by the Department of Industries in connection with the establishment of a rubber tyre factory, an aluminium foil factory for use in tea chests, a creosoting plant, a cement asbestos plant and the manufacture of foam-cement, &c.

In the group of agricultural industries, rubber predominated. A plant to manufacture better grades of rubber, mainly sponge rubber, foam-latex and cream-latex and sole crepe was set up. A factory for the manufacture of rubber sole canvas shoes has also been started.

Papain production which is entirely in private hands showed signs of deterioration owing to abuses in packing. Steps were formulated for laying down a standardized scheme to guarantee the quality exported.

V. Electricity

The normal activities of the Electrical Department cover the generation, transmission and distribution of electricity at Norton Bridge, Nuwara Eliya, Diyatalawa, Bandarawela, Haputale and Kolonnawa; the operation and maintenance of the 66 kV extra high tension transmission system from Laksapana to Stanley Power Station, the 33 kV extra high tension southern transmission system from Colombo to Kalutara, the 33 kV extra High Tension northern transmission line from Colombo to Madampe, the 33 kV extra high tension transmission line from Laksapana to Blackpool in the Nuwara Eliya District, the 11 kV transmission lines from Diyatalawa to Haputale and Bandarawela and the 11 kV extra high tension transmission system and the associated substations in the Colombo Municipal and suburban areas; the maintenance of Government installations in the Island and, in a consultative and supervisory capacity, the Electricity Supply Undertakings of the Municipalities, Urban Councils and Town Councils.

The year 1950 will ever remain memorable for the completion of the first stage of Lanka's long awaited Hydro-Electric Scheme, the commissioning of the Laksapana Power Station and the 66,000 volt power line from Laksapana to Colombo. At 6.30 p.m. on October 30, 1950, Sir John Kotelawala, Minister for Transport and Works, inaugurated the supply from Laksapana by switching the 66 kV line to the Kolonnawa receiving station busbars.

FINANCE

Income from all sources totalled Rs. 10,431,915 representing an increase of 18·6 per cent. on the previous year. The resulting nett profit for the year is Rs. 1,679,822.

The results of the year's working are summarized below :—

	1948-49		1949-50		Per Cent. Increase
	Rs.	c.	Rs.	c.	
Gross revenue	8,799,177	26	10,431,915	01	18·6
Total working expenditure	6,864,650	32	7,721,292	49	12·4
Nett revenue	1,934,526	94	2,710,622	52	40·2
Loan repayments and interest charges	826,843	21	1,030,800	59	24·8
Net profit	1,107,683	73	1,679,821	93	50·3

The total loans outstanding on capital works is Rs. 60,881,805·58, which includes an amount of Rs. 44,913,898·02 expended on the Hydro-Electric Scheme, the nett outstanding loan on the revenue earning branches of the department being Rs. 15,967,907·56. The gross revenue represents 16·97 per cent. on the outstanding loan of the revenue earning branches and the nett profit is 10·52 per cent. on the same basis. The total of the Reserve, Renewals and Extensions Fund is Rs. 2,499,743·08.

Electricity supply statistics, Colombo and adjacent areas :—

	1929	1939	1950
Peak load	2,600	7,239	15,195
Units generated	703,700	2,780,385	65,749,351
Units sold	5,859,073	22,562,853	54,946,044
No. of consumers	3,176	11,277	17,092

COLOMBO POWER STATION

The Stanley, Pettah and Wellawatte Power Stations were worked to capacity during the year despite increasing difficulty as a result of the steady growth in load despite the various steps that were adopted to curtail the maximum demand on the system more particularly by a small reduction in voltage during peak hours. The relief afforded by Laksapana as from October 30, 1950 was therefore most welcome.

OVERHEAD TRANSMISSION SYSTEM

The year under review has been one of great activity for the transmission branch as regards operation and maintenance as well as the construction of extra high tension lines and substations. The following is a brief comparative statement of the transmission lines, substations and units sold for the year 1948-49 and 1949-50 :—

	1948-49	1949-50	Per Cent. Increase
66 kV lines	Nil	52	—
33 kV „	64	95	48·4
11 kV „	28	40	42·8
3·3 kV „	17½	19	8·6
Substations	58	73	25·8
Transformer capacity in KVA	10,645	14,030	31·8
Units sold	9,208,778	11,747,350	27·6

It will be observed that the route miles of transmission line operated and maintained have increased by 48 per cent., the number of substations by 25·8 per cent., the installed transformer capacity by 31·8 per cent. and the units sold by 27·6 per cent. as against an increase of 22·6 per cent. in the units sold in the previous year.

During the year 1950, 31 miles of extra high tension lines at 33 kV were constructed and 15 new substations installed having a total capacity of 3,070 kVA. The 66 kV extra high tension transmission line from Laksapana to the Stanley Power Station was completed.

COLOMBO ELECTRICITY SUPPLY

The Colombo electrical installation was purchased by Government in 1928, from a private supply authority and has since been operated by the Department of Government Electrical Undertakings. The activities of this branch also increased considerably and having regard to the fact that all the substations and the underground transmission and distribution systems were laid fifteen to twenty years ago, it was necessary to increase the capacities of a number of substations and reinforce underground cables. The number of units sold during the year was 43,198,694 as against 37,343,966 of the previous year showing an increase of 15·7 per cent. whilst the number of service connections installed increased from 17,440 to 18,473. The small comparative increase of 5·91 per cent. in the service connections was due to the policy of the department in restricting supply as a result of the overloading of the generating stations. Nevertheless the department was able to meet all essential demands for new supplies and increased demands from existing consumers and 1,033 new consumers were connected to the mains during the year. The additional load so accepted resulted in increasing the maximum demand to 15,195 kW representing an increase of 13·45 per cent.

OUTSTATION SUPPLY

Besides Colombo supply undertaking, the Government operates electricity schemes at Nuwara Eliya and Diyatalawa. A 1000 kW construction plant was maintained at Norton Bridge during the year under review.

The supervision and inspection of 48 electricity undertakings owned by Municipalities, Urban Councils, Town Councils and Village Committees have been undertaken by the Lighting Schemes Branch of the Department and technical and other advice have been rendered to these undertakings as and when required. In addition inspections under the Ordinance have been carried out and

reports furnished in five electricity undertakings operated by private owners. Many new schemes are now being constructed and almost all the existing schemes extended by the installation of additional generating plant and the construction of new street mains.

The development of public electricity supply in the outstations is indicated in the following table :—

OUTSTATION ELECTRICAL SUPPLY STATISTICS

	1929	1939	1950
No. of undertakings	17	47	56
Aggregate peak load kW	—	3,702	8,094
Units generated or purchased	—	6,171,653	20,172,986
Units sold	—	5,769,671	17,301,614
Total No. of consumers	—	15,522	30,386

In addition to the supply from public undertakings, there are over a thousand private generating units installed in factories, institutions, bungalows, &c.

HYDRO-ELECTRIC SCHEME

The Laksapana Hydro-Electric Scheme was designed to take advantage of the rapid fall and proximity of two streams in adjacent valleys and by draining each to convey the water to a point in the ridge between the two valleys where the combined flow can be discharged through pipelines down a hillside with a total drop of 1,500 feet on to turbines at the bottom for the generation of electricity. The capacity under stage I of the Laksapana Scheme is 25,000 kW and at the present rapid rate of growth, it is anticipated that the full capacity of 25,000 kW will be absorbed by about 1952–53. It will then be necessary to bring into operation once again the steam and diesel plant at the Colombo power stations until such times stage II of the Hydro-Electric Scheme is completed. Electricity is generated at 11,000 V and transmitted at 66,000 V westwards to Colombo. A 66 kV line between Norton Bridge and Peradeniya is being constructed. These transmission lines and the proposed lines to Kandy and Galle will be tapped at various points from which secondary or lower voltage transmission lines will radiate and make the power available over an extensive area. The lower voltage transmission lines will in turn be tapped at suitable points from where current will be transformed to 'low voltage' for distribution to consumers. It is the aim of Government to erect about 70 miles of subsidiary transmission lines every year.

The second stage will fully develop the Kehelgamu-oya with a reservoir at Castlereagh four or five miles above Norton Bridge. The water from this reservoir will run into the Norton reservoir, whence it will be led through the tunnel constructed under stage I. New pipe lines and generating machines will be installed to generate an additional 25,000 kW of power.

Immediately after completion of stage II, it is proposed to commence work on stages III and IV of the scheme instead of proceeding with the installation of low head generating a plant at Norton Bridge to utilize the difference in level between Castlereagh and Norton reservoirs as originally intended. The proposals contemplate two dams in the Maskeliya valley and either an extension to the existing Laksapana power station or the construction of a new power station in the Maskeliya valley.

The total power development will be 150,000 kW in the four stages.

MULTI-PURPOSE SCHEMES

It is proposed to link up Gal-oya multi-purpose scheme developing 10,000 kVa with the Laksapana power station via Badulla and Nuwara Eliya. In addition the power that will be available from the other multi-purpose schemes that are proposed to be constructed will add to the power that will be available for use in the country.

CHAPTER XV

TRANSPORT AND COMMUNICATIONS

I. Railways

THE Railway system of the Island has been patterned to meet her commercial and agricultural requirements and falls naturally into two types : (a) railways serving the flat country, and (b) railways serving the central hilly portion of the Island and the Kelani Valley which produces its tea and rubber.

Under (a) there are—

- (1) the Coast Line from Colombo to Galle and Matara ;
- (2) the Northern Line from Colombo on North to Kankasanturai *via* Polgahawela with a branch line from Madawachchi to Talaimannar ;
- (3) the Chilaw Line runs along the coast north of Colombo ;
- (4) the two railway lines serving the Eastern Province starting from Maho on the Northern Line—thereafter bifurcating at Gal-o-ya, one going to Trincomalee and the other to Batticaloa ;
- (5) the Kelani Valley Line starts from Colombo and serves Avissawella and Ratnapura terminating at Opanaika.

All these lines except the Kelani Valley Line are broad-gauged. A double track exists only on portions of two lines : (i) on the Main Line up to Polgahawela and (ii) on the Coast Line up to Panadura.

Under (b) there is the portion of the Main Line beyond Polgahawela and meanders right through the central mountainous part of the country on to Badulla. This broad-gauge reaches the extreme height of 6,225 feet above mean sea level at Pattipola.

The total length of railway line open in Ceylon is 896 miles, of which 809 miles are broad gauge ($5\frac{1}{2}$ feet gauge) and 87 miles narrow gauge ($2\frac{1}{2}$ feet gauge).

The number of passengers and the tonnage of goods conveyed annually since 1945 were as follows :—

	1945	1946	1947	1948	1949	1950
Passengers conveyed (thousands)	25,383	26,425	26,476	26,933	26,678	24,793
Goods conveyed (thousand tons)	1,691	1,369	1,110	1,200	1,268	1,281

ORGANIZATION

All the Railways in Ceylon are State-owned and controlled, the management being vested in the Ceylon Government Railway Department. Until May, 1925, the organization was based on the traditional British 'departmental' system. There were five departments of the Railway and the head of each reported direct to the General Manager. In 1925, however, a change over was made towards the 'divisional' system. Three operating divisions were formed, each under a Divisional Transportation Superintendent.

The new organization was designed to ensure greater flexibility and continued practically unchanged up to the present time. The present set-up consists of the following divisions of sub-departments whose work is organized under the General Manager :—

- (1) Administrative work under the Chief Administrative Officer.
- (2) The care of the permanent way, bridges and buildings, under the Chief Engineer, Way and Works.

- (3) Heavy work in connection with the care of locomotives, passenger coaches and goods wagons, under the Chief Mechanical Engineer.
- (4) Commercial work under the Commercial Superintendent.
- (5) Movement of traffic, excluding provision and maintenance of motive power, under the Operating Superintendent.

FINANCES

Commercial accounts were begun to be maintained by the Ceylon Railway in the year 1928-29. Excluding provision for interest and annuity, the following table compares working results since 1928-29 :—

TABLE 15.1. EXPENDITURE AND REVENUE OF THE RAILWAY, 1928-29 TO 1950-51

Year	Working Expenditure Rs.	Gross Receipts Rs.	Nett Receipts Rs.
1928-29	25,996,899	32,498,948	6,502,049
1929-30	25,085,120	29,659,683	4,565,563
1930-31	23,809,576	25,324,379	1,514,803
1931-32	21,688,864	22,024,355	335,491
1932-33	19,319,240	19,711,602	392,362
1933-34	18,943,156	20,980,422	2,037,266
1934-35	18,911,326	18,273,081	— 638,245
1935-36	19,587,815	16,749,221	— 2,838,593
1936-37	20,355,043	16,304,611	— 4,050,432
1937-38	20,268,061	16,128,529	— 4,139,532
1938-39	20,021,602	15,441,208	— 4,580,394
1939-40	21,157,355	17,107,451	— 4,049,904
1940-41	22,721,693	18,589,925	— 4,131,768
1941-42	24,439,334	28,302,436	3,863,102
1942-43	28,880,704	39,693,953	— 10,813,249
1943-44	32,218,329	52,010,771	19,792,442
1944-45	39,746,454	59,592,041	19,845,587
1945-46	52,097,685	56,308,688	4,211,003
1946-47	62,847,052	48,349,070	— 14,497,982
1947-48	70,862,702	52,468,355	— 18,394,347
1948-49	71,245,607	55,078,332	— 16,167,275
1949-50	71,272,521	57,650,139	— 13,622,382
1950-51	72,762,646	65,999,474	— 6,763,172

It will be seen that the Railway worked at a profit from 1928-29 to 1933-34. From 1934-35 to 1940-41 the Railway worked at a loss. Between 1936-37 and 1940-41 when the accumulated effect of the trade depression was felt, the yearly loss being about four million rupees. 1941-42 showed the benefit accruing from war traffic and the Railway showed a profit from that year until 1945-46. The best years were 1943-44 and 1944-45 when the yearly profit was just under twenty million rupees. In 1945-46 the profit had dropped to about four and a quarter million rupees and in 1946-47 there was a loss of about fourteen and half million rupees. In 1947-48 this deficit increased to eighteen million rupees and decreased by two million rupees in the following year. In 1949-50 the deficit was about thirteen and a half million rupees. The loss however has been less than that recorded in the previous year, the reduction being two and a half millions. In 1950-51 the position improved further and the deficit was only half that of the previous year.

The total capital outlay on the railways since 1944-45 was as follows :—

	1944-45	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51
(Rs. thousand)	218,171	218,311	222,173	231,598	236,109	242,414	250,053

MISCELLANEOUS

Passenger Fares.—The fare charged in respect of each passenger for each mile of a single journey is as follows :—

	First Class Cents	Second Class Cents	Third Class Cents
(i) On the Main Line from Rambukkana to Badulla	16	10	4
(ii) On other lines	11	7	3

In calculating the fare between any two stations, any fractional part of five cents which is below two and a half cents is not reckoned or charged for and every fractional part of five cents equal to or above two and a half cents is reckoned and charged for as five cents.

Sleeping Cars.—Trains which run on the up and down night mail trains between Colombo, Kandy and Badulla, Colombo-Kankasanturai, Colombo-Trincomalee and Colombo-Batticaloa are provided with sleeping berth accommodation. Each berth is provided with bedding and an attendant accompanies each car. The charge for a sleeping berth is Rs. 5 in addition to the ordinary first class fare to the station to which the journey is made.

In the Indo-Ceylon mail trains sleeping berths without bedding are provided for through first class passengers without any extra charge, but berths are not guaranteed unless they have been reserved, for which a charge of Rs. 2.50 per berth is made. If bedding is required Rs. 5 must be paid for each set of bedding at the time of booking. In such cases no registration fee is charged.

Sleeping berths without bedding are provided for second class passengers on the Colombo-Kankasanturai up and down night mail trains at Rs. 2.50 each, on the Colombo-Talaimannar Pier up and down night mail trains at Rs. 2.50 each for through Indo-Ceylon passengers, and on the Colombo-Trincomalee and Colombo-Batticaloa up and down night mail trains.

Restaurant Cars and Rooms.—Restaurant cars are attached to the important trains on the Main and Northern Lines.

Restaurant Rooms are provided at Maradana, Polgahawela, and Nanuoya on the Main Line, Colombo Fort and Alutgama on the Coast Line, and Anuradhapura on the Northern Line. Refreshments at these places are supplied at moderate prices.

Refreshment baskets can be supplied for any train from Colombo on giving 20 minutes' notice to the Manager, Restaurant Cars and Rooms, at his office at Colombo Fort Station.

Luggage.—Each adult passenger is allowed, free of charge, the following weight of luggage :—

	lb.
First Class	112
Second Class	84
Third Class	70

A free allowance of half these quantities is made for each person travelling with a half ticket. No luggage is conveyed free for children under three years of age who travel free.

On March 1, 1948, the Uda Pussellawa Narrow Gauge Railway from Nanu-oya to Ragalla, a length of 19m. 16c., was closed for traffic. A Road Carrier Service is in operation in this section now.

Out-Agencies have been opened at the following stations and the traffic dealt with is as follows :—

(1) *Goods and Parcels* :—

Matara to Tissamaharama :	Dickwella, Tangalle, Ranna, Hunugama, Ambalantota, Hambantota, Tissamaharama
Bandarawela to Welimada :	Welimada
Kodikamam to Point Pedro :	Point Pedro

(2) *Passengers, Goods and Parcels* :—

Chilaw-Bangadeniya-Puttalam :	Battulu-oya, Mundel, Madurankuli, Palavi, Puttalam
Nanu-oya to Ragala :	Nuwara Eliya, Kandapola, Brookside, Ragala

Collection and Delivery Services are in operation within the Municipal limits of Colombo and Kandy on zonal basis.

Colombo

- (1) *Central* (Church Street-Korteboam Street-Hulftsdorp Street-Maradana-Darley Road-Union Place-Lake Road-Queen's Street-Church Street).
- (2) *Inner* (Between Central Area and Outer Area-Korteboam Street-Grandpass-Baseline Road-Buller's Road-Kollupitiya Road-Galle Face Centre Road).
- (3) *Outer* (Within the Town limits and the Inner Circle).

Kandy

- (1) *Inner* (Area within Railway Approach-Katukelle Road-Colombo Road-Colombo Street-Brownrigg Street-Hill Street-Trincomalee Street-King's Street-Palace Square-Malabar Street-Victoria Drive Junction (Near United Service Library)-Ward Street-Victoria Drive-Mosque Road-Market Square-Jail Road-Esplanade Road (up to Ratwatte Pavilion)-Hanthane Road (up to Kandy Hospital)-Station Road).
- (2) *Outer* (Area outside Inner Zone and extending up to the Outer Limits of the Kandy Municipality).

Rail Car Service.—With the arrival of the twenty-three diesel electric rail cars, a fairly intensive rail car service is being operated between Matara, Galle and Alutgama ; and Colombo, Gampaha and Kochchikade.

The Railway is still handicapped by shortage of locomotive and carriage stock, as it has not been possible to obtain any fresh stocks. All carriage stock were renovated and all possible pre-war amenities have been provided.

RE-ORGANIZATION

The Hammond Commission, which reported on the working of the Ceylon Railways in 1937 concluded that it was not essential to the maintenance of the economic structure of the Island to protect the railways from undue competition from the road. The Rutnam Report of 1949, which examined the existing position of transport in Ceylon, with special reference to road and rail, however, stressed the necessity for a proper co-ordination of the railway system with road transport to prevent either system from getting out of hand.

II. Roads, Canals and Tramways

ROADS

There are about 14,000 miles of motorable roads in Ceylon. Considering that the area of the Island is 25,300 square miles, there is therefore one mile of motorable road to every 1.8 square miles. Of the total mileage in road 5,873 miles are bitumen surfaced and open to lorry traffic.

The Public Works Department is the central road authority in the Island, being in charge of the main thoroughfares. Thus in 1951 it maintained approximately 11,000 miles of road. This mileage includes the minor roads of various descriptions taken over under the Roads (Transfer of Control) Act, No. 11 of 1951, when the Public Works Department was charged with the responsibility of not only maintaining the 2,052 miles of roads and 2,342 miles of bridal paths but also of improving them within a reasonable period of time.

Under the present programme of development it is proposed to expend a sum of Rs. 5,000,000 out of Loan Funds annually on the improvement (in many cases actual construction) of the former District Road Committee roads. About 500 miles of these roads will be taken in hand every year for improvement. The programme has already been commenced, and it is to last approximately ten years.

Besides the Public Works Department there are other road authorities such as Urban Councils, Town Councils and Village Committees who are in charge of a total of over 12,000 miles of minor roads.

The roads vary in standard from narrow country roads to wide modern thoroughfares, the standard depending on the nature of the country traversed and the traffic carried. The metalled roads are maintained in good order, and, with but few exceptions may be considered passable to all classes of traffic. Gravelled roads can be considered as dry weather roads only ; in dry weather they are generally in fair order, but they cannot be relied upon to the extent of metalled roads. A large mileage of the metalled roads is tarred or otherwise surface-treated.

The distribution of main roads, distances between the principal centres, &c., can be ascertained on reference to the motor map of Ceylon prepared by the Surveyor-General.

The distances from Colombo to other chief towns by road (given to the nearest half mile), are shown in the following list :—

Colombo to—	Miles	Colombo to—	Miles
Galle	72½	Batticaloa (via Badulla)	241
Peradeniya	68	Anuradhapura (via Puttalam)	129
Kandy	72	Anuradhapura (via Matale)	158½
Nuwara Eliya (via Peradeniya)	112	Trincomalee (via Kurunegala)	169
Nuwara Eliya (via Ginigathena)	106½	Jaffna (via Puttalam)	250

CANALS

Ceylon has a series of navigable canals connecting a chain of lakes on the west coast at Bolgoda, Colombo, Negombo, Chilaw, Mundel and Puttalam—as also the estuaries of the Kalu-ganga, Kelani-ganga, Maha-oya, and Deduru-oya. There is a continuous waterway from Kalutara in the south to Puttalam in the north, a distance of approximately 120 miles. These were maintained in good order.

In addition there are about forty-five miles of boat channel maintained by dredging the Jaffna Lagoon.

TRAMWAYS

The only tramways operated in Ceylon are in the City of Colombo. They were acquired by the Colombo Municipality in September, 1944, from a private company who had been running them since 1900.

The total length of double track is 7½ miles and the fleet consists of 50 single-deck tram cars. The tracks are laid out in the form of the letter 'A', the top of the letter representing the terminus of two routes situated in what is known as the Fort area ; this is the harbour, main shopping centre

and head offices of most mercantile offices. The legs of the letter 'A' represent two routes going out to the suburbs three miles away in each case. These routes are connected across about half way along their routes by a cross route of one mile double track.

MOTOR VEHICLES

At the end of 1938 the number of motor vehicles in Ceylon stood at 31,231. During the war years, owing to the restriction of imports the position declined, so that in 1945 the number of motor vehicles was 29,949. In 1946, however, owing to the revival of trade there has been a steady increase in the number of motor vehicles. On December 31, 1950, there were 56,646 motor vehicles in the Island. The corresponding figure for 1951 was 64,864.

All drivers must hold the Government Certificate of Competence. Numerous facilities for repairs exist in Colombo, Kandy, Nuwara Eliya, and most of the other towns. Supplies of petrol and oil are available in all towns and in most of the larger villages.

The Automobile Association of Ceylon is affiliated or has reciprocal agreements with most of the Automobile Associations and Clubs in other countries and the Secretary (P. O. Box 338, Colombo) will afford any information which may be desired. The various landing, Customs, and registration formalities can be arranged for visitors by the Association. Facilities afforded by the International Convention relative to motor traffic are now available to Ceylon and a Ceylon TRIPTYQUE for the Customs purposes is available through the leading Automobile Institutions overseas. International Driving Permits, International Certificates of registration for motor vehicles, and Fiscal Permits are valid in Ceylon.

The number of omnibuses on the registers on December 31, 1950, was 3,145. There is a good supply of motor omnibuses carrying passengers for hire and running on nearly every main road in the Island.

A new scheme for the re-organization of the bus industry was brought into operation by Ordinance No. 47 of 1942. This Ordinance provides for a system of exclusive road service licences. Although there has been a large amount of public criticism of this system of monopolies, yet, it has been decided to continue the system under the new Act in view of the obvious advantages resulting from the system of monopolies. Up to end of the year 1950, 841 licences were issued to 85 operators to provide bus and cab services in the Island. Sixty-six of these licences were in respect of cab services whilst the rest were for bus services. It will be observed that the number of buses, licensed and in use, has increased by about 200 since the previous year but the number of passengers carried during March, 1950, increased by about 1,475,000 over the figure for March, 1949. The licences are issued for periods of one or two years and are renewed when they expire if the services of the operator had been reasonably satisfactory. As new roads are opened for bus and cab services, applications are received from existing operators, co-operative societies and persons who are new to the road passenger transport industry. Moreover, owing to the increase in passengers, applications are also received from existing operators for additional sectional services on their own routes.

At present, the fare per passenger-mile varies from 3 to 5 cents according to the nature of the roads, availability of traffic and economy of operation. Cab services are allowed fares varying from 7½ to 10 cents per passenger-mile. In the low-country, the fare approved for bus services is generally between 3 and 4 cents and for cab services 7½ cents. In the mid-country, the fare allowed for bus services is about 4 cents per passenger-mile. In the up-country, where the roads are hilly and steep, the fare allowed for bus services is about 5 cents per passenger-mile and for cab services is 10 cents per passenger-mile. The fares have been kept stable and not increased to any appreciable extent since 1943, although in other countries large increases in fares have been sanctioned owing to the rising costs of operation. The travelling public of Ceylon do not sufficiently realize the fact that they pay one of the lowest fares in the world for travel by road. The costs of operation have increased still more during the course of the year. Vehicles, spare parts, tyres, &c., have all gone up in prices during 1950. If the bus companies are to put in new buses and to maintain their services

satisfactorily it may become necessary in appropriate cases to grant relief by means of increased fares. A request was made by the All-Ceylon Omnibus Owners' Association for a general increase in bus fares on the ground of increase in the costs of operation, but it was not possible to accede to this request as it was felt that the travelling public should not be penalized at a time when the costs of living have been increasing. The bus companies, however, were informed that those which were not in a position to operate their services economically, specially the smaller bus companies, could make applications individually for consideration. If on scrutiny of their balance sheets it is found that they cannot operate their services at present fares, they will be granted reasonable increases. Some operators were running services at less than the minimum rate mentioned above ; in such cases, they were granted a slight increase so as to raise the fares to the minimum.

The following statement shows the number of buses licensed and number of miles run and passengers carried during the month of March 1950 :—

Total number of buses licensed	1,849
Total number of miles run	5,079,612
Total number of passengers carried	15,946,096(1)

In 1950 there has been a large increase in the number of special licenses issued, viz., 10,997 licenses as against 6,438 licences issued in 1949.

LORRY TRANSPORT

In the pre-war period there were about 3,500 lorries which were issued licences. The number of licences issued at the end of 1946, 1947 and 1948 were 5,200, 5,528 and 8,337 respectively. No new licences were issued during 1949 as it was decided not to consider any applications till the Government's decision was known on the Transport Adviser's Report. The number of licences issued during 1950 was 9,091.

In spite of the improvement in the bus transport industry there are still a large number of defects. As regards the goods transport industry, the increase in the numbers of lorries has resulted in the railway being financially affected ; the Government therefore appointed Mr. Donald Rutnam, M.B.E., as Adviser to the Minister of Transport to report on transport conditions in the Island and to make recommendations with a view to effecting better co-ordination and eliminating wasteful competition. The two reports of Mr. Rutnam have already been published and are being considered with a view to framing legislation to remedy the existing defects.

TABLE 15.2. REGISTRATION OF MOTOR VEHICLES

(a) Total number of motor vehicles at end of 1950	56,646
Classification—	
Motor cars and cabs	34,212
Buses	3,145
Lorries	11,160
Tractors	197
Trailers	470
Motor cycles	7,462
(b) Total number of new registrations in 1950	5,147
Total number of transfers in 1950	18,517
Total number of alterations from class to class, &c.	735
Total number of cancellations in 1950	583
Total number of duplicate certificates of registration issued in 1950	1,856

1 Exclusive of the Valikamam West Bus Co. and Vadamadachy Co-operative Service Society, Ltd.

TABLE 15.3. LICENSED DRIVERS AND CONDUCTORS

(a) Total number of drivers on register on December 31, 1950	109,612
Total number of certificates of competence issued in 1950	7,057
Number of female drivers to whom new certificates were issued in 1950	247
Number of duplicate certificates of competence issued in 1950	1,133
Number of certificates of competence extended from one class to another in 1950	1,552
Total number of conductors on registers on December 31, 1950	46,494
(b) Number of new conductors' licences issued in 1950	4,956
Number of duplicate licences issued in 1950	279
Number of licences renewed to be valid for 1950	8,635

TABLE 15.4. IMPORTS OF MOTOR VEHICLES, PETROL AND DIESEL OIL, 1950

Type of Product	Country of Origin							
	U. K. No.	Canada No.	Germany No.	Czech. No.	France No.	Italy No.	U.S.A. No.	Total No.
Motor cars	2,650	4	—	51	84	172	21	2,982
Motor trucks, omnibuses and tractors :								
(1) Petrol	672	44	—	—	—	—	39	755
(2) Diesel	14	—	—	—	—	—	—	14
Trailers	33	—	—	—	—	—	1	34
Motor cycles	402	—	3	50	—	—	—	455
Gallons								
Petrol	27,246,588							
Diesel	26,579,435							

The chief transport of goods by road are the motor lorry and the local bullock cart. A double-bullock cart is capable of taking $1\frac{1}{2}$ tons at a time and travels at the average rate of about two miles an hour. Motor lorries are fast replacing bullock carts in the movement of estate goods and in other industries. Lorries vary in load capacity from 5 cwt. to $5\frac{1}{2}$ tons and travel at speeds of about fifteen to twenty miles per hour, fifteen miles being the legal speed limit for heavy lorries. They run mostly on petrol, a small number on steam or kerosene, some on crude oil, and a very few on charcoal.

III. Civil Aviation

THE DIRECTORATE

The Directorate of Civil Aviation in Ceylon is one of the departments under the control of the Minister of Transport and Works. The department, which was administered by the Director of Public Works since 1938, was given an independent status with effect from February 1, 1946, and has been reorganized for the increasing services demanded of it in connection with the regulation and development of air transport. The expansion in the activities of the department could be assessed by the fact that the initial establishment which consisted of less than a dozen employees in 1946 expanded to over five hundred in 1950.

Ceylon was admitted to membership of the International Civil Aviation Organization in July, 1948. This administration in common with other member states continues to implement, through its national legislation, the international standards and practices that are recommended by the International Civil Aviation Organization for the systematic and orderly development of air transport.

INTERNATIONAL RELATIONS

Ceylon, as a sovereign member state of the International Civil Aviation Organization, was represented in 1949 at the third assembly of the organization by His Excellency Mr. G. C. S. Corea, the Ambassador for Ceylon in the U. S. A., Mr. Chandrasoma, C.C.S., and Mr. P. Nadesan, C.C.S.

BILATERAL AIR AGREEMENTS

In the absence of a multilateral convention permitting commercial air transport services of one country to operate to and through other countries and to pick up and set down passengers, mails and goods, it has become necessary that one country should negotiate with the other for traffic rights. Ceylon has already concluded bilateral air agreements with several countries, viz., India, Pakistan, United Kingdom, Egypt, Australia, Burma and Thailand. By these agreements Air Ceylon is permitted to operate services through those countries and to pick up and set down passengers, mails and freight. Negotiations are being continued with Italy, Iraq, France and Netherlands.

AIR TRANSPORT SERVICES

Air Ceylon, the Government airline, which commenced regular operations between Colombo and Madras in December, 1947, considerably expanded its regional services and now operates on the following routes with 'Dakota' aircraft :—

- Daily : Colombo/Madras via Jaffna.
- Daily : Colombo/Trichinopoly via Jaffna.
- 1 per week : Colombo/Jaffna.

Air Ceylon inaugurated an international transport service with 'Skymaster' aircraft on March 9, 1949. The service operates on the route Colombo/Bombay/Karachi/Cairo/Rome/London weekly and eastwards from Colombo through Singapore, Djakarta and Darwin to Sydney once a fortnight.

Air India, Ltd., continued to operate a daily service to Ceylon on the route Karachi/Bombay/Madras/Colombo with 'Dakota' aircraft.

British Overseas Airways Corporation continued to operate on the London/Malta/Cairo/Basra/Karachi/Bombay/Colombo route and on the Colombo/Singapore sector once a week with 'Lancastrian' aircraft. These were later replaced by forty-two seater 'Canadair' aircraft.

AIR MAIL

The Air Mail Agreement between the Ceylon Government and the Government of India accorded the monopoly of the carriage of mails to Air India, Ltd. This agreement which was originally intended to run for a period of fifteen years terminated on December 31, 1948, as a result of discussions which took place in New Delhi between the two Governments. As a result the Ceylon postal administration is now able to utilize Air Ceylon 'Dakota' services for the purpose of sending air mails to India, the Air Ceylon 'Skymaster' Service to London and Sydney for sending air mails to countries on the Air Ceylon international route, and any other foreign airline which may call in Ceylon.

AIR LEGISLATION

As a result of the change in the political status of Ceylon the old Colonial air legislation which was applicable to this country was rapidly becoming obsolete. It was necessary therefore to replace it by an Act passed by the Parliament of Ceylon. The Air Navigation Bill was presented to Parliament and passed early in 1950. Under this Act the Minister of Transport and Works is empowered to give effect to the provisions of the Chicago Convention on International Civil Aviation and generally to regulate and administer air navigation in Ceylon.

AERODROMES IN CEYLON

There are three international aerodromes presently in use in Ceylon. These are :—

- (i) *Colombo Airport (Ratmalana)*, situated eight miles to the south of the Colombo harbour. This is the chief civil aerodrome in the Island and Government proposes to develop it into a first-class civil airport capable of receiving the largest air transports now operating on international services. At present owing to the load limitations of the runway which is in existence, this aerodrome has been approved for regular use by aircraft not larger than the 'Dakota' which weighs about 30,000 lb. fully loaded and for occasional use by the 'Skymaster' type of aircraft which weighs about 73,000 lb. fully loaded. This aerodrome is considered by far the most attractive of all the aerodromes in the Island, situated closest to the Capital of the Island and (as a result of expert investigation) found to be capable of developing to the highest standards.
- (ii) *Negombo Airport*.—This is a military aerodrome which is being used by civil aircraft incapable of being received at Ratmalana. It is situated approximately nineteen miles to the north of Colombo harbour. Once the runway at Ratmalana is developed and strengthened Negombo aerodrome will cease to be of importance as a civil international airport.
- (iii) *Jaffna Airport (Kankasanturai)*.—In 1947 this aerodrome assumed importance as an airport used primarily as a staging post for Air Ceylon services to Madras and Trichinopoly. It is daily gaining in importance as an internal air link between Jaffna and Colombo. The aerodrome is situated on the northernmost tip of the Island and approximately twelve miles north of Jaffna. It was built during the war but, when hostilities were over and it was abandoned, only a utility type control building remained besides the runway which was in good condition. Considerable improvement work has been done after the Civil Aviation Department took over this aerodrome and plans have been laid for further extensions and alterations to the terminal building, &c.

The aerodromes at Puttalam, Minneriya and Vavuniya have been maintained as emergency landing grounds. These are however used by learner pilots for training in cross country flying. On the initiative of the Gal-o-ya Development Board an aerodrome for Amparai is under consideration.

FLYING TRAINING

Until recently flying training was imparted by a temporary organization known as the Board of Control (Flying Training). In November, 1950, an Air Academy was opened as a part of the activities of the Civil Aviation Department. In this way, ample opportunities are extended to young men of courage and adventure to find employment in the 'Air' or on the 'Ground' and thereby provide a nucleus of trained personnel who will be an asset to the country. The Academy is also considering an internal network of air services to be operated incidental to their training scheme.

ACCIDENTS

It is most gratifying to record that there were no notifiable accidents during 1950.

AIR INSPECTORATE

This is an important branch of the department which keeps a close watch on the standards of maintenance, repair and overhaul of aircraft. Its duties are highly technical and consist of the survey and inspection of aircraft before issue or renewal of Certificates of Airworthiness ; approval and certification of manufacturers, also components and materials ; examination of pilots and persons employed in the inspection of aircraft and any other duties performed by licensed aircraft engineers ; the checking of technical records and logbooks to ensure accuracy and the use of approved methods of workmanship, also the supervision of aircraft engineers and personnel engaged in maintenance and overhaul of aircraft engines, instruments and accessories. Its organization is under the direct supervision of the Chief Aeronautical Inspector who is a highly qualified technical officer.

REGISTRATION OF AIRCRAFT

At the end of 1950 there were eighteen aircraft on the Ceylon Register of Civil Aircraft, the particulars of which are given below :

<i>Date of registration or re-registration</i>	<i>Nationality and marks</i>	<i>Type of Aircraft</i>	<i>Type of engine</i>	<i>Name and address of owner</i>
<i>Private aircraft</i>				
29. 9.46	VP-CAO†	Auster	Blackburn Cirrus Minor II	Mr. J. P. Obeyesekera, Demotawa, Pasyala
14. 9.48	VP-CBC†	do.	MK. II Lycoming	Mr. Emil Savundranayagam 5, Elibank Road, Colombo
28. 1.48	VP-CAX†	Fairchild Argus	Warner Super Scarab	Director of Civil Aviation
19.12.50	CY-AAE	Auster	Blackburn Cirrus Minor II	Mr. R. A. F. Farquharson, Agra Estate, Lindula
22.11.49*	VP-CAH†	Stinson Sentinel	Lycoming L5	Director of Civil Aviation
11. 6.46	VP-CAN†	do.	do.	do.
7. 1.50	CY-AAD	do.	do.	do.
22.11.49*	VP-CAV†	DH.82A	Gipsy Major	do.
30. 8.47	CY-AAB	do.	do.	do.
12. 7.48	VP-CAL	Stinson Reliant	Lycoming	do.
9. 7.49	CY-AAC	DH.82A	Gipsy Major	do.
20.10.50	CY-AAF	Aero 45	Walter Minor 4-III	do.
20.10.50	CY-AAG	Sokol MID	do.	do.
<i>Air Ceylon Aircraft</i>				
17. 2.47	CY-ACG	C.47 DC-3	P. & W. Twin Wasp R 1830/92	Air Ceylon
24.11.47	CY-ACF	do.	do.	do.
3. 2.49	CY-ACA	Skymaster	P, & W. Twin Wasp 2SD1 3G	do.
21. 1.49	CY-ACB	do.	do.	do.

* Date of re-registration.

† These aircraft are grounded. New Nationality and Registration Marks have not been assigned to them as yet.

The regulations in Ceylon require that every one of these aircraft should possess a Certificate of Airworthiness before it is allowed to fly and in accordance therewith the majority of the aircraft hold current Certificate of Airworthiness.

AIRCREW LICENSING

Periodical examinations are held for licensing of aircrew and Aircraft Engineers. The following are particulars of licences issued, renewed or validated during the year 1950 :—

	<i>Issues</i>	<i>Renewals</i>	<i>Validations</i>
(a) Pilots' "A" licences	6	20	1
(b) Pilots' "A-1" licences	1	—	1
(c) Pilots' "B" licences*	25	126	1
(d) Navigators' licences	3	6	1
(e) Wireless Operators' licences	2	12	—
(f) Aircraft Engineers' licences	38	40	—

IV. Shipping

Colombo, occupying a central position in the Indian Ocean, has been from ancient times an important trade route junction in the Orient. Since the opening of the Suez Canal, this position, so geographically advantageous, has been further enhanced by its being drawn to the path of the shortest trade route linking East with West. Massive breakwaters were, therefore, built in Colombo at the end of the last century and the open roadstead converted into a great port affording excellent facilities for docking, bunkering, loading and unloading cargo, &c., to the vast tonnage of shipping that navigate on the trade routes of the East. The Port of Colombo to-day ranks as the seventh busiest port in the British Commonwealth of Nations.

In 1950 a start was made on a vast Port Development Scheme, costing well over 78 million rupees, to modernize the port by providing 16-17 alongside berths with all the latest quay amenities for the quicker turn-round of shipping. This work has been undertaken by a combine of two well known French firms, Messrs. Schneider & Co. and Etablissements Billiard of Paris.

The Development Plan is designed to develop the Port in four stages. Stages I and II comprise the construction of alongside berths for cargo ships, as well as an Oil Dock for the discharge of tankers. This will give an additional eight to nine berths to the number existing at present. Stage III will increase the number of alongside berths by six. They will be used by passenger ships and ships taking in oil bunkers. Stage IV is the extension of the existing breakwater, so as to give an Outer Harbour of some 450 acres in extent. This will give six to eight additional exchange berths, as well as 16 alongside berths in the Inner or existing harbour.

For Stages I and II about 2,000 to 3,000 persons will be directly employed for about four years and an additional 1,500 to 2,000 will be indirectly employed in supplying material. Stages III and IV will give employment to approximately double the number of persons directly employed in the next four years and employment for half that number for another two years.

The Port of Colombo has contributed largely to the commercial and economic prosperity of the Island and this fact is borne out by the phenomenal growth of the City of Colombo. Colombo is a great entrepot and the volume of business passing through its Customs houses is indicative of the state of the trade and general prosperity of the Island. The quantity of imports and exports,

* Renewed once in six months.

excluding coal, oil and transshipment cargo handled in the Port of Colombo in 1950 amounted to 2,261,766 tons (1,550,101 tons imports and 711,665 tons exports) as against 2,193,373 tons (1,509,427 tons imports and 683,946 tons exports) in 1949, thus showing an increase of as much as 68,393 tons.

HARBOUR

The harbour is enclosed on all sides, being bounded on the South and East by the land and on the North and West by massive breakwaters. The approach to the harbour is free from navigational dangers. Vessels drawing 36 feet can enter by the Western entrance and vessels drawing 30 feet can enter by the Northern entrance. The Western entrance channel is 750 feet wide, with a navigable depth of 38 feet L.W.O.S.T., and the Northern entrance channel 700 feet wide, with a navigable depth of 32 feet L.W.O.S.T. The sheltered area of the harbour amounts to 643 acres at low water, of which 163 acres have been dredged to 39 feet and over 107 acres to a depth varying between 36 feet and 39 feet, 161 acres to between 33 feet and 36 feet, 70 acres to between 33 feet and 30 feet, the remaining 142 acres have a depth of less than 30 feet.

Berthing accommodation, exclusive of the Graving Dock, Guide Pier, and Oil Jetties, is available for 33 large vessels and 5 small vessels in the south-west monsoon and 42 large vessels and 5 small vessels in the north-east monsoon. Berths are available in either monsoon for vessels drawing up to 35 feet of water. Some of these large berths are for vessels of unlimited length.

A broad gauge railway runs through the Port premises and is connected with the main railway system of the Island, thus affording direct communication with all parts of the Island and Southern India. Sidings are provided at different places on the waterside. The length of the railway is 6 miles 19 chains, but the total mileage of railway used, including sidings, &c., is 16½ miles. The Port Railway is available not only for the conveyance of goods but also for the conveyance of passengers in special trains. The tonnage of goods handled by this railway during 1950 amounted to 656,692 tons.

Communication by road to the harbour is excellent.

LAKESIDE FACILITIES

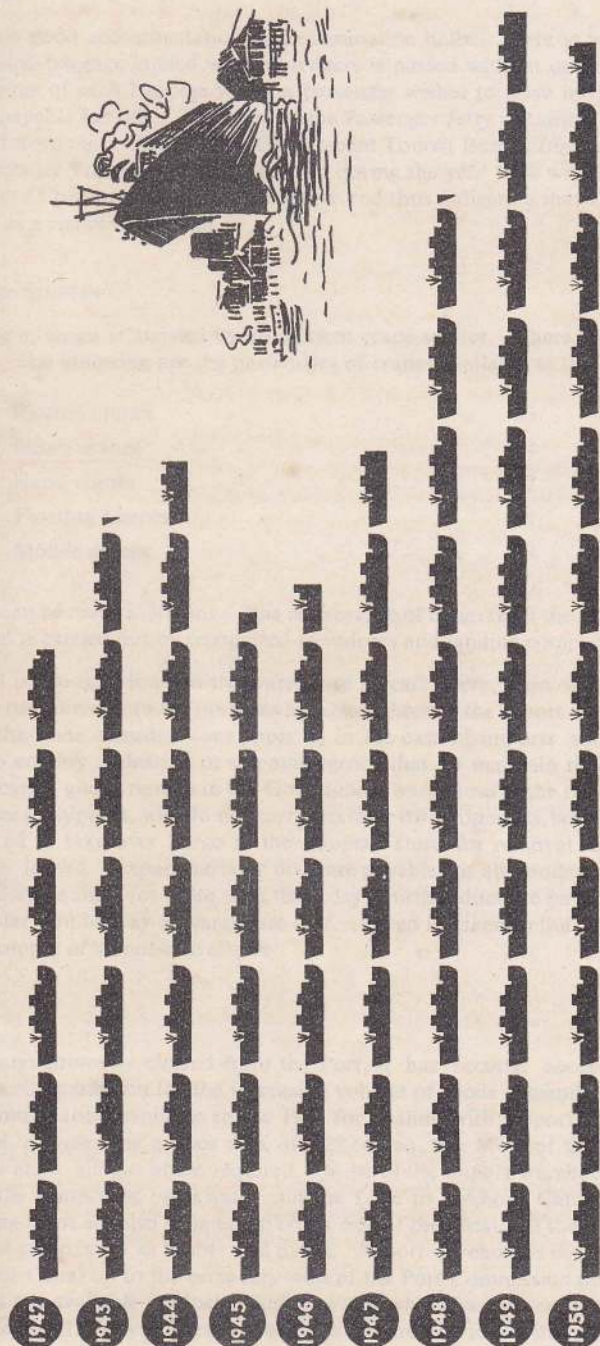
The Lake to Harbour canal affords direct water transport between stores and mills situated on the lakeside and the harbour. It is navigable by fully loaded 40-ton harbour barges and to some extent relieves the congestion on roads. This canal, together with the lock basin and locks and the water area of the Beira Lake including the San Sebastian canal locks, is included in the limits of the port of Colombo.

The total number of lighters, launches, &c., which passed through the Lake to Harbour canal during the year 1950 was 9,945.

The development of the lakeside Barge Yards comprising the portion of land bordering the Beira Lake, has opened up for commercial purposes a valuable stretch of land on the water front of the lake, and has relieved the congestion in the harbour by affording facilities for the reception of a number of boats, which had hitherto been moored in the harbour. There is every indication that when trade improves there will be an increasing demand for land on the lakeside which by its propinquity to the harbour and easy access thereto both by land and water, affords a valuable venue for commercial purposes.

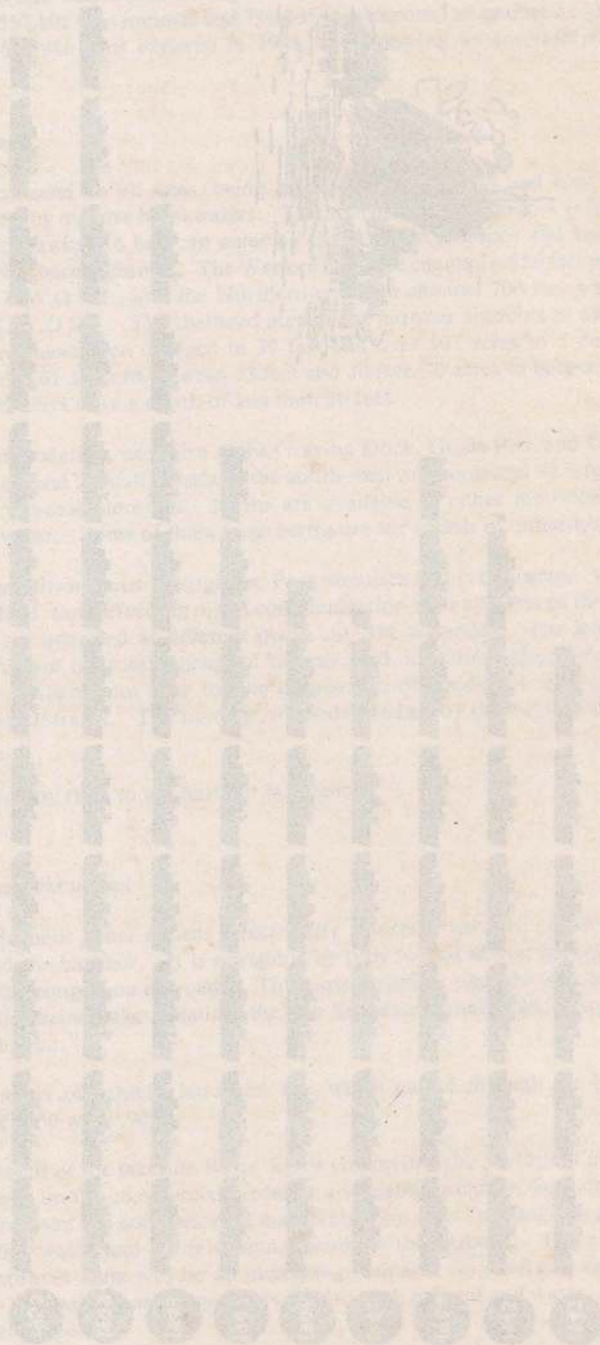
The Beira Lake is now an integral part of the port, and its progressive development will eventually lead to the establishment of a commercial zone in the vicinity of the port serving as a feeder to the business of the port and fostering its development.

NUMBER OF SHIPS WHICH ENTERED THE PRINCIPAL PORTS OF CEYLON 1942 - 1950



ONE SYMBOL  REPRESENTS 200 SHIPS

ONE SYMBOL — REFERENCE TO SHIP



NUMBER OF SYMBOLS IN SHIP TO BE KEPT
ONE — SYMBOL IN SHIP TO BE KEPT

PASSENGER JETTY

The baggage office has good accommodation and examination halls. There is a staff always on duty day and night, and baggage landed with passengers is passed without delay. There is also provision for the storage of such baggage which a passenger wishes to leave in the premises. A small storage rent is payable for this. There are at the Passenger Jetty a Railway Booking Office, a Post Office and an Information Office of the Government Tourist Bureau for the convenience of passengers. The Passenger Traffic handled in the port during the year 1950 was showing 419,470, an increase as much as 47 per cent. over the 1949 figure and thus indicating that Ceylon is gaining ground in popularity as a centre of tourism.

LANDING AND SHIPPING

Landing and shipping of cargo is assisted by an efficient crane service. There is a total quayage of 15,657 lineal feet. The following are the particulars of cranes available at the Port :—

Electric cranes	33
Steam cranes	34
Hand cranes	12
Floating Cranes	5
Mobile cranes	8

The largest lift which can be made is 60 tons. The conveyance of cargo from the vessel to the wharf is done by lighters and is carried out by recognized stevedores and landing companies.

Cargo for shipment is brought down to the warehouse by cart, lorry, train or barge. The Port Commission Railway runs direct into the premises alongside three of the export warehouses. With regard to shipment, the same considerations apply as in the case of imports, some firms finding it more convenient to employ a clearing or shipping agency than to maintain their own staff. As in the case of import cargo, goods remain in the Government warehouse at the risk of the exporter. To suit the convenience of shippers, who do not carry out their own shipments, landing and shipping companies are prepared to take over cargo at the shipper's stores for removal to the warehouse in the company's own lorries. Export harbour dues are payable for all goods sent to the warehouses or wharf. If they lie there for more than three days, further dues are payable for each day and in addition a similar sum by way of warehouse rent. Cargo is taken to the vessel by means of lighters. A good supply of labour is available.

WAREHOUSES

As goods are not always promptly cleared from the Port, it has become necessary to provide extensive warehouse accommodation for the increasing volume of goods demanding storage. The total warehouse accommodation available in the Port for dealing with import and export cargo is 8,264,323 cubic feet, representing a floor area of 628,663 sq. ft. Most of the warehouses are rail served and cranes are available where required. Most of the import warehouses are situated between the root of the south-west breakwater and the Lake to Harbour Canal. Other import warehouses and landing areas are also situated on either side of the canal and these are largely used for the landing of yard cargo, such as timber and metal. Export warehouses occupy the area west of the Lake to Harbour Canal up to the boundary wall of the Port Commission premises. Further north, five warehouses are available at Kochchikade, two of which have recently been built in the Coal Grounds opposite No. 11 Jetty. These warehouses too are provided with rail facilities.

There are several bonded warehouses within the Customs premises, and certain firms have their own bonded warehouses outside the premises. Goods may be bonded for any period up to two years, after which, they must either be removed or rebonded. All goods placed in bond are liable

to the same rent and harbour dues as in the case of import cargo up to the time of bonding, after which no further dues are payable and bonded warehouses rent is recovered, the amount payable per week on bonded goods being the same as the charge per day on import cargo. No rent is payable to the Customs in the case of goods which lie in bonded warehouses belonging to private firms, though a charge is made for Customs supervision of deposits and removals.

Several firms have their own warehouses and stores on the lakeside, which have direct access from the harbour through the canal and locks. Special facilities are given by the Customs for import cargo to be removed direct to these stores and, conversely, to the direct shipment of export cargo from these stores to the vessel. Rent and dues are, however, payable as in the case of goods landed in the warehouse, but the advantage of this direct traffic lies in obtaining two additional handlings which would be necessary had the goods been landed or shipped from a quay.

Two large warehouses situated in Ceylon Wharfage Co. Ltd's premises with a capacity of 281,102 cu. ft. representing 35,314 sq. ft. are exclusively used for accommodating transshipment cargo pending reshipment. Another warehouse with a capacity of 122,085 cu. ft. representing 8,139 sq. ft. is situated in the main Port premises for the use of the other landing companies handling transshipment cargo.

No import duty is payable upon transshipment cargo, and rent and harbour dues are payable at a reduced rate, amounting to 1/5th of the rate payable upon ordinary import cargo. In the case of direct transshipment from vessel to vessel, a small fee is payable for Customs supervision.

The total number of packages transhipped during 1950 was 598,989 showing an increase of as much as 81,207 packages over 1949. The tonnage for 1950 is 63,309 while that for 1949 is 55,538. There is a steady traffic with Tuticorin and other South Indian ports of transshipment of cargo to and from the United Kingdom, America, Australia, the Far East, &c.

Goods may be cleared either by the importer himself or by any landing company or recognized clearing agency. Firms, who import on a large scale find it convenient to keep their own staff of wharf clerks for the clearing of cargo and the passing of the necessary entries through the Customs. On the other hand, firms whose business is not so great as to justify the maintenance of such a staff, find it more convenient to clear their goods through a landing company or a clearing agency.

Warehouse rent and harbour dues are payable upon all goods landed at the Wharf, and three clear days are allowed for the removal of the goods, exclusive of Customs holidays, of which there are five in the year, and Sundays. On goods removed after the expiry of this period, further rent and dues are payable in respect of each day inclusive of Sundays and Customs holidays. Special facilities are offered by the Customs for clearing goods prior to the passing of the entry and the payment of the duty, rent and dues. The usual system is to place a cash deposit with the Customs against which goods are removed after any examination found necessary, the importer guaranteeing to pass the necessary papers within a reasonable period. Special facilities are also given for the clearing of perishable goods and of consignments, such as rice and sugar, which are landed in large quantities at a time.

COALING AND REFUELLING

There are about 29 acres of land on the foreshore of the harbour, half of which is leased to different companies for the stacking of coal. The coaling grounds between the Barge Repairing Basin and the Graving Dock have 17 coaling jetties. Large supplies of coal can be procured, and steamers are bunkered with good despatch at any hour of the day or night.

The quantities of coal imported and issued for bunkers during the years 1949 and 1950 were as follows :—

	1949	1950
	Tons	Tons
Imports	378,737	362,892
Bunkers	111,064	87,020

The port is equipped with an up-to-date oil fuel installation which provides for the rapid bunkering of ships using oil fuel. The main oil installation depot, about 128 acres in extent, is situated at Kolonnawa, about 4 miles from the harbour front, and various oil companies have erected their own storage and distribution tanks there. This depot is divided into a non-dangerous and dangerous oil section and is separated by a safety reservation. Four main pipelines are laid connecting the discharge berth in the harbour with the main oil depot, two for oil fuel, one for gas oil and the other for kerosene and petrol. In connection with the bunkering of vessels, a measuring tank depot, about 19 acres in extent, has been established at Bloemendhal, about $\frac{1}{4}$ th of a mile from the harbour front, and branch pipelines are provided from Kolonnawa to Bloemendhal and from Bloemendhal to the bunkering berths. The oil depot is also connected to the main railway system of the Island. Three reinforced concrete jetties, two for bunkering purposes and one for discharge of oil tankers, have been provided. The outer oil bunkering jetty is now out of commission due to work on the Port Development Scheme. The inner bunkering jetty is used by barges for bunkering. Vessels of 550 feet length and 33 feet draught can be berthed at the discharge jetty, where the latest facilities for discharging oil ships are provided, and vessels of deeper draught up to 33 feet are accommodated at the Graving Dock Guide Pier.

Liquid fuel imports during the last two years were as follows :—

	<i>No. of Tankers Discharging</i>	<i>Tons</i>
1949	68	668,850
1950	72	711,586

The quantities of liquid fuel issued for bunkers during the last two years were as follows :—

	<i>No. of ships bunkered</i>	<i>Tons</i>
1949	1,299	563,992
1950	1,439	558,434

The oil facilities receipts during the year 1950 was Rs. 2,361,867·52 while those for 1949 was Rs. 2,311,027·92.

BULK COCONUT OIL FACILITIES SCHEME

The Bulk Coconut Oil Facilities Scheme was completed and officially opened by the Minister for Communications and Works on February 4, 1946.

The installation consists of eight storage tanks, six of which have each a capacity of 445 tons and two each a capacity of 1,000 tons—the total storage capacity amounting to 4,600 tons. An 8 in. diameter pipeline delivers oil at the rate of 180–200 tons per hour to the Guide Pier where ships berth to load the bulk coconut oil. Deliveries to ships will shortly be speeded up to about 300 tons per hour when a boosting pump is installed.

The receipts collected from operating this scheme in 1950 amounted to Rs. 146,143·54.

FRESH WATER

The charges for fresh water supplied to steamers at their berths varies with the company that supplies the water. The charges for water supplied to vessels using the Graving Docks and for washing hulls are Rs. 6·75 and Re. 1·50 per 1,000 tons respectively.

It is interesting to note that the tonnage of water taken by vessels calling at this port is on the increase. In 1950, 778,300 tons of water were supplied as against 655,664 tons in 1949. This represents a 34 per cent. increase.

GRAVING DOCK

Length of floor, 694 feet 7½ inches ; breadth of entrance-cope level 85 feet ; depth over sill at low water 30 feet ; depth over sill at high water 32 feet. Docking can be carried out by day or night. The Inner Graving Dock, 330 feet long, entrance width 54 feet with a depth of 20 feet "at sill" was completed in July, 1938. This is an extension of the Outer Graving Dock.

Both docks are founded on solid rock, the outer being closed by a ship shaped Caisson, berthed alongside the South Jetty when dock is open, the inner dock being shut off from the main dock by a "Box" flap gate, hinged along the sill and operated by a hydraulic winch.

The main pumping station on the north side of the main dock entrance is equipped with main steam-driven centrifugal pumps capable of emptying the dock in less than 4 hours and is further equipped with drainage pumps, salt water pumps, electric generator for both 110 and 220 D. C. current air compressor and hydraulic pumps for operating penstocks and capstan-compressed air, salt and fresh water mains and electric supplies being available in both docks.

PATENT SLIP

Length, 800 feet ; length of cradle, 200 feet ; breadth of cradle, 25 feet ; depth over keel blocks at lower end at low water, 21 feet 6 inches ; depth over keel blocks at upper end at low water, 11 feet ; inclination 1 in 20. Capable of slipping a vessel of 1,000 tons dead weight.

An ambulance launch is available for the conveyance of sick and injured persons between ship and shore. The Colombo Municipal Council provides an adequate and efficient motor ambulance service for the port.

Efficient protection is ensured at all hours in the port by the Fire-Float "Phoenix" as well as by land appliances.

On entering the harbour each ship is visited by the Port Health Officer or his Assistant, and no person is allowed to board the ship or leave the ship till pratique is granted. If there are cases of infectious disease on board, such as plague, cholera, smallpox, yellow fever, or typhus, the ship is held in strict quarantine until all necessary measures such as removal of the sick person, disinfection of the ship, vaccination, &c., as the case may be, are carried out. Thereafter, the ship is allowed to be worked in restricted quarantine, any persons having business on board being allowed on special permits.

PORT COMMISSION

The Colombo Port Commission which is an advisory board, is composed of the following :—The Chairman, Colombo Port Commission (Chairman) ; the Principal Collector of Customs ; The Director of Medical and Sanitary Services ; The General Manager of the Railway ; The Mayor of Colombo ; The Master Attendant, Colombo and Galle ; The Harbour Engineer ; and ten unofficial members appointed by the Minister for Transport and Works to represent Ceylonese interests.

For the future efficiency and well-being of the Port of Colombo and in order to continue on a permanent basis, the necessary powers given to the Colombo Port Commission by emergency legislation, an Act called the Port of Colombo (Administration) Act, was approved by the Government in March, 1950. This Act, which vests in the department considerable administrative powers, came into operation on January 1, 1951.

V. Postal and Telecommunication Services

The Island is well served with various post-office facilities. On May 31, 1951, 1,340 offices were open for business.

210 Post Offices up to July 31, 1950 (excluding the Central Telegraph Office which does only telegraph business) dealt with all classes of postal business, viz., mail and parcel work, registration and insurance of postal articles, money order, postal order, savings certificate and Savings Bank work, and telegraph and telephone business.

There are three grades of Sub-Post Offices, viz., A, B and C. On May 31, 1951, there were 707 A and B grade Sub-Post Offices functioning. Almost all classes of postal business is transacted at these offices. The only difference between an A and B grade office is that the transactions at a B grade office are limited to Rs. 150 to any one individual per day. No insurance work is transacted at B grade offices, and the transactions at an A grade office are limited to Rs. 300 to any individual per day including insurance work.

On May 31, 1951, there were 118 C grade offices. This class of office transacts postal business on a limited scale excluding money order work. Savings transactions are limited to Rs. 10 per day.

305 Village Receiving Offices dealt with mail work only. At eighteen railway stations, facilities for the despatch and receipt of inland postal telegrams were available. At seven of these stations, mail work was also conducted.

There are 11,529 miles of telegraph wire (including railway telegraph wires), of which 3,681 are laid underground, and 87,474 miles of telephone wire (including Trunk and Junction lines) for subscribers' circuits, of which 54,916 are laid underground (excluding private estate lines). There are also 126 miles of under-water cables.

AIR MAIL SERVICES

The Air Mail Services except the Second Class Air Mail Service and the Air Parcel Service, are available to all countries.

TABLE 15.5. RATES OF AIR MAIL LETTERS TO THE PRINCIPAL COUNTRIES

Country	Rates				
	Letter per $\frac{1}{2}$ oz.	Post Cards	Air Letters	Second Class Mail per $\frac{1}{2}$ oz.	Air Parcel per $\frac{1}{2}$ lb.
	Rs. c.	Rs. c.	Rs. c.	Rs. c.	Rs. c.
United Kingdom	0 75	0 35	0 35	0 35	5 50
Australia	0 60	0 30	0 35	0 30	4 00
Canada	1 50	0 75	0 50	—	—
Egypt	0 60	0 30	0 35	—	—
France	0 75	0 35	0 35	—	—
Germany	1 00	0 50	0 35	—	—
India	0 30	0 15	0 20	0 15	1 50
Malaya	0 50	0 25	0 35	0 25	2 50
South Africa	0 75	0 35	0 35	—	—
U. S. S. R.	1 00	0 50	0 35	—	—
U. S. A.	1 50	0 75	0 60	—	—
Japan	0 75	0 35	0 35	—	—

An inland Air Mail Service for first class correspondence (Letters and Postcards) is available between Colombo and the principal offices in the Jaffna Peninsula. The air fee is 5 cents per article in addition to the ordinary inland postage at the letter or post-card rate, as the case may be.

TABLE 15.6. SURFACE RATES OF POSTAGE

<i>Ceylon and Maldiv Islands</i>	<i>Cents</i>
Letters, per $\frac{1}{2}$ oz. or part thereof	5
Post Cards each	3
Printed matter, per 2 ounces or part of that weight up to a maximum of 2 pounds	4
Registered newspapers per copy not exceeding 8 oz.	3
Every additional 8 oz. or fraction of 8 oz.	3
<i>India</i>	
Letters, each ounce or part thereof	10
Post Cards each	5
Printed papers per 2 oz.	4
Registered newspapers—same as in Ceylon	3
<i>Empire Countries</i>	
Letters for the first ounce	15
Additional ounce or part thereof	10
Post Cards each	12
Printed papers, per copy 2 oz.	4
<i>Non-Empire Countries</i>	
Letters for the first ounce	25
Every additional ounce or part thereof	15
Post Cards each	15
Printed papers, per 2 oz. or part thereof	5

Postal articles can be transmitted by the inland post on the value-payable system provided that the amount payable is not less than 50 cents or more than Rs. 600. A posting and delivery fee of 5 to 15 cents, according to value, will be levied on every value-payable article at the time of posting. The Cash-on-Delivery Service is in operation between Ceylon and the United Kingdom, the Straits Settlements, Malaya and Burma. Details will be found in the *Ceylon Post Office Guide*.

MONEY AND POSTAL ORDERS

Money Orders can be obtained at any of the Post Offices payable at any of the others and in most foreign countries. The maximum for Inland or Indian Money Orders is Rs. 600, for foreign orders to countries outside the sterling area £10, to countries within the sterling area the maximum is £40. The rate of commission for Inland Money Orders is 20 cents for each complete sum of Rs. 20 and 20 cents for the remainder, and for Burmese and Indian Money Orders 20 cents for each complete sum of Rs. 10 and 20 cents for the remainder. The rate for Foreign Money Orders expressed in sterling is 25 cents on sums not exceeding £1, and on sums exceeding £1, 25 cents on the first £ and 20 cents on each complete additional sum of £1 and 20 cents on the remainder. Money Orders payable in the United Kingdom or countries served through the United Kingdom are despatched by Air Mail. Fee for Air Mail Money Orders to India is 10 cents and a fee of 50 cents is chargeable on Air Mail Money Orders to Burma.

Telegraph Money Orders can be despatched in the Inland Service. Telegraph Money Order Service is also available to Burma, India, United Kingdom and the Straits in the Malayan Union. A fixed fee of 10 cents irrespective of the amount of the order is charged for Inland, Burmese, and Indian Telegraph Money Orders. There are fixed minima for Telegraph Money Orders according to the currency in which the order is advised. Details will be found in the *Ceylon Post Office Guide*. A permit from the Controller of Exchange is necessary.

There are ten denominations of Ceylon Postal Orders ranging from 50 cents to Rs. 10 (i.e., 50 cents, Re. 1, Rs. 1.50, Rs. 2, Rs. 2.50, Rs. 3, Rs. 4, Rs. 5, Rs. 7.50 and Rs. 10). Commission is charged at the rate of 5 cents on each of the first six denominations and 10 cents on each of the remaining four denominations. Broken amounts up to 49 cents may be made by affixing unused Ceylon Postage Stamps not exceeding three in number in the space provided on the order.

Ceylon Savings Certificates (Third Series): Savings Certificates with a face value of Rs. 5, Rs. 10, Rs. 50, Rs. 100 and Rs. 1,000 are on sale at all Post Offices (including Sub-Post Offices), D. R. O's Offices, Kachcheries and Banks at a purchase price of Rs. 4.25, Rs. 8.50, Rs. 42.50, Rs. 85 and Rs. 850, respectively. On surrendering the certificate at the office of registration five years after the date of issue, the holder will be entitled to receive a sum equivalent to the face value of the certificate. The difference between the face value and the purchase price represents 3.3 per cent. compound interest.

Twelve-year Savings Certificates: Twelve-year Savings Certificates of the denominations of Rs. 7.50, Rs. 15, Rs. 75, Rs. 150 and Rs. 1,500 are on sale at all Post Offices at a purchase price of Rs. 5, Rs. 10, Rs. 50, Rs. 100, Rs. 1,000 respectively. These certificates are not surrenderable within the first year and interest is not paid if the certificates are surrendered within the first three years. The difference between the purchase price and the face-value represents 3.5 per cent. compound interest. The certificates mature in twelve years.

TELECOMMUNICATION

Telecommunication Services in the Island are provided by the Department of Posts and Telecommunications, which holds the monopoly in respect of these services. In the early 1930's there were a large number of manually operated private telephone systems in estate areas operating under licence from the Postmaster-General and Director of Telecommunications, but the majority of these has since been taken over by the Post and Telegraph Department and replaced with automatic exchanges.

1935 is an important landmark in the history of Ceylon telecommunications. In this year after protracted consideration of proposals for handing over the system to private companies, the Government finally decided to retain its monopoly and go ahead with the modernization of the then existing antiquated system. Since then development has been phenomenal. The worn out Colombo Exchange was replaced with an up-to-date automatic system, and 97 small automatic exchanges were installed in various parts of the country, before war broke out in September, 1939. This put a brake on development, but with the cessation of hostilities the work was re-started with renewed vigour, and the number of automatic exchanges had increased to 142 by September, 1950. The post-war demand for telephones throughout the world was not unexpected and unprecedented. Ceylon was no exception. Manufacturers, however, were unable to cope with the demand for equipment as a result of which the waiting list for telephones has been steadily mounting up. The problem has been further aggravated by the shortage of skilled personnel for installation work. Nevertheless it is hoped substantially to reduce the waiting list by the end of 1952.

TELEPHONE SYSTEM

Telephone communication exists between the principal towns and most of the rural districts. They are generally served by Government exchanges, a few rural districts are served by private licensed exchanges which are connected to the general trunk system by means of Government trunk lines. At the end of 1950 the number of telephone subscribers in Colombo was 5,983 and those in the provinces was 4,381, while the number of telephone call offices was 514.

There are 244 telephone exchanges of capacities varying from 5 lines to 10,000 lines. The largest is at Colombo and consists of a Central automatic exchange of 7,000 lines capacity and two Satellite exchanges each of 1,800 lines capacity. The next largest exchanges are in the towns of Kandy, Galle, Jaffna and Nuwara Eliya and have capacities varying between 200 and 400 lines. Kandy and Galle are both automatic, while Jaffna and Nuwara Eliya will be converted to automatic working in 1951. The majority of the remaining exchanges are automatic and of unit construction, with capacities of 10, 25 and 50 lines non-extensible; and of 50 lines, extensible to 250 lines by the addition of extension units of 50 lines capacity. These exchanges are mainly unattended and are housed in prefabricated concrete kiosks. 104 such exchanges were in service in October, 1950. The balance are small magneto exchanges of under 50 lines capacity.

All automatic exchanges are of the step-by-step type employing rotary line finders and Strowger type two-motion selectors.

Prior to 1945, the trunk network only joined up the various telephone exchanges in the Island, leaving even important places like Mannar, Hambantota and Batticaloa without telephone service to other parts of the Island. Since then the policy has been to extend the trunk network, hundreds of sub-post offices being opened up all over the country and in the remotest areas. By December, 1950, substantial progress had been made in this direction, telephone call office facilities having been made available at 233 sub-post offices, without telephone exchanges.

The majority of trunk circuits are run overhead on pole routes. Carrier circuits are in operation over some of the longer routes, such as from Colombo to Galle, Diyatalawa, Nuwara Eliya, Trincomalee and Anuradhapura. There is a trunk cable between Colombo and Kalutara, a distance of 27 miles.

Telephone service is available to exchanges and call offices in the Dominions of India and Pakistan. Communication is also available *via* the Radio Telephone Service to U. K. and Eire, Australia, South Africa, France, Netherlands, Belgium, Luxembourg, Switzerland, Denmark, Norway, Sweden, Finland, Czechoslovakia and Germany (U. K., U. S., and French Zones), Gibraltar, Hungary, Spain, Italy and Vatican City.

The charge for the use of a public call box for three minutes or less is 10 cents.

TABLE 15.7. THE INLAND TRUNK CHARGES ACCORDING TO THE DISTANCE BETWEEN STATIONS MEASURED IN A STRAIGHT LINE

<i>Distance</i>	<i>Day Rate</i> <i>Rs. c.</i>	<i>Night Rate</i> <i>Rs. c.</i>
When such distance does not exceed 5 miles	0 20	0 20
When such distance—		
exceeds 5 miles but does not exceed $7\frac{1}{2}$ miles	0 30	0 20
exceeds $7\frac{1}{2}$ miles but does not exceed 10 miles	0 40	0 20
exceeds 10 miles but does not exceed 15 miles	0 50	0 25
exceeds 15 miles but does not exceed 20 miles	0 70	0 35
exceeds 20 miles but does not exceed 30 miles	0 80	0 40
exceeds 30 miles but does not exceed 40 miles	1 00	0 50
exceeds 40 miles but does not exceed 50 miles	1 20	0 60
exceeds 50 miles but does not exceed 70 miles	1 50	0 75
exceeds 70 miles but does not exceed 90 miles	1 80	0 90
exceeds 90 miles but does not exceed 110 miles	2 00	1 00
exceeds 110 miles but does not exceed 150 miles	2 50	1 25
exceeds 150 miles but does not exceed 190 miles	2 75	1 40
where such distance exceeds 190 miles	3 00	1 50

TELEGRAPHS

The telegraph network is as widespread as the telephone network, in that telegrams handed in at sub-post offices are transmitted by telephones. Busier offices are provided with separate telegraph circuits worked by morse or teleprinter. The general policy in regard to telegraph transmission is for telegrams handed in at the small offices to be transmitted by telephone to a telegraph centre from where the messages are disposed of by teleprinter circuits to other important centres. There are 26 teleprinter circuits between Colombo and important outstation offices.

The minimum charge for inland ordinary telegrams is 60 cents for the first ten words, including the address, and 5 cents for each additional word. These telegrams can be sent from any one telegraph office to any other in the Island.

The charge for urgent telegrams is Re. 1.20 for the first ten words, including the address, and 10 cents for each additional word.

Foreign and Colonial Telegrams : The rates for telegrams to India are Rs. 2.50 (Express) and Re. 1.25 (Ordinary) for the first 12 words or less, and 15 cents and 10 cents respectively for each additional word.

Telegrams to other Empire Countries can be sent *via* Imperial at the following flat rate per word :—

“ Ordinary ” 70 cents (with a minimum charge for 5 words).

Telegrams to other foreign countries can be sent on a minimum charge per word varying from 65 cents to Rs. 2.50 for ordinary telegrams according to the distance of the place of destination, the route by which the telegram is to be sent, &c. A full list of places to which foreign and colonial telegrams can be sent, together with the rates charged, is given in section 11 of the *Ceylon Post Office Guide*.

Foreign Cheap Rate Telegrams : Telegrams in plain language are accepted for transmission as “Letter Telegrams” to various places abroad at considerably reduced rates. A list of places to which this service is available, and the scale of charges will be found in section 11 of the *Ceylon Post Office Guide*.

Radio-Telegrams : Radio-Telegrams are accepted at any Postal Telegraph Office in Ceylon for transmission to ships equipped with radio-telegraph apparatus through the Coast Stations in Colombo.

TABLE 15.8. RADIO-TELEGRAM CHARGES

	<i>Per word (cents)</i>
Private telegrams to Her Britannic Majesty's Ships of War <i>via</i> Colombo Radio	40
* Private telegrams to Her Majesty's Ships of the East Indies Fleet <i>via</i> Colombo Radio	25
All other Government or Private telegrams <i>via</i> Colombo Radio only	65
On Radio Telegrams sent to—	
(a) Spanish and Swedish Ships the charge is	60
(b) Finnish ships the charge is	50

* The address of these telegrams should contain the name of addressee, the word ‘Warship’, the name of the ship, and the words ‘Eastindies Colombo Radio’. The words ‘Warship’, ‘Eastindies’, and ‘Colombo Radio’ are charged for as one word each. No departure from this form of address is permissible.

OVERSEAS COMMUNICATIONS

Ceylon is very well served by overseas communications. Telephone communications to India is *via* a submarine cable laid across the Palk Straits between Talaimannar and Rameswaram, and across to the Indian telephone network is obtained *via* two carrier telephone circuits between Colombo and Trichinopoly. Radio telephone service is also available between Colombo and the United Kingdom, most European countries, most of the countries in Africa and Australia. A subscriber in Ceylon can thereby communicate with a large proportion of the world's telephone subscribers.

Telegraph communication to India is *via* the Talaimannar-Rameswaram submarine cable. There are five voice frequency teleprinter circuits in use, giving direct communication between Colombo and Madras, and between Colombo and Madras. From these stations distribution to and collection of traffic from other places in India takes place. Submarine telegraph cables operated by Cable & Wireless, Ltd., and radiating from Colombo, provide access to all other parts of the world. Radio telegraph circuits operated by Cable & Wireless, Ltd., are also available to carry some of the overseas telegraph traffic. Negotiations have been completed and the Ceylon Government has taken over the assets of Cable & Wireless, Ltd., following the lead set by the United Kingdom and other Dominion Governments in their areas. Direct radio telegraph facilities are available between Colombo and ships operating in the Indian Ocean area.

BROADCASTING SERVICE

Although broadcasting began in Ceylon in 1925, progress during the succeeding years was extremely slow. Shortly before the war, plans were made to develop broadcasting and to provide properly equipped studios. The advent of war, however, prevented the fulfilment of these plans, and nothing could be done until the cessation of hostilities.

After the war, the work of building new studios in Torrington Square was started. This building was completed in 1949. On the engineering side, the principal developments were the construction of a new 15 kilowatt medium transmitter, which was brought into service in December, 1945, and the handing over to Ceylon by the British Government of the very powerful Radio SEAC short wave transmitter rated at a 100 kilowatts.

Plans were then made for a very considerable expansion of the broadcasting services. The decision was taken to embark upon a Commercial Service, using for this purpose the 100 kw. transmitter, which would make it possible to provide good reception in Africa, India and Pakistan and S. E. Asia. It was hoped that the revenue obtained from this would eventually pay for the running of the Home Services.

In September, 1949, Mr. J. N. Lampson, formerly of the B. B. C., came out from England to become head of the newly formed Department of Broadcasting (responsible to the Minister of Posts and Telecommunications) which had been formed to take over all broadcasting activities, hitherto under the control of the Postmaster-General. By the middle of November, Mr. Lampson had completed his proposals for the reorganization of the department. Subsequently in June, 1950, these were accepted in principle by the Cabinet.

The first immediate development of the Services came on the 1st of January, 1950, when a system of dual transmission came into operation, with separate transmitters for the Western and Oriental programmes, which had hitherto shared one wave length. The hours of broadcasting were increased from approximately 10½ hours per diem to 18½ hours.

By the end of 1950, negotiations with the Treasury concerning the increased establishment involved by Mr. Lampson's proposals had been completed, and recruitment for the new posts was already in operation. It was, however, not until March, 1951, that all the appointments could be finalized. The most important of these were the three Programme Organizers for the Sinhalese, Western and

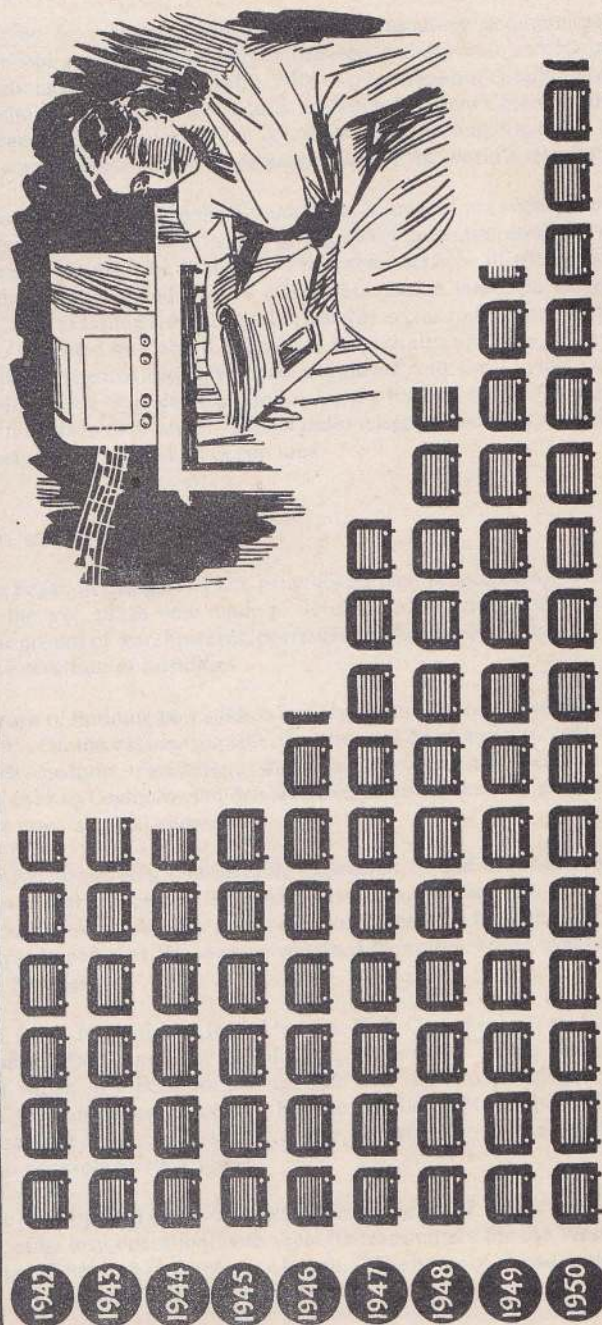
The first of these is the fact that the Indian literature is not only a part of the world literature but also a part of the Indian literature. The second is the fact that the Indian literature is not only a part of the world literature but also a part of the Indian literature.

THE INDIAN LITERATURE IS NOT ONLY A PART OF THE WORLD LITERATURE BUT ALSO A PART OF THE INDIAN LITERATURE.



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NUMBER OF RADIO SETS IN USE 1942 — 1950



ONE SYMBOL  REPRESENTS 2000 RADIO SETS

Tamil sections, respectively, each of whom had under his supervision a number of programme assistants to deal with such matters as music, talks, drama, and rural broadcasting. Once this staff had been recruited, it became possible to put into force the planned developments for the service.

Of these the most important was undoubtedly the building up of the Sinhalese service with particular reference to rural broadcasting, which hitherto had been greatly neglected. Portable tape recording equipment was purchased and installed in a special recording car, so that Rural Programme Assistants could visit even the remotest parts of the Island to record suitable material for inclusion in rural broadcasts. These programmes are now transmitted for half an hour daily in each of the oriental services.

Another important aspect of the reorganization plan was that the department should take over the responsibility for schools broadcasting from the Department of Education. A Schools Programme Organizer was therefore appointed, together with three Schools Programme Assistants (Sinhalese, Western and Tamil respectively). Schools Broadcasting was finally taken over by Radio Ceylon in September, 1951; approximately 8 hours a week are at present broadcast in each of the three languages.

The most outstanding activity in broadcasting during the period under review was probably the meeting of the Foreign Ministers' Conference held in Ceylon in January, 1950. With the co-operation of the B. B. C., speeches made at this conference could be heard not only in the Island, but throughout the world.

A number of developments have taken place on the programme side, of which perhaps the most successful has been the introduction of variety performances given before a studio audience. These performances take place regularly in all three services, and have proved a valuable means of bringing Radio Ceylon into close touch with its listeners.

Another outstanding development was the introduction in the Western Service of a "Third Programme" somewhat on the lines of its B. B. C. counterpart, and intended to cater entirely for the more serious minded listener. Thanks to the material supplied by the B. B. C. Transcription Service, it has been possible to broadcast in the Third Programme a number of outstanding play productions—for example, several of Shakespeare's plays including "Hamlet" and "Othello" have been broadcast, as well as notable works by modern dramatists such as Christopher Fry and J. B. Priestley—and in addition many very fine concerts have been heard through this medium.

The introduction of the Third Programme met with an unexpectedly warm welcome from listeners, and its success inspired the Sinhalese Service to introduce a similar programme, the "Second Programme". This proved quite as successful as its Western counterpart and it soon became necessary to extend the time allotted to it.

Throughout 1950, the Director-General was fully occupied making plans for the inauguration later in the year of Commercial Broadcasting. Arrangements were made with Messrs. Macquarie of Sydney, Australia, for the secondment of a senior executive officer. As a result of the negotiations, Mr. C. R. Dodd arrived on September 20, 1950, to take up the duties of Director of the Commercial Service of Radio Ceylon. Commercial Broadcasting from Radio Ceylon was inaugurated on September 30, 1950, with a schedule of two hours of programme broadcast daily to India/Pakistan, S. E. Asia and the African continent respectively. The popularity of this service, particularly with listeners in India and Pakistan soon became evident, and accordingly the programme hours were extended from 2 to 11 per diem as from October 26, 1950.

Since then the Commercial Service has continued to make phenomenal progress.

In February 1951 a domestic service for listeners in Ceylon was inaugurated and transmitted on both medium and short waves. This was proved extremely popular and has attracted sponsors in ever increasing numbers. Entertainment programmes have been steadily built up so that today the presentation of live programmes is becoming increasingly frequent. Many additional live broadcasts are being planned both in Sinhalese and English. A further development contemplated is the production of live programmes in Tamil.

The total number of hours of broadcast on all beams is at present 26 hours per diem. There is every possibility of this being increased in the near future.

As an advertising medium, Commercial Radio has now undoubtedly taken its place along with other media and it is interesting to note that in the first year of operation the results have fully justified the confidence of the Hon. Minister for Posts and Telecommunications and other Ministers in their belief that the Commercial Service of Radio Ceylon would be a success.

The number of licences issued has shown a steady increase and at present approximately one thousand additional licences are taken out each month. The total number of licences in force is now approximately 47,000.

The *Radio Times* which until February 1950 was given away free to licence holders, was then put on a commercial basis, and greatly improved with the introduction of editorial matter, and photographs. In its new form the circulation has more than trebled and every effort is being made to increase its usefulness and popularity.

VI. Public Works

The Public Works Department is placed under the immediate control of the Permanent Secretary to the Hon'ble the Minister for Transport and Works.

The Department is mainly responsible for :—

- (a) The maintenance of Public Works comprising roads, inland navigation, bridges, buildings and other miscellaneous services, and
- (b) Construction of new works.

MAINTENANCE OF ROADS

A total mileage of 6,556 miles of road was maintained during the year 1950 at a cost of Rs. 7,924,018. The effects of the modifications in the system of allocation of funds for the maintenance of roads first introduced in 1949–50 has placed under the control of Superintending Engineer a consolidated block of money to be applied at the discretion of the Superintending Engineer to the re-surfacing of roads within a district instead of its being split up into small allocations which had to be applied rigidly for re-surfacing on individual roads. The new system is very much more flexible than the old one and made it possible to use what money was available where it was most wanted. Most of the leeway in road maintenance which was a legacy of the war has now been made up and attention is being given to the raising of the standards of maintenance.

Little progress was made during the year in the extension of the use of the improved methods of construction of road surfaces mainly because the pre-occupation of district officers with heavy programmes of building had left them insufficient time to devote to this important side of their duties.

MAINTENANCE OF INLAND NAVIGATION

A total length of 146 miles of inland waterways was maintained by the Department at a cost of Rs. 252,022 a figure very slightly in excess of that spent in 1948–49. The two mechanically operated and propelled canal dredgers which were put into service during the previous year continued to perform satisfactorily and economically. One of these works on the Bolgoda-Colombo-Negombo-Puttalam Canal and the other on the navigable channels in the Jaffna lagoon. The mechanical dredgers showed a considerable saving in cost for work done over manual dredging and much better use of the money available was made than was possible before the machines were obtained. Systematic improvements were constantly carried out on the canal sides as far as funds permitted.

MAINTENANCE OF BRIDGES

A sum of Rs. 282,687 was spent on the maintenance of iron and timber bridges of which those above 50 feet in length on the roads maintained by the Department number 482. Strengthening and re-building of bridges all over the Island is an urgent requirement because of the constantly extending use of heavy transport vehicles and to deal with this matter a mobile survey party was established to assess the load capacity of structures and to collect data for the designers. On the construction side the organization of the Executive Engineer, Bridges, was systematically expanded and equipped with suitable plant and tools which made it possible to deal with the increasing volume of bridge work as expeditiously as possible.

MAINTENANCE OF BUILDINGS

A sum of Rs. 1,990,866 was spent on the maintenance of buildings in 1949-50. The money provisions voted for the maintenance of buildings was insufficient to restore the buildings to pre-war standard especially in the case of hospitals where the funds allocated were inadequate for the frequent colour washing and periodical painting which these structures required.

MISCELLANEOUS

The total expenditure in 1949-50 under this heading was Rs. 1,651,42. Some of the principal items of expenditure were as follows :—

	Rs.	c.
(a) Purchase of tools and plant	317,451	92
(b) Transport charges	51,805	72
(c) Maintenance of waterworks	102,951	47
(d) Flood damages	809,840	01
(e) Coast protection works	61,534	51
(f) Maintenance of Aerodromes	112,796	66

NEW WORKS

A very large programme of works under P. W. D. extraordinary was dealt with during 1950 embracing new buildings of all kinds, improvements to buildings, water schemes, road construction, new bridge construction and improvements.

Concurrently with the work being carried out under P. W. D. Extraordinary another and parallel programme of new construction of buildings, roads and bridges was carried out under Loan Fund Expenditure in implementation of the Government's 6-Year Plan which is scheduled for completion in 1953. The part of this Plan which has been entrusted to the Public Works Department is predominantly building work which includes amongst other schemes very extensive projects for the re-housing of the Police Force, hospital construction, school buildings and quarters for Government officers of all classes. The estimated total cost of that portion of the Six-Year Plan entrusted to the P. W. D. is Rs. 175 millions approximately. The spreading out of the work evenly through the six years was found impracticable, as this would have required the immediate expansion of every branch of this Department and also the resources of the contractors. The Plan is therefore being executed progressively, and the expenditure during 1949-50 was Rs. 25 millions as against Rs. 15 millions in 1947-48—the first year of this Plan. Good progress was made after the initial period of planning and design.

Some of the major works undertaken during 1950 are given below :—

BUILDINGS

Post Office, Moratuwa
 Clerks' Quarters, Ratnapura
 Mahara Prison Hospital
 Practical Farm School, Ambepussa
 Additions and Improvements to Colombo Air Port
 Additional Courts, &c., for the Magistrate, Colombo
 New Remand Prisons at Welikada
 Wireless Receiving Station, Manning Town
 Basic Technical Training Institute, Kotelawalapura
 New War Memorials
 Additional Buildings and Improvements to Excise Warehouse
 Construction of Central School, Walala
 Building Staff Quarters at Audio-Visual Br., Uyanwatte
 Central School, Talatuoya
 Puspadana Girls' School, Kandy
 University Buildings, Peradeniya
 Staff Quarters, Galaha Road
 Construction of Warehouse Officers' Quarters, Kandy
 Reconstructing Military Buildings at Uyanwatte and Polgolla, Kandy
 Royal College Extension, Colombo
 Water-borne Sewage System, Queen's Cottage, Nuwara Eliya
 Three Clerks' Quarters at Matara
 Quarters for D. J., Tangalla
 Buildings at Ridiyagama Cattle Station
 Buildings at Hambantota Cotton Station
 Children's Hospital, Borella, Colombo
 New Police Station, Vavuniya
 Quarters for District Judge, Jaffna
 Excise Warehouse, Jaffna
 Buildings at Kilinochi Cattle Station
 Jaffna Hospital—New O. P. D. and Kitchen
 Central School, Tholangamuwa
 Maternity Ward, Jaffna Hospital
 Buildings at Bathmedilla Paddy Station
 Converting Camp into Married Quarters, Survey Camp, Diyatalawa
 Re-conditioning C. D. F. Camp, Diyatalawa
 Police Flats at Bambalapitiya
 Department of Meteorology, Bullers Road, Colombo
 Housing Scheme for Government Officers, Colombo
 New Law Courts, Chavakachcheri
 New Law Courts, Kalutara
 Labourers' Cottage, Okkampitiya Paddy Station
 New Buildings at Police Station, Gokarella
 Quarters for Police Inspectors, Kurunegala
 One Senior Clerk's Quarters and five Junior Clerks' Quarters, Kurunegala
 Improvements to R. N. A. S. Hospital, Puttalam
 Buildings for Police Station, Kekirawa
 New Police Station, China Bay (completed)
 Housing Scheme for Government Clerks, Trincomalee
 Central School, Ibbagamuwa
 Dharma-Loka Vidyalaya, Kelaniya

ROADS AND BRIDGES

Road from Mawanella-Hammatagama to Gampola
 Road from Palatupana to Menik Ganga
 Uraniya-Alutnuwara Road
 New Road from Bopitiya to 2½ mile Kandana-Uswetakeiyawa Road
 Improvements to Walasmulla-Mideniya-Talawa-Hungama Road
 Pontoon Bridge at Weragantota
 Improvements Mullaitivu-Puliyankulam Road
 Widening and Improving Kandy-Jaffna Road
 Reconstruction of roads in the Kurunegala District
 Causeway-cum-bridge Munnakkarai (completed)
 Bridge over Kaluganga at Naragala
 Reconstructing Gorden Bridge No. 59/6 Colombo-Kandy Road
 Constructing Diyabubula Bridge 16/6 and Approaches Kandy-Jaffna Road
 Constructing Bridge No. 4/10 Matale-Udupihilla Road
 New Bridge at Atumale Ferry, Wanduramba-Atumale-Yakkatuwa Road
 Reconstructing Bridge No. 50/1, Batticaloa-Panama Road
 Reconstructing of Bridge No. 61/3, Colombo-Puttalam Road (completed)
 Mee-oya Bridge, Padeoya-Siyambalagama Road (completed)
 Bridge at Polani Ela, Chilaw District

WATER SUPPLY SCHEME

Matale Water Supply Scheme (Ambagahapilla Scheme) : Dry well completed and the laying of pipe line is in progress

Kays Water Supply Scheme : Contract entered into Acquisition of land completed.

Kandy Water Supply Scheme (well augmentation) Peradeniya : One of the pumps is in working order. Some parts ordered from abroad have not been received as yet to complete the work on the other pump.

Karaiyoor Housing Scheme : Work has been completed except for the completion and fixing of 25 C. I Sluice Valves which have not been received from the U. K.

Designs are in hand departmentally for schemes at Vankalai, Nainativu, Matale (Hunnasgiriya source), Balangoda, Deniyaya, Rattota and Tangalla Purification Plant.

Investigations have been completed on the following schemes : Erukilampiddy, Wattala, Mabile-Peliyagoda.

GOVERNMENT FACTORY

All the eight shops in the Government Factory were working to capacity during the period 1949-50 in turning out a very wide range of articles for many departments of Government and in carrying out a great variety of repair work.

The total expenditure of the Department on various works inclusive of maintenance, &c., during the financial year 1949-50 amounted to Rs. 82,077,547.

The shortage of experienced technical staff continued to be acute. The shortages were principally apparent in the ranks of specialised engineers, for example, Water Engineers, Structural Engineers ; Draughtsmen of all grades for architectural, civil and Mechanical Foremen. This shortage of experienced staff had proved a serious impediment to the planning and execution of the very heavy programme of work which had been entrusted to the Department and would have been an insuperable obstacle but for the whole-hearted efforts of all concerned to carry out their tasks with the material at their disposal.

CHAPTER XVI

COMMERCE

I. General

CEYLON is predominantly an agricultural country and her economy primarily depends on the receipts from the export of mainly tea, rubber and coconut products to pay for her essential imports of food and finished goods from abroad.

The table below shows the course of Ceylon's foreign trade in merchandise during 1938 and the years 1947 to 1951 :

CEYLON'S FOREIGN TRADE, 1947-1951 COMPARED WITH THAT OF 1938

Year	Imports ⁽¹⁾	Domestic Exports ⁽²⁾	Re-Exports ⁽²⁾	Total Exports ⁽²⁾	Visible Balance of Trade
(Rupees Thousand)					
1938	235,529	264,608	20,215	284,823	+ 49,294
1947	962,578	837,901	51,280	889,181	— 73,397
1948	994,008	940,042	71,134	1,011,176	+ 17,168
1949	1,028,843	1,008,462	54,778	1,063,240	+ 34,397
1950	1,166,806	1,498,281	64,639	1,562,920	+ 396,114
1951	1,558,670	1,826,596	77,813	1,904,409	+ 345,739

¹ Includes value of postal articles.

² Includes value of ships' stores and postal articles.

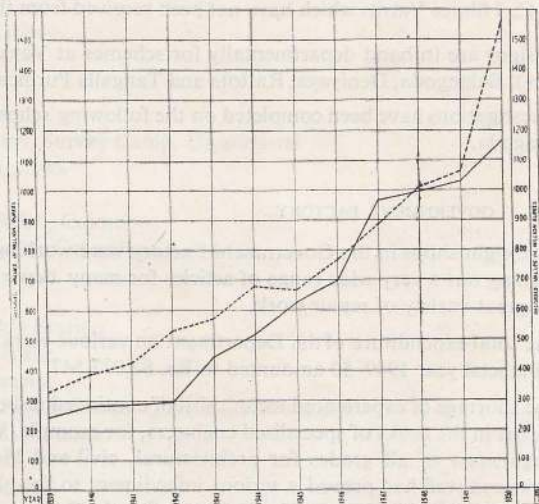
The progressive expansion in post-war trade values continued during 1950. The value of total imports and total exports during 1950 was the highest on record and each exceeded over a billion rupees for the second time. Compared with 1949, the value of domestic exports was up by 49 per cent., imports up by 13 per cent. and re-exports up by 18 per cent. The value of both imports and exports was over five times that of 1938. As a result Ceylon's visible balance of trade reached the unprecedented favourable level of over Rs. 396 million.

Unlike in 1949, the value of Ceylon's exports in each quarter of 1950 was higher than the value of imports. Imports, however, increased at a faster rate in the first two quarters of the year but declined thereafter while the rate of increase in exports was most significant in the third and fourth quarters of the year. This swing in the direction of exports was mainly due to the enhanced values obtaining for Ceylon export commodities, notably rubber, following the outbreak of the Korean war in June, 1950.

VALUE OF TOTAL IMPORTS AND EXPORTS

(Excluding Postal Articles, Ships Stores and Bunkers)

IMPORTS —————
EXPORTS



VALUE OF TOTAL IMPORTS AND EXPORTS

Merchandise					
(Million Rupees)			(Million Rupees)		
	Imports	Exports		Imports	Exports
1938	236	285	1945	621	666
1939	242	328	1946	696	765
1940	283	387	1947	963	889
1941	287	424	1948	994	1,011
1942	296	531	1949	1,029	1,063
1943	447	570	1950	1,167	1,563
1944	518	680	1951	1,559	1,904

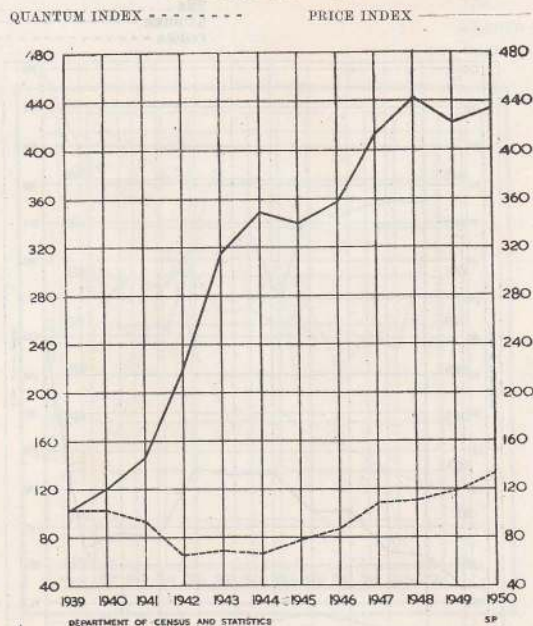
The index numbers set out below measure the volume of trade and prices for the years 1938, 1947 to 1951 on the basis of 1934-38 figures:

QUANTUM AND PRICE INDEX NUMBERS OF TRADE

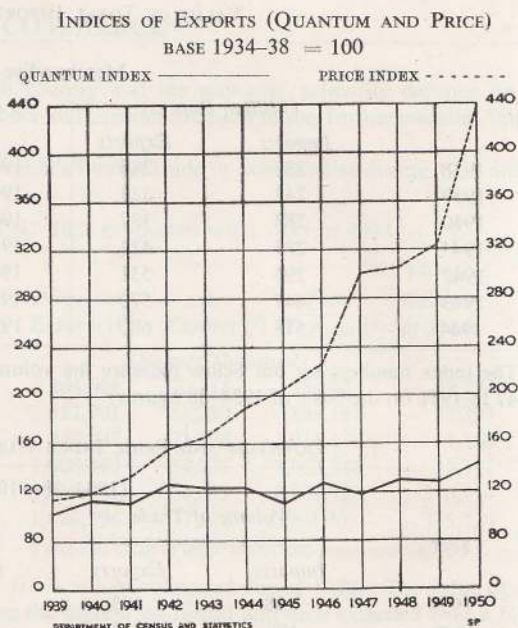
(1934-38 = 100)					
Year	Volume of Trade		Prices		Terms of Trade
	Imports	Exports	Imports	Exports	
1938	98	103	102	99	103
1947	108	118	413	300	138
1948	110	129	443	305	145
1949	119	128	423	324	131
1950	133	142	434	439	99
1951	149	144	514	534	96

INDICES OF IMPORTS (QUANTUM AND PRICE)

BASE 1934-38 = 100

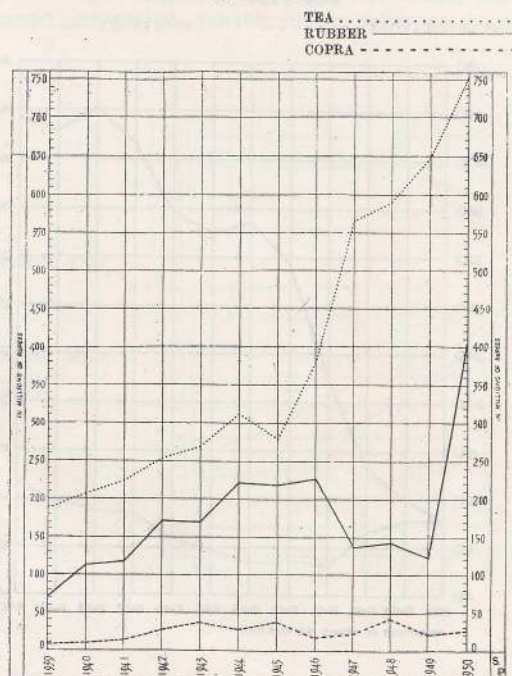


There has been a continuous increase in the volume of both imports and exports from 1947 but for the slight decline in the latter in 1949. At the same time there has been also a progressive increase in both import and export prices but the former is yet below the 1948 peak level while the latter has increased rather sharply by over 35 per cent. between 1949 and 1950 as a result of the rapid hardening of commodity prices since the Korean war. The rather sharp increase in export prices during 1950 resulted also in the terms of trade being favourable to Ceylon in 1950 for the first time since World War II.



As already stated Ceylon's economy depends mainly on the satisfactory prices obtaining for her export commodities in the world markets. The table on page 232 shows the relative changes in the absolute prices of the principal export commodities in Colombo in 1950 in relation to those of 1938, 1948 and 1949:

EXPORTS OF TEA, RUBBER AND COPRA
(By Value)



EXPORTS OF TEA, RUBBER AND COPRA

(By Volume)

	<i>Tea</i>	<i>Rubber *</i>	<i>Copra</i>
	(In thousand of cwt.)		
1939	2,036	1,205	1,061
1940	2,200	1,763	1,566
1941	2,121	1,807	2,138
1942	2,372	2,253	2,297
1943	2,356	1,963	2,953
1944	2,466	2,002	2,020
1945	2,071	1,917	2,274
1946	2,605	2,036	776
1947	2,565	1,617	595
1948	2,643	1,838	1,089
1949	2,657	1,742	431
1950	2,662	2,341	422
1951	2,725	2,017	387

* Excludes latex rubber.

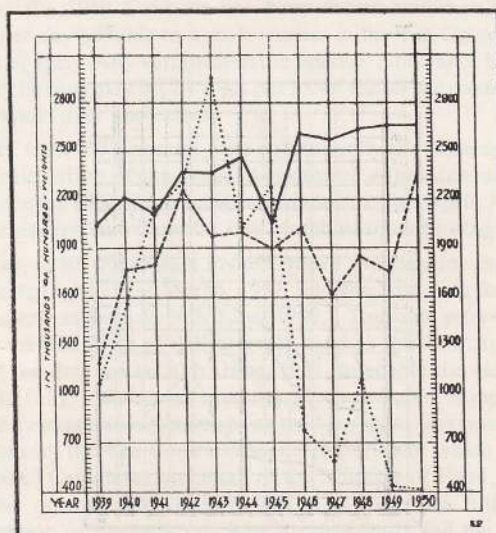
EXPORTS OF TEA, RUBBER AND COPRA

(By Volume)

TEA —————

RUBBER - - - - -

COPRA



RELATIVE CHANGES IN PRICES OF PRINCIPAL EXPORT COMMODITIES IN 1950 IN RELATION TO
1938, 1948 AND 1949

Commodity	Price changes between		
	1950 and 1938 Per cent.	1950 and 1948 Per cent.	1950 and 1949 Per cent.
Tea	196	34	7
Rubber	343	146	172
Copra	657	56	40
Coconut oil	666	38	38
Desiccated coconut	1283	29	60
Fresh coconuts	597	37	26
Coir Bristle fibre	470	20	13
Coir mattress fibre	493	81	37
Coir yarn	411	46	52
Cinnamon quills	285	14	32
Cinnamon chips	28	-48	19
Plumbago	227	1	-7
Cacao	779	14	54
Citronella oil	619	163	79

The figures reveal the appreciable increase in commodity prices in the post-war years. The prices of particularly rubber and desiccated coconut, coir yarn, cinnamon quills and cocoa have advanced to higher levels during 1950.

ANNUAL AVERAGE MARKET PRICES OF TEA, RUBBER, DESICCATED COCONUT AND COPRA

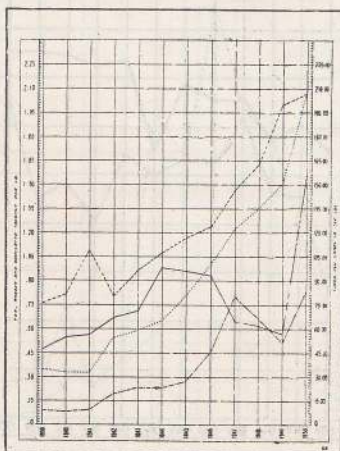
TEA PER LB. -----

RUBBER PER LB. _____

DESICCATED COCONUT PER LB. - - - - -

COPRA PER CANDY _____

RS. RS.



ANNUAL AVERAGE MARKET PRICES OF TEA, RUBBER, DESICCATED COCONUT AND COPRA

	Tea (lb.) Rs. c.	Rubber (lb.) Rs. c.	D. C. (lb.) Rs. c.	Copra (candy) (1) Rs. c.
1939	0 76	0 47	0 09	34 58
1940	0 81	0 55	0 08	32 79
1941	1 09	0 56	0 09	32 38
1942	0 80 (2)	0 67	0 19	54 16
1943	0 96 (2)	0 71	0 23	59 00
1944	1 07 (2)	0 98	0 23	65 00
1945	1 16 (2)	0 96	0 27	80 44
1946	1 23 (2)	0 93	0 45	100 00
1947	1 60	0 65	0 80	122 00
1948	1 55	0 62	0 66	134 90
1949	1 93	0 57	0 50	150 00
1950	2 07	1 55	0 83	208 85

(1) Five cwt.

(2) Tea Commissioner's contract price.

1950 TEA CONTRACT WITH THE U. K.

After protracted negotiations between the Governments of Ceylon and the U. K., the Ceylon Government agreed at the end of May, 1950, to release for export to the U. K. through Bulk Contract a quantity of not more than 110 million lb. of Ceylon tea. As it was considered unlikely that the U. K. Food Ministry would obtain this quantity from the 1950 crop due to the delay in the finalization of negotiations between the two Governments, the Ceylon Government agreed to contractors supplying on a voluntary basis teas manufactured in January-March, 1951, also.

The Ministry of Food, U.K., agreed to pay under the 1950 contract the basic price plus 18·25d. per lb. (i.e., 4d. per lb. over the 1949 Contract Price) which consisted of 16½ for increased cost of production and 1½d. as compensation for increase in the basic wage. The Wage Adjustment Allowance payable under the 1950 Contract has been determined on the basis of the Special Allowance of —67 cents per day payable to a male worker in the Tea Growing and Manufacturing Trade not under 16 years of age. Any variation in the Special Allowance by a full 3 cents resulted in increase or decrease, as the case may be, by a ¼d. per lb. of tea on the contract price. The Ministry of Food, U. K., met all export duty and cesses.

Terms and conditions of the 1950 Contract were substantially the same as in 1949 except for the variation of the basis of calculation of the Wage Adjustment Allowance and for the fact that the last date for deliveries under the 1950 Contract was extended to 30th April, 1951, whereas under the previous Contracts deliveries terminated on the 31st March of the following year.

In the latter part of May, 1950, offers were invited from Producers for the supply of 110 million lb. of tea from crop harvested up to 31st March, 1951, and the final date for the receipt of tenders on the printed forms of offer was fixed as 30th June, 1950. The total offers accepted amounted to 100 million lb. Though the final date of delivery was fixed as the 30th April, 1951, the Ministry of Food agreed to extend the date to the 30th June, 1951, to enable the defaulting contractors to implement their contracts fully. The total quantity purchased and shipped under the contract was 99,184,424 lb. and the average ex-warehouse price paid for these teas was Re. 1·86 per lb. With the completion of this contract the Tea Commissioner's Department which was set up in 1939 for the purchase and shipment of Ceylon tea on behalf of the Ministry of Food, U. K., from producers direct under bulk purchase arrangements was wound up as from the 30th of September, 1951, consequent on the termination of the bulk purchase arrangements and the re-opening of London Auctions.

II. Tea

Tea remained the chief export accounting for a little over one half total value of Ceylon's exports in 1950 as against 65 per cent. in either 1949 or 1938. Exports at 298 million lb. were slightly larger than the high figure of 1949 while the value realized was nearly Rs. 752 million or 16 per cent. more than that of 1949 following an increase in the Colombo market price from Rs. 2 to Rs. 2.18 per lb. between 1949 and 1950.

The U. K. as usual was the principal market for tea but her share declined to 32 per cent. from 41 per cent. in 1949 and as much as 71 per cent. in 1938. Other principal markets for tea in 1950 were U. S.A. (14 per cent.), Australia (13 per cent.), Egypt (8 per cent.), Canada (7 per cent.), S. Africa and New Zealand each (5 per cent.) and Iraq (4 per cent.). Shipment to these countries were higher in 1950 than in 1949 except those to Egypt, New Zealand and Iraq which declined by 2.4 million lb., 289,000 lb. and 1 million lb., respectively, below 1949.

Commonwealth countries absorbed 66 per cent. of the total exports of tea in 1950 as against 69 per cent. in 1949 and 89 per cent. in 1938.

CEYLON TEA PROPAGANDA CAMPAIGN, 1950

The Tea Propaganda activities in Ceylon were conducted by means of—

- (a) the Caravan Service,
- (b) the Railway Inspection Service,
- (c) the Tea Service in Schools,
- (d) Dry Tea sales at Airports and Harbours,
- (e) advisory service to Resthouses, Hotels and Canteens,
- (f) general publicity.

Five mobile Caravans with another one stationed in Colombo covered the Island conducting tea brewing demonstrations accompanied by talks on Tea, issue of leaflets, &c., and assisted individuals and organizations to maintain the Tea habit.

The Railway Inspector visited Restaurant Cars and Refreshment Rooms on all lines of the Railway and maintained a periodical check to ensure that a satisfactory Tea Service for the Railway travelling public was available.

Stocks of tea and sugar were supplied free to cover 1,200 schools in different parts of the Island for the service of a cup of tea during school hours to each student per day. The students learnt proper tea brewing methods as they prepared the tea themselves and it is expected that the habit will pass from them to all in their homes.

With the object of ensuring that guaranteed tea was available for those leaving the Island or passing through, Tea Sales Counters were maintained at the Colombo Passenger Jetty, Katunayake and Ratmalana Airports, and at the R. N. Yard, Trincomalee. These establishments have helped to make good Ceylon Tea available to visitors to the Island and to spread its reputation abroad.

Resthouse-keepers are always advised in the correct preparation and attractive service of the best tea. As an inducement for good service, some Resthouses were supplied with tea service sets, free of cost. Hotels and canteens were also encouraged to maintain a high standard of Tea Service.

Calendars in Tamil and Sinhalese with appropriate slogans were printed and distributed as in past years. Literature on Tea was given away in thousands and wall posters displayed everywhere.

III. Rubber

Exports in 1950 totalled 262 million lb. valued at over Rs. 401 million and were the highest on record both in volume and value. The sharp increase in the value of rubber was due to the dramatic

rise in its price during the second half of the year following the scramble by industry and by Government for this commodity since during the year and reached the unprecedented peak of Rs. 2·80 per lb. in November. It, however, declined to Rs. 2·23 per lb. in December. The average for the year stood at Re. 1·55 per lb. as against 57 cents in 1949 and 37 cents in 1938. Rubber accounted for 27 per cent. of the total value of Ceylon's exports in 1950 as against 12 per cent. in 1949 and 17 per cent. in 1938, and thus became once more the second largest export, a position which was yielded to coconut products in the years 1948 and 1949.

The U. S. A. was the foremost buyer taking over one half of the total exports during the year. Exports to U. S. A. during 1950 totalled 136 million lb. and were the highest shipped to this destination since the end of the war. Other principal markets for Ceylon rubber in 1950 were the U. K. (18 per cent.), Germany (7 per cent.), Italy (6 per cent.), Canada (4 per cent.), and France (3 per cent.). Shipments to all these countries were higher in 1950 than in 1949. Commonwealth countries absorbed 24 per cent. of the total exports of rubber in 1950 as against 26 per cent. in 1949 and 28 per cent. in 1938.

IV. Coconut Products

The demand for coconut products was sustained throughout the year 1950 and the value of exports of all coconut products expanded further to Rs. 281 million in 1950 from Rs. 190½ million in 1949. The value of coconut products accounted for 18·5 per cent. of the value of Ceylon's exports in 1950 as against 18·7 per cent. in 1949 and 13 per cent. in 1938.

COPRA

Exports of copra in 1950 declined to 422,000 cwt. and were slightly below those of 1949 but the value of the 1950 shipments remained Rs. 3·9 million higher than that of the preceding year owing to a sharp increase in the price from Rs. 150 per candy of 5 cwt. in 1949 to Rs. 209·93 in 1950. Exports went mainly to Pakistan (44 per cent.), India (39 per cent.) and Sweden (11 per cent.). There were no shipments to Holland in 1950 as against 75,000 cwt. or 17 per cent. in 1949.

COCONUT OIL

Shipments declined to 1·5 million cwt. in 1950 from the peak level of 1·8 million cwt. in 1949, but here again the value realized was over Rs. 6 million higher in 1950 than in 1949, following a sharp improvement in price from Rs. 1,022 to Rs. 1,412 per ton between the two periods. Exports went mainly to Holland (25 per cent.), Pakistan (15 per cent.), Italy (14 per cent.), Germany (12 per cent.), Canada (11 per cent.), India (6 per cent.), Sweden (5 per cent.) and Switzerland (3 per cent.). Increased shipments went to all these destinations except Germany which took nearly 140,000 not less than in 1949. A notable feature was also the sharp decline in shipments to U. K. from over 800,000 cwt. in 1949 to less than 4,000 cwt. in 1950.

DESICCATED COCONUT

Exports in 1950 reached the peak level of 898,000 cwt. valued at over Rs. 95 million. The price too improved to 83 cents per lb. from 51 cents in 1949 and 66 cents in 1948. The sharp increase in exports was mainly reflected in the increased takings of the U. K. which amounted to 455,000 cwt. or over one half of the total exports from Ceylon. Holland accounted for 13 per cent. and Germany 7 per cent. of the total exports in 1950 and shipments to both these destinations were more than double those of 1949.

FRESH COCONUTS

Exports in 1950 dropped sharply to 9 million nuts valued at Rs. 4 million from the high level of nearly 13 million nuts valued at Rs. 4·6 million in 1949. The decline in the value realized was offset to some extent by a further increase in the price from Rs. 146·25 per 1,000 nuts in 1949 to as much as Rs. 185 in 1950. The decline in exports was reflected in the takings of practically all the principal markets for this commodity. U. K. absorbed 77 per cent. of the total exports from Ceylon in 1950.

COIR FIBRE

Exports of coir mattress fibre improved further to 874,000 cwt. valued at Rs. 16 million in 1950 and were the highest on record. The price of mattress fibre (No. 1) too improved to Rs. 13.59 per cwt. in 1950 from Rs. 9.89 in 1949. On the other hand, exports of coir bristle fibre declined to 179,000 cwt. in 1950 from the high level of 188,000 cwt. in 1949, but the value realized was Rs. 358,000 more in 1950 than in 1949 following a further increase in prices. The price of coir bristle fibre (3 tie) advanced in 1950 to Rs. 17.43 per cwt. from Rs. 15.40 in 1949 and Rs. 14.49 in 1948.

U. K. took 52 per cent. of the total exports of coir mattress fibre in 1950 and was followed by Australia (19 per cent.), South Africa (11 per cent.), Eire (5 per cent.) and U. S. A. (4 per cent.). All these markets shared in the increased exports in 1950.

The principal markets for coir bristle fibre in 1950 were Holland and U. K. (16 per cent. each), Australia (15 per cent.), Germany (14 per cent.), France (11 per cent.), Japan (10 per cent.) and Belgium (8 per cent.). Of these countries Japan reduced her takings by 36,000 cwt. below 1949 and Germany by 17,000 cwt. while the rest of the countries received increased shipments as compared with those of 1949.

COIR YARN

Exports in 1950 at 87,000 cwt. were the highest since 1939 and the value realized Rs. 4½ million was the highest on record. The price recovered to Rs. 45.82 per cwt. from Rs. 30.11 in 1949 and Rs. 31.49 in 1948. Exports went mainly to Germany (26 per cent.), South Africa (23 per cent.), U. K. (15 per cent.), Norway (10 per cent.), U. S. A. (6 per cent.), Denmark and Holland (5 per cent. each).

V. Other Exports

PLUMBAGO

Shipments totalled 257,000 cwt. valued at Rs. 6.2 million in 1950 as against 245,000 cwt. valued at Rs. 6.4 million in 1949. Increased shipments were reflected mainly in the takings of the U. S. A. which took as much as 114,000 cwt. or 45 per cent. of the total exports. Exports to Italy too disclosed a notable increase from 900 cwt. in 1949 to over 7,000 cwt. in 1950. U. K. on the other hand reduced her takings from 115,000 cwt. in 1949 to less than 100,000 cwt. in 1950 and her share of the market declined from 47 per cent. to 39 per cent. between the same periods.

ARECANUTS

Nearly 102,000 cwt. of arecanuts valued at Rs. 4.2 million were exported in 1950 as against 75,000 cwt. valued at Rs. 3.3 million in 1949. India remained the principal market taking 84 per cent. of the total exports and her share improved to about 85,000 cwt. in 1950 from 64,000 cwt. in 1949.

CINNAMON

Exports of cinnamon quills at 59,500 cwt. were slightly higher than those of 1949, while the value realized (Rs. 7.7 million) was Rs. 2.8 million more than that of 1949 owing to improved prices in 1950. The price of cinnamon quills (Fine 0000) averaged Rs. 1.54 per lb. as against Re. 1.17 in 1949 and Re. 1.35 in 1948.

Exports of cinnamon chips at 8,600 cwt. were slightly below those of 1949, but here again the value realized was higher than that of 1949 owing to an advance in price from 37.57 per candy of 5 cwt. in 1949 to Rs. 44.87 in 1950.

Mexico remained the principal market for cinnamon quills accounting for nearly 49 per cent. of the total exports in 1950. Exports to Peru and Central America also showed noticeable increases over 1949.

Exports of cinnamon chips went mainly to Australia (33 per cent.), Argentina (17 per cent.), U. K. (11 per cent.), S. Africa (9 per cent.), New Zealand (7 per cent.) and Holland and Denmark (5 per cent. each).

CACAO

Exports declined to 43,000 cwt. in 1950 from the high level of 47,000 cwt. in 1949, but the value of the 1950 shipments was over Rs. 2 million more than that of 1949 as a result of better prices ruling in the year. The price of Estate No. 1 cacao at Rs. 169·24 per cwt. was the highest on record.

Increased shipments went to practically all the principal markets except Turkey, exports to which destination declined from about 4,000 cwt. in 1949 to 600 cwt. in 1950. Philippines took over 25 per cent. of the total exports in 1950, followed by Holland (23 per cent.), U. K. (14 per cent.), Italy (10 per cent.), Germany (7 per cent.) and U. S. A. (6 per cent.).

CITRONELLA OIL

Exports at 1·6 million lb. were slightly below those of 1949 but the value realized was over Rs. 3·8 million more in 1950 than in 1949 owing to better prices ruling in 1950. The price of citronella oil advanced to as much as Rs. 5·25 per lb. in 1950 from Rs. 2·93 in 1949 and Rs. 2·00 in 1948. Exports went mainly to U. K. (28 per cent.) and U. S. A. (25 per cent.). Other important buyers were Belgium, France and South Africa each taking about 6 per cent. of the total exports.

CINNAMON OIL

Exports of cinnamon leaf oil at 2·2 million oz. and bark oil at 15,600 oz. were the largest since 1941 and the value realized for bark oil (Rs. 674,000) was the highest on record, while bark oil valued at Rs. 91,000 was the highest recorded since 1931.

Nearly 54 per cent. of the exports of cinnamon leaf oil went to the U. K. Malaya took 14 per cent. and U. S. A. 11 per cent. Exports of cinnamon bark oil in 1950 went mainly to U. S. A. (38 per cent.), Italy (32 per cent.) and the U. K. (18 per cent.).

KAPOK

Exports reached the high level of 17,000 cwt. valued at Rs. 2·8 million in 1950, mainly as a result of increased takings by Australia which took 54 per cent. of the total exports. U. K. took 17 per cent. followed by South Africa (12 per cent.), Holland (6 per cent.) and U. S. A. (5 per cent.).

PAPAIN

Exports totalled 151,000 cwt. or 31,000 cwt. more than those of 1949, while the value of the 1950 exports at Rs. 1·2 million were about double that of the preceding year as a result of a sharp increase in the price in 1950. U. S. A. was the principal market taking as much as 85 per cent. of the total exports in 1950. U. K. too increased her purchase to absorb about 9 per cent. of the total exports during the year.

VI. Imports

The broad composition of the import trade in 1950 was similar to that of 1949, imports of food, drink and tobacco accounted for 51 per cent. of the value of Ceylon's imports, manufactures constituted 39 per cent. and raw materials and semi-manufactures 10 per cent.

Rice accounted for 24 per cent. of the total value of imports into Ceylon in 1950 as against 22 per cent. in 1949 and 25 per cent. in 1948. Imports totalled 9·8 million cwt. valued at Rs. 278 million and were larger than those of 1948 but yet below the 1938 imports (10·4 million cwt.) valued at only Rs. 54 million. Imports of wheat flour totalling 3·3 million cwt. valued at Rs. 79 million too were slightly larger than those of 1949 and were more than 10 times those of 1938. Value of wheat flour imports accounted for nearly 7 per cent. of the total value of imports in 1950 as against 8 per cent. in 1949 and only 0·8 per cent. in 1938. Imports of other grains notably pulses were also higher in 1950 than in 1949 or 1938.

Imports of biscuits, confectionery, subsidiary foodstuffs other than dried chillies, dried fish, onions and potatoes too were higher in 1950 than in 1949. On the other hand the 1950 imports were below those of 1949 in respect of butter, coffee, dried chillies, maldiv fish and sugar. The accompanying table shows the imports of the principal foodstuffs to Ceylon during the years 1947 to 1950.

Imports of narcotics and alcoholic drinks except whisky were also higher in 1950 than in 1949. Under raw materials and articles mainly unmanufactured Ceylon received increased imports of coal during 1950 as compared with 1949, but the other principal items falling under this class, viz., liquid fuel, fertilizers and asphalt showed quantitative declines in imports below 1949 whilst the value paid for them were considerably higher in 1950 than in 1949 owing to hardening of their prices during the year.

The increase in the value of manufactures imported in 1950 as compared with 1949 was reflected in almost all the principal items of imports under this class with the exception of natural silks, motor vehicles and lubricating oil which were due to declines in the volume of imports during the year.

Cotton yarns and manufactures accounted for 11 per cent. of the value of total imports into Ceylon in 1950 while machinery, iron and steel, vehicles and the miscellaneous groups, each accounted for about 3 per cent.

TABLE 16.10. IMPORTS OF SOME PRINCIPAL FOODSTUFFS

Commodity	Unit	Quantity				Value (Rs.)			
		1947	1948	1949	1950	1947	1948	1949	1950
		(Thousands)							
Barley	Cwt.	21	6	8	12	783	276	231	428
Beans	"	108	3	—	—	2,325	89	—	—
Grams	"	343	274	261	320	10,456	8,406	7,838	8,035
Pulses	"	396	319	372	506	13,092	11,561	10,806	15,807
Rice	"	5,163	8,188	7,936	9,808	134,987	236,115	226,356	277,991
Wheat	"	5	1	9	4	47	13	195	86
Wheat flour	"	5,862	3,373	3,139	3,311	146,164	97,212	82,460	79,215
Biscuits	lb.	1,207	747	402	593	2,249	1,618	898	1,297
Butter	"	2,426	1,810	1,723	1,668	2,187	2,490	2,874	3,021
Coffee	"	2,604	3,292	2,099	1,695	2,627	2,701	1,956	3,117
Confectionery	"	1,493	757	477	731	1,851	1,205	825	1,360
Preserved milk	"	13,352	9,489	11,338	10,309	7,438	6,939	7,702	7,483
Milk foods	"	5,528	5,316	6,595	5,830	11,604	9,674	12,577	11,728
Dried chillies	Cwt.	234	220	232	229	14,354	14,920	29,097	26,496
Other currysuffs	"	162	235	226	227	5,098	8,001	8,075	11,252
Fish, dried or salted	"	503	492	544	556	18,768	22,434	30,314	33,739
Maldiv fish	"	64	63	91	55	3,812	3,836	5,835	3,687
Onions	"	626	635	690	704	8,208	9,635	9,810	10,842
Potatoes	"	420	461	450	634	11,589	8,195	5,483	10,000
Sugar	"	1,957	2,086	2,518	2,235	41,194	47,362	52,726	59,714

DIRECTION OF TRADE

In 1950, the U. K. was the principal market taking over 24 per cent. of the total value of Ceylon's exports and also accounting for about 20 per cent. of the value of total imports into Ceylon, during the year. Other outstanding sources of supply to Ceylon in 1950 were Burma (20 per cent.), India (16 per cent.), Australia (7 per cent.), Thailand (5 per cent.) and Iran (4 per cent.). The U. S. A. was the second best market for Ceylon produce absorbing 22 per cent. of the value of Ceylon's exports in 1950. Australia was next with 8 per cent. followed by Canada 6 per cent., and Egypt, South Africa, Holland and Germany with about 4 per cent. each.

CLASSIFICATION OF EXTERNAL TRADE

Direction of Trade

(Rs. Thousand)

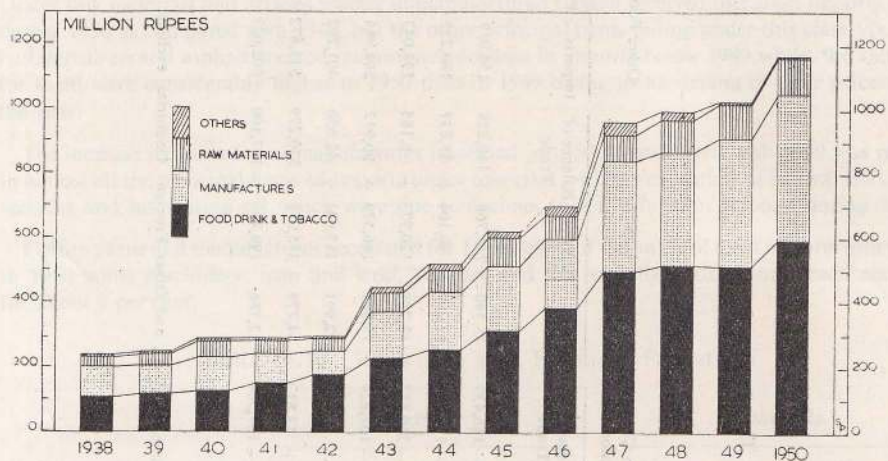
	Total Imports (1)	Total Exports (2)	Balance of Trade	U. K.			Other Commonwealth Countries and British Possessions			U. S. A.			Other Foreign Countries		
				Imports	Exports	Balance of Trade	Imports	Exports	Balance of Trade	Imports	Exports	Balance of Trade	Imports	Exports	Balance of Trade
1945	621,328	665,802	+ 44,474	61,679	178,435	+ 116,756	313,959	127,520	- 186,439	75,540	215,768	+ 140,228	154,019	84,996	- 69,023
1946	695,631	764,690	+ 69,059	115,363	401,190	+ 285,827	357,766	180,873	- 176,893	42,267	90,104	+ 47,837	180,235	59,539	- 120,696
1947	970,127	889,181	- 80,946	176,097	306,605	+ 130,508	483,199	272,314	- 210,885	112,788	120,973	+ 8,185	198,043	154,236	- 43,807
1948	994,402	1,011,176	+ 16,774	174,757	303,645	+ 128,885	373,983	266,359	- 107,624	75,667	166,579	+ 90,912	369,994	224,201	- 145,793
1949	1,030,388	1,063,240	+ 32,852	186,849	336,852	+ 150,003	369,346	270,498	- 98,848	72,991	115,641	+ 42,650	401,202	289,066	- 112,136
1950	1,168,998	1,562,921	+ 393,923	232,233	367,784	+ 135,551	388,114	401,926	+ 13,812	34,779	335,058	+ 320,279	513,872	396,198	- 117,674
1951	1,561,689	1,904,409	+ 342,720	344,364	586,905	+ 242,541	532,512	425,146	- 107,366	82,786	199,886	+ 117,100	602,027	619,557	+ 17,530

(1) Include bullion and specie.

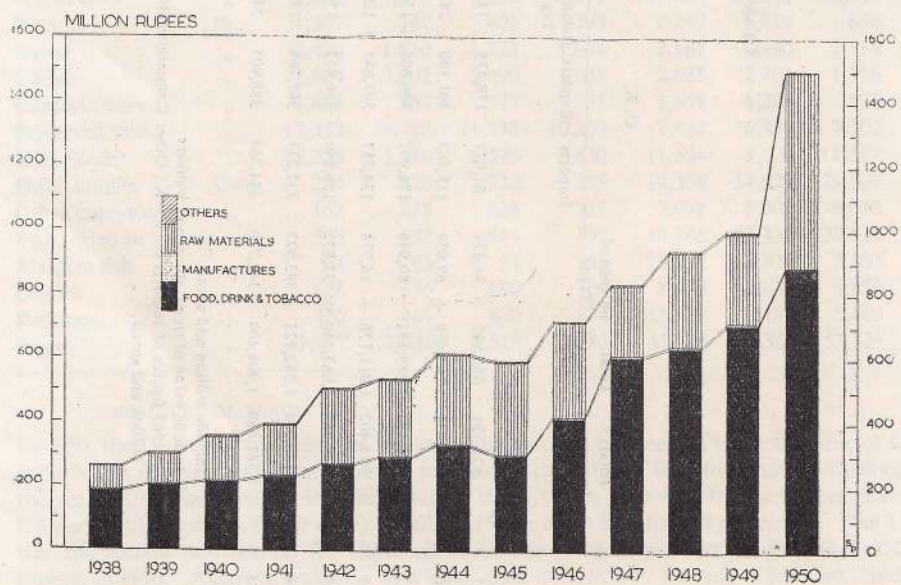
(2) Include value of ships' stores and bunkers

In 1945 figures of imports of U. K., Other Commonwealth Countries, British Possessions, U. S. A., and Other Foreign Countries exclude postal articles and bullion and specie.

COMPOSITION OF IMPORTS



COMPOSITION OF EXPORTS



VII. Share Market Review—Tea, Rubber and Tea-cum-Rubber

TEA

Tea was in strong demand during the third quarter 1950 and prices rose steadily. This was reflected in the Share Market and the index rose to 230. Total duties payable at the end of 1950 remained at the very high figure of 55·20 cents, which included the increase in the Tea Propaganda Cess. This and the drive to increase consumption of tea in America accounted largely for the increased demand. Tea shares were steady during this quarter and the index climbed up to 238.

The first quarter of 1951 saw a good tea market. Tea shares met with a fair investment demand and the index stood at 242. At the beginning of the second quarter tea shares were rather dull but they gathered strength as there was a good investment demand for first class tea shares but sellers were reserved so that the index climbed down to 234. The steady flow of inquiry for first-class tea shares slackened during the last half of the third quarter owing to a substantial fall in price at the Colombo auctions. The sliding scale of export duty which was announced towards the close of this quarter brought more confidence to the share market which became steadier and the index stood at the higher figure of 237. During the 4th quarter investors adopted a "wait and see" policy as prices for tea were far from satisfactory. Tea shares have been weaker during this quarter and have shown a downward tendency. The share index stood at 233 the lowest for the year.

TABLE 16.13. QUARTERLY INDEX OF SHARE PRICES
(Rupee Companies.)

<i>Year</i>	<i>Quarter</i>	<i>Tea</i>	<i>Rubber</i>	<i>Tea-cum-Rubber</i>
1950	1st	207	134	182
	2nd	222	186	215
	3rd	230	206	234
	4th	238	241	253
1951	1st	242	299	269
	2nd	234	312	273
	3rd	237	311	268
	4th	233	314	272

RUBBER

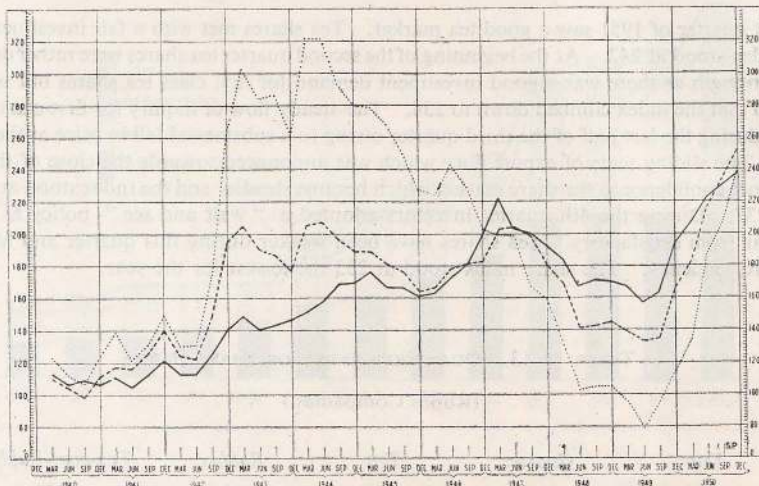
The strong demand for rubber during the 3rd quarter 1950 caused a substantial rise in prices. The situation in Korea caused a further upward movement in price. Price movements in rubber shares were favourable and sellers predominated at the close of this quarter when the index was 206. Rumours of higher export duty on rubber and the revaluation of the rupee had a detrimental effect on the confidence of investors. But rubber shares moved upwards during November after which period the market was dull but prices seldom dropped back to the prices prevailing in the previous quarter. The index stood at 241.

The first quarter of 1951 saw almost boom-like conditions in rubber shares and prices rose considerably. The index climbed to 299. The demand for rubber shares has been irregular during the second quarter. The market closed rather dull with more buyers than sellers. The index reached 312. Owing to political and international uncertainties and the effect on markets of Russia's "cold war" tactics there was a great amount of uncertainty during the 3rd quarter. Rubber shares were steady owing to the satisfactory price of the commodity. The index fluctuated, reaching 311 during this quarter. The market in rubber shares was quiet during the 4th quarter as the future of rubber was open to some conjecture due to many and apparently contradictory reports published in the Press. A note of caution was discernible in the dealings in rubber shares. The index stood at 314.

QUARTERLY INDEX OF SHARE PRICES (RUPEE COMPANIES)

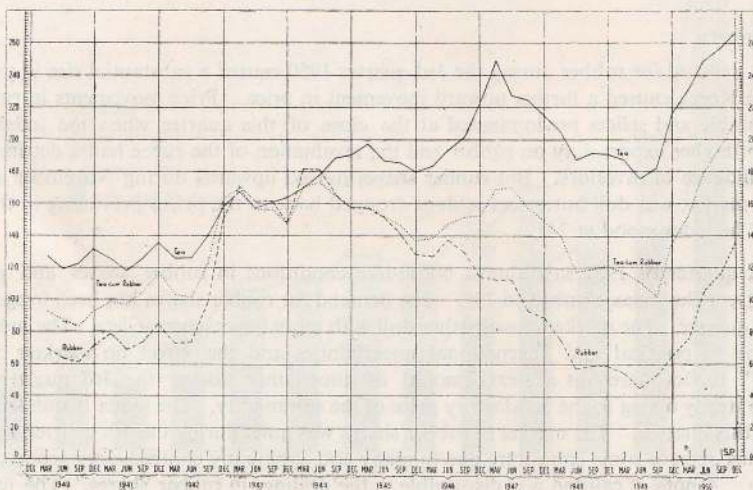
BASE : JANUARY-JUNE 1939=100

TEA ——— RUBBER TEA CUM RUBBER - - - -



QUARTERLY INDEX OF SHARE PRICES (RUPEE COMPANIES)

BASE — PAR VALUE



TEA-CUM-RUBBER

During the 3rd quarter 1950 tea-cum-rubber shares enjoyed a firm market with a rising tendency due to favourable interim dividends and good final dividend prospects. The index rose to 234. The last quarter of 1950 saw the index rising still further to 253. Though confidence was low, tea-cum-rubber shares with high earning capacities hardly sagged and prices seldom felt below, those prevailing during the previous quarter.

Tea-cum-rubber shares participated to a small extent in the advance made by rubber during the first quarter of 1951, and these commanded most attention from genuine investors. The index climbed to 269. These shares saw a quiet market during the second quarter owing to uncertain international and political conditions and the index stood at 273. During the 3rd quarter tea-cum-rubber shares had a quietly steady market. The index fell to 268. With prospects of a peace settlement in Korea still distant and the fresh disturbances in other parts of the world particularly Egypt, there was no appreciable differences in prices during the 4th quarter 1951. Tea-cum-rubber shares however were steadier than purely tea or rubber shares. Investors seem to have preferred these shares to the others probably because they felt that their risk was better spread. The index which was fluctuating between 268 and 273 during the year now stood at 272.

VIII. The Government Tourist Bureau

The first Government Tourist Bureau was opened in 1937, but it ceased to function during the war years.

Under the new Constitution, the Tourist Bureau was re-established in October, 1947, as a sub-department of the Department of Commerce, the Director of Commerce being the Director of the Tourist Bureau as well. The Tourist Bureau is now a separate department of Government with a full-time Director. An Executive Secretary is Secretary to the Government Tourist Board and is also in charge of the executive functions of the Bureau, while a Publicity Assistant has been appointed to assist in the publicity work. The Bureau is assisted by a Tourist Board, which consists of Government officials and others associated with the Tourist Industry in Ceylon.

To all intents and purposes organized tourism in Ceylon is a new venture. A vast amount of spade work is, therefore, necessary, and a great deal of it has already been accomplished by the Bureau.

Up to now, the work of the Bureau has been directed mainly to the improvement of the tourist services in the Island, *e.g.*, supply of information for tourists improvement of transport services and accommodation, and elimination of touting.

CEYLON TRAVEL CENTRE

Early in 1948 the Bureau started an Information Centre at the Colombo Passenger Jetty to enable tourists to obtain any information they required. This was a temporary arrangement. A fully equipped travel centre which will provide various amenities for tourists is now completed. Information about the Island is now readily available in the form of pamphlets, folders and maps.

VOLUME OF TOURIST TRAFFIC AND EARNINGS THEREFROM

According to figures furnished by the Controller of Immigration the number of transit passengers alone was 395,000 as against the estimate of 260,000 for 1949.

The purchases of foreign exchange from tourists in 1950 amounted to Rs. 6,433,927 as against Rs. 5,700,000 in 1949. This does not include expenditure by visitors on purely business transactions.

The Bureau's yearly budgets had up to 1950 never exceeded 3½ lakhs. In 1951, however, the allocation was considerably increased.

ACCOMMODATION FOR TOURISTS

This is still one of the chief handicaps in the development of the local tourist industry. Hotel accommodation serving both tourists and the indigenous population is absolutely necessary for an efficiently organized tourist business.

First class accommodation is extremely limited, and outside four or five of the larger towns, is non-existent. Concessions obtained by the Bureau relating to import of badged hotel equipment, with the object of encouraging the provision of improved hotel amenities, have not had altogether the desired effect. With a few exceptions, hotel companies have done little to improve existing facilities. According to complaints made by several tourists, in some cases even pre-war standards do not appear to have been maintained. The problem of adequate hotel accommodation is further complicated by a large proportion of the existing facilities being taken up by permanent residents, and casual visitors are often unable to obtain suitable accommodation.

So far as the resthouses are concerned, the Bureau has gone ahead during the year 1950 with its plans for improving various resthouses of tourist interest. In 1949-50 a sum of Rs. 100,000 was available and in the 1950-51 votes Rs. 150,000 was provided. So far five resthouses—Sigiriya, Ambepussa, Polonnaruwa, Bentota and Belihuloya—have received the attention of the Bureau. The Resthouses Bill will enable the Bureau to take over the running of the selected resthouses.

TRANSPORT

The limited range covered by the Railway means that tourists have to rely on road transport. The Railway system offers little scope for the traveller off the beaten track. Some Ceylonese tourist agencies are showing commendable enterprise in enlarging their transport fleets of both cars and coaches. The provision of more and better coaches will bring down costs for the less well-to-do class of tourist.

The Bureau has been collecting material for the issue of a consolidated schedule of the car and coach rates charged by tourist agencies. This will provide tourists with a knowledge of the charges and the names of the various agencies handling excursions, and prevent profiteering by any concern. The regulations under the new Transport Act provide for the compulsory use of taximeters in motor cabs.

By arrangement with the Municipality and the Police a special park for tourist transport was provided at Galle Buck. A field telephone was installed for communication between the Travel Centre and Galle Buck to facilitate calling up vehicles as and when required.

TOUTS

Despite various efforts made to tackle this problem it still continues to be a source of annoyance and irritation to tourists. The police launched an energetic campaign and made several vigorous roundups of touts from time to time, but the effects of these were of limited duration. Prosecutions were launched under the Municipal "move-on" by-laws. An amendment to the Vagrants' Ordinance is to be introduced which, it is hoped, will greatly strengthen the hands of the Police in proceeding against touts by prescribing more severe punishments than exist at present, as well as tightening up loop-holes in the existing law.

In the latter part of the year the Police decided on reformatory methods and were successful in the formation of a Tourist Guides' Union, the members of which are expected to conform to an accepted code of conduct.

GUIDES' SERVICE

To assist tourists a guides' service was inaugurated by the Bureau. Six young men with a good educational background were recruited for a start. They are open for engagement by individual tourists or tourist agencies, who require their services. They will receive fees on a prescribed scale for their services. The service has since been reduced to two.

LANDING FACILITIES AND HEALTH FORMALITIES

The regulation requiring the stamping on board of passports of transit passengers, though no visa was required to land, was found to be irksome and discouraging to visitors. The Immigration authorities have co-operated in removing the disabilities and transit passengers who are members of certain countries of the British Commonwealth are now exempt from this formality.

So far as health formalities are concerned the Quarantine Department has promised its full co-operation in making matters as easy as possible to *bona fide* tourists. In general, health requirements depend on the country of origin of the tourists.

PUBLICITY

Due to the limited funds available, it was decided not to proceed with the bought-space advertising campaign earlier planned for Australia, India and Pakistan. The major portion of the vote of Rs. 100,000 was reserved for the printing of the "Tourist Guide", the most elaborate publication yet undertaken by the Bureau. It is replete with information on all aspects of Ceylon travel.

The "Enchanted Isle" and "Tropical Paradise" which are in great demand, were reprinted for stock purposes. The Pleasure Map of Ceylon and two other maps of Colombo were revised and reprinted in more colourful tones.

IX. The Co-operative Movement

The number of societies on April 30, 1951, was 7,210 and their distribution shows the varied and many-sided activities that the Co-operative Movement has undertaken within the last few decades. The following table indicates the development of the Movement during the last 10 years :

NUMBER OF SOCIETIES ON APRIL 30TH

Type of Society	1942	1945	1948	1951
1. Credit	1,622	1,811	1,959	2,278
2. Thrift and Savings	164	198	228	288
3. Consumers' (Primary Societies)	52	4,027	3,887	3,430
4. Agricultural Production and Sale Societies	11	23	47	337
5. Marketing and Production Societies (excluding 4)	56	135	146	205*
6. School Co-operatives	26	46	65	391
7. Other types	105	196	230	281†
Total	2,036	6,436	6,562	7,210

* Includes 37 Coconut Sale Societies, 52 Fishermen's Societies, 13 Dairy Societies, 42 Textile Societies, 10 Pottery Societies, 7 Palmyrah Products Sale, 6 Coir Sale, 2 Tobacco Sale, 1 Cigar Factory, 3 Mat and Basket Weaving, 1 Bakery, 5 Rubber Sale, 1 Citronella Distillery, 2 Brick Workers' Societies and 23 other types.

† Includes 21 Transport Societies, 12 Builders and Housing Societies, 4 Co-operative Hospitals, 15 Better Living and Farming Societies, 3 Labour Societies, 9 Provincial Banks, 1 Federal Bank, 96 Stores Societies Unions (Wholesale), 10 Marketing Production Unions, 78 Credit Unions, 9 Provincial Unions, 12 Welfare Societies, and 11 other types.

The Co-operative Movement was inaugurated in 1911 as a Credit Movement to rescue the credit-needy peasant from usury. During the period 1942 to 1945 Consumers' Co-operatives came to displace co-operative credit from the predominant position it held in the Movement for a full quarter of a century. The Consumers' Movement became the lifeline of food distribution during this period and still subserves the admirable purpose of keeping the cost of living low. Now, in recent years, there has been a further change in emphasis of organization. Producers of all economic crops, rich or poor, have begun to receive far more for their produce by reason of Co-operative Processing and Co-operative Marketing.

A most encouraging feature has been the rapid rise of Co-operative Agricultural Production and Sale Societies of which there are 337 with a membership of 83,000. The Government has made these societies the Chief Agency for its Food Production Drive, granting loans either in cash or in

kind for agricultural operations and marketing purposes. The loans granted during the period 1950-51 have amounted to Rs. 4,289,696. This type of society, whilst facilitating organized production of food in the most effective way possible, is also helping with its sale organizations to solve the problem of indebtedness that had weighed down the Dry-Zone Peasant for centuries.

Another important section of the Co-operative Producers' Movement is the Coconut Industry. Nowhere has the problem of prior indebtedness created greater havoc than among the coconut producers, 70 per cent. of whom are small holders, owning plantations of less than 10 acres in extent. The industry is being rehabilitated on co-operative lines and today there are 37 societies (11 of them possessing their own desiccated coconut and oil mills), while the central organisation, the Ceylon Coconut Producers' Union, which is a direct shipper of coconut products, handles the sales of its member societies' produce—copra, desiccated coconut and coconut oil. During the period 1950-51 the 11 mill societies alone made profits amounting to Rs. 3.5 million and rebates amounting to nearly 8 lakhs of rupees were paid to members.

The consumers' societies, although seemingly a temporary product of the war emergency of 1942, has now in fact become a public heritage. The membership in the consumers' societies (stores) is 76.6 per cent. of the total in primary societies. There are 4½ million ration-book holders; that is nearly ¾ of the Island's population are served by these societies. These societies are increasingly being harnessed by Government to assist in bringing down the ever rising cost of living. The number of consumer societies have become less and less every year owing to the absorption of weaker units by stronger societies.

In the consolidation of Consumer Co-operatives, the Co-operative Wholesale Establishment has played no mean part. It is charged with the function of wholesale supplier of consumable commodities to the co-operative retail stores in the Island. The Co-operative Wholesale Establishment is the largest purveyor of consumable requirements of the Island and its competitive prices have had a most moderating effect on other wholesalers and retailers. The turnover for the period 1950-51 was Rupees 84.6 millions.

The recent re-orientation of the Co-operative Movement from the credit aspect to its production and distributive functions does not belittle in any way the notable contribution made by the Credit and Thrift Societies which for over a quarter century have been inculcating in their members in a practical form the principles of mutual trust and self-help, and thereby providing a sure foundation on which to build the more complex forms of co-operative organizations such as production, marketing and distribution. The total of loans granted by the Credit and Thrift Societies during the period 1950-51 amounted to Rs. 7,699,000: the combined savings in Credit Societies (as deposits) together with the savings in Thrift Societies was Rs. 6,637,000.

Of other forms of co-operation special mention should be made of the Tholpura Moolai Co-operative Union Hospital and the Jaffna-Malayalam Tobacco Sales Society, both in the Northern Province. The former, from humble and unpretentious beginnings, has now developed into a fully-equipped hospital complete with Operating Theatre and Maternity Ward. The society has accommodation for 80 beds. 3,080 indoor patients and 34,250 outdoor patients were treated last year. 1,185 persons received free treatment. The net profit earned during the year was Rs. 20,537. The reserve fund is Rs. 316,000. The Jaffna-Malayalam Tobacco Co-operative Sales Society is the largest and one of the earliest marketing ventures. Its turnover during the period 1950-51 was Rupees 1.4 million. Other spheres of activity include cottage industries, fishing, transport, housing, joint farming, dairying, better living, labour, &c.

The finances of the Movement are provided by the Co-operative Federal Bank of Ceylon which is the apex bank of the Movement, the Co-operative Provincial Banks (of which there are one in each Province), the Government Department of Land Development (for financing Agricultural Production and Sale Societies engaged in food production) and by the Local Loans and Development Fund of the Government.

The rapid expansion of the Movement is reflected in the financial turnover of Co-operative Societies of all types. This has now reached the very high figure of Rs. 619 million.

There are two co-operative departments now, the Department of Co-operative Development and the Department of the Registrar of Co-operative Societies. The special problems of supplies for the consumers' stores which grew phenomenally during the war emergency and the need for "Planned" development in the face of growing public enthusiasm led to the creation in 1945 of the Department of Co-operative Development with a Commissioner in charge to plan and guide the Movement, taking special activities under his immediate care whenever such care is found necessary, e.g., the Co-operative Wholesale Establishment which is the Central Supplying Organization to the consumer societies. The Department of the Registrar of Co-operative Societies has a number of statutory functions to perform and attends to the more normal duties of registration, supervision and audit of societies. It also conducts a school for the training of officers and unofficial co-operators.

STATISTICS OF CO-OPERATIVE SOCIETIES AS AT APRIL 30, 1951

Type of Society	Number of Societies	Member- ship	Owned Capital (1) (Rupees)	Borrowed Capital (2) (Rupees)	Turn over (Rupees)	Net Profit (Rupees)
<i>Primary Societies</i>						
Credit—Unlimited Liability	2,149	69,686	2,321,300	2,927,400	4,782,000*	141,100
Credit—Limited Liability ...	129	9,528	1,496,800	626,500	1,565,000*	48,500
Thrift ...	288	33,837	4,369,600	583,900	—	123,400
Retail Stores Societies ...	3,430	898,973	13,602,400	2,775,900	151,309,000†	1,939,400
School Co-operative Societies	391	42,833	61,600	81,900	254,000†	21,300
Marketing and Production Societies ...	542	100,927	5,781,100	9,500,300	40,881,000†	3,919,600
Land Mortgage Banks ...	1	49	7,000	—	—	—
Transport Societies ...	21	7,089	204,200	221,100	Not available	7,500
Other Types ...	54	10,144	674,800	351,400	Not available	138,600
Total ...	7,005	1,173,066	28,518,800	17,068,400	198,791,000	6,324,400
<i>Secondary Societies</i>						
Provincial Banks ...	9	4,462	959,600	13,965,800	123,719,000*	146,500
Stores Societies Unions ...	96	3,328	3,150,000	4,275,100	157,622,000†	1,024,900
Marketing and Production Unions ...	10	136	927,900	1,239,200	5,461,000†	186,000
Provincial Unions ...	9	3,238	50,200	—	—†	400
Other Unions ...	80	1,645	2,100	700	—	—
Total ...	204	12,809	5,089,800	19,480,800	286,802,000	1,357,800
Co-operative Federal Bank of Ceylon ...	1	1,155	373,000	5,425,300	59,434,000*	57,500

* Loans granted during the year ending April 30, 1951.

† Sales during the year ending April 30, 1951.

(1) Includes paid up share capital, reserves and accumulated profit.

(2) Includes loans and deposits.

CHAPTER XVII

CURRENCY, BANKING AND INSURANCE

I. The Monetary System

MONETARY HISTORY

IN the evolution of currency systems the general trend the world over has been a gradual departure from an automatic currency system to a managed one. The tempo of this change has been quickened in recent times, and, with the establishment of a Central Bank, Ceylon too has moved from the stage of currency automatism to that of a managed currency. The history of this development is of particular interest in Ceylon, where the currency system has undergone so many changes in a relatively short time.

When Ceylon came under the occupation of the British in 1796, its currency consisted of copper coins and paper notes. Silver had been legal tender but had long since disappeared from circulation. The unit of account was the Rix-Dollar. Copper coins were in the form of 'fannams' and 12 fannams exchanged for 1 Rix-Dollar. The British introduced the Madras Rupee (silver) and also issued paper currency.

In 1825 a significant step in currency development was taken when the British Government introduced the £ Sterling, in order to ensure currency uniformity throughout the Empire. Rix-Dollars were withdrawn, but the silver rupee continued to be in wide circulation, with its value fluctuating with the price of silver in the world market. Thus exchange stability, which was so essential owing to the Island's trade with India, was not possible between the rupee and the Sterling, which had become the new Ceylon currency after 1825. Another defect of this system was that every unit of British currency had to be paid for by an excess of exports over imports. Thus the only way to enlarge the volume of currency was by increasing the excess of exports over imports—a task which sometimes was far from easy.

The period between 1869 and 1941 saw the introduction of the Indian Rupee Standard. Indian Rupees were brought over to Ceylon and made the legal tender currency of the Island—though the division of the Rupee was not the same as in India, for Ceylon adopted a decimal system.

In 1869, the Order in Council of 1825, which introduced into Ceylon the British currency, was revoked and the £ ceased to be legal tender. Its place was taken by the Indian Rupee. On the basis of these Rupees which were imported into Ceylon the Government issued notes and subsidiary coins, which were convertible to silver rupees in Colombo.

By 1941 the Indian Rupee Standard had gradually developed into the Indian Exchange Standard—a development which was not anticipated at the time it was introduced. Though, *de jure*, the Standard was not expected to be an Exchange Standard, owing to considerations of convenience, it operated as such. The reason was that as the importation, physically, of the Indian Rupee was cumbersome the Government preferred to accept cheques in India, and on the basis of this credit to issue Ceylon notes here. The system thus automatically evolved into an Exchange Standard.

Notes continued to be issued by the banks till 1844, when on the failure of the Oriental Banking Corporation, the most important issue bank, Government took over the responsibility of note issue and has retained it since then as a Government monopoly.

A radical change was made in the basis of the Island's monetary system by the Currency Ordinance, No. 21 of 1941, which was brought into operation with effect from September 1, 1941. It demonetised the Indian Silver Rupee, and therefore the right to obtain Indian Silver Rupees in exchange for Ceylon currency notes was withdrawn. Instead, a new Ceylon rupee was created and linked to the Indian rupee at par. Currency notes were issued locally in exchange for a deposit of the equivalent amount to the credit of the Ceylon Currency Board with the Reserve Bank, Bombay, and conversely Ceylon currency was redeemed by the Ceylon Currency Board by means of payment in Bombay through the Reserve Bank of India. The Currency Board assumed full liability

for all the notes in circulation. Thus the position was that Ceylon had *virtually* established a Sterling Standard, because the Ceylon rupee now exchanged at par with the Indian Rupee and the Indian Rupee was itself convertible to the £ Sterling.

More recently modifications have been introduced to this system. In 1946 India gave a gold par value to the Indian Rupee and so did away with the automatic link between her currency and the £ Sterling, while in 1947 she instituted exchange control operations over transactions with Sterling area countries. In June, 1948, Ceylon too, started imposing exchange control with the Sterling area, and when, in the devaluation crisis of September, 1949, Ceylon sought to achieve a greater degree of monetary autonomy by redefining the gold par value of her rupee the last step was taken in completely severing the Ceylon Rupee from the Indian Rupee, as well as from the £ Sterling. The Currency Ordinance, No. 21 of 1941, was therefore amended by the Ordinance No. 40 of 1949 to provide for a Ceylon Rupee, having a par value equal to 2.88 grains of fine gold, as the unit of currency. The Board administering the Ordinance is obliged to exchange Ceylon currency for Indian currency and *vice versa* on that basis. The exchange of Ceylon currency for sterling and *vice versa* on the same basis is also permissible, subject to the prior approval of the Board. This exchange is effected through the Reserve Bank of India, Bombay, and the Crown Agents for the Colonies, London, who are the Ceylon Currency Board's Agents in India and the United Kingdom respectively.

CURRENCY NOTES AND COINS

The following currency notes and coins are legal tender in Ceylon :—

Rs. 1,000 ; Rs. 100 ; Rs. 50 ; Rs. 10 ; Rs. 5 ; Rs. 2 ; Re. 1.

All these notes are legal tender for payment of any amount.

Rs. 1,000 notes are for inter-bank and Currency Board transactions only.

Subsidiary Notes : 50 cents ; 25 cents ;

These are legal tender for the payment of sums up to Rs. 5.

Subsidiary Coins : 50 cents ; 25 cents ; 10 cents ;

These are legal tender for the payment of sums up to Rs. 5.

5 cents ; 2 cents ; 1 cent ; $\frac{1}{2}$ cent.

These are legal tender for the payment of sums up to Re. 1.

The amount of notes in circulation on December 31, 1951, was as follows :—

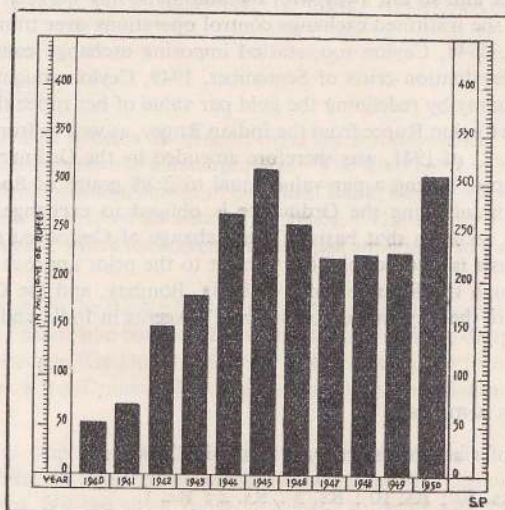
	Rs. (Millions)
Gross	396.1
Net	390.3
Active	357.1

TABLE 17.1. NOTES IN CIRCULATION, ACTIVE AND GROSS, 1940-51

Year	(Million Rupees)		Year	(Million Rupees)	
	Active	Gross		Active	Gross
1940	53	65	1946	258	375
1941	71	86	1947	223	396
1942	151	171	1948	227	411
1943	184	204	1949	229	460
1944	268	294	1950	309	350
1945	315	433	1951	357	396

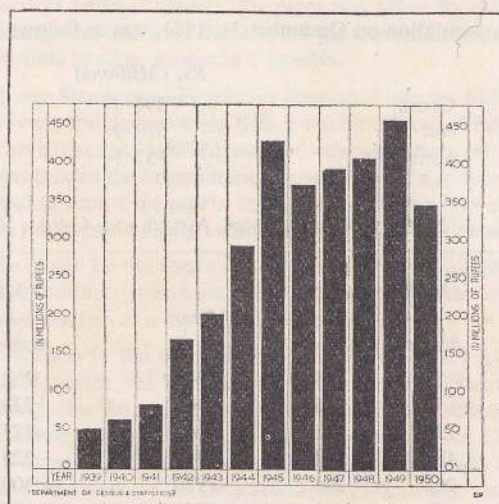
NOTE CIRCULATION

(ACTIVE)



NOTE CIRCULATION

(GROSS)



II. Commercial Banks and Other Credit Institutions

GROWTH OF COMMERCIAL BANKS

Joint Stock banking in Ceylon commenced much later than in India, and even fifty years after the British occupation banking was unknown in the Island. Credit facilities were rare, and even when available, the rate of interest was abnormally high. The result was that traders and agriculturists had to rely solely on their own resources.

In 1841 the first Bank of Ceylon opened with a nominal capital of £125,000, but was destined to be short-lived and perished in the financial crisis of a few years later. This was also the period when the coffee boom was at its peak and capital was rushing into the industry from all sides. In the general optimism that prevailed costs were underestimated and expected profits exaggerated, with the result that the crisis was bound to follow. The burden was aggravated not only by the financial crisis of 1845 in Britain but also by the coffee blight which destroyed the plantations in Ceylon. The Oriental Bank, however, which had opened in 1843, weathered the crisis, by virtue of its wider experience of management, and when the first Bank of Ceylon failed it took the latter over in its entirety. The depression lasted nearly three years and when the recovery began many new banks came on the scene.

In 1854 the Chartered Mercantile Bank of India, London and China opened a branch in Colombo ; so did the Bank of Madras in 1867, and in 1881 the National Bank of India. But the year 1884 saw the crash of the Oriental Bank. This was, indeed, one of the biggest disasters in the history of European banking in the East, and only the prompt guarantee of the Bank's notes by the Government in Ceylon saved the business community from complete paralysis.

Eight years later the Chartered Bank of India, London, China and Australia and the Hongkong and Shanghai Banking Corporation opened branches in Ceylon ; while the following year saw the voluntary winding up of the Chartered Mercantile Bank of India, London and China, only to be reconstructed under the simpler name of Mercantile Bank of India.

The close of World War I saw the opening up of a number of Indian Banks and also of several Exchange Banks. The Exchange Banks were solely British, probably because the Island's trade with countries other than Britain was then not very large. None of the Joint Stock banks were of course owned by the Ceylonese.

The indigenous business community still found it difficult to obtain credit. When the depression set in during the early thirties the absence of credit facilities was brought into sharp focus. Ultimately the growing discontent against the existing credit system led to the appointment of the Pochkanawala Banking Commission. Its report was issued in 1934 and it recommended, *inter-alia*, a State-aided national bank for Ceylon ; and in 1939 the Bank of Ceylon commenced operations as a State-aided national bank.

The growth of the Bank of Ceylon has been very rapid. During the eleven years of its existence its business activities had increased to such an extent that it has opened up branches in Galle, Kandy, Badulla, Jaffna, Trincomalee, Panadure, Kurunegala and Batticaloa, apart from its branch in Pettah, and the Savings Department and the Foreign Department in the Fort. In 1949 it opened a branch in London.

From 1939 all banks in the Island registered under the Companies Ordinance began to file annual statements of accounts with the Registrar of Companies in accordance with the same Ordinance. In 1943, these banks agreed to furnish to the Government a more detailed statement quarterly.

Of the banks (foreign and local) registered under the provisions of the Companies Ordinance No. 51 of 1938, the following continued to do business during the year 1951 :—

Chartered Bank of India, Australia and China.

Eastern Bank, Limited.

Grindlays Bank, Limited.

Habib Bank, Limited.

*Hatton Bank, Limited (Incorporated under the provisions of the Joint Stock Companies Ordinance).

Hongkong and Shanghai Banking Corporation.

Imperial Bank of India, Limited.

Indian Bank, Limited.

Indian Overseas Bank, Limited.

Mercantile Bank of India, Limited.

National Bank of India, Limited.

Oriental Bank of Malaya, Limited.

The Bank of Ceylon incorporated by the Bank of Ceylon Ordinance is the only statutory bank which does commercial banking business as defined in this Ordinance. Other statutory banks on a limited scale are the Ceylon Savings Bank, the Post Office Savings Bank, the State Mortgage Bank and the Agricultural and Industrial Credit Corporation. A certain amount of specialized banking activity is conducted by Co-operative banks, while the Co-operative Federal Bank has been recognised as a banking institution under the provisions of section 126 of the Monetary Law Act, No. 58.

BANKING STATISTICS

The total deposits including bankers' deposits have steadily increased from Rs. 216 million in December, 1940, to Rs. 1,012 Million in December 1951.

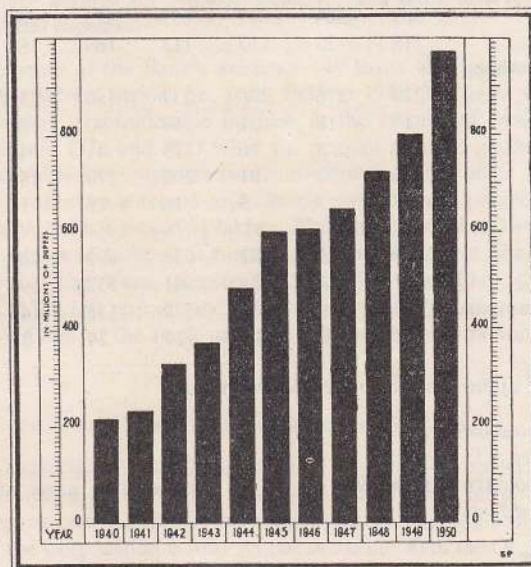
TABLE 17.2. COMMERCIAL BANK DEPOSITS, 1940-51

Year	(Million Rupees)	Year	(Million Rupees)
1940	216	1946	606
1941	231	1947	649
1942	330	1948	724
1943	373	1949	801
1944	487	1950	974
1945	601	1951	1,012

* Local Bank.

BANK DEPOSITS

(MILLIONS OF RUPEES)



In 1943 the banks had Rs. 80 million in local investments. This figure has steadily increased and in 1950 stood at Rs. 221 million. The end of the war in 1945 saw an extraordinarily large increase in the cash in hand of banks. The figure went up from Rs. 18 million in 1943 to Rs. 228 million in 1949. After the establishment of the Central Bank, the cash in hand dropped to Rs. 34 Million in 1951. Advances in Ceylon too went up from Rs. 17 million in 1943 to Rs. 90 million in 1947. In 1948 there was a slight decline in this figure when it went down to Rs. 82 million and in 1950 it increased again to 184 million.

Owing to lack of investments banking business has been mainly confined to the collection of deposits and finding investments for the bulk of such deposits outside the Island. With the issue of Ceylon Government Loans, a good part of this investment has been diverted to Ceylon.

The following figures showing the average monthly bank clearings, in million rupees, give an indication of the volume of banking business for the period 1943 to 1951 :—

1943	1944	1945	1946	1947	1948	1949	1950	1951
227.2	279.9	331.5	306.1	349.3	390.7	418.0	549.4	691.5

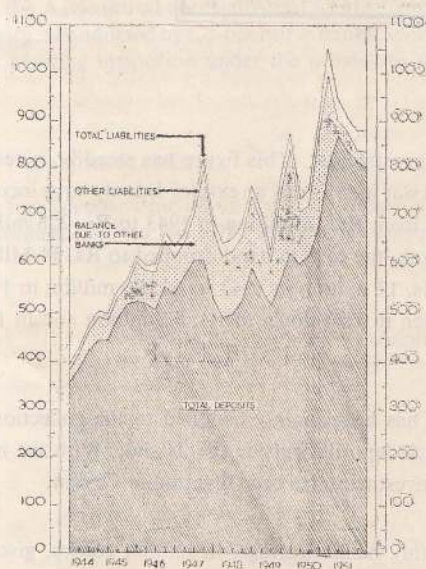
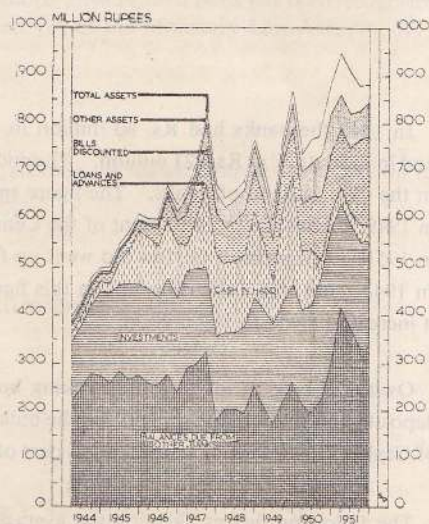
Some of the main items which constitute the Assets and Liabilities of local banks are given below :—

TABLE 17.3. COMMERCIAL BANK ASSETS AND LIABILITIES (RS. MILLION)

	1943	1944	1945	1946	1947	1948	1949	1950	1951
Assets	389	504	617	637	675	764	875	887	883
Cash in hand	18	22	113	113	169	181	228	36	34
Balances due from other banks	223	276	276	239	180	252	261	301	333
Loans and advances	17	18	21	49	90	82	101	128	184
Bills discounted	8	4	6	19	41	47	53	83	73
Investments	116	177	191	202	179	186	206	273	221
Other assets	8	7	8	16	16	17	26	66	38
Liabilities	389	505	622	637	693	762	873	1,051	883
Total deposits*	337	444	524	541	532	596	625	805	804
Balances due to other banks	40	49	84	72	138	145	217	190	33
Other liabilities	12	13	13	24	24	21	31	56	46

N.B.—The figures are approximated to the nearest million.

* Demand, time and savings only.

COMMERCIAL BANK LIABILITIES, 1944-1951
MILLION RUPEESCOMMERCIAL BANK ASSETS, 1944-1951
MILLION RUPEES

THE CEYLON STATE MORTGAGE BANK

The Ceylon State Mortgage Bank was established in October, 1931, under Ordinance No. 16 of 1931 for the purpose of granting long-term loans for agricultural and other prescribed purposes on the primary mortgage of immovable property situated in Ceylon, including the granting of loans to enable people to purchase urban lands and erect buildings on them.

The Ordinance provides that the funds for the purpose should be obtained by the issue of debentures and that the total indebtedness on the principal of such debentures should not exceed Rs. 25,000,000, the debentures being guaranteed by Government and bearing interest at rates fixed by the Board at the time of the issue of debentures.

The Bank is not a charge on the Government since its money is borrowed from the public on debentures and loans are granted on suitable security. The Bank reserves for itself a marginal profit to cover its overhead expenses.

During the first five years of the Bank's existence 149 loans were granted in all amounting to Rs. 3,670,000 and in the second period, i.e., from 1936 to 1941, 388 loans were paid out totalling Rs. 7,133,105. This shows a considerable increase in the volume of business transacted. The peak years of business were 1936 and 1937 when the amount of loans granted each year exceeded Rs. 2,000,000 while the subsequent years show a considerable falling off in this respect. In 1944, loans amounting to 15 lakhs were repaid and mainly owing to war prosperity and inflation, new loans granted by the Bank did not exceed $5\frac{1}{2}$ lakhs. The loans granted in 1946 totalled Rs. 591,600. The falling off in the volume of business is further attributed to restrictions on trade and shipping occasioned by the war. The loans granted in 1947, 1948 and 1949 totalled Rs. 1,665,000, Rs. 2,281,500 and Rs. 2,339,750 respectively. There is now a definite upward trend in the bank's business. The Reserve Fund of the Bank now amounts to nearly a million rupees.

THE AGRICULTURAL AND INDUSTRIAL CREDIT CORPORATION

The Agricultural and Industrial Credit Corporation of Ceylon commenced business in December, 1943, having been established by Ordinance No. 19 of 1943, for the purpose of re-financing agricultural debt and financing new industrial enterprises by providing long-term credit facilities. The authorised business of the Corporation is fully set out in section 50 of the Ordinance. The purposes for which the Agricultural and Industrial Credit Corporation may grant loans are :—

- (a) the purchase or lease, or the cultivation, development or improvement of any land used or to be used for any purpose of agriculture or for the exploitation of the mineral resources thereof ;
- (b) the purchase or lease, or the construction, repair or renewal, of any building, factory, mill, mine, machinery or equipment used or to be used in connection with any agricultural or industrial undertaking ;
- (c) the manufacture or preparation of any agricultural or industrial product or commodity for sale in the market ;
- (d) any purpose incidental, accessory or ancillary to any purpose mentioned in any of the foregoing sub-paragraphs ;
- (e) the liquidation of any debt already incurred for any purpose mentioned in any of the foregoing sub-paragraphs.

Loans are granted on the security of movable or immovable property situated in any part of the Island the title to which is acceptable to the Board of Directors. The minimum loan to be granted to any applicant by the corporation is Rs. 500.

During the first five years ending September 30, 1948, the corporation granted a total of 180 loans amounting to Rs. 10,934,925. The peak year was 1945, during which the total sum granted amounted to Rs. 3,935,500. Over Rs. 2,500,000 on the average, has been granted every year except in the first year of business, 1944 and in 1947. Since then, however, the number of loans and the sums granted have gradually increased to a total of 86 loans in 1949 amounting to Rs. 3,028,350. In 1949, of the total number of loans granted, thirty-one were those which ranged between Rs. 500 and below Rs. 5,000. In the same year the amount received as interest on loans granted was Rs. 469,010.

III. The Central Bank of Ceylon

The transition from a colonial to a free national economy necessitated changes in the financial structure of the Island, and expert advice in this sphere was obtained through the good offices of the United States Government. Mr. John Exter of the U. S. Federal Reserve System came to Ceylon in December, 1948, and was commissioned to :

- (a) report on the organization and the functions of a Reserve Bank for Ceylon with a view to ensuring within the limits of monetary action, full employment of the economic resources of the country and, if need be, the proportion of supplemental credit institutions in furtherance of this policy, and
- (b) frame proposals for a draft constitution of the Reserve Bank of Ceylon.

Mr. Exter's report and Draft Bill were presented to the Government in October, 1949, and was published as Sessional Paper No. XIV of 1949.

Prior to the establishment of the Central Bank, Ceylon's currency system was administered by a Board of Currency Commissioners, whose powers were limited to the automatic issue of Ceylon rupee notes and coins against an equivalent value of rupees lodged with the Reserve Bank of India ; conversely, such notes and coins were reduced when the Board was asked to pay out Indian rupees from its account with the Indian Reserve Bank.

For a growing economy this system has serious disadvantages. It could not influence the money supply in any way and tended to impart a 'consistently deflationary bias' to the economy of the country. The money supply could be increased only by an active balance of payments on current accounts or by borrowing from abroad. It was an excessively rigid system and could not meet the needs of a growing population and an increasing trade.

MONETARY LAW ACT

The Central Bank of Ceylon opened on August 28, 1950. Its establishment was provided in the Monetary Law Act, No. 58 of 1949, which came into force on December 18, 1949. The Act placed the responsibilities for Central Bank policy and administration in a Monetary Board composed of three members.

The new Monetary Law Act defined the value of the Ceylon rupee in terms of gold, thus changing the whole basis of the relationship of the Ceylon rupee to other currencies of the world. But its greatest significance lies in the provision of section 5 of the Act, which goes to charge the Central Bank with the duty of regulating the supply, availability, cost and international exchange of money as to secure so far as possible by action authorized by this act the following objects, that is to say :—

- (a) the stabilisation of domestic monetary values,
- (b) the preservation of the par value of the Ceylon Rupee and the free use of the rupee for current international transactions,
- (c) the promotion and maintenance of a high level of employment and real income in Ceylon, and
- (d) the encouragement and promotion of the full development of the productive resources of Ceylon.

The Central Bank is, of course, a Government-aided bank, but the responsibility for its management and operation rests in the Monetary Board, which is a Government Agency. The Monetary Act also provided specifically for the establishment of two departments, the Department of Economic Research and the Department of Bank Supervision. The latter is charged with the supervision and periodical examination of all banking institutions in Ceylon, and the Monetary Board is vested with the power of suspending or restricting the business of any banking institution. It is essentially a Banker's Bank with broad powers to administer the monetary system and to regulate banking and credit.

PLACE OF THE BANK IN THE ECONOMY OF CEYLON

Dwelling on the significance of a Central Bank in an under-developed economy like Ceylon, Mr. Exter, in his report recommending the establishment of the Bank, observed :

‘Experience of Central Banks in under-developed economies records that such Banks need different and even wider powers than there is in developed economies. Traditional instruments of central bank action, like setting the discount rate, and engaging in open-market operations are often ineffective or inappropriate even in highly developed countries like Britain and the United States. In a country like Ceylon, with its small capital market, such instruments may be utterly useless. Special problems are also created where the great majority of the credit institutions are foreign-owned.

In countries similar to Ceylon central banks have had to devise new instruments of action. In this way have been developed, such instruments as control of reserve requirements, interest rates, portfolio ceilings, capital-asset ratios, and letter of credit margins.

It is obvious that the resources of the Island cannot be freely developed unless credit is made more freely available. But a Central Bank cannot force a commercial bank to lend when it does not wish to lend. It is therefore advisable that in Ceylon the Central Bank should have authority to lend at certain times to credit institutions other than commercial banks and that it should have the authority to take measures to reduce some of the unusual risks of lending in Ceylon. For this reason it is recommended that the Central Bank has the authority to lend to mortgage lending institutions and also to the Co-operative Credit Movement, whose sound development in the past indicates that it is a movement promising means of making greater credit facilities to the small farmer. In order to reduce the risk of lending in Ceylon the Central Bank should have the authority to act as agent of the Government in such systems of loan insurance or loan guarantees as may be established in the future.

Like a number of other under-developed economies the Ceylon economy is ordinarily dependent for its prosperity upon its ability to sell a few primary commodities in foreign markets at satisfactory prices. It is therefore peculiarly dependent upon economic conditions abroad, and is especially sensitive to the world business cycle. It would be a mistake to anticipate that the Central Bank will be immediately able to insulate the Ceylon economy against short-run fluctuations in the receipts of the major export industries on which the level of consumption in Ceylon primarily depends. The most that the Bank is able to do is to help to alleviate some of the more serious of such fluctuations. In the long run, however, the bank may be able to do a great deal towards strengthening the economy. By helping to direct the savings and credit resources of the nation as well as of foreign capital, into agricultural development and new industries, it can stimulate a diversification of the economy which will make it more resilient and adequate to change in economic conditions abroad.’

OPERATIONS AND ACCOUNTS OF THE CENTRAL BANK

There was a significant increase in the currency issue and deposit liabilities of the Central Bank during 1951. Gross note circulation rose to Rs. 417.0 million at the end of December, 1951, an increase of Rs. 50 million over December, 1950 deposits reached Rs. 241.4 million, also an increase of Rs. 50 million. The International Reserve at the end of December, 1951, totalled Rs. 668.4 million or Rs. 103 million above the previous year's level. As before, the International Reserve more than covered the demand liabilities of the Bank, the ratio at the end of the year being 101.5 per cent.

Of the deposits with the Central Bank, the commercial banks had Rs. 193.4 million. Their required reserves at the end of the year amounted to Rs. 107.7 million, so that their excess reserves were Rs. 85.7 million.

The Government deposits totalled Rs. 30.9 million. The distribution of Government deposits between the Central Bank and the commercial banks was discussed with the Treasury. The policy agreed on was that the Treasury should concentrate Government balances in the Central Bank and maintain only working balances with commercial banks.

With the settlement of the outstanding liabilities of the Board of Commissioners of Currency, their account with the Central Bank was wound up and the balance of Rs. 531,254·29 lying to their credit was applied, with the concurrence of the Minister of Finance towards the Public Debt Sinking Funds established under the Registered Stock and Securities Ordinance.

The Co-operative Federal Bank of Ceylon, and the Colombo branch of the Habib Bank, whose head office is in Karachi, were admitted as members of the Clearing House in the course of the year 1951.

The bank rate, fixed at $2\frac{1}{2}$ per cent. when the bank commenced business in August, 1950, was maintained during 1951.

The Central Bank's exchange rates with respect to sterling and Indian rupees, fixed on December 30, 1950, remained unchanged during 1951.

With the re-opening of the London foreign exchange market on December 17, 1951, the Bank of England widened the spread in its spot rates for the U. S. dollar, and also ceased to quote an official forward rate. Accordingly, the Central Bank's spot and forward rates for the U. S. dollar had to be changed frequently after that date according to prevailing market rates in London.

As a result of the widening of the spot rates for the U. S. dollar in terms of sterling, the minimum buying and maximum selling rates of commercial banks for the U. S. dollar were changed as from December 17, 1951, from Rs. 4·75 and Rs. 4·77 $\frac{1}{2}$ per dollar to Rs. 4·73 and Rs. 4·80 respectively. Commercial bank buying and selling rates with respect to other currencies remained unchanged.

Total spot purchases of foreign exchange by the Central Bank in 1951 were Rs. 14·0 million and total spot sales Rs. 789·3 million. The total value of contracts entered into for forward purchases was Rs. 872·2 million and for forward sales Rs. 12·5 million. Deliveries under forward purchase and sale contracts were Rs. 879·5 million and Rs. 8·9 million respectively. Total purchases (spot and deliveries under forward contracts) were Rs. 893·5 million, and total sales were Rs. 798·2 million.

The department of bank supervision carried out in the course of 1951 the first of the bank examinations prescribed by section 29 of the Monetary Law Act. In all, 12 banks were examined.

The first number of the bulletin of the Central Bank was published in November, 1951. It is a monthly publication containing facts, statistics and comments on a wide range of economic and financial subjects of interest to the people of Ceylon. The bulletin is primarily the responsibility of the Department of Economic Research and is issued under the direction of a staff editorial committee.

The net profit of the Central Bank for the year 1951, after making provision in accordance with section 38 of the Monetary Law Act, amounted to Rs. 2,008,392·56. In terms of section 39, this profit was applied, after consultation with the Minister of Finance, towards reducing the special loan granted to Government by the bank under the Bretton Woods Agreements Act.

IV. Insurance

Insurance, like Banking, had till recent years been the monopoly of foreign companies. It was only when the Motor Ordinance of 1938 came into operation, making Third Party Insurance compulsory, that indigenous business interests took to insurance. Since then Ceylonese Insurance Companies have not only increased in number but also taken to underwriting every variety of risk. Many companies, however, commenced with motor insurance as their first concern.

In 1911, with the enactment of the insurance Ordinance No. 11 of that year, an attempt was made to introduce legislation relating to Insurance companies. It was based largely on the Assurance Companies Act of 1909 of the United Kingdom. So numerous were the representations made against it that it was not brought into operation and has remained a dead letter to this day.

The enacting in India of the Indian Insurance Act in 1938, based mainly on the recommendations of the Clauson Committee, once again brought the question of insurance legislation to the forefront. A draft Ordinance based on the India Act with minor changes was published in 1938, but nothing came of it as the war and constitutional changes intervened.

In 1948 a Commission was appointed with Mr. L. M. D. de Silva, Q.C., as Chairman to report on Company Law, Banking, Insurance and Accountants and Auditors. Its first Interim Report 'making recommendations as to the measures that should be adopted for the registration and more effective control of insurance activities in Ceylon' was published in February, 1950 with a 'Draft Insurance Bill' for that purpose.

The report recommends the establishment of a Department of Insurance with a Superintendent as its head vested with wide powers to regulate and supervise insurance companies. The draft Bill contains *inter-alia*, provisions to cover :—

(1) *The Registration of Insurance companies.*—Only registered companies being allowed to carry on the insurance business of any class, the Superintendent having power to cancel registration under specified circumstances.

(2) *The making of deposits.*—Every insurance company being required to make a deposit with the Deputy Secretary to the Treasury, in respect of each class of insurance business covered by the company, the maximum deposit however being Rs. 200,000.

(3) *Accounts and Balance Sheet.*—Every insurance company being required to prepare annually a Balance Sheet, a Profit and Loss Account, a Profit and Loss appropriation account and a Revenue account, these statements being duly audited by an approved auditor.

(4) *Actuarial Report and Abstract.*—In respect of Life Insurance business and actuarial investigation once in every five years is insisted upon.

(5) *Submission of Returns.*—Every company is required to furnish copies of all audited accounts and actuarial reports to the Superintendent, who is vested with wide powers in respect of them. There is provision, however, for an appeal to the District Court, the decision of which shall be final.

(6) *Inspection and investigation.*—The Superintendent is vested with powers to order an investigation when he has reason to believe that the interests of policy holders are in danger, or that the company is unable to meet its obligations or is at fault in complying with any of the provisions of the Insurance Act, or where an offence under the Act has been or is likely to be committed.

The draft Bill also contains special provisions to cover Life Business and Life Policies, and also provisions regarding amalgamation, transfer and winding up of Insurance Business.

The De Silva Commission considered the question of the desirability of compelling insurance companies to invest in Ceylon the premia collected in Ceylon, but left to Parliament (under section 53 of the Bill) to control the investment of Insurance Premia by resolution if and when it thought fit. Generally, however, it thought it 'clearly desirable in the interests of Policy holders to permit as wide a range as possible of sound investment'. Nor did the Commission think it within their terms of reference to consider the question of whether or not the State should undertake insurance business either as a monopoly or side by side with private enterprise.

V. National Savings Movement

The National Savings Movement functioned as a War Savings Movement from January 1, 1943, and during that period helped to raise Rs. 240,000,000 towards the War effort. At the conclusion of the war it was decided that the Movement should continue to encourage thrift and discourage waste and luxury expenditure so that the money thus saved by the people when invested in Government Loans and other gilt-edged securities could be utilised by the Government of Ceylon for launching National Development schemes.

The objects of the movement were :—

- (i) To promote thrift by inducing persons to save in the Post Office Savings Bank, Ceylon Savings Bank or in Ceylon Savings Certificates ;
- (ii) To assist and encourage regular monthly investment of a percentage of a salary or income in Ceylon Savings Certificates, Post Office Savings Bank or Ceylon Savings Bank by the formation of Savings Group ;
- (iii) To help the National Development of the Island by securing for the Ceylon Government Loans the maximum possible support.

The National Savings Movement has sought to encourage systematic savings and for that purpose devised schemes for Small Savers. Deposits in the Post Office Savings Bank or Ceylon Savings Bank are made direct by the depositors or through office-bearers of Savings Groups who are voluntary helpers. The Department has confined its activities to the formation of Savings Committees and Savings Groups, to holding Savings Weeks and Savings Campaigns, to the issuing of Saving Stamps, to the checking of accounts of Savings Groups and imprests of Savings Stamps and do propaganda in general. The Department has no legal powers, and its activities are not defined by any ordinance. The work of the National Savings Department is to act as guide and give assistance to the public in carrying out a social activity which although launched by the Government is carried on by public themselves in a voluntary capacity, not only in their own interest but in the National interest. Today there is a vast army of Savings Workers scattered all over the Island. In view of the useful contribution the movement was making to the National economy of the Island, the Savings Movement was made a permanent Department of the Government in 1946.

NATIONAL SAVINGS CAMPAIGN, 1949-50

This Campaign was launched on October 1, 1949, with a Small Savings target of Rs. 72,000,000 and a Government Loan target of Rs. 48,000,000. The small savings target was exceeded by Rs. 14,756,318. The Loan target could not be hit because the total amount required by Government to complete the loan was only Rs. 29,652,500 and this was subscribed by May, 1950, and no further loan was launched.

NATIONAL SAVINGS CAMPAIGN OF 1950-51

This campaign closed on September 30, 1951, having realised Rs. 124,778,122·52 which is in excess of the annual target of Rs. 105,000,000 by Rs. 19,778,122·52. The investments during the Campaign were made up as follows :—

	Rs.	c.
Post Office Savings Bank	100,027,601	25
Ceylon Savings Bank	18,111,346	52
Savings Certificates	6,639,174	75

During the period 1950-51 as many as 1,494 Savings Groups were registered and 728 Savings Groups cancelled. During the preceding year 1,250 Savings Groups were registered and 194 Groups cancelled. At the end of the period 1950-51 the total number of Savings Groups in operation was 10,183 with an approximate membership of 610,501. They were made up as follows :—

In Schools	..	..	..	6,181
In Rural Development Societies	..	..	..	851
In Estates	..	..	..	1,031
In other institutions	..	..	..	2,120

SAVINGS STAMPS

Savings Stamps were issued for the first time on the Independence Day, 1949. These stamps are available in denominations of 10 cents, 25 cents, 50 cents and Re. 1, thus bringing the National Savings within the reach of the poorest man. Savings Stamps are rapidly becoming popular especially in schools and on estates. Savings Stamp Booklets and Savings Stamp Cards are issued free to the purchasers of Savings Stamps. Stamp Cards and pages of the Stamp Booklets filled are used as deposits in the Post Office Savings Bank and Ceylon Savings Bank and for the purchase of Savings Certificates. The sale of Savings Stamps during the year under review was Rs. 904,201 and 1,456 Authorized Sellers of credit stocks or imprests of these stamps were appointed.

CEYLON GOVERNMENT LOANS

Two Government Loans were opened for subscription during the year under review. They were as follows :—

Ceylon Government Loan 1½ per cent. 1952	Rs. 40,000,000
Ceylon Government Loan 3 per cent. 1966-71	„ 50,000,000
Ceylon Government 3 per cent. Loan 1972-77	„ 60,000,000

The second Loan was not opened to Commercial Banks but were subscribed to only by Provident, Benevolent and Thrift Societies, Companies, Insurance Companies, Trusts and private individuals.

Particulars regarding Savings Certificates and deposits in the Savings Banks during the years 1949 and 1950 are as follows :—

Year	Sale Rs.	Balance lying to the credit of depositors at end of year Rs.
1949	5,013,254	32,062,703
1950	6,869,251	31,745,092

POST OFFICE SAVINGS BANK

Year	No. of depositors	Total amount deposited Rs.	Balance lying to the credit of depositors at the end of year Rs.
1949	1,360,000	56,392,309	134,945,699
1950	1,549,900	77,528,723	163,724,826

CEYLON SAVINGS BANK

Year	Number of Depositors	Total amount deposited Rs.	Balance lying to the credit of depositors at end of year Rs.
1949	122,510	14,049,182	55,250,244
1950	126,189	15,485,559	57,036,041

PROGRESS OF NATIONAL SAVINGS FROM 1943 to 1951

The following are the amounts lying to the credit of depositors on December 31 of each year :—

	1943	1944	1945	1946	1947	1948	1949	1950	1951
	(Million Rupees)								
Post Office Savings Bank	21.5	35.6	65.0	103.5	118.4	125.8	135.0	163.7	206.4
Ceylon Savings Bank	26.5	36.3	51.5	60.9	59.1	56.1	55.3	57.0	61.8
Savings Certificates	10.7	18.2	25.8	27.8	27.0	33.2	32.1	31.7	34.0
Total	58.7	90.1	142.3	192.2	204.5	215.1	222.4	252.4	302.2

The total of Savings Deposits in Commercial Banks, the Post Office Savings Bank, the Ceylon Savings Bank and amounts realised by sale of Savings Certificates each year for the ten-year period 1942-51, is given in the table below :—

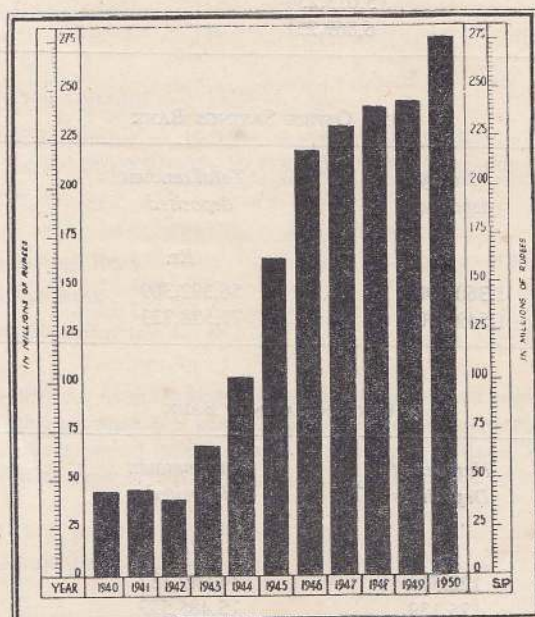
SAVINGS DEPOSITS

(Million Rupees)			
1942	40	1947	231
1943	67	1948	241
1944	102	1949	246
1945	163	1950	280*
1946	218	1951	337

* Revised figure.

SAVINGS DEPOSITS

TOTAL SAVINGS IN COMMERCIAL BANKS, POST OFFICE SAVINGS BANK,
CEYLON SAVINGS BANK AND SAVINGS CERTIFICATES



CHAPTER XVIII

PUBLIC FINANCE AND TAXATION

I. Revenue and Expenditure

THE revenue and expenditure of the Island for the last ten financial years ended September 30, 1951, were as follows :—

Year	Revenue		Expenditure		Loan Expenditure	
	Rs.	c.	Rs.	c.	Rs.	c.
1941-42	156,545,572	55*	153,289,233	01	23,691,360	80
1942-43	200,006,747	39	185,006,506	65	26,142,941	92
1943-44	249,336,887	37	210,680,627	41	27,687,616	21
1944-45	303,902,778	33	254,397,313	31	31,609,048	63
1945-46	383,263,326	94	312,855,337	15	36,016,308	80
1946-47	461,173,262	58	405,387,433	51	32,072,616	21
1947-48	540,605,161	44	621,952,721	09 ^a	70,318,462	83
1948-49	576,063,089	73	547,863,936	14 ^b	122,492,197	77
1949-50	623,282,852	90	563,186,334	40	155,572,112	68
1950-51	910,163,592	74 ^c	804,903,671	34 ^c	146,699,175	60

* 'Revenue' as shown in this statement excludes credits of an extraordinary nature, such as recovery from Loan Funds of sums advanced in previous years and surplus in Sinking Fund.

'Expenditure' as shown in this statement excludes debits of an extraordinary nature, such as sums advanced from Revenue and chargeable to Loan Funds in subsequent years.

'Loan Expenditure' includes not only expenditure from Loan Funds but also advances from Revenue for loan works pending raising of loans.

Taxation and yield.—The main heads of taxation and yield in respect of the financial years 1949-50 and 1950-51 are as follows :—

	1949-50		1950-51	
	Rs.	c.	Rs.	c.
Customs	355,905,330	05	527,656,866	56
Port, Harbour, Wharf, &c.	17,654,569	34	21,240,193	90
Excise and Salt	43,690,337	93	49,150,089	13
Income Tax, &c.	132,453,505	06	152,150,614	74
Licences, Internal Revenue, &c.	6,310,399	44	7,458,628	23
Fees of Court or Office, &c.	5,983,002	51	6,447,819	60
Medical Services	3,573,381	15	3,621,052	08
Reimbursements	9,151,006	70	9,164,120	91
Postal and Telecommunication Services	19,800,691	28	22,477,039	17
Interest, Annuities, &c.	4,029,991	96	4,628,164	79
Miscellaneous receipts	19,711,451	94	26,064,050	03
Land Revenue	2,707,888	16	3,508,897	32
Land Sales	399,144	38	473,338	95
War Loan Interest	1,912,153	00	1,904,240	50
Railway Revenue	—		65,999,473	55
Electrical Department Revenue	—		8,219,003	28

* Excludes Post Office Savings Bank surplus.

^a Includes Rs. 174,417,318·11 as food subsidies.

^b Includes Rs. 55,126,163·98 as food subsidies.

^c Includes Railway and Electrical Departments which were excluded in previous years.

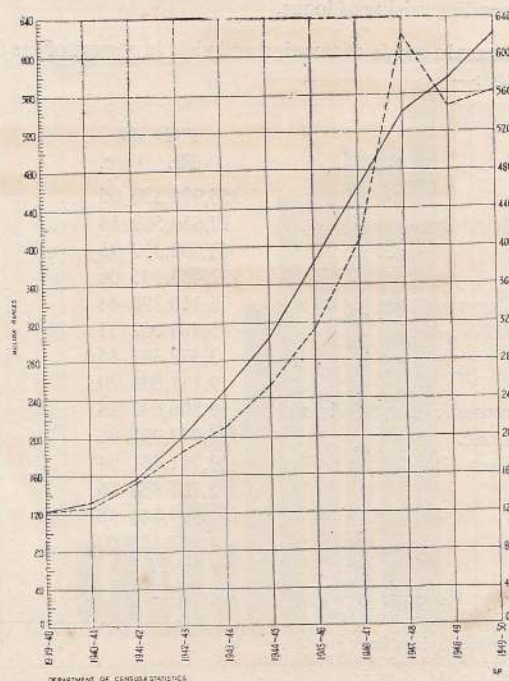
The following is an analysis of the national revenue under the broad heads, *e.g.*, Direct Taxes, Indirect Taxes and Miscellaneous Revenue.

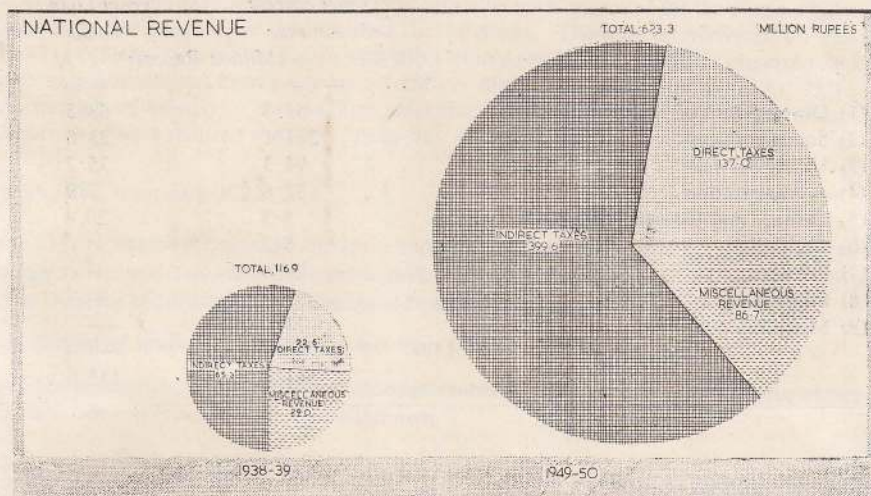
NATIONAL REVENUE

	(Million Rupees)			
	1949-50		1950-51	
<i>Direct Taxes</i>	137.0	22.0%	157.8	18.9%
Income Tax	78.5	12.6%	91.9	11.0%
Excess Profits Duty	58.5	9.4%	65.9	7.9%
<i>Indirect Taxes</i>	399.6	64.1%	576.9	69.0%
Import Duties	188.3	30.2%	245.0	29.3%
Export Duties	167.2	26.8%	282.5	33.8%
Other Duties	44.1	7.1%	49.4	5.9%
<i>Miscellaneous Revenue</i>	86.7	13.9%	101.2	12.1%
Total Revenue	623.3		835.9*	

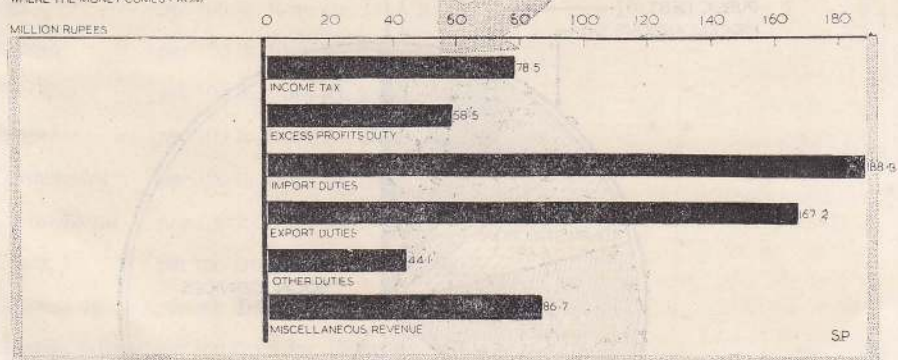
* Excluding Railway and Electrical Departments.

REVENUE AND EXPENDITURE
(FROM EACH FINANCIAL YEAR—OCTOBER 1 TO SEPTEMBER 30)
REVENUE ——— EXPENDITURE - - - - -





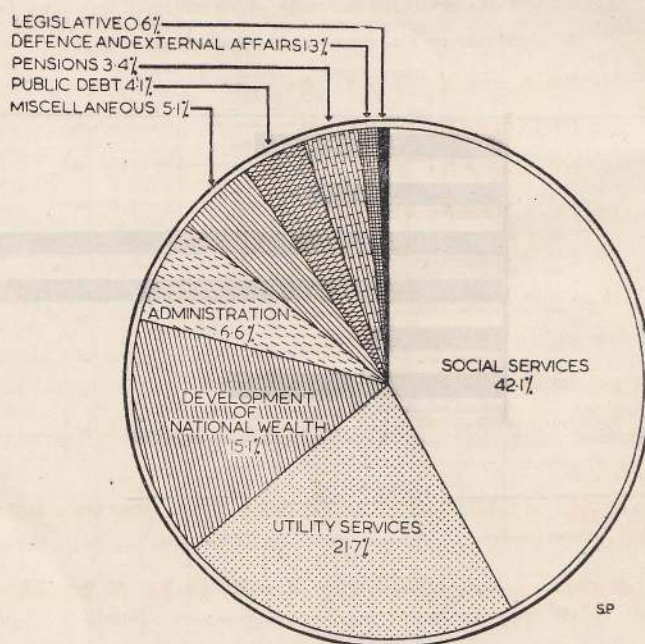
WHERE THE MONEY COMES FROM



The following table gives an estimate of the distribution of Government expenditure for the financial year 1949-50 :—

DISTRIBUTION OF GOVERNMENT EXPENDITURE

	1949-50	
	From current Revenue (Million Rupees)	From Loan Funds
(1) Development of National Wealth	55.3	68.5
(2) Social Services	261.1	23.6
(3) Utility Services	94.3	35.2
(4) Administration	52.6	7.9
(5) Defence and External Affairs	5.8	20.4
(6) Legislation	5.3	—
(7) Pensions	29.6	—
(8) Public Debt	37.3	—
(9) Miscellaneous	21.9	—
	563.2	155.6



Public Debt.—At the close of the financial year on September 30, 1951, the gross public debt of Ceylon amounted to Rs. 707,406,433 which consisted of a sterling debt of £9,408,775 (Rs. 125,450,333) and a local rupee debt of Rs. 581,956,100.

Excise Duty : The amount realised from Excise Revenue during the financial year 1950-51 was Rs. 47,959,668. Compared with the revenue of 1949-50, this shows an increase of Rs. 6,497,139.

Import Duties : Duties on ceiling and flooring boards, marble slabs and monuments, iron and steel hinges and screws, lamps and lanterns incandescent other than iron and steel, glass manufactures and wood pulp, were reduced with effect from March 2, 1951. New duties were introduced with effect from the same date on roasted dehusked tamarind seeds imported for the purpose of processing rubber latex, softened rubber, and finished rubber goods. The duty on Kerosene oil was reduced from 11½ cents to 5½ cents per gallon with effect from April 1, 1951. Poultry imported for breeding purposes was exempted from payment of customs duties with effect from April 13, 1951. Duties on a number of household commodities, scientific, surgical and mathematical instruments, motor vehicles, &c., were reduced with effect from July 13, 1951.

With effect from August 21, 1951 :

(a) Casein, castor oil, pine oil and rosin imported for the manufacture of disinfectants, fungicides and insecticides and living fish ova, tortoise shells, cotton yarn, rayon or silk for lace-making imported by the Director of Industries were exempted from import duties.

(b) Import of spirits in containers of less than 1/40 of a gallon was prohibited.

(c) The prohibition on the import of atomisers other than scent, sprayers and parts, papier mache manufactures and tortoise shells was withdrawn.

Export Duties : The export duties on the following were increased as shown below with effect from March, 15, 1951 :—

Tea	per 100 lb. from Rs. 53 to Rs. 60 ;
Rubber	per 100 lb. from Rs. 15 to Rs. 50 ;
Cocoa	per 100 lb. from Rs. 25 ;
Pepper	per 100 lb. from Rs. 200 to Rs. 250 ;
Cardamoms	per 100 lb. from Rs. 200 ;
Citronella oil	per 100 lb. from Rs. 200 ;
Copra	per ton from Rs. 300 to Rs. 400 ;
Coconut oil	per ton from Rs. 243·75 to Rs. 325 ;
Coconut poonac	per ton from Rs. 100 to Rs. 200.

A variable scale of duty on rubber and tea was introduced with effect from September 10, 1951, and October 1, 1951, respectively.

The duty on citronella oil was reduced from Rs. 200 to Rs. 50 per 100 lb. with effect from September 30, 1951.

In December, 1951, duty on a variable scale on copra, coconut oil, desiccated coconut, and fresh coconuts, was introduced.

Cesses : The sum of 25 cents levied as Tea Research Cess under section 11 of the Tea Research Ordinance on every 100 lb. of tea exported was increased to 30 cents with effect from September 1, 1951.

Income Tax : The Income Tax Ordinance was amended by Income Tax (Amendment) Act No. 1 of 1949 in February, 1949, whereby statutory provision was made for the exemption of Diplomatic Representation and High Commissioners while their staff were to be granted exemption only when the Minister is satisfied that similar exemption is or would be granted to corresponding officials of the Government of Ceylon. By this same Act it was also provided that employees abroad of the Government of Ceylon are to be taxed in Ceylon, the previous position being that in some cases no taxes were payable either to the Ceylon Government or to a foreign Government.

The Income Tax Ordinance was again amended in October, 1949, by Income Tax (Amendment) Act No. 44 of 1949, whereby as a part of the policy of Government to reduce tax in the low income group, to give relief to agricultural and industrial concerns and to encourage the building of small houses the following principal amendments were effected:—

- (1) The lowest rate of tax, namely $1\frac{1}{2}$ per cent., was reduced to 1 per cent.
- (2) Agricultural and industrial undertakings were given as from year of assessment 1949-50 and for four further years—
 - (a) $33\frac{1}{3}$ per cent. of cost of buildings constructed in the relative period for the occupation of labourers, conductors, tea-makers and other minor staff ;
 - (b) 10 per cent. of the cost of other buildings constructed in the relative period ;
 - (c) 15 per cent. of the cost of plant, machinery and fixtures purchased in the relative periods.
- (3) A rebate or set-off tax was granted in respect of rent income where the rent income was from houses constructed after April 1, 1948, the rentable amount of which was Rs. 50 per mensem or below. This relief extended to the whole of the tax on such rent where the taxpayer's rate of tax had not reached above $37\frac{1}{2}$ per cent.

Allowances were raised in order to give relief to the middle and lower income groups with static incomes. These were applicable from the year of assessment, 1951-52, and were as follows :—

- (a) Wife from Rs. 1,000 to Rs. 1,500 ;
- (b) First child from Rs. 1,000 to Rs. 1,500 ;
- (c) Each additional child (maximum of 4 in all) Rs. 500 to Rs. 1,000 ;
- (d) Dependent relatives (maximum of 3 in all) Rs. 250 to 500.

The slab rates of tax other than the lowest applicable to individuals were raised by increasing 4 per cent. to 6 per cent., 12 per cent. to 16 per cent., 24 per cent. to 32 per cent., and 30 per cent. to 40 per cent.

The rate of tax applicable to companies was correspondingly increased by 2 per cent., thereby raising the rates of tax for non-resident and resident companies from 34 per cent. to 36 per cent. and from 28 per cent. to 30 per cent. respectively.

The rate of tax applicable to bodies of persons and others was raised by $1\frac{1}{2}$ per cent. from 21 per cent. to $22\frac{1}{2}$ per cent.

The net revenue from Income Tax for the financial year 1950-51 was Rs. 152,150,615 which includes (a) Contribution by Department of Electrical Undertakings in lieu of Income Tax of stamp duty Rs. 712,070, (b) Contributions in lieu of Income Tax by Government Departments other than the Railway and Electrical Departments in respect of profits from Government trading, commercial and industrial activities, Rs. 3,750,094.

CHANGES IN THE RATES OF INCOME TAX

Exemption Limit

1950-51 Rs. 4,800

Minimum Rate
1949-50 ... 1%

Unit Rate—

1949-50 ...	8½%
1950-51 ...	9%
1951-52 ...	9%

RATE OF TAX

		1949-50		1950-51	1951-52
Tax on—					
		Rs.	Percentage	Percentage	Percentage
Resident Individual	1st	6,000	8½	9	9
	Next	10,000	18	19	19
	Next	20,000	21	22	24
	Next	50,000	37½	39	43
	Next	100,000	58	60	68
	Remainder		64	66	76
Tax on—					
Non-resident Individual	1st	18,000	17	18	18
	Next	10,000	18	19	19
	Next	20,000	21	22	24
	Next	50,000	37½	39	43
	Next	100,000	58	60	68
	Remainder		64	66	76
Tax on—					
Hindu Undivided Family	1st	50,000	20	23	24
	Next	50,000	23	26	28½
	Next	50,000	34½	37½	41
	Next	50,000	40½	43½	49
	Next	50,000	49	52	58
	Next	100,000	55	58	66
	Remainder		61	64	74
Body of Persons, Executors					
Trustees, &c.	Full income		20	21	22½
Resident Company	Full income		25	28	30
Non-resident Company	Full income		31	34	36
Mutual Life Insurance Co.	Full income		11½	14	15
Government (other than the Imperial Government or Ceylon Government)					
	Full income		31	34	36

Excess Profits Duty.—Excess Profits Duty was introduced into Ceylon for the first time in October, 1941, and it applied to business. In 1942 it was extended to agriculture and plumbago mining. The Ceylon Ordinance generally follows the United Kingdom Finance (No. 2) Act, 1915, by which Excess Profits Duty was introduced in U. K. but as regards agriculture and plumbago mining special treatment was accorded in view of special conditions in Ceylon.

The net revenue from Excess Profits Duty for the financial year 1950-51 was Rs. 11,152,183.

Profits Tax.—A new tax designated 'Profits Tax' came into force on the passing of the Profits Tax Act, No. 5 of 1948, on January 29, 1948. This tax extends to all businesses, and business is defined as including :—

- (i) Any trade or gainful undertaking of any nature or description whatsoever ;
- (ii) in the case of a registered company of which the functions consist wholly or mainly in the holding of immovable property or investments, the holding of such property, or investments ; and
- (iii) the practice or pursuit or conduct of any profession, vocation, art, craft or skilled occupation of any description, with a view to earning remuneration, fee or pecuniary reward.

In arriving at a total profit for Profits Tax purposes, the profits from all liable sources reduced by losses, if any, are aggregated. The rate of tax is 25 per cent. and is chargeable on the surplus of profits over an amount of Rs. 50,000 or over an amount of 6 per cent. of the capital employed in the business. Profits Tax paid is an allowable deduction in computing profits for purposes of Income Tax.

The net revenue from Profits Tax for the financial year 1950-51 was Rs. 27,423,457.

Estate Duty.—The Estate Duty Ordinance was amended by the Estate Duty (Amendment) Act, No. 3 of 1948, whereby gifts made not more than five years before date of death were brought into liability where the date of death was April 1, 1947, or subsequently.

The nett revenue from Estate Duty for the financial year 1950-51 was Rs. 4,235,481.

II. Exchange Control

Exchange Control was first introduced in Ceylon on September 19, 1939. It followed the lines adopted by all countries in the sterling areas, the main purpose of which was to conserve non-sterling area currencies, held in a central reserve, for financing the requirements of member countries from outside the sterling area.

Over this control was superimposed on June 1, 1948, an extended control which applied to all financial transactions between Ceylon and the outside world, whether countries in the sterling area or not. This step was necessitated by the emergencies of Ceylon's own foreign exchange problems in the post-war world and the immediate occasion for the extension of Exchange Control was the Financial Agreement with the U. K. Government dated April 30, 1948, which limited Ceylon's drawings on her sterling assets.

The Central Bank took over the function of exchange control which it has administered as agent of Government, with effect from September 1, 1950, on which date the Monetary Board was appointed Controller of Exchange. The review of the working of the Control during 1950 therefore falls into two phases, viz., the first 8 months of the year as a department of Government under the Ministry of Finance, and the succeeding 4 months as department of the Central Bank acting as the agent of Government.

The Ceylon Exchange Control is operated at present under Defence Regulations, which lapsed with the expiry of the Supplies and Services (Transitional Powers) Act, 1945, of the Parliament of the United Kingdom on December 10, 1950, but were kept in operation by the Exchange and Securities Control (Continuation) Act, No. 35 of 1950, enacted by the Parliament of Ceylon. A draft Exchange Control Act is in preparation for presentation to Parliament.

With the taking over of the Administration of Exchange Control by the Central Bank, the control was placed in charge of a Deputy Controller of Exchange, a permanent officer of the Bank, and certain functions previously performed by the control were taken over by the other departments of the bank, e.g., the determination of foreign exchange rates, control of foreign exchange rates, control of foreign exchange holdings of commercial banks and arrangements for providing authorized

dealers with cover in foreign countries. In the case of sterling cover, arrangements were made with effect from September 1, 1950, for the bank to provide the necessary cover, in lieu of the Treasury which had granted this facility before. In the case of dollars, arrangements were made in December, 1950, for the Bank to provide cover in lieu of the Bank of England which had hitherto provided this facility.

III. Ceylon and the Sterling Area

Ceylon continued to be a member of the sterling area and to contribute towards the sterling area pool of foreign currencies. Consequently, changes effected by the U. K. Government concerning payments between the sterling area and individual countries or groups of countries have been followed by similar changes by the Ceylon Control as well. Two noteworthy examples of this may be mentioned—

- (a) The U. K. Government entered early in 1950 into an agreement with the Scandinavian countries, namely, Sweden, Norway and Denmark, in terms of which these territories, together with the U. K. were to form an association known as UNISCAN. This was regarded as a step towards the attainment of a full system of multilateral trade and free convertibility of currencies, as a result of a general removal of trade barriers and restrictions on payments between the member countries.
- (b) In July, 1950, the countries comprising the Organization for European Economic Co-operation set up a Payments Union known as the "European Payments Union" to facilitate the settlement of credits and debits between countries comprising the Union arising out of trade and invisible payments. The net surplus or deficit of each of these countries with all the other countries in the Union was to be computed periodically by a clearing arrangement under which the deficit of each country with each of the other countries in the Union would be set off against its surplus and a net deficit or surplus would be struck. Credits would be extended by the Union to deficit countries up to 60 per cent. of their quotas; and creditor countries would extend to the Union credits up to 60 per cent. of their quotas. Creditor and deficit countries would receive or pay gold in respect of the balance 40 per cent. of their quotas. The quotas were generally equivalent to 15 per cent. of the 1949 trade turnover. The U. K. assumed the obligations and commitments of membership of the Union, but this did not impose identical obligations and commitments on Ceylon. There was however, the opportunity for the Ceylon Control to dispense with distinctions between 'hard' and 'soft' European currencies and it was possible to make uniform the restrictions applicable to transactions with all these countries.

A further development was the decision of the Canadian Government on October 2, 1950, to allow the exchange rate for the Canadian dollar to fluctuate in accordance with supply and demand until such time as they felt able and confident to adopt a new fixed rate. This made it necessary for the Ceylon Control immediately to revise the arrangements in force for covering the authorized dealers in Canadian dollars. The final arrangement was to permit authorized dealers to carry positions in Canadian dollars and to make their own arrangements for cover with their London correspondents and/or in Canada. Fluctuations in the Canadian dollar rate naturally meant a wider spread in the quotations given by Ceylon banks and this led to an increasing tendency for merchants to quote in sterling or U. S. dollars for transactions with Canada.

The following is a brief description of the policy of control in respect of various types of payments :—

Imports.—Payments are permissible up to the value authorised on the import licence (if one is necessary) against invoices and Customs entries, or against an undertaking to produce these documents. Generally speaking, authorised dealers have authority to make these payments without prior reference to the control. Payments to intermediaries in countries outside the monetary area of the country of origin are permitted only on the authority of the control.

Travel.—Allocations of exchange for travel are made according to a system of basic rations for different monetary areas. For example, for countries close to Ceylon, namely, Iran, Iraq, Saudi Arabia, Pakistan, India, Burma and Malaya, an annual basic ration of Rs. 1,500 per adult and Rs. 750 per child is allowed. For other countries, *e.g.*, the U. K. and the Continent, a basic ration of £500 per adult and £250 per child is allowed over a period of four years commencing from June 1, 1948. No ration of exchange is allowed for holiday travel in the dollar area. Foreign nationals are allowed exchange equivalent to their full earned income (generally their leave pay) for holidays outside Ceylon. Allowances for business travel, official journeys and medical treatment are granted on a per diem basis according to the purpose and the monetary area to be visited.

Education.—Allowances are made for under-graduate and post-graduate education abroad. Allowances for education at a lower level are not generally permitted except for the children of foreign nationals temporarily resident in Ceylon.

Maintenance.—Reasonable allowances for the maintenance of families of foreign nationals temporarily resident in Ceylon are allowed on the basis of income.

Current commercial payments other than for imports are permitted.

Dividends, Declared Profits, Interest, &c., accruing to non-residents are permitted.

Payments of a capital nature are generally permitted if the beneficiaries are resident within the sterling area. Different treatment is given to payments to persons outside the sterling area and the restrictions vary according to the type of payment involved. Under an agreement between the Ceylon Government and the U. K. Government Ceylon's sterling assets are divided into No. 1 and No. 2 Accounts, the latter of which is blocked and may not be drawn on for current transactions. At periodic intervals the two Governments establish the net movement of capital between Ceylon and other countries in the sterling area and, if the movement is from Ceylon to other countries in the sterling area, a corresponding transfer is made from Ceylon's No. 2 Accounts to her No. 1 Accounts. A transfer in the opposite direction is made if the net capital movement is inward.

The control on the receipt side is one more of supervision than of control. Supervision is directed at two main objects :—

- (a) to see that all earnings of foreign exchange are paid to the banks ; and
- (b) to keep a record of all transfer of a capital nature which should pass through Ceylon's No. 2 Accounts.

Under the first object, the control on exports takes first place. The procedure makes it necessary for any export to take place only on a licence issued by the control or by a bank on behalf of the control, and the issue of licence is conditional on the exporter satisfying the control that arrangements have been made for the recovery of the full proceeds of the exports within six months and by an appropriate method. Apart from receipts accruing on exports, the law also makes it obligatory that any resident of Ceylon holding any 'specified' currencies should surrender them to a bank in Ceylon. There is a long list of specified currencies, the chief of which are the U. S. dollar, Canadian dollar, Swiss francs and Belgian francs. Sterling and Indian rupees are not specified currencies.

INDEX

	PAGE		PAGE
Academic schools	73-74	Blind, deaf and	102
Acetic acid factory	189	Blind, school for the	75-76
Administration, provincial	32-33	Block and settlement surveys	139
Government Agents	32	Boards, conciliation	108-109
Headmen system	32-33	Botanic gardens	175
Adult education	74-75	Bridges	225
Aerodromes	209	British period and after	7-8
Agricultural and Industrial Credit Corporation	255	Broadcasting service	222-224
Agricultural Corps	135	Buildings	225, 226
Agricultural marketing	160-162	Building stones	182
Ceylon products shop	161-162	Cabinet	26-28
canning	161	Cacao	156-157
collection of eggs, vegetables, &c.	160-161	Campaign, national savings	260-262
hospital supply scheme	161	Canals	204
kitchen and bakery	162	Canning	161
rice mills	160	Cardamoms	157-158
Agriculture	141-169	Casual relief	101
available land	141	Causes of crime and preventive work	122
commercial crops	149-158	Caustic soda manufacture	190-191
arecanuts	158	Census, population	37-41
cacao	156-157	Central bank	256-258
cardamoms	157-158	Ceramic industry	189
cinnamon	157	Cess, tea research	267
citronella oil	157	Ceylon and International health	64-65
coconut	154-156	U. N. I. C. E. F.	65
cotton	158	W. H. O.	64, 65
rubber	151-154	Ceylon and the I. L. O.	97-98
tea	149-151	Ceylon and sterling area	271-272
tobacco	157	Ceylon government loans	261
dry zone	142	Ceylon painting	115-119
food production	142-149	Ceylon products shop	161-162
wet zone crops	141-142	Ceylon school for deaf	75
Agriculture and food	29	Ceylon Technical College	83-84
Air legislation	209	arts and crafts section	84
Air mail	208, 217-218	commerce section	84
Air transport	208	engineering section	83
Alluvium deposits	15	vocational teachers training course	84
Ancient and mediaeval periods	1-4	Child Welfare work	56-57
Animal husbandry	158-159	Cinnamon	157, 236-237
Anuradhapura preservation scheme	36	Citronella oil	157-237
Archaeology	110-114	Civil aviation	207-211
survey	110-114	accidents	209
Area of Ceylon, &c.	10	aerodromes	209
Arecanuts	158	air crew licensing	211
Aspects of Ceylon culture—		air inspectorate	210
Ceylon painting	115-119	air legislation	209
Assistance, public	101	air mail	208
Automobile association of Ceylon	205	air transport services	208
Aviation, civil	207-211	bilateral air agreements	208
Ayurvedic medical services	65	directorate	207-208
Banking statistics	252-254	flying training	209
Banks, commercial, &c.	251-258	international relations	208
Basic industries	185-186	registration of air craft	210-211
Birth rate	40	Climatological work	16-17
Births	39		

	PAGE		PAGE
Climate	18-20	Crown land, disposal of ...	132
rainfall	19-20	Crystalline soils	14
temperature	18-19	Culture, aspects of Ceylon ...	115-119
Coaling and refuelling ...	214-215	Currency notes and coins ...	249-250
Coconut	154-156	Cyclonic rains	20
Coconut, desiccated	235		
Coconut oil	235	Deaf and blind	102
Coconuts, fresh	235	Deaf, school for the	75
Coconut products	235-236	Death rate	40
coconut oil	235	Deaths	39
coir fibre	236	Debt, public	266
coir yarn	236	Defence and external affairs ...	28
copra	235	Density of population	46-47
desiccated coconut	235	Department of mineralogy ...	182
fresh coconuts	235	Departments of Government ...	28-30
Coins	249	Desiccated coconut	235
Coir fibre	236	Development, rural	104-109
Colebrooke commission ...	22	Discharged prisoners, after care of	127
Colonisation procedure ...	133-134	Diseases, Venereal	61
Commerce	228-240	Distances from Colombo to other	
Commerce and trade	30	ports	9
Commercial banks, &c. ...	251-258	District courts	120
Agricultural and Industrial Credit		Disposal of crown land	132
Corporation	255	Dock, graving	216
banking statistics	252-254	Donoughmore Constitution ...	23
Central Bank	256-258	Dutch conquest and rule	6-7
growth of Commercial banks ...	251-252	Duties, import and export ...	267
State Mortgage bank	254-255	Duty, estate	270
Commercial crops	149-158	Duty, excess profits	269-270
Commission, Judicial Service ...	121	Duty, excise	267
Committees, village	34	Education	30, 67-84
Communicable diseases	59-62	academic schools	73-74
filariasis	61-62	adult	74-75
leprosy	62	expenditure	71
tuberculosis	59-60	free education scheme	72-73
venereal diseases	61	general	72
Conciliation boards	108-109	historical sketch	67-71
Constitution, evolution of ...	21-25	of defective and delinquent	
Constitution, law of the ...	25	children	75-76
Construction of roads	108	system	71-76
Control, exchange	270-271	vocational schools	74
Control, food	168-169	Educational re-construction ...	76-78
Control of industries	185	Amendment act	78
Co-operative movement ...	245-247	grants to assisted schools, &c. ...	77
Copra	235	improvements in methods of	
Corps, agricultural	135	teaching	78
Cost of living	99-100	preparations to implement, White	
Cottage industries	193-196	Paper proposals	77
Cotton	158	supply of teachers	77
Councils	33-34	Electricity	196-199
municipal	33	Colombo electricity supply ...	198
town	33-34	Colombo power station	197
urban	33	finance	197
Courts	120-121	hydro-electric scheme	199
district	120	multi-purpose scheme	199
magistrates'	120-121	outstation supply	198-199
of requests	120-121	overhead transmission system ...	198
rural	121		
Creches	103	Emigration	42-46
Crime statistics, police system and	121-123	Employers' organisations ...	90
Crops, commercial	149-158		

	PAGE		PAGE
Employment and unemployment ...	85-87	granting of financial help to	
employment exchanges ...	87	cultivators, &c. ...	146-147
gainfully employed ...	85-86	increasing production of food-	
unemployment ...	87	stuffs by guaranteed price	
Engineering surveys ...	139	scheme ...	147-148
Estate duty ...	270	increasing yields of crops, &c. ...	145-146
Estate health work ...	58	minor irrigation ...	144
Estate labour ...	91-92, 130	opening of new land ...	143-144
Evolution of the constitution ...	21-25	opening up of dry farming	
Colebrooke Commission ...	22	schemes ...	144-145
Donoughmore Constitution ...	23	paddy or rice ...	148-149
Independence Act ...	24-25	reclamation of marshes ...	144
Kandyan Convention ...	21	Food situation, the Island's ...	166-169
reforms ...	22-23	Forests ...	170-174
Soulbury Commission ...	24	education ...	174
Excess profits duty ...	269-270	forestry research ...	173-174
Exchange control ...	270-271	management ...	172
Exchanges, employment ...	87	regeneration ...	172
Excise duty ...	267	reserves ...	171
Expenditure on education ...	71	utilisation ...	173
Expenditure on public health ...	52-54	zones, types and important	
Expenditure, revenue and ...	263-270	species ...	170-171
Exports ...	228-237	Free education scheme ...	72-73
Factories, mines and shops ...	96-97	Functions of ministries ...	28-30
Factories—State industrial projects	187-191	Gainfully employed ...	85-86
Fertilisers, synthetic ammonia ...	191	Gal-Oya scheme ...	164-166
Fibre, coir ...	236	Gardens, botanic ...	175
Fidei commissum ...	128-129	Geography ...	9-15
Filariasis ...	61-62	general ...	9-12
Finance ...	28-29	natural vegetation ...	12
Financial assistance, local		relief of land ...	10-11
authorities ...	34-35	rivers and waterways ...	11-12
First offenders ...	123-124	Geology ...	13-14
long-term ...	123-124	geology and structure ...	13-14
young ...	123	Government Agents ...	32
Fisheries ...	176-179	Government, departments of ...	28-30
chank fishing ...	176	Governor-General ...	25
collection of statistics ...	179	Grants, assisted schools ...	77
Crown timber for boat building	178	Graphite (plumbago) ...	179-180, 236
dynamiting and poisoning of		Graving dock ...	216
fish ...	176	Growth of population ...	37-38
establishment of fish curing		Harbour ...	212
yards ...	177	Headmen system ...	32-33
fishery harbours ...	178	Health ...	29
fishery roads ...	179	Health drives ...	107-108
fishing disputes ...	178	Health education and publicity ...	63-64
fresh water fisheries ...	176	Hill stations, temperature analysis	
ice and refrigeration ...	177	of ...	19
issue of salt for fish curing	178	History, an outline of ...	1-8
leading lights and beacons ...	178	History of censuses ...	37
life boat service ...	177	Home affairs ...	29
loans to the fishing industry	178	Homes for the aged ...	102
operation of trawlers, &c. ...	177	House of representatives ...	25-26
pearl fishery ...	176	Housing ...	36
removal of obstructions ...	178	Humic soils ...	14, 15
sea weeds ...	177	Humidity, relative ...	18
welfare stores ...	178	Hydro-electric scheme ...	199
window pane oyster fishery	176	I. L. O. ...	97-98
Flood victims, resettlement of ...	103	Immigration ...	42-46
Flying training ...	209	Import and export duties ...	267
Food Control ...	168-169		
Food production ...	142-149		

	PAGE		PAGE
Imports ...	237-239	Land registration and valuation ...	135-138
Income tax ...	268-269	registration ...	135-136
Independence Act ...	24-25	valuation ...	137-138
Index, cost of living ...	99-100	Land, relief of the ...	10-11
Index, wage rate ...	98	Lands and land development ...	29
Industrial development and policy ...	183-187	Land surveys ...	138-140
basic industries ...	185-186	block and settlement surveys ...	139
nationalisation and control ...	186-187	engineering surveys ...	139
non-basic industries ...	186	land development surveys ...	140
policy ...	183-184	levelling ...	138-139
protection ...	186	maps, &c., publication, and	
state assistance ...	184-185	models ...	140
state control ...	185	topographical surveys ...	139
Industrial hygiene, &c. ...	90-91	town and miscellaneous ...	
Industrial relations, &c. ...	90	sporadic surveys ...	140
Industries and fisheries ...	30	training school for surveyors ...	140
Infantile mortality ...	55	Land tenure and agrarian rela-	
Inland navigation, maintenance of ...	224	tionship ...	128-130
Insurance ...	258-259	estate labour ...	130
Insurance, social ...	104	fidei commissum ...	128-129
Iron and steel ...	191	land development ordinance ...	129
Iron ores ...	181	leaseholds ...	129-130
Irrigation ...	162-166	service tenure ...	130
classification of works ...	163	waste lands ordinance ...	128
decay and growth ...	162	Law college ...	82-83
early history ...	162	Law of the constitution ...	25
Gal-Oya scheme ...	164-166	Legislation, labour ...	91-97
importance of ...	163	Length of life ...	49-50
modernisation of construction ...	163-164	Leprosy ...	62
new development scheme ...	164	Life, length of ...	49-50
progressive development activ-		Limestone ...	182
ities ...	163	Limestone soils ...	15
Judicial system of Ceylon ...	120-121	Local government ...	33-35
courts of Requests ...	121	authority services ...	34-35
district Courts ...	120	development of rural areas ...	35
Judicial Service Commission ...	121	drainage ...	35
magistrates' Courts ...	120-121	financial assistance ...	34-35
rural Courts ...	121	housing ...	34-35
Supreme Court ...	120	municipal councils ...	33
Justice ...	29	service commission ...	34
Kandyan Convention ...	21	town councils ...	33-34
Kaolin ...	181	urban councils ...	33
Kapok ...	237	village committees ...	34
Labour ...	30	water supply ...	35
Labour legislation ...	91-97	Lorry transport ...	206
estate labour ...	91-92	Machinery of Government ...	25-31
factories, mines and shops ...	96-97	Cabinet ...	26-28
maternity benefits ...	93-94	departments of Government ...	28-30
workmen's compensation ...	94-95	functions of ministries ...	28-30
Labour organisation, &c. ...	89-91	Governor-General ...	25
Land development ...	130-135	law of the constitution ...	25
agricultural corps ...	135	Parliament of Ceylon ...	25-28
colonisation procedure ...	133-134	powers of Parliament ...	26
disposal Crown land ...	132	Magistrates' courts ...	120-121
new system of land tenure ...	132-133	Magnesite ...	182
rehabilitation policy ...	134	Malaria control ...	58-59
		Maternity benefits ...	93-94
		Mediaeval period ...	1-4

	PAGE		PAGE
Medical and public health services	51-64	Nationalisation and control of industries	186-187
estate health work	58	National museums	114-115
expenditure	52-54	National savings movement	259-262
filariasis	61-62	National savings, progress of	262
general	51	Navigation, inland maintenance of	224
health education and publicity	63-64	New system of land tenure	132-133
health units	55-56	Non basic-industries	186
leprosy	62		
malaria control	58-59	Occupations, analysis of	88
maternity and child welfare work	56-57	Occupations, the Portuguese	4-5
organisation	51-52	Oil, cinnamon	237
quarantine services	64	Oil, citronella	237
tuberculosis	59-60	Oil, coconut	235
venereal diseases	61	Oil facilities	215
vital statistics	54	Ordinance	
Medium of instruction	73	land development	129
Meteorology	16-18	waste lands	128
climatological work	16-17	Ores, iron	181
expansion scheme	17-18		
publications	17	Paddy cultivation	148-149
seismological service	17	Painting, Ceylon	115-119
time service	17	Papain	237
Mica	180	Paper factory	190
Migration	42-46	Parliament of Ceylon	25-28
Minerals	179-182	Parliament, powers of	26
Department of mineralogy	182	Patent slip	216
graphite	179-180	Pleistocene soils	15
heavy mineral sands	181	Plumbago (graphite)	179-180, 236
iron ores	181	Plywood factory	188
mica	180	Police system and crimes	121-123
precious stones, &c.	180	causes of crime, &c.	122-123
rare earth minerals	180-181	composition	122
Mines, &c.	179-180	motor traffic	123
Ministries, functions of	28-30	Population	37-50
agriculture and food	29	births	39
commerce and trade	30	censuses, history of	37
defence and external affairs	28	deaths	39
education	30	density	46-47
finance	28-29	distribution by age and sex	41
health	29	growth	37-38
home affairs	29	length of life	49-50
industries and fisheries	30	migration	42-46
justice	29	race	48
labour	30	religion	48
lands and land development	29	rural	47
local government	30	sex	49
posts and information	30	urban	47
transport and works	30	Port commission	216
Monetary Law Act	256	Portuguese occupation	4-5
Monetary system...	248-250	Postal and telecommunication services	217-224
currency notes and coins	249-250	air mail services	217-218
history	248-249	broadcasting service	222-224
Money and postal orders	218-219	money and postal orders	218-219
Motor vehicles	205-207	overseas communications	222
Mountain peaks	11	telecommunication	219
Municipal councils	33	telegraphs	221
Museums, national	114-115	telephone system	219-220
		Postal orders	218
		Precious stones	180

	PAGE		PAGE
Preventive work, causes of crime and ...	122	Rural areas, development of ...	35
Prisoners, discharged after-care of ...	127	Rural courts ...	121
Prisoners, re-convicted ...	124	Rural development ...	104-109
Prisons ...	123-126	divisional and district com- mittees ...	105
long-term first offenders ...	123-124	food production ...	106-107
punishments ...	126	general pattern ...	104-105
re-convicted prisoners ...	124	health drives ...	107-108
statistics ...	125-126	principle and policies, general	106
young offenders ...	123, 125-126	Rural population ...	47
Private industries ...	196	Rural volunteer patrols ...	109
Probation service ...	126-127	Salt industry ...	192-193
Profits tax ...	270	Sand, quartz ...	181
Progress of national savings ...	262	Savings campaigns ...	260
Public assistance ...	101	Savings stamps ...	261
Public debt ...	266	School for the blind ...	75-76
Public health, expenditure on ...	52-54	School for the deaf ...	75
Public health services ...	51-64	School for youthful offenders ...	127
Public works ...	224-227	School health work ...	57-58
bridges ...	225	Schools, academic ...	73-74
buildings ...	225, 226	Schools, types of ...	72
Government factory ...	227	Schools, vocational ...	74
Inland navigation ...	224	Seismological service ...	17
roads, &c. ...	224	Senate ...	26
Quarantine services ...	64	Sex ...	49
Quartz sand ...	181	Share prices, index of ...	241-243
Race ...	48	rubber ...	241
Radiology ...	63	tea ...	241
Railways ...	200-203	tea-cum-rubber ...	243
finances ...	201-202	Shipping ...	211-216
organisation ...	200-201	coaling and re-fuelling ...	214-215
re-organisation ...	203	fresh-water, charges for ...	215-216
Rainfall ...	19-20	graving dock ...	216
Re-convicted prisoners ...	124	harbour ...	212
Reforms ...	22-23	lakeside facilities ...	212
Registration, land ...	135-136	landing ...	213
Rehabilitation of disabled ...	102-103	oil facilities ...	215
Rehabilitation policy ...	134	passenger jetty ...	213
Relief, casual ...	101	patent slip ...	216
Relief distress ...	103	port commission ...	216
Relief of land ...	10-11	warehouses ...	213-214
Religion ...	48	Shops, factories, mines, &c. ...	96-97
Religious denominations ...	48	Social services ...	100-104
Research		casual relief ...	101
coconut ...	154	creches ...	103
forestry ...	173-174	deaf and blind ...	102
rubber ...	153-154	homes for the aged ...	102
tea ...	150-151	insurance ...	104
Reserves, forest ...	171	legislation ...	104
Revenue and expenditure ...	263-270	public assistance ...	101
Rice mills ...	160	relief of distress ...	103
Rivers and waterways ...	11-12	voluntary agencies ...	101-102
Roads ...	203-204 & 223-224	Soils ...	14-15
Rubber ...	151-154	alluvium deposits ...	15
acreage ...	151-152	crystalline ...	14
exports ...	234-235	humic ...	15
production ...	153	limestone ...	15
research ...	153-154	pleistocene ...	15
share prices, index of ...	241		

	PAGE		PAGE
Soubury Commission	24	Town and country planning	36
State industrial projects	187-191	Anuradhapura preservation	36
acetic acid	189	scheme	36
caustic soda	190-191	housing	36
cement	189-190	other services	36
ceramic	189	resettlement scheme	36
glass	188	Town and miscellaneous sporadic	140
iron and steel	191	surveys	33-34
leather	189	Town councils	238-239
paper	190	Trade, direction of	228, 229 & 231
plywood	188	Trade statistics	89
sugar	191	Trade unions	140
synthetic ammonia fertilisers	191	Training school for surveyors	127
textile, cotton	191	Training school for youthful offenders	204-205
vegetable oil	190	Tramways	206
State Mortgage Bank	254-255	Transport, lorry	59-60
Steel, iron and	191	Tuberculosis	87
Strikes, number of	90	Unemployment	65
Sugar industry	191	U. N. E. S. C. O.	65
Supreme court	120	U. N. I. C. E. F.	89
Survey, archaeological	110-114	Unions, trade	79-84
Surveys	138-140	University, legal and technical education	83-84
block and settlement	139	Ceylon Technical College	82-83
engineering	139	Law College	79-82
land development	140	University of Ceylon	33
topographical	139	Urban councils	47
town and miscellaneous sporadic	140	Urban population	102
Taxation and yield	263-264	Vagrancy, the problem of	137-138
Tax, income	268-269	Valuation, land	160-161
Tea cultivation, &c.	149-150	Vegetable collection of	12
Tea-cum-rubber	243	Vegetation, natural	61
Tea, duty on	267	Veneral diseases	159-160
tea export	234	Veterinary services	34
Tea propaganda	234	Village committees	74
Tea research	150-151	Vocational schools	84
Tea research Cess	267	Vocational teachers training course	101
Tea restriction	150	Wages and cost of living	98-100
Tea, share prices, index of	241	Wages boards	95-96
Technical college, Ceylon	83-84	Warehouses	213-214
Telecommunication	219	Waste lands ordinance	128
Telegraphs	221	Water supply	35 & 66
Telephone system	219-220	Water ways, rivers and	11-12
Temperature	18-19	Welfare, industrial relations, &c.	89-91
Textiles	193-194	Wet zone crops	141-142
Time service	17	W. H. O.	64, 65
Tobacco	157	Wild life protection	174-175
Topographical surveys	139	Workmen's compensation	94-95
Tourist Bureau	243-245	Young offenders	123, 125-126
accommodation for tourists	243	Zones, forests, types and important species	170-171
Ceylon travel centre	243		
guides' service	244		
landing facilities, &c.	244-245		
publicity	245		
touts	244		
transport	244		
volume of tourist traffic, &c.	243		

