

SESSIONAL PAPER III.—1938.

Report of a Commission on Immigration into Ceylon

BY

SIR EDWARD ST. J. JACKSON, O.B.E., K.C.

APRIL, 1938.

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CONTENTS.

	PAGE
PART I.—Introduction	3
PART II.—Survey of existing Conditions	4
Indian Immigration	4
Number of Indians in Ceylon	4
The non-Estate Indian Immigrant Worker	5
Sources of Immigration	5
Control of Immigration	5
Movement of Population	7
Sex-ratio	7
Settlement in Ceylon	8
Occupations	8
Government Policy of Preference for Ceylonese	9
The Port of Colombo	9
Coal	10
Inward and Outward Cargo	10
Landing of Inward Cargo	11
Export Cargo	12
Labour in the Harbour	12
Workers employed by Government Departments	13
The Public Works Department	13
The Ceylon Government Railway	14
Government Departments taken together	16
Municipalities and Urban District Councils	16
Employment in Trade and Business	17
Some General Considerations	18
Domestic Servants	20
Shop Assistants	22
Rickshaw-pullers	23
Other Occupations	23
Immigrant Workers of other Races	23
The Immigrant Worker on Estates	24
Preliminary Observations	24
Sources and Control of Immigration	25
Settlement in Ceylon	25
Overflow of Estate Labour into other Occupations	26
Employment of Ceylonese on Estates	26
PART III.—Proposals made by Witnesses	28
Board of Immigration	28
PART IV.—Opinions and Recommendations	31
Introductory Remarks	31
General Observations	31
Questions in Terms of References	32
Recommendations	34
Enlargement of the Labour Department	34
Labour Bureau	34
The Technical School	35
Domestic Servants	36
Housing	36
Sex Ratio	36
The Employment of Ceylonese on Estates	36
Conclusion	37
APPENDIX I.—Questionnaire regarding Non-Ceylonese Workers other than Workers on Estates	38
II.—Questionnaire regarding Non-Ceylonese on Estates	39
III.—Map of South India showing Sources of Immigration to Ceylon	41
IV.—Migration Figures between Ceylon and India, 1921-36	42
V.—Curves of Immigration and Emigration	43
VI.—Classification Table of Labour employed by Government Departments and Local Bodies	44
VII.—Particulars of Immigrants according to Occupation	45
VIII.—Map of Ceylon	46
IX.—Map of Ceylon showing Crude Density of Population	47

REPORT OF A COMMISSION ON IMMIGRATION INTO CEYLON.

PART I.

INTRODUCTION.

By a Commission dated the October 1, 1936, I was appointed by His Excellency the Governor of Ceylon as sole Commissioner "to inquire into and report generally on the immigration of workers, skilled and unskilled (including assisted estate labourers) into Ceylon from India and other countries and in particular to consider the following questions:—

- (a) the extent of such immigration and whether it is increasing or decreasing;
- (b) whether such immigration has caused or is likely to cause unemployment or other economic injury to the permanent population of the Island;
- (c) whether any restriction or control beyond that already existing should be imposed on such immigration and, if so, what form such restriction or control should take".

I spent five months in Ceylon on the work of the Commission and during that time, in addition to Colombo, I visited Kandy, Galle, Jaffna, Nuwara Eliya, Badulla, Ratnapura, Kalutara, and Avissawella. I heard evidence in public at each of the places that I visited and I endeavoured to give an opportunity to be heard to all those deputations or individuals who wished to come before me. In all, I heard evidence from 80 separate individuals and deputations. I also received and considered 82 memoranda from different individuals and associations, and a large number of answers to two questionnaires which I issued before inviting evidence on the subjects with which they dealt. These questionnaires are attached to this report as Appendices I. and II.

I wish to express my appreciation of ready assistance that I received from those who gave evidence or sent memoranda or answers to my questionnaires, and who included members of every community in the Island.

It became necessary, early in my inquiry, to interpret the term "workers" as used in my Commission. It was generally recognized that it excluded persons engaged in trade or business except as clerical workers, shop-assistants and the like. But a considerable number of witnesses were evidently anxious to discuss occupations of a kind that may be said to fall within the broad description of petty trade and to be carried on by persons of the same general class as the great body of manual workers who were, of course, the class most obviously within the meaning of the term. The occupations to which the witnesses referred were those of hawker, pedlar, small boutique-keeper and the like. I found, however, as my inquiry proceeded, that in the case of such occupations it was not possible to draw a clear line between persons who were connected with some larger trader, either by credit facilities or by some form of agency for the distribution of goods, and those who were not. I felt unable, therefore, to deal adequately with such occupations in an inquiry which was not concerned with trade, and such brief references as I shall make in this report to occupations of that kind are limited by that consideration.

Though witnesses generally recognized that trade was outside the scope of my inquiry, the difficulty which a number of them evidently felt in refraining from reference to it suggests a general observation. The prominence of the Indian in trade, more especially in Colombo, is probably the most obvious of all the evidences of his presence in the Island in other capacities than as an agricultural labourer on estates; and it was clear that a number of witnesses saw the problem of the Indian immigrant worker in other occupations against a background of which a large part was a picture of the Indian in trade. I think it necessary to make that observation at an early stage of my report because a dispassionate view of the strictly limited problem with which my inquiry was concerned will hardly be possible unless attention is confined within those limits and the background that I have mentioned is moved away.

A difficulty of quite a different kind, which a large number of witnesses appeared to feel, was the difficulty of interpreting the phrase "permanent population of this Island" as used in my terms of reference. This difficulty arose from the fact, recognized by all, that some proportion of the Indian population, originally immigrants, have severed their connection with India and have become permanently settled in Ceylon. Other Indians have lived and worked in Ceylon for so many years that, in spite of periodical visits to India and a probable intention to return there in the end, it would seem strange to regard them as immigrants in the ordinary sense of that term. I felt obliged, however, by my terms of reference to try, at least, to discover what permanent addition to the population of the Island had been or was being made by the immigration of workers from elsewhere. In this attempt it was, of course, necessary to confine inquiry to what had happened within what may be broadly described as recent times, times that have not yet passed out of sight and into history. With this purpose I used the term "immigrant worker" to include all those who, whether permanently settled in the Island or not, and whether of long residence or recent arrival, did not belong to one or other of those communities comprised by common usage in the term "Ceylonese".

The arrangement of this report places in Part II. a survey of the conditions which my inquiry disclosed. This survey includes an attempt to convey some idea of the general distribution of immigrant workers in different occupations and of the reasons why they, rather than Ceylonese workers, are there. To do this I found it necessary to describe particular occupations by way of typical illustration and sometimes, I fear, as in the case of the Port of Colombo, with much tedious detail. I have tried to confine this part as closely as possible to matters which I thought had been established by the evidence as matters of fact, and to exclude matters of opinion except in that I acted as sole Commissioner, I have tried to give to others in this part of my report as much as possible of the same material for a decision that I had myself.

Part III. is a discussion of the proposals of those witnesses who favoured the restriction of immigration and a consideration of what practical steps would be entailed by the introduction of any scheme of restriction which would be effective for the protection of employment if it were decided that such action is expedient. Much of this part is based on information acquired from an official source in England, but responsibility for what is written is entirely mine.

Part IV. contains my own opinions and recommendations in reply to the questions put to me by my terms of reference, and my thanks to those who helped me.

PART II.

SURVEY OF EXISTING CONDITIONS.

INDIAN IMMIGRATION.

The immigration of workers from India will be considered by itself and separate mention will later be made of the comparatively insignificant numbers who come to Ceylon from other countries. Indian immigration is indeed in a special category, not only by reason of its volume, but also because of the very long historical connection between South India and Ceylon, their share (in spite of marked divergencies) in a common cultural heritage, the strengthening ties of trade and the varied contribution which Indians have made, in the course of many years, to the development of Ceylon.

Number of Indians in Ceylon.

It seems convenient first to try to ascertain, as nearly as possible, the number of Indian workers in Ceylon at the time of my Commission and later to inquire whence they come and why they come, whether their numbers are increasing or decreasing, and what gain or loss their presence brings to the Ceylonese.

It will be necessary to refer more than once in this report to difficulties arising from the curtailment, for reasons of economy, of the Census of 1931. Among other difficulties, the racial divisions of the population are given only for Colombo and it is therefore impossible to discover accurately the total number of Indians in the Island at any time after the Census of 1921. By far the largest part of the Indian immigrant population, probably about three-quarters of the total, including dependants, are employed upon tea and rubber estates and, in much smaller numbers, upon coconut estates. Reliable statistics relating to this particular class are kept in the Department of Labour and from these it is possible to ascertain with fair accuracy the number of the Indian population on estates at any given time, as well as many other particulars about them.

The remaining and much smaller part of the Indian immigrant population consists of those engaged in business and in trade of many different kinds, and as wage-earners or independent workers in a great variety of occupations, skilled and unskilled, including manual work and work of other kinds. No statistics relating to this class are kept anywhere, with the exception of certain records of immigration and emigration to which reference will be made later. If, therefore, one wishes to discover the number of Indians in Ceylon, excluding those upon estates, at any time after the Census of 1921 one is forced to make use of a combination of deductions none of which is free from possibilities of wide error. Until quite recent times few were interested in such matters and it was only in the more acute stages of the depression that the possible effect of Indian immigration upon the economic life of the indigenous population began to attract public attention. An elaborate organization for the control of the immigration of estate labourers had long been in existence, but this was and is maintained for quite other reasons, as will appear when that subject is considered. The arrival of immigrants to engage in other occupations seems always to have been accepted as part of the ordinary life of the Island and, though, among traders in Colombo, competition from India was no doubt keenly felt, immigration other than immigration to estates was, as it still is, free and unchecked, subject to a minimum of control for reasons of public health and the prevention of destitution. In recent years it is not about the destitute immigrant that questions have been raised but about the immigrant who succeeds in getting and in keeping employment.

Returning to the task of discovering the number of Indians in Ceylon at the time of my inquiry, figures supplied by the Controller of Labour show the Indian population on estates at the end of 1936 to have been approximately 659,000 including men, women, and children. The figure which seemed to be most commonly accepted in Ceylon as representing the total of the non-estate Indian population at that time was 200,000 including men, women, and children. According to the Census of 1921 the total was then 153,225. According to the Census of 1931, the number in Colombo alone at that time was approximately 81,000 and if one may assume the same distribution between Colombo and elsewhere in the Island in 1931 that there was in 1921, the total in the later year would have been about 188,000, representing an increase of about 35,000 in the inter-censal period. In Colombo alone the increase is shown by the Census to have been about 15,000 in the same period. Since that time the depression and partial recovery have intervened and have affected migration movements.

No satisfactory method, however, is at hand to discover the total non-estate Indian population of the Island at any time after 1921. No accurate vital statistics for this particular group are available. Separate migration figures are kept for Indian estate labourers and for other Indian immigrants, but investigation shows that, while the incoming figures are probably substantially accurate the outgoing figures almost certainly include many estate labourers in the other group. The emigration of non-estate Indians is therefore made to appear larger than it really is. If, indeed, one relied on migration figures alone one would be led to the conclusion that the non-estate Indian population has been reduced by nearly 50 per cent. since 1921 and that the estate population has increased to a size far in excess of what it is definitely known to be.

However difficult it may be to estimate the number of non-estate Indian immigrant workers in the Island at the time of my inquiry, some attempt must be made to do so if the size of this part of the problem is to be even approximately gauged. I have given the above particulars in order to indicate the caution that must be used.

Although the commonly accepted figure of 200,000 as the total of the non-estate Indian population at the end of 1936 cannot be based on any accurate information, some deductions can be drawn, but with great reserve, from available statistics and from these it seems possible to conclude, though still with the same reserve, that the non-estate Indian population at the end of 1936 was between 190,000 and 230,000. No material is available upon which a closer estimate can be based.

It will thus be seen that the Indian population of Ceylon at the end of 1936 consisted of about 659,000 estate labourers and their dependants and of a number of persons engaged in other pursuits and probably amounting, with their dependants, to between 190,000 and 230,000. The total population of the Island, including all races, was estimated in the middle of 1936 to have been then 5,738,000.

The 657,000 estate labourers and their dependants must be deemed to be "workers" in the sense in which that term is used in my Commission, or dependants of workers, and the whole group must therefore be considered. The remainder of the Indian population, on the other hand, includes a large number of persons engaged in trade and in business in conditions which, as I have explained in the introduction to this report, place them outside my terms of reference. One is again defeated by an absence of statistics in any attempt to estimate accurately the number of this class, but examination of the occupational tables for the Island in the Census of 1921 and of the tables for Colombo in the Census of 1931 suggest that a proportion of not less than 20 per cent. of a total including dependants will fall outside the category of "workers" in the sense in which the term is used in my Commission. Accuracy is not possible and the proportion may be higher than I have made it. In Colombo alone it almost certainly would be, but I have taken what I believe to be a conservative estimate of 20 per cent. as a working basis for the Island as a whole in order not to represent the problem of the non-estate Indian immigrant worker as being, at any rate, smaller than it is.

Proceeding upon this view, the number of non-estate Indian immigrant workers and their dependants with whom this inquiry can properly be concerned will be taken to have been, at the end of 1936, between 152,000 and 184,000. As already noted, the number of immigrant estate workers at that time can be put, with fair accuracy, at 659,000.

In my inquiry in Ceylon for the purpose of ascertaining the facts I separated the Indian estate labourer from the other Indian immigrant workers in the Island and I issued separate questionnaires about the two groups. This procedure met with some criticism on the part of Indian witnesses who reasoned that Indian immigration must be treated as a whole and that it would not be proper to select this or that type of immigrant worker as being necessary for this or that essential occupation which the Ceylonese could not or would not pursue, and to indicate that other types of immigrant were not required. To do so, these witnesses argued, might suggest that the Indian immigrant worker is useful only in the rougher and lower occupations and might cast an entirely undeserved reflection upon the Indian national. That argument will, of course, be given its full weight in that part of my report which contains my opinions and recommendations. I see nothing which conflicts with it in treating separately, for the purpose only of ascertaining the facts of the position, two groups of immigrant workers about whom, whatever the connection between them, many of the basic facts of immigration are so radically different.

The immigrant estate worker comes to Ceylon for the purpose only of working on organized estates. He is specially recruited, at any rate on his first coming, and is brought to the Island and cared for on his journey, free of charge to himself by a very elaborate organization established and supervised under the law of India and under the law of Ceylon. The same organization gives him special facilities for his return. His numbers are subject to close Government control and his wages and living conditions are a special concern of the Government of India as well as of the Government of Ceylon. He has, in some respects, a special position under the law of Ceylon and he is expressly excluded from the operation of the only Ceylon law which controls other immigration, namely, the Destitute Immigrants Ordinance of 1907.

The non-estate immigrant worker, on the other hand, is not recruited, or at least is not supposed to be. He comes, supposedly, of his own initiative and at his own charge. His numbers are subject to no control whatever. He comes, as a rule, from a different part of India from the home of the estate workers, or from different surroundings in the same part, and he belongs to different castes. He engages himself in a very great variety of occupations. He holds no special place under the law of Ceylon and shares only in the general care of the Government for workers in the Island irrespective of race. No legally established organization exists to aid either his coming or his return.

It will be convenient, therefore, to consider the facts of the immigration problem separately in relation to each of these two groups.

THE NON-ESTATE INDIAN IMMIGRANT WORKER.

Sources of Immigration.

The map of South India given in Appendix III. shows the districts from which immigrants come to Ceylon to work on estates and for other purposes, and the average number of immigrants of each class and from each district during the period 1921-1935.

It will be seen that the main source of non-estate immigration is the district of Tinnevely which supplies about 43 per cent. of the total and about 2 per cent. of labour for estates. The districts around Trichinopoly, which supply about 75 per cent. of estate labour, supply only about 17 per cent. of immigrants of the other class. The territories along the Malabar coast, from which about 16 per cent. of non-estate immigrants come, send only a negligible number of workers to estates.

More than half of the non-estate immigrants come to Colombo from Tuticorin and, when they do not remain in Colombo, distribute themselves over the Island from there. This is particularly noticeable in the case of those coming to Ceylon for the first time. Almost all these new arrivals come first to Colombo from Tuticorin.*

The last-named port, as the Map in Appendix III. shows, is the most convenient port of departure from the district of Tinnevely and the State of Travancore. All Indian estate workers enter Ceylon at Talainnamar, first passing through the quarantine camp at Mandapam.

Control of Immigration.

In so far as concerns the scope of this inquiry the only control over the immigration of workers other than Indian estate labourers is the control exercised under the Destitute Immigrants Ordinance, 1907, and the only relevant purpose of that Ordinance is the prevention of the entry of persons who are likely to become a charge on public funds. With this object the law requires that an immigrant must either show that he has a promise of permanent employment in Ceylon or produce, in the case of an Asiatic immigrant, Rs. 150 or, in the case of a European immigrant,

* The statements in this paragraph are based upon figures supplied by the Office of the Board of Quarantine and attached to this report as Appendix VII.

Rs. 600. If neither requirement can be fulfilled, entry may be made conditional on the execution by a resident of Ceylon of a bond making the person signing it responsible for the repatriation of the immigrant in case of need. No landing permit is given and an immigrant lands unless he is expressly ordered not to.

The Ordinance is administered by the Police and in the case of those travelling from Tuticorin the examination takes place at the port of Colombo. In the case of those crossing from Dhanushkodi the examination is held at Talaimannar. With regard to the third class passengers, who, of course, include nearly all the immigrants with whom this inquiry is concerned, a sergeant of police uses his discretion in selecting those whom he thinks it advisable to question. In authority over the sergeant there is a sub-inspector. It would almost certainly be impossible for a staff of two officers to question adequately each one among a number of passengers amounting on occasions to several hundreds and the efficiency of this check must depend on the experience of the officers, and more particularly of the sergeant, in selecting the right passengers to be questioned.

In the case of entry by Talaimannar there is an additional check carried out by a sergeant of the Criminal Investigation Department who visits the quarantine camp at Mandapam. There he questions intending immigrants about their prospects of employment in Ceylon or their means. If he thinks either the prospects or the means inadequate he warns the person questioned that he may not be allowed to land in Ceylon, but he cannot forbid him to continue his journey. Some of those warned return forthwith to their villages, but about half of them continue and enter the Island. Since 1934 the total figures are:—warned, 4,375; returned home, 2,164; landed in Ceylon, 2,211.

No similar check exists at Tuticorin for no facilities exist there, as they do at Mandapam, for the supervision and control of a police officer sent to inspect the immigrants.

It has been noted that the conditions of entry for an Asiatic immigrant are either the possession of Rs. 150, or proof of a promise of permanent employment, or the execution of a bond by a resident for the cost of repatriation in case of need.

Bonds are very rarely required in practice except in the case of such persons as circus performers and cabaret artistes who, experience indicates, are peculiarly prone to need financial assistance to conduct them to their next destination. The ordinary Indian immigrant worker could very rarely find a resident of sufficient substance to stand surety for him and a bond is of no practical use in his case.

The requirement of Rs. 150 is also very rarely exacted and the Police evidence was to the effect that, when it is, the money is borrowed for production if the immigrant happens not to possess it himself.

The legal conditions of entry which, in theory at least, is closest to the purpose of the Ordinance is the proof of a promise of permanent employment. In practice, however, according to the Police evidence, satisfactory proof can very rarely be obtained, or, in the circumstances, expected. A letter of uncertain origin, the word of a friend who comes to meet the immigrant, even the word of the immigrant himself,—evidence such as this is all that can generally be obtained. During the period of ten years from 1927 to 1936, the average annual number of immigrants prevented from entering the Island on the ground that they were likely to become destitute was 300. During the same period the average annual number of Indian immigrants was approximately 90,400, excluding estate labourers and others who were not immigrants in the true sense.

A sufficient description of the working of the Destitute Immigrants Ordinance, 1907, has probably been given to prepare one to share the view of the official Police witnesses that it is quite ineffective for its purpose. It would be a simple matter, in the opinion of these witnesses, for Indian immigrant workers, either artisans or unskilled, to enter the Island in large numbers without any definite prospect of employment but merely in the hope of somehow finding work.

Bearing that fact in mind, it is interesting to note how small, in comparison with the total number of Indian immigrants, is the number of those who ultimately find themselves destitute and are repatriated at the expense of public funds. The procedure for repatriation is governed by the law relating to vagrants and involves conviction by a Police Court for "an offence", an order for repatriation and committal, in the interval, to the "House of Detention" in Colombo. In practice proceedings are taken by the Police only in case of persons showing themselves to be destitute by begging in the streets. The principal Police witness expressed the opinion that men occasionally seek conviction deliberately in order that they may be sent home without cost to themselves.

The following table gives the number of persons repatriated to India through the House of Detention in each of the ten years 1927 to 1936:—

1927	...	...	...	...	591
1928	...	...	...	...	951
1929	...	...	...	...	1,946
1930	...	...	...	...	1,316
1931	...	...	...	...	2,273
1932	...	...	...	...	3,450
1933	...	...	...	...	3,674
1934	...	...	...	...	470
1935	...	...	...	...	1,052
1936	...	...	...	...	738
					15,461

The figures in the above table include estate labourers and in the years 1935 and 1936, but not previously, the Police have kept records showing the number of estate labourers in the annual total. Thus in 1935, 960 persons out of the total of 1,052 were found to have entered the Island and to have worked as estate labourers. In 1936 the number of estate labourers was 595 out of the total of 738. The Police compiled these figures after questioning persons in the House of Detention about their entry into Ceylon and their occupation in the Island and, although no similar records were kept before 1935, the Police witnesses expressed the opinion that a high proportion of the comparatively large numbers of persons repatriated in the depression years 1931, 1932, and 1933 were estate labourers.

There is provision for the repatriation of estate labourers otherwise than through the House of Detention and this will be mentioned in its proper place. In the opinion of the Police witnesses those estate labourers who were repatriated through the House of Detention were generally men who had left their employment on estates and had become destitute after wandering about in search of other employment. The Police considered that the number of these wanderers had much diminished in recent years and that it was not considerable at the time of my inquiry.

When allowance is made for the probable number of estate labourers among those repatriated through the House of Detention it will be apparent that the number of other Indian workers who become destitute in Ceylon and whom it is necessary to repatriate at public expense is extremely small in comparison with the total number of Indian immigrants. This total was estimated in an earlier paragraph to have been an annual average of over 90,000 during the last ten years. If the Destitute Immigrants Ordinance of 1907 is not itself effective to achieve its purpose that purpose is in fact achieved by other means. The Indian immigrant worker comes to Ceylon to work and when he cannot get work he goes back to his home while he has still the means to do so or is sent home by his fellow-countrymen. He does not remain in the Island, to swell the number of unemployed.

While that fact is of obvious importance in a review of the subject of Indian immigration, it is the success of the Indian immigrant in finding employment, and not his failure, that underlies the main question in this inquiry,—whether the presence of the Indian immigrant worker does or does not contribute to unemployment among the Ceylonese.

Before passing to another subject, I wish to note some points raised by the Police evidence on the operation of the Destitute Immigrants Ordinance. The principal Police witness represented that there is no provision under existing law enabling the Police to prevent the entry into the Island of immigrants known to have been repeatedly repatriated from it on the ground of destitution, or repeatedly convicted in India of criminal offences and there described as "Known Depredators", or belonging to Indian "Criminal Tribes" well known to support themselves, according to tribal tradition, by a life of crime.

Although immigrants falling within the classes described are not, of course, sufficiently numerous to affect seriously those aspects of the immigration problem with which this inquiry is mainly concerned, they give rise to a definite problem of a more limited kind.

Repeated relapse into destitution in Ceylon and repeated convictions for criminal offences in India suggest clearly enough the undesirability of immigrants with such histories. The entry of members of Indian Criminal Tribes raises, according to the Police evidence, somewhat different questions. They come to the Island, the principal Police witness declared, in "quite large numbers", though no actual figures could be given. Some of them come as assisted immigrants to work on estates and settle down successfully and give no trouble. Others wander about the country in gangs living on crime. They have no difficulty in producing Rs. 150 if they are required, on entering the Island, to show that they possess that sum. And they do not become destitute. The Police wished to have authority, not to exclude rigidly all members of criminal tribes, but to limit entry to those who could give evidence of an intention to follow an honest occupation, and to supervise in the Island those who were allowed to come in. Draft legislation has been prepared by the Police to provide the powers which they consider necessary and this will doubtless receive consideration without further observations in this report.

Movement of Population.

In addition to the difference in the situation of their Indian homes, another noticeable difference between the Indian estate worker and the non-estate Indian immigrant may be seen in the figures of the total number of immigrants of each class given in Tables A and B of Appendix IV.

When all allowance has been made for the qualifying factors noted on the tables, it will be apparent that the total number of journeys to and fro between India and Ceylon is at least as great among the non-estate Indian immigrant population as it is among estate labourers. Bearing in mind the fact that the number of Indians on estates is approximately three times as large as the number of Indians elsewhere in the Island, it must be concluded that the non-estate Indian population is far more fluid than the Indian population on estates. There are, of course, several conditions which would tend to produce this result. Among them is the fact that a proportion of this class which, as I have already explained, I have taken as a minimum of 20 per cent. are engaged in business or trade in circumstances which place them outside the category of "Workers" with whom this inquiry is concerned and which would require frequent or periodical journeys to India. Another is one which has a bearing on this inquiry and is to be found in the sex-ratio among the two classes of the Indian population.

Sex-ratio.

In 1921, according to the Census of that year, the total Indian population of Ceylon, excluding estate labourers, was 153,225; of these 116,733 were males and 36,492 females. These figures include children. As already noted, figures are not available for the whole Island after that date, but according to the Census of 1931, the Indian population of Colombo, a total of 80,699, consisted of 66,125 males and 14,574 females, again including children. The disproportion between men and women was particularly noticeable among the Malayali community, the actual figures being, at the date of that Census, 16,499 males and 628 females, making a total of 17,127 including children.

On the other hand, the Indian population on estates, at least in recent years, will generally be found to consist of about one-third men, one-third women, and one-third children under 16. In 1935 the actual proportions, among a total estate population of 675,000 were 32 per cent. men, 30.4 per cent. women, and 37.6 per cent. children.

Conditions of life and work on estates tend strongly to promote the maintenance of family life and it is indeed the intention, both of the Indian Government, as reflected in statutory rules, and of employers in Ceylon, that they should. Women and children over ten years of age take a large and very essential part in estate work. There is security of employment for the whole family, as well as adequate housing accommodation and provision for education and health.

Among the unorganized and unassisted immigrants of the other class conditions are very different. When they leave India they have often no definite prospect of employment and when they have found work in Ceylon they have often no certainty of keeping it. In Colombo town, which is the goal of about 44 per cent. of this class of immigrant there is acute scarcity of housing accommodation, suitable for families, at rents which this type of immigrant worker could pay, and the immigrant's search for employment would obviously be made several times more difficult if he were obliged to find work for his wife and children as well as for himself. Without help from them, the unskilled immigrant worker could very seldom earn enough to maintain a family in Ceylon. The education of his children would also present difficulties. In the result it is found that only a small number among non-estate Indian immigrant workers, certainly less than 20 per cent., live a family life in Ceylon and then only when they have been in secure employment for a number of years.

Settlement in Ceylon.

It seemed necessary to inquire to what extent each of the two main streams of Indian immigration, that of estate workers and that of non-estate workers, adds to the settled and permanent population of the Island. An immigration movement will clearly give rise to quite different questions according to whether it does or does not result in a substantial addition to the permanent population for whose continued development, in themselves and through their children, room and opportunity must be found. And special considerations will arise according to whether the addition produced by immigration becomes merged and assimilated with the mass of the permanent population or remains separate and distinct.

The estate worker will be considered in another section. That has already been noted in regard to the non-estate worker;—the frequency of movement between Ceylon and India, the rarity of family life and some of the apparent reasons for it—strongly suggest that only a small number among this class of immigrant workers really make Ceylon their permanent home. It is not possible to make even an approximate estimate of this proportion. In the constitution of 1931 domicile is the main qualification for the political franchise. But attempts to arrive by this means at an estimate of the number of Indians permanently settled in Ceylon proved unavailing. It seems certain, however, that the proportion is very much less among non-estate workers than it is among those on estates. In Government Departments, where gratuities can be earned by daily-paid workers at the age of sixty and after the necessary length of service, it is found that Indian workers who have served long enough and have reached the age necessary to earn a gratuity almost invariably return permanently to India as soon as they have done so.

Instances can be found in different parts of the Island in which small numbers of Indian workers, who came to Ceylon many years ago, have not only settled permanently in the Island, but have become so merged in the permanent population that their Indian origin is only occasionally and vaguely remembered. But these instances are isolated and rare. And among Indians engaged in business and in trade there are, of course, a number who have made Ceylon their home for many years and have most effectively identified themselves with the interests and development of the Island and have become conspicuous figures in social and public life. With Indians of this class my inquiry is not concerned. Those who can be regarded as immigrant workers in the sense in which that term is used in my Commission contribute only a very small addition to the permanent population of the Island and, even when permanently settled, remain not less distinct from the various communities who compose the permanent population than those communities remain among themselves. Still more detached, of course, are the large majority who are in the Island only for a time and whose religious and family ties bind them to other places.

The ease and frequency of movement of the immigrant worker between Ceylon and India is often mentioned in Ceylon as of great advantage to the Island. When work is available for him he is there to do it and when it is not he departs to his home. In times of depression he does not swell the number of the unemployed or of the destitute and vagrant, nor does he become a burden on public funds. There is no doubt that this is true, both among non-estate workers and among labourers on estates, notwithstanding the higher proportion among the latter who have made Ceylon their permanent home, and the curves of immigration and emigration, among both classes of workers, given in Appendix V. will be found in general to follow closely the flow and the ebb of the tide of expansion and prosperity.

While that fact is clearly of importance in considering the problem of immigration, it does not answer the question whether the work now done by the immigrant is work which could, and but for the presence of the immigrant would, be efficiently done by the Ceylonese. To examine this question one must turn to the subject of the immigrant's occupations.

OCCUPATIONS.

I have estimated that the total number of non-estate Indian immigrants who can properly be regarded as "workers" in the sense in which that term is used in my Commission may be taken to be between 152,000 and 184,000 out of a total non-estate Indian population of between 190,000 and 230,000. I would repeat that accuracy in such an estimate is not to be obtained and that the estimate is made only as the best attempt that I could make, in the circumstances, to envisage the size of the problem and not, at any rate, to under-estimate it.

The Census of 1931 gave tables of occupation by race for Colombo only and purported to account for rather more than 148,000 earners of all races, of whom rather more than 61,000 were Indians. A proportion of these would not, of course, be "workers" within the terms of my Commission.

By the courtesy of the Naval and Military Headquarters in Colombo, Government Departments, Municipal and Urban District Councils, and 57 employers engaged in trade or business, I was able to consider returns relating to the employment of 82,000 workers, of whom 58,000 were Ceylonese and 24,000 were Indians. These returns do not cover certain occupations in which Indians are strongly represented, such as, for example, domestic service, rickshaw-pulling, barbering and tailoring, and they include too few shop assistants to be helpful in regard to this class. They are not complete even for the larger employers and they include none of the smaller employers, engaged in a great variety of occupations, from whom returns could not be expected. When examined, however, in the light of the evidence and memoranda that I received they provide useful material for a consideration of the question what the Indian immigrant worker does and why he, rather than the Ceylonese, does it.

The returns are summarized on page 9.

SUMMARY OF RETURNS OF WORKERS EMPLOYED.

Workers excluding Clerks and Shop-assistants.

Employer.	Skilled.		Semi-skilled.		Unskilled.		Total.
	Ceylonese.	Indian.	Ceylonese.	Indian.	Ceylonese.	Indian.	
	Naval and Military Headquarters ..	1,044	70	376	95	6,574 ⁽¹⁾	
Government ⁽²⁾ ..	6,483	1,602	7,957	2,457	16,820	6,786	42,107
Municipal Councils ..	672	212	215	669	843	2,615	5,226
Urban District Councils ..	94	58	75	28	468	804	1,527
Trade and Business ..	2,690	1,294	—	—	4,545	6,144	14,673
Total ..	10,983	3,236	8,625	3,249	29,250	17,020	72,363

Notes.—⁽¹⁾ These workers consist almost entirely of dwellers in the Eastern Province employed on Naval and Military works at Trincomalee.

⁽²⁾ These returns do not include 1,959 workers in the Government Survey Department for whom sufficient particulars of race were not given.

Clerical Workers.

Employer.	Ceylonese.	Indian.	Total.
Government ..	7,054	55	7,109
Trade and Business ..	2,348	325	2,673
Total ..	9,402	380	9,782

The most obvious conclusion to be drawn from the Summary of Returns of workers employed is that the proportion of Indians to Ceylonese is lowest among clerical and skilled workers and highest among the unskilled. But for the temporary employment of more than 6,000 Ceylonese on Naval and Military work in the Eastern Province, the proportion of Indians in the unskilled group would be considerably higher than the returns show it to be. Indians employed in clerical and skilled occupations are generally men who have worked in Ceylon for a number of years and a proportion of them, the size of which it is impossible to estimate, are no doubt domiciled in the Island.

The most helpful information in seeking for an explanation of the presence of the Indian worker in Ceylon is probably to be gained from a consideration of particular spheres of employment both in the public service and in commerce. But before passing to these it should be noted that since the depression the Government of Ceylon has adopted the policy of giving preference to Ceylonese over others in the engagement of persons for all branches of the Public Service and all public works when qualified Ceylonese can be found.

Government Policy of Preference to Ceylonese.

The general adoption of this policy began in the acute stages of the depression when unemployment became a pressing problem. Between 1930 and 1933 the total number of Government employees was reduced by nearly 9,000 and the policy of preferential treatment for Ceylonese had an effect in the selection of those to be retrenched. Its effect has continued in re-engagements and in first engagements and is already appreciable. If this policy continues to be strictly followed it must, in course of time, effect a substantial reduction in the number of non-Ceylonese employed on Government work, and, as it becomes known at the sources of immigration, it must affect the coming of workers to Ceylon in the hope of Government employment. Its operation, moreover, will be of interest in disclosing, more clearly than can be seen at present, what the types of work are that Ceylonese, even when freed from competition with others, cannot or will not do.

In the application of this policy heads of departments and others seem generally to feel that there should be no discrimination against Indians domiciled in Ceylon, but no precise enunciation of the policy on the part of the Government as a whole is anywhere to be found and the application of it to the domiciled Indian is not defined.

I pass now to a consideration of particular spheres of employment.

The Port of Colombo.

The importance of the efficient working of the port of Colombo needs no emphasis. In 1935, a year, in which the effects of the depression were still marked, over 2,700 vessels of a total tonnage of over 12,000,000, entered the port. Imports amounted to over a million tons of goods, 457,000 tons of coal and 357 tons of liquid fuel. Exports exceeded half a million tons of goods. The port is a port of transit and not a terminal port. Vessels make a brief stay and cargoes inwards and outwards must be swiftly handled if over-carriage and short shipment are to be avoided. Demands for coal and oil must be promptly met.

The two largest groups of workers employed in the port consist of those engaged in what may be broadly described as engineering work and of those employed in handling cargo and coal. The aspects of engineering work in the harbour with which this inquiry is concerned do not differ from the same aspects of engineering work elsewhere and both will be considered together. The handling of cargo and coal include some important divisions of work in which the Indian immigrant worker is strongly represented. No statistics are available to show the number of persons so engaged but the employees of those from whom returns were received numbered more than 5,000. I propose to describe in some detail the different operations involved in the handling of cargo and coal because they illustrate clearly a fact, noticeable also in other spheres of labour, namely, that particular kinds of work are, and have been for many years, done by workers of particular races. This division seems to have been generally accepted among workers and, until very recent times, there has been little or no invasion by one race of occupations formerly followed, either exclusively or almost exclusively, by workers of another race. In very recent times the Ceylonese have shown some disposition to take up work of kinds which they formerly left to others, though this tendency has not been apparent in the handling of coal. There is no evidence that these divisions of work are the result of obstacles placed, either by employers or by workers, in the way of the engagement by men of any particular race in work customarily done by another. These divisions of work seem rather to have grown up because either the work itself, or the conditions of life necessarily

associated with it, suited workers of a particular race better than they suited others. I hope that some account of the operation of these divisions of work in the harbour may be found helpful in forming a picture of the place of the immigrant worker, not only in that important sphere of labour, but in other occupations as well.

Coal.

It has been noted that the quantity of coal imported in Colombo in 1935 was 457,000 tons. In 1929 the quantity was 780,000 tons. After that year the import declined steeply but, since 1932, has shown an increase. The great majority of workers employed in coaling ships and in discharging coal for the shore are Indians.

The handling of coal inwards begins in the hold of the incoming ship where the coal is shovelled into large buckets holding 4 or 5 cwt. to be hauled up by the ship's winch. About four men work in one hold at the same time. A team will work for ten hours, with an interval for a meal, and men are paid Rs. 2.50 a day and double rate at night. No one who has watched this work in progress could doubt that it is hard and the men, as the hold is gradually emptied, sink deeper and deeper into a thick cloud of black dust. This work and also the trimming of coal in ship's bunkers, which will be presently mentioned, is exclusively done by Sinhalese and this fact should be remembered when the criticism is heard, as it was frequently heard during my inquiry, that the Sinhalese leave the hardest work to others. On the occasion on which I watched this process I was told by the Captain of the ship that the men, then about to finish ten hours in the hold, had decided to work through the night rather than hand over to another team who would do the same work for twice the pay. For their twenty hours work these men would have received Rs. 7.50.

From the hold the coal is raised in buckets by the winch to the level of the deck and tipped down a shute into a lighter moored to the ship's side. The men at the winch, the men who guide the bucket to the shute and tip it in and the men who keep the lighter in position below are Sinhalese. The lighter is towed to the shore by launch and then moored to a jetty at the coal-grounds. Indian Tamils then take over. They shovel the coal in the lighter into bags, weighing one hundred-weight each, and lift these to the jetty. From there the bags are carried by Indian Tamils and emptied on to the ever-rising top of a coal-stack which may be anywhere between thirty and a hundred yards distant from the jetty. Wages depend on the number of bags carried and for this reason a distant coal-stack is not viewed with pleasure. Regular workers earn approximately Rs. 30 a month, casuals from Rs. 15 to Rs. 20.

In coaling ships the coal is put into bags at the stack and carried to the jetty where it is put into the lighter, still in bags. This is done by Indian Tamils. The lighter, which has a Sinhalese crew, is towed to the ship's side and the bags are raised, by a series of stages constructed against the ship's side, to the ship's deck and there emptied into the bunkers. The bags are lifted from the lighter on to the first stage by Sinhalese and up the remaining stages and on to the deck and emptied into the bunkers by Indian Tamils. Transfer from the lighter to the first stage may be difficult in rough weather and is specially highly paid. In the bunkers the coal is trimmed by Sinhalese. This process of trimming consists of stacking the coal in the bunker and ensures that the bunker is properly filled. The trimmer works by artificial light in an atmosphere thickened and darkened by coal dust and in a constantly decreasing space. For some substantial part of his day's work, he is unable to stand upright. This work is regarded as the hardest in the whole process of handling coal. It is paid at the rate of Rs. 2.50 a day.

By far the most numerous group of those engaged in the handling of coal are those who transport the coal to and from the stacks on shore. No other part of the process involves the actual carrying of bags of coal over any distance. There are a few Sinhalese among those who do this work but their proportion is probably less than 5 per cent. It has not changed during a number of years and shows no signs of changing. Dislike of the carrying of heavy bags over considerable distances, and in all weathers, was the only explanation that contractors engaged in this work could give for the absence of Ceylonese among those employed in this particular part of it.

Inward and Outward Cargo.

The quantity of merchandise passing inwards and outwards through the Port of Colombo in 1935 exceeded one and a half million tons, excluding cargo for transshipment. In the different stages of the handling of this cargo, as well as in the handling of cargo of different kinds, the preference and the dislike, and the aptitude and inaptitude, hitherto shown by workers of particular races for particular kinds of work is apparent. The question whether dislike and inaptitude, where they are shown now, are likely to disappear in the future is, of course, a question requiring attention.

The three main divisions of work in the handling of cargo inwards and outwards are handling on the ship, transport between ship and shore, and handling on shore.

The work of handling cargo on the ship was the subject of an agreement, made after a strike of workers in the harbour in 1928, between the contractors responsible for that work and the Ceylon Labour Union. By this agreement contractors undertook to employ 25 per cent. of Sinhalese labour in this particular division of work in the harbour. Prior to that agreement the proportion of Sinhalese employed was very small and the strike did not begin in any dispute about the employment of workers of one race rather than another, but in a dispute about the wages of workers, nearly all of whom, at that time, were Indian Tamils. The agreement for the employment of 25 per cent. Sinhalese is still observed, both with regard to regular and to casual labour. Ceylonese of other races do not, and never did, engage as workers in this particular work.

In the case of inward cargo work on the ship consists of bringing the cargo to the centre of the hold, putting it in slings and transferring it by winch to the lighter at the ship's side. In the case of outward cargo the process is, of course, reversed and the cargo must be properly stowed in the hold so that the hold is filled to its capacity and the cargo will not shift in the rough weather. This last process, particularly when a cargo varies in the size and weight and shape of the containers, requires considerable skill.

Evidence given to me, which I accepted, was to the effect that the Sinhalese employed in the handling of cargo on board ship avoid, if they can, the movement of heavy goods in the hold over any considerable distance to the ship's slings and that they are not as efficient as the Indians

either in the slinging of difficult cargo, such as steel girders, or in the stowing of cargo in the ship's hold. Indeed this latter branch of the work has for many years been exclusively in the hands of a particular community of Indians, the Parawas, and though the agreement mentioned above requires the employment of 25 per cent. of Sinhalese in the handling of export cargo on board the ship, they appear to take little or no part in the actual stowage of cargo in the ship's hold.

The evidence was to the effect that the employment of Sinhalese under that agreement has not made for efficiency, that these workers show no wish to learn by experience or to engage in this branch of the work in greater numbers. According to the evidence, the proportion of Sinhalese employed are chosen and sent on board the ship by an officer of the Labour Union and not, as in the case of the Indians, by the contractor and his foreman.

Wages for this branch of work, as determined by arbitration following the strike in 1928, are Re. 1.75 for a day of ten hours, and Rs. 3.50 at night.

The agreement relating to the employment of 25 per cent. of Sinhalese applied only to the work on board ship and not to the other stages in the handling of cargo; transport by barge between ship and shore and handling on shore. Here different divisions of work among the different races are apparent.

The crews of the barges are mixed in race, the Indians among them being mainly Malayalees. According to the evidence this is the only branch of work in the handling of cargo in which this particular community is found in appreciable numbers. In recent years the proportion of Sinhalese in barge crews, though still well below 50 per cent., has tended to increase and the proportion of Malayalees to diminish. The Sinhalese appear to be taking more readily to this branch of work and witnesses could suggest no reason why it should not be entirely done by them if they sought it in sufficient numbers.

Receipt of cargo from the ship's slings and stowing it in a barge, and the reverse process in the case of exports, though not light work, involves no heavy carrying over an appreciable distance. The crew generally make their home in the barge, but a few may go home at night. Wages vary with the work done, but probably average between Rs. 25 and Rs. 30 a month.

Landing of Inward Cargo.

At the shore the cargo is lifted by crane from the barge on to the quay, unless it consists of rice or sugar in bags. These are lifted by hand, not by the barge crew, but by Indian Tamils. Having been landed by crane from the barge, general cargo in cases is taken on hand trolleys to the warehouse and stacked there for delivery or transshipment. Those engaged in this work, are mostly Indian Tamils, but an increasing proportion, probably already about 40 per cent., are Sinhalese. No appreciable number of Malayalees are employed. The pay of regular workers averages between Rs. 35 and Rs. 40 a month.

Bags of rice and sugar are carried on the heads of porters from the quayside to the warehouse and are there stacked. The weight of a bag of Rangoon rice is between 160 and 164 lb. Broken rice from Saigon may weigh up to 240 lb. a bag. Bags of sugar weigh 2 cwt. The distance from the barge to the stack may be as much as 40 yards and a stack will mount to a height of 30 ft. An ordinary day's work is ten hours with one hour's break. Occasionally a gang will work for two or three hours longer. Wages depend on the number of bags and the weight carried and probably average Re. 1.50 a day.

The import of rice in 1935 was over a half a million tons, and of sugar over 67,000 tons.

In Colombo the whole of this cargo in bags is carried from the quayside to the warehouses by Indian Tamils. I could obtain no evidence that any Sinhalese undertake this work. If there are any they are so few as to be negligible in number. According to the evidence Sinhalese have never offered themselves for this work in Colombo within the memory of any of the witnesses now employed in the harbour and did not offer themselves for it even when unemployment was most severe at the worst stage of the depression. Nothing in the evidence suggested that they are likely to take to it in the future.

It should be noted here that conditions in the other ports of the Island are not the same as conditions in Colombo. None of the witnesses that I heard and none of the memoranda that I received drew attention to the presence of immigrant workers in ports other than Colombo. In the port of Galle, at which I was able to observe the handling of cargo, the whole of the import of rice, for example, is carried from the barge to the shore and stacked in the warehouse by workers who are natives of the Southern Province. These men carry the bags on their shoulders, and not on their heads as Indian Tamils do, and to get them from the barges they have to wade above their waists into the sea. It must, of course, be remembered that the import of rice at the port of Galle is less than one eleventh of the quantity brought to Colombo and that the landing of it provides only intermittent work for a comparatively small number of men. The fact remains that in Colombo the Ceylonese do not take even an intermittent or casual share in this particular kind of work.

Why the Ceylonese in the Southern Province will do what the Ceylonese in Colombo leave to Indians is a question to which the evidence provides no clear answer. There was some suggestion of superiority of physique and stamina in the Southern Province, but whatever the reason may be, the evidence as a whole strongly pointed to the conclusion that the absence of the Ceylonese in Colombo in this particular sphere of labour is not due to their exclusion by the Indian from work which they are willing to do.

The last stage in the handling of inward cargo is its delivery from the warehouse to the consignee.

General cargo is transported by hand trolley from the warehouse to the consignee's lorry or cart. The majority of those engaged in this work are Sinhalese. Rice and other imports in bags are carried to the lorry or cart by porters. The great majority of these porters are Indians. A few Sinhalese do this work and have done it for a number of years, but their number shows no tendency to increase. Some carrying of cases and bags, including bags of rice, is involved but the distance is short. When the Sinhalese worker carries a bag of rice, he carries it on his shoulders and not on his head as the Indian does.

Export Cargo.

The transport of export cargo from the quay to the ship in barges with a mixed crew of Sinhalese and Malayalees has been already described. So also has the handling of cargo on board the ship and its stowage in the hold by workers including 25 per cent. of Sinhalese in accordance with an agreement between the contractors and the Labour Union. In the receipt of the export cargo from the consignor and its transport to the quay the workers employed are almost entirely Indians.

The principal exports consist of tea in cases weighing about 100 lb., rubber in bales weighing 240 lb. or cases weighing from 150 to 200 lb., coconut oil in drums weighing 4, 5 or 10 cwt., copra in bags weighing 1½ cwt., and desiccated coconuts in cases weighing 150 lb. Except in the case of copra little carrying is involved. Wages are at the rate of Re. 1 a day for every day in the month, whether work is available on every day or not, and overtime is paid. The evidence showed that Ceylonese do not offer themselves for this work and no reason could be given, though there appeared to be no obstacle in the way of Ceylonese obtaining employment if they wished to.

Labour in the Harbour.

Some general conditions affecting labour in the harbour should be mentioned and, among them, the division and subdivision of the workers under a number of contractors, sub-contractors, foremen, and kanganyes. In the result the person immediately responsible for the engagement and payment of the workers may be a long way down in the hierarchy below the more substantial employer ultimately responsible for the performance of the work.

This condition was the subject of adverse comment by the Royal Commission on Labour in India with reference to the employment of unskilled labour in Rangoon, but its interest in this inquiry lay in the question whether it was or was not an obstacle to the employment of Ceylonese. Nothing in the evidence suggested that it was, except in so far as any circumstance which is an obstacle to the improvement of the conditions of labour must tend to discourage workers, no matter of what race.

The kangany or the tindal makes his living by supplying a gang of labourers or a boat's crew and he has to keep his gang or his crew complete. This is not easy since many of the Indian workers return annually to India for the harvest and others have to be recruited in India to replace them, often at a cost to the kangany, in advances and fares, which he may or may not recover. There was no evidence that the Ceylonese objected to working under an Indian kangany if they had no objection to the work itself and it seemed clear that if they would offer themselves regularly for it and do it efficiently they would be readily employed.

It was suggested in evidence that one of the main reasons for the splitting up of work in the harbour under such a number of contractors, sub-contractors, foremen, and kanganyes was the very scattered and diversified nature of the work. Whatever the reason, it will be apparent that the supply and supervision of the necessary labour, drawn from different races, has produced a very complicated organization, that this has been evolved, during a considerable period of time, out of the conditions in which the work has to be done, and that it takes account of the preferences and the dislikes of particular races for particular kinds of work. Moreover, whatever the defects of the system, it secures that the work is done. Authoritative intervention in the system with the object of securing the greater representation of a particular race would have to take account of those factors.

Although there is no marked seasonal variation in the amount of work in the harbour it necessarily varies from day to day with the arrival of ships, and a considerable part of the labour is casual. In some instances workers appear to prefer casual rather than regular employment. It was in evidence, for example, that the Sinhalese "trip men", those who man the barges for transport of coal from the shore to the ship's side and are comparatively highly paid, prefer to make only one trip a day when they might make several. The casual character of employment is commonly considered to be an obstacle to the effective organization of labour and the improvement of the workers' conditions, but there was no evidence that it hindered the employment of Ceylonese in comparison with other races or that the Ceylonese showed greater eagerness for a share in those divisions of work in the harbour which were regular rather than casual.

A special feature of work in the harbour is the necessity that workers should be available at short notice in an emergency or when required outside the usual working hours, for example, in the middle of the night. These occasions arise less frequently than they formerly did because of improved arrangements for information of the arrival and requirements of ships. But they occur and to meet them contractors and their subordinates have established "kitangies" or quarters in which a considerable number of men can live and sleep near their work. These kitangies consist of one or more rooms housing varying numbers of men, usually between twenty and fifty. Rents average about Re. 1 per man per month and food, shared among so many, is proportionately cheap. Family life is impossible. Similar arrangements are made by workers for themselves in employment outside the harbour and a large part of the Indian immigrant working population lives in these conditions. There was no evidence of any similar arrangements among Sinhalese workers and, indeed, the evidence indicated that such a mode of life would be entirely contrary to their habits and ideas. The Sinhalese either has a family of his own or lives with relations or friends.

The lodging of workers in the conditions described has obvious advantages, in the matter of employment for those who adopt it. Its cheapness makes life possible on earnings which would not support a man living in different circumstances. For work in the harbour (and I am writing only of that at the moment) its convenience to the employer is sufficient to secure regular work for those so readily and constantly available in preference to others, and it is an example of the way in which the shortage of housing for workers in Colombo favours the immigrant worker.

I have described work in the harbour, and its division among different races, at considerable length because in that employment is found the largest group of workers (other than those on estates) that my inquiry revealed, engaged in collective and organized labour and dividing the work among themselves mainly in accordance with their own preferences and aptitudes. I would have written "entirely" and not "mainly" in the last sentence but for the difficulty of housing for workers in Colombo, a difficulty which the immigrant has found means to overcome by living in "kitangies" and the Ceylonese has not. How far that difficulty is an obstacle to the employment of Ceylonese would be very hard to estimate and it is to be noted that in spite of it, a

considerable number of Ceylonese have found work in the harbour in those kinds of work which they are willing to undertake and are gaining an increasing share in one particular operation, the manning of barges between ship and shore.

The evidence strongly indicated that preference and aptitude on the part of the workers themselves are the main reasons for the existing divisions of work between workers of different races. The whole of the work that has been described, with the exception of one division of it, is unskilled work and no question of gaining experience arises. The exception is the stowing of export cargo in the holds of ships. In this work 25 per cent. of Sinhalese have been employed since the strike in 1928 and the evidence was to the effect that these men have shown no wish to take advantage of their opportunity to learn by experience and that they appear to dislike the work.

In general the clear purport of the evidence in regard to employment in the harbour was that when the Ceylonese wants work the presence of the immigrant will not stop him from getting it. Nor is he deterred from seeking work by the mere fact that the work is hard. In describing the work of coaling and discharging coal instances have been given in which what is probably the hardest and most unpleasant work in the harbour is done by Sinhalese. But the Ceylonese worker has his likes and his dislikes and, while there was some evidence of a lessening of the former, these are still the main factors determining his share of work.

There was no evidence of undercutting in wages on the part of the immigrant worker in the harbour. His assertion of his claims led to the strike of 1928 and he is properly watchful of them. Nor was there any evidence of prejudice on the part of employers of any race against the employment of Ceylonese if they would work efficiently.

Tendencies and conditions which have been described in considering work in the harbour show themselves also in other spheres of employment and the detail with which they have already been discussed will make it possible to deal more briefly with other occupations.

WORKERS EMPLOYED BY GOVERNMENT DEPARTMENTS.

The Public Works Department.

According to the returns furnished by Government Departments the largest total number of workers, and the largest number of Indian workers, employed by any department are employed by the Department of Public Works. The total given for 1936 was 11,765, excluding clerical workers. Of that total 7,540 were Ceylonese and 4,225 were non-Ceylonese. These latter were almost all Indians. The proportion of Indians employed was just under 36 per cent. of the total. In 1930-31 the corresponding figures were, total, 10,636; Ceylonese, 5,855; Indians, 4,781, the proportion of the latter being just under 47 per cent. of the total.

It will be seen that between 1930-31 and 1936 the proportion of Ceylonese to Indian workers increased. This increase is especially noticeable in skilled labour in which the proportion of Ceylonese increased in the same period from a little over 50 per cent. to a little over 68 per cent.

Of the total number of workers shown in the returns of the Public Works Department, the only considerable group working directly under the department consists of about 700 men employed in the Government Factory in Colombo. The 11,000 others consist of about three hundred small groups scattered all over the Island and directly employed by overseers and contractors. These men are engaged in the regular and constant work of the department on roads, bridges, buildings and the like. New construction works are given out on special contracts and with those employed on such works the department is in no way concerned. Such workers are not therefore included in the returns under consideration.

The evidence showed that of the 700 men employed in the Government Factory in 1936 about 60 were Malayalees and the rest were Ceylonese. Witnesses from the Department also stated that the 60 Malayalees were men who had been in the Factory for fifteen or twenty years. Figures compiled officially in 1928 show that out of a total of 963 men then employed in the Factory 33 per cent. were Indians. The reduction in the total number since 1928 is almost exactly equal to the reduction in the number of Indians employed.

In the Factory the Government policy of giving preference to Ceylonese in the engagement of new employees is strictly followed, but among the 11,000 workers scattered all over the Island in about three hundred small groups under as many overseers and small contractors the application of that policy is less certain and in these groups are found almost all of the total of more than 4,000 Indians employed. The reason for the high proportion of Indians in these groups is not, however, the difficulty of applying the Government policy of preference for Ceylonese and, to appreciate the position it is necessary to make a brief reference to the history of labour in the department.

In the early days of the British occupation of Ceylon the scarcity of skilled workers in the Island, and the difficulty of obtaining local labour for the exacting work of development then necessary led to the formation in 1821 of a semi-military organization known as the Pioneer Force. This force consisted of skilled and semi-skilled men recruited from India and organized in divisions under the control of the military authorities in whose charge the public works of the Island then were. The construction of roads, bridges, and irrigation works in the state of the country as it then was, and in jungle or marsh and deserted or unhealthy areas, was almost as much disliked by the members of the Pioneer Force as by the local inhabitants and the force was difficult and costly to maintain at the necessary strength. Nevertheless it continued to exist, passing from military to civil control in 1852, reaching 4,000 in numbers in 1867, and gradually diminishing until the last group of 22 men employed by the Public Works Department finished their work on the new Secretariat in 1928 and passed to the Irrigation Department in which the last nine members of the Force were still employed at Minneriya when I held my inquiry.

To the labour of this Force many of the chief public works in the Island are due. These include the roads from Colombo to Kandy, Kandy to Trincomalee, Colombo to Galle and many others; the bridges at Gampola, Katugastota and Kalutara, and the Victoria bridge, and others; several sections of the railway, some tanks, and the Puttalam and Kalutara canals.

Long after the Pioneer Force had lost its importance the Public Works Department continued to rely very largely on Indian labour. Its many and widely scattered duties required, as they still require, the maintenance of small groups of regular workers in all parts of the Island and often in isolated or unhealthy or climatically trying places. Within the last 25 years, official witnesses

declared, there has been no direct recruiting from India by agents of the Department. But before that time there was and there can be no doubt that during the same period the Department's labour force included many men who had been brought from India to work on estates and who, for one reason or another, had left their employment. Official witnesses maintained that the movement of labour from estates to the Department had entirely ceased and they suggested that this was probably due to the improvement of the conditions of life on the estates and to the abolition of the "tundu" system. They maintained that the Indians now employed by the Department are all men who have been in its service for many years, and whose fathers, in many instances, had served it also. These witnesses thought that the majority of the Department's Indian workers are domiciled in Ceylon, many having married among themselves and brought up their families in the Island. The Indian employees of the Department, according to the evidence, do not return to India after longer or shorter periods of work, as Indian workers employed elsewhere generally do, and it is to be noted that the Department, unlike the Railway and the Harbour Engineer's Department, has no special regulations allowing sufficient leave of absence, without pay, to enable Indian workers to return to their homes.

It will be apparent from what has been written that the contribution of the Public Works Department to the development of the Island owes a great deal to Indian labour and that Indian workers still take a large, though a lessening share in it. The evidence indicated also that whatever may have happened in the past the department is no longer an agency by which new immigrant workers are attracted to the Island in any considerable number.

The fact that the Government has relied on Indian labour, not only in the Public Works Department but in others also, is reflected in the contribution made in the annual Budget to the Immigration Fund—the fund established primarily to meet the cost of the organized immigration of labour for work on the estates.

In 1923 the sum voted by the legislature was Rs. 50,000. In 1927 it rose to Rs. 100,000 and remained at that figure until 1931, when it was reduced to Rs. 50,000. In 1932 the vote was refused and in 1936 it was reduced to Rs. 1,000. The sum voted from public funds was never based on the actual number of Indian workers in Government employment, for no estimate of the number was made, and while various considerations affected the amount voted from time to time, its reduction to Rs. 1,000 in 1936 was influenced less by a belief that the number of Indian workers had proportionately diminished than by a wish that it would.

It has been noted that the number is in fact decreasing in the Public Works Department. According to the Department's return, the number has decreased from 4,781 in 1930 to 4,135 in 1936. In the same period the number of Ceylonese workers has increased from 5,855 to 7,540. These men live in Government lines, or in their own houses near the lines, and the lines are placed at intervals of about five miles along the principal roads in many parts of the Island. The men are engaged, as already noted, on the ordinary recurrent maintenance work of the Department on roads, bridges, and buildings, and their work usually permits them to return to their lines or houses at night. The official evidence was to the effect that the Sinhalese are taking more readily to this work than they formerly did, more especially in the Southern Province, and that, though they naturally prefer houses of their own when they can get them, they are more willing to live with their families in lines than they were in the past and actually do so in considerable numbers. These witnesses, who were themselves Ceylonese, expressed the opinion that, in the past, work of the kind described had been looked on by the Sinhalese as an unworthy and menial occupation but that in recent times this attitude had tended to disappear. Although, according to these witnesses, the great majority of Indian workers employed under the department are domiciled in Ceylon, their total number is decreasing. As new workers are required Ceylonese are engaged and as long as this policy is followed—as long as the Ceylonese show sufficient readiness for the work to enable it to be followed—the result must be to increase their share in it. Nothing in the evidence showed that the presence of the Indian worker has deprived the Ceylonese in the past of any substantial share in the work which they were prepared to take.

The Ceylon Government Railway.

The mean total number of workers employed by the Railway in 1936, excluding clerical workers, was approximately 10,500. In addition there were about 1,700 persons in clerical and superior occupations. These latter included no sufficient number of immigrant workers to require comment.

The total of 10,500 other workers includes approximately 7,400 Ceylonese, 1,450 Malayalees, and 1,600 other Indians. None of this labour is casual; it is all engaged on the regular and constant work of the Railway.

In the Railway, as in other fields of employment, by far the largest part of the skilled work is done by Ceylonese and in 1936 Ceylonese workers numbered over 88 per cent. of the total in the skilled grade.

The 1,450 Malayalees employed by the Railway form the largest group of that race found in any one employment in the course of my inquiry. Nearly 600 are employed in the workshops at Ratmalana in which there are over 2,000 Ceylonese. About 650 are in the Transportation branch in which Ceylonese workers number nearly 1,800. The rest, about 230, are divided between the Way and Works branch and the Railway Stores.

Of the total of approximately 1,600 other Indians about 1,500 are employed in the Way and Works branch and the rest, less than 100 are about equally divided between the workshops at Ratmalana and the Transportation branch.

The Malayalee has gained his position in the Railway by entering it at the bottom and by doing the heavy unskilled labour at a time when very few Ceylonese were ready to take up work of that kind. Those who have risen to the skilled and semi-skilled grades have done so only after some years of work as unskilled labourers and all the Malayalees now employed by the Railway have worked there for a considerable number of years.

In the workshops at Ratmalana the movement of heavy materials from place to place, the lifting of heavy objects into and out of machines, the loading and unloading of trucks was almost entirely done by Malayalees in the past. In the Transportation branch, the firing of locomotives was, and still is, done almost entirely by them. They also did the cleaning of carriages and the loading and unloading of freight. Scavenging has never been done by Ceylonese. In the Way and Works branch, in which less than 3 per cent. of Malayalees are now employed, they have

shown special skill in the heavy timbering work required for the foundations of bridges, work which must often be done at considerable depths underground, and below water-level and in difficult conditions of air. There has been little of this work in recent years and in consequence fewer Malayalees have been employed in this branch than formerly.

Conditions are now changing to some extent and applications by Sinhalese for unskilled work in many branches of the Railway are being received. Since about the year 1933 (the exact date could not be given by the witnesses) the Railway have followed strictly the Government policy of giving preference to Ceylonese in the engagement of new hands when suitably qualified Ceylonese can be found and, except for very special reasons, no new non-Ceylonese workers have been engaged since that time. As already noted, Ceylonese always had nearly 90 per cent. of the skilled work and the change which is taking place is occurring in the unskilled grades. Until quite recent years Ceylonese did not attempt to enter these. There are now more applications for work of this kind in the workshops and in the Transportation branch than there are vacancies to be filled. Conditions in the Way and Works branch are different and will be mentioned separately.

The greater readiness of the Ceylonese to take up unskilled work in the two branches of the Railway that have been mentioned was due, according to the evidence, to the greater difficulty in recent times in earning a living in ways customary among manual workers in the Island. It would seem probable, however, that their entry into these new fields of work has been helped by the policy of preference for Ceylonese, apart from the obvious effect of the prohibition of the engagement of others. Until this policy was adopted, it was usual for non-Ceylonese workers in any particular branch to bring one or their own family, or some other fellow-countryman, to fill any vacancy that occurred in their branch and the vacancy would be filled before its existence became known to others. It may be mentioned here that this particular method of filling vacancies is found in many fields of employment outside the Railway. It tends, obviously, to keep particular divisions of work as the preserves of particular groups or communities of people.

In the Railway its effect has been ended by the Government policy of preference for Ceylonese but there has been only some three or four years of experience of the Ceylonese as an unskilled labourer in the Workshops and the Transportation branch upon which to base a forecast of the future.

At the time of my inquiry the experience of Railway officers was that the Urban Ceylonese (a term which in this connection means Sinhalese), rarely persisted in heavy unskilled work. He would take such work in the hope that it would speedily lead to other work of a superior kind and when he found it did not he would, all too frequently, abandon it. Railway witnesses stated that the "turnover" among unskilled workers in these branches of the Railway had greatly increased since the engagement of Sinhalese and they contrasted the transience of the urban Sinhalese with the permanence of the Malayalee who, when once he had got into a 'Government job', would stick to it for life. They had found the village Sinhalese to be better adapted to heavy manual work and less liable to give it up. They had found it still necessary to employ the Malayalee for certain types of work, such as the movement of heavy materials, and the firing of locomotives, and to employ non-Ceylonese for scavenging and conservancy, and they thought that the employment of Sinhalese in other unskilled work had resulted in a loss of efficiency but they recognized, with complete fairness, that experience of them in these fields of labour had been short. There can be little doubt, however, that Sinhalese would not have been engaged as unskilled workers in the numbers in which they have been in the last three or four years had Railway officers been free to consider only the efficiency of the work for which they were responsible.

As already noted conditions of work in the Way and Works branch of the Railway differ from those in other branches. This branch is responsible for the maintenance of the track, of signals, and of bridges and other buildings over the whole extent of the Railway. It employs nearly 6,000 out of the total of 10,500 Railway workers. Of these 6,000, about 4,200 are Ceylonese, about 1,500 are Indian Tamils, less than 200 are Malayalees and there is a negligible number of Indian Moors and of others.

In this branch, as in other branches of the Railway, about 90 per cent. of the skilled workers are Ceylonese, but it differs from other branches in that it has a far higher proportion, approximately 66 per cent. of Ceylonese, in the unskilled class.

The main body of workers in this branch is divided into gangs stationed permanently at regular intervals of three miles along the track and living with their families in lines maintained by the Railway. Sinhalese live in these conditions as readily as Indians, provided that the lines are situated in Sinhalese areas and near to villages. In such places the gangs are generally Sinhalese. At some points along the track the labourers' lines are at a distance of twenty or thirty miles from the nearest village and at these and other isolated places the Railway officers have found that only Indian Tamil gangs will stay. Groups of labourers in Railway lines are always composed of workers of the same race.

Much of the work of these gangs involves heavy labour and though the Sinhalese gangs do the same work as the Indians, the evidence of the responsible Railway official was to the effect that the out-turn of the Indian gangs in heavy work is definitely superior to that of the Sinhalese, that the latter are reluctant to work in the rain and show less resistance than the Indian to malaria and other illness. When heavy work has to be done at speed, as, for example when an earthslip or a wash-away occurs on the line, it is found necessary to employ Indian Tamil gangs with the Sinhalese.

In the Way and Works branch of the Railway the effect of the Government policy of preference for Ceylonese has been less noticeable than in the others, for in this branch the Ceylonese has long had a large share in unskilled labour and there is no sign that he is now looking for work in this branch which he would not formerly do or that he is ready to work in places where he would not formerly live.

Looking at the Railway as a whole, however, it is apparent that the proportion of immigrant workers to Ceylonese is decreasing and that this is happening as the result of a combination of two causes, the official policy of preference for Ceylonese and a greater readiness on the part of Ceylonese, in existing economic conditions, to enter fields of labour from which they formerly turned away. There is now no flow of new immigrant workers to the Railway for work that the Ceylonese can and will do, and it is very doubtful if Ceylonese workers were ready at any time in the past to undertake work for which immigrants, in any considerable numbers, were engaged.

The Indians now employed are, in almost all cases, men who have worked in the Railway for many years and when they have reached the skilled and semi-skilled grades they have done so only after a long period of work as unskilled labourers.

Government Departments taken together.

Workers employed by the Public Works Department and by the Ceylon Government Railway, whose occupations and racial divisions have now been described, number about 22,500 out of the total of 42,000 workers, excluding clerical workers, in Government employment. Indian workers in those two departments number about 7,300 out of a total of 11,000 employed by all Government Departments taken together. What is true of the immigrant workers in those two departments is generally true of the immigrants in others and it will not be necessary to review conditions in each department.

Stated broadly, the position is that by far the greater part of the skilled work is done by Ceylonese and the proportion of Indians increases in the semi-skilled and unskilled grades.

The evidence, taken as a whole, unmistakably indicates that the Ceylonese in the past have not been willing to take a greater share in unskilled work than they actually had and that Government Departments were obliged to rely, to the extent to which they did, upon immigrant labour because local labour was not available.

In quite recent times there have been some signs of an increased willingness on the part of the Ceylonese to take up work that they formerly left alone, but instances of that change of attitude are not very numerous as yet and there can be no certainty, of course, that such a change of disposition will last.

Where they have been willing to come forward they have been materially helped in recent year by the Government policy of preference for Ceylonese.

Since the field of unskilled labour was for so long left open to the immigrant worker there should be no surprise that the more enterprising and intelligent among them have earned a share of the better positions for themselves.

MUNICIPALITIES AND URBAN DISTRICT COUNCILS.

In 1936 local authorities employed about 6,700 regular workers of whom rather more than 4,400 were Indians. Scavenging and conservancy work, for which these Councils are responsible, is almost entirely done by Indians, and though conditions are not the same in this respect in all parts of the Island, there is at present no indication that any substantial part of this work is likely to be done by Ceylonese. The share of Indians, however, in the employment given by local authorities extends to many different kinds of work and is best seen in the Municipality of Colombo which employs about 4,400 workers out of the total of 6,700 given above.

Since 1933 the Municipal Council of Colombo, like other local authorities, has adopted the general policy of preference for Ceylonese in the matter of employment and the proportion of Ceylonese workers to others is increasing, though only to a small extent, in certain branches of work as the result of that policy and of some increased willingness on the part of Ceylonese to take up work which they formerly left alone. The effect of the evidence was, however, that in those branches of work in which they have replaced Indians they are, as yet, neither as efficient nor as regular as their Indian predecessors, nor do they generally keep their employment for as long.

Of the 4,400 workers employed by the Colombo Municipality in 1936, 1,400 were Ceylonese and 3,000 were Indians. Figures prepared by the Government in 1928 show that at that date the Municipality employed nearly 5,200 workers and that of these 1,200 were Ceylonese and 4,000 were Indians. The proportion of Indian workers in 1928 was 76 per cent. and in 1936, 68 per cent. It is evident, however, that the difference is due rather to the reduction of 1,000 in the number of Indians employed than to the increase of 200 in the number of Ceylonese.

Here, as in other fields of employment, the proportion of Indian workers is lowest in the skilled grades and in 1936 was just over 25 per cent. No figures are available to show what it was in any earlier year.

The work of the Municipality in which these workers are engaged consists mainly of the maintenance, cleansing and construction of roads and drains and Municipal buildings; conservancy; the care of public parks and gardens; and the water supply of the town. In all these activities, except the care of public parks and gardens and the water supply, Indian workers number three-quarters, or more, of the total. In the two excepted employments they number less than half.

All these workers are regular and permanent employees of the Municipality.

The evidence of officers of the Council was to the effect that it will be necessary for an indefinite time in the future to rely mainly upon Indian immigrant workers for conservancy and scavenging and for unskilled work on roads and drains. The total number of workers employed under these heads amounts to about 2,800. These witnesses stated that though in recent times Sinhalese had applied for unskilled work in each of these divisions, they were few in number, particularly in conservancy, and that they often gave up their work after a short time. Similarly in the construction and maintenance of buildings the unskilled workers are Indians and, according to the evidence, Ceylonese showed no disposition to apply for work of this kind.

In the regular labour force of the water works Ceylonese already predominate and there was evidence that in special construction work, for which an additional temporary force of about 400 men was engaged, Ceylonese were being tried for certain work in connection with the laying of heavy mains customarily done by Indians. Witnesses considered that lack of experience was possibly the cause of their rather indifferent success.

The Indian workers in the Municipality are, with few exceptions, men who have served the Council for a considerable number of years and some proportion of them have their families in the town, and a number of women workers are also employed by the Council. A smaller proportion of them, which cannot be estimated, is probably settled in the Island. The reliance of the Council upon Indian workers is recognized in special leave regulations, (as it is in the Railway and the Harbour Engineer's Department) providing for sufficient absence, without pay, to enable Indian workers to return to their homes.

EMPLOYMENT IN TRADE AND BUSINESS.

Returns furnished to me by 57 Companies, firms and individuals engaged in commerce and industry showed the employment of nearly 18,000 workers, and of these approximately 8,000 were Indians.

About 5,000 of these workers, including about 3,400 Indians, are employed in the harbour of Colombo where their occupations have already been fully described. The other workers to whom these returns relate number about 13,000 of whom approximately 4,600 are Indians.

Of these 13,000 workers a little more than 2,300 are in clerical employment and of these 325 are Indians. The workers engaged in other occupations accordingly number about 10,700 of whom nearly 4,300 are Indians.

As already noted in commenting upon the summary of these returns given on page 9 they cover only a part of the work of the immigrant in private employment in Ceylon and they do not include any of those numerous persons who work independently for themselves. They are, however, sufficiently wide, when supplemented by the evidence of those who made them, to give reliable and helpful information about the position of the Indian immigrant worker in the larger and better organized commercial and industrial undertakings.

The returns themselves, though they form part of the proceedings of my Commission, are not attached to this report since they give particulars of private business which are unsuitable for publication and were given, in some instances, on the definite understanding that they would not be published.

It will be seen that the number of Indians in clerical employment, 325 out of 2,300, is very small. In some instances the nature of the business makes the employment of one or more Indian clerks necessary. In others Indians, who began their employment in humbler capacities, have fitted themselves by study for the lower clerical posts after some years of service and have, not unnaturally, received them.

The evidence of employers was very definitely to the effect that neither in clerical nor in any other branch of their employment did the Indian obtain an entry by taking lower wages than the Ceylonese for the same work. Undercutting by the Indian immigrant was an explanation frequently offered by Ceylonese witnesses for what they considered was the Indians' excessive share in the better grades of employment. It is impossible, of course, to say that it never occurs and direct evidence of it would be almost impossible to obtain. I felt quite satisfied, however, after hearing all the evidence, that it has no considerable effect upon employment.

The distribution of workers by race in skilled and unskilled work is shown in the summary of returns given on page 9 and it will be seen that among those employed in commercial and industrial undertakings, as in the employment of Government and of local authorities, the proportion of Indians is lowest in the skilled grades and highest in the others. Among the skilled workers included in these returns the Ceylonese numbered 2,690 and the Indians 1,294. Among the unskilled workers the Ceylonese numbered 4,545 and the Indians 6,144. The employment in which these workers were engaged included practically every variety of work done by wage-earners in the Island, with the exception of agricultural labour and domestic service. In particular it included large sections of engineering work and the preparation of the produce of the Island for export.

In speaking of the class of skilled labour reliable witnesses of experience repeatedly referred to the lowering of the standard of work among the Ceylonese in recent times. It would be impossible to select from the evidence any one fact as the main cause of this tendency, but among possible causes which the witnesses suggested was a growing desire for clerical work among those who in former times would have followed some manual occupation. When they failed in their object they would try to enter industry too old to learn their trade. Then again, as a result of the depression the staffs of industrial and commercial houses were greatly reduced and, as one witness, speaking for an engineering firm, put it, "fewer lads are employed to stand around and learn". Ten or fifteen years ago these youths, the witness said, could not speak English. "Now they are educated and want to be clerks and take no pride in manual work".

This position has led some firms to approach the Technical School in the endeavour to arrange for training in the school that the firms could no longer give.

Witnesses referred to the wider opportunity for experience in skilled occupations in India and give particular instances, such as rivetting and the repairing of buckled lamps and wings on cars, in which Indian workers were always employed in Ceylon because no Ceylonese had learned work of those kinds.

Skilled work in Ceylon was and still is mainly the preserve of the Ceylonese, but this evidence suggests that some effort, both in the provision of opportunities to learn and in the use of them, will be needed to keep it so. Where the Ceylonese has retained his skill, as, for example, in carpentry and in blacksmith's work, he keeps the immigrant out.

With regard to the share in skilled work of different communities of Indians as compared with each other, the returns showed that of about 1,300 skilled Indian workers, 740 were Malayalees and 362 were Tamils. In unskilled work a little more than 2,000 were Malayalees and about 3,500 were Tamils. These returns related mainly to Colombo and the Malayalee is seldom found elsewhere. The small remainder belonged to other communities. A similar position was shown to exist in Government employment. This fact offers some explanation of the apparent view of some of the Ceylonese witnesses that the Malayalee is a more serious competitor than the Tamil, for the Malayalee succeeds more often in getting the kind of work that the Ceylonese prefer to do themselves.

The evidence disclosed no clear reason for this position but it suggested that there is some reluctance on the part of the Ceylonese to do the rougher or inferior types of work in the same factory or workshop where other workers, Ceylonese or Indian, are engaged in what are regarded as higher occupations. The Malayalee will make himself generally useful and when, from down below, he sees an opening higher up, he is there to take it. Where the work is all of one kind, rough though it may be, the Ceylonese will within limits take his share in it, but even in those circumstances, as in every field of urban employment that I examined, with the single exception of the harbour at Galle, the evidence was very positively to the effect that heavy work of lifting and carrying needs Indian labour of one community or another because no one else will do it. I

wish to emphasise the fact that I am writing here of urban labour. Examples have been given in describing the work outside the towns of the Public Works Department and the Railway in which the villager takes his full share of heavy labour even though his output is not, according to the evidence, as great as that of the Indian worker.

In describing operations in factories, workshops and warehouses numerous instances were given by employers in which Indians were employed in the work of lifting and carrying heavy objects or moving them from place to place because no Ceylonese offered themselves for this work. Witnesses of long experience stated that the position in this respect had always been the same and that there had been no marked change in recent times in spite of economic difficulties. One witness said he had made a special effort to give work to unemployed Ceylonese during the depression but when applicants found that the work offered entailed the moving of tea chests weighing 100 lb. they refused it.

Difficulties such as these—dislike on the part of Ceylonese workers for particular types of work, and their apparent reluctance to do what they regarded as inferior types of work in the presence of workers engaged in superior occupations,—seemed amply sufficient to account for the number of Indians employed in unskilled occupations.

Indians engaged in skilled occupations generally gain their positions as a result of a considerable period of work in the unskilled grades. In some instances, of which examples have been given, Indians are employed because no trained Ceylonese are available, but the evidence suggested that their number is not large. In other instances it seems possible that Indians may gain employment in preference to Ceylonese because of the system by which new hands are engaged or old hands promoted.

The evidence indicated that the engagement and the direct management of labour is usually in the hands of foremen or kanganyas and mention has already been made, in describing the position in the Railway, of a common practice by which a group of workers engaged in some particular kind of work, becoming aware of an impending vacancy in their number, bring some relative or connection to the foreman or kangany to fill the vacant place. In this way the vacancy is filled before its existence becomes known outside the group and the group maintains its unity of character. Some witnesses considered that this latter consequence made for peace but it clearly tends also, as already noted, to keep particular divisions of work as the preserves of particular groups of people. Moreover, I am writing now of skilled and semi-skilled work and the evidence as a whole indicated that where the Ceylonese has no objection to the work itself he has no objection to doing it side by side with members of other races.

In employment under Government departments the policy of preference for Ceylonese must tend to break down the practice described, but there is no such policy in commerce and industry and the Employers' Federation represented that it would be unsuitable in many of the very varied kinds of work that the Federation's members carried on. These witnesses considered that in the engagement of workers for commerce and industry employers should be obliged to consider only the efficiency of the workers engaged.

There can be little doubt that the adoption of the policy by Government has, in some instances, resulted in a loss of efficiency which may, one must hope, be remedied in time. While one would hesitate to say that loss of efficiency in work in the public interest is less serious than similar loss in work for private gain, there is at least the difference that private enterprise has fewer balancing advantages to take into account and can be destroyed by more efficient competitors. Moreover there is work of an urgent kind, such as the loading of a ship by a certain hour, in which no time can be lost in selecting hands of a particular race.

Though these and similar objections may make it impracticable for commerce and industry to adopt the policy of preference for Ceylonese to the same extent to which it has been adopted by Government departments, there remains a sphere in skilled and semi-skilled labour in which more attention on the part of responsible employers to the system of filling vacancies, or a change in that system, might do a good deal to prevent the reservation by particular groups of people of particular divisions of work for themselves. I shall have a proposal to make on this subject in a later part of this report.

SOME GENERAL CONSIDERATIONS.

Before turning to certain particular occupations it will be convenient to mention here some general considerations shown by the evidence to hinder the employment of Ceylonese in some fields of labour or to put them at some disadvantage as compared with the Indian worker.

The first of these is the deeply-rooted feeling on the part of Sinhalese workers as a whole that certain types of labour are undignified or degrading for men of their race. I do not approach this difficult subject without sympathy and the pride of others in their race must naturally meet a warm response from anyone who feels it in his own. But there can be no doubt that for this reason the Sinhalese have held themselves aloof in the past from opportunities of employment that might have been theirs and that, in consequence, have fallen to others. Why it is that particular types of work should be regarded by the Sinhalese as undignified is a question which I have not the knowledge either of the history or of the social structure of the race to answer. And though the handicap of that outlook may have been overcome to some extent as the result of the hardships of the depression the change is very small and there is no assurance that it will be lasting.

Repeatedly in the course of the evidence examples appeared of the refusal of work because it involved the carrying of heavy objects, appearance in public in what was thought to be a menial occupation, such as the cleansing of streets, or the rougher work in a process of which what were thought to be the higher steps were taken by somebody else. "A Sinhalese", said one witness, "will sit on a stool and weigh a tea chest which a Tamil or a Malayalee puts on the scale, but rather than lift the chest on to the scale himself the Sinhalese will walk out". Examples such as these, taken separately, would seem to be of small importance but they were so numerous and so widespread that they pointed unmistakably to a serious limitation of the share that the Ceylonese were prepared to take in the work of their country.

In the early stages of the economic development of Ceylon much work had to be done which was new to the people of the Island and an example has been given, in the Pioneer Force, of the need that was then felt to import men from India for work that the Ceylonese had not the experience, or were too conservative, to undertake. But they adapted themselves to the changing

times and took for themselves those newly opened fields of work which best suited their traditional aptitudes. In this way almost all skilled employment became theirs and carpenters, blacksmiths, masons, builders, fitters, turners, mechanics, and the like, have been for many years, and are to-day, almost all Ceylonese. But from large opportunities for unskilled work they turned away and left the field to others.

Probably allied to the pride of race that has been mentioned, a marked sense of personal dignity and individualism in the Sinhalese worker was disclosed by the evidence. These qualities, so admirable in many respects, produce results which in not a few instances have been a handicap to employment. In accounting for what they thought was the unfair displacement of Ceylonese boutique-keepers by Indians, witnesses gave among their reasons (it was not the only reason), the fact that the Indian is "cook, sweeper and everything himself and boils the water and makes the tea", while the standard proper to the Ceylonese requires that assistants should be kept to do work of this kind. Numerous similar examples appeared in the evidence.

A strongly marked sense of individualism was the apparent reason for the failure of Ceylonese workers, reported by some witnesses, in work requiring the merging of the individual in a team. Examples of this were the laying of heavy mains for the water supply of Colombo and the laying of telegraph cables for the Post Office. The greater readiness of Indian workers to combine as a team had led to their employment in preference to Ceylonese in work of that kind.

No one, it need hardly be said, would wish to see either pride of race or personal dignity disappear or even diminish, but as long as it is thought necessary, in order to preserve them, to adopt towards the humbler kinds of work the attitude described a price will have to be paid in the loss of employment.

Other factors frequently mentioned by Ceylonese witnesses as handicapping the Ceylonese worker in competition with the Indian arose from differences in their situation,—the Ceylonese among his own people and in his native land and the Indian an individual abroad.

The long hours that the Indian worked, in his employer's shop, or in his own boutique, or supplementing his earnings when his ordinary day's work was done, were said to be impossible for the Ceylonese who naturally wished to return to his family after a fair day's work. There is no doubt much truth in this suggestion in the very limited field of employment to which it applies, but it does not affect the great majority of workers with whom this inquiry is concerned. The occupations of some thousands of these have been already described and the work of thousands more is carried on in similar conditions. The suggestion of witnesses about hours of work applied principally to Indian shops and boutiques. I understand that the limitation of the hours of work in shops has recently received consideration by the proper authority in the Government of Ceylon and the question clearly involves so many considerations which affect trade and are beyond the scope of this inquiry that I have no authority to deal with it. I can only record my view that the undue extension of hours of work will generally entail the employment of immigrant workers and the exclusion of Ceylonese.

It was said by a number of witnesses that the Indian worker is rarely absent from his work, either with or without the leave of his employer, and that he compares favourably in this with the Ceylonese. In explanation of this admitted fact Ceylonese witnesses drew attention to the greater demands of family and religion upon a person in his native land than upon one whose family and spiritual home have been left behind him in another country. It is difficult to make a comparison between the Indian and the Ceylonese worker in this respect without knowing how the Indian responds to the calls of family and religion when he is at home and the evidence gave no answer to this question. But some years of personal experience of different classes of workers in Ceylon, enlarged by the views of many witnesses at my inquiry, point to admirable regularity in attendance at work on the part of large classes of Ceylonese workers who can scarcely be thought to be deficient either in religious duty or in family affection. And it is difficult to escape the view that lapses from regularity on the part of others are less the result of family and religious obligations than the relic of happier days when life was easier and customary agricultural occupations in a bright and fertile land left greater space for relaxation.

The evidence clearly showed that the various characteristics described had resulted in the abstention of Ceylonese from numerous opportunities of employment and failure in others. Greater opportunity for the employment of workers of other races had inevitably been given as a result.

One further general consideration should be mentioned before turning to particular occupations. Repeated references were made by Ceylonese witnesses to differences in standard of living between Indian and Ceylonese workers and it was said that as a result of the lower standard maintained by the Indian he drove the Ceylonese worker out of employment.

Difficulties arising from differences in the standards of living among workers of different races are, of course, familiar in many countries, but I found it very difficult to get from witnesses any precise indication of what the particular differences were between Indian and Ceylonese workers and in what particular ways they excluded the latter from employment.

The commonest result of those differences, where they exist, is the acceptance of lower wages by workers of a particular race, and I was satisfied that over the whole field of employment covered by my inquiry undercutting in wages by the Indian, even if it exists at all, is no considerable factor influencing employment.

Whatever may be thought of the adequacy of the scales of wages for unskilled labour in Ceylon to the proper requirements of the people of the Island, the scales are the same for workers of all races without any important exception that I could discover.

Where conditions make an exceptional demand upon the wages of workers, as, for example, in Colombo owing to the shortage of housing, the greater frugality of the Indian and the arrangements that he is able to make, because of the absence of his family, for communal life in *kitangies*, enable him to meet the difficulty better than the Ceylonese, but the substitution for Indian workers of an equal number of Ceylonese would not by itself help the Ceylonese in this respect.

So also where a large proportion of labour is casual and the individual worker can get work for only a varying and uncertain number of days in the month, lower expenditure on the part of the Indian worker would enable him to support himself on earnings which would not be sufficient for the urban Ceylonese with a wife and children or without the economies that the Indian is able to make by communal life.

There are no very marked seasonal variations of work in any field of employment that I could examine and in most employments the proportion of casual labour appeared to be small. It is probably largest in the harbour, though it was not possible to discover what proportion was casual there, and it was to be observed, as already noted, that Ceylonese workers in that particular field of employment seemed much less influenced by the fact that a particular kind of work might be casual than by the kind of work it was.

The question whether, though wages may be the same, workers of a particular race are prepared to work longer hours than others for the same pay, has already been considered and I expressed the view that, according to the evidence, no such question arose in the great majority of occupations.

The Indian worker is undoubtedly a more frugal person, as a rule, than the Sinhalese. But so also is the Ceylon Tamil and I could find no evidence that differences in personal expenditure on the part of the Indian favoured his employment in preference to a Ceylonese, except in conditions already mentioned as arising from the shortage of housing in Colombo and possibly, though not certainly, where the casual character of employment reduces the total of monthly earnings below a certain point.

DOMESTIC SERVANTS.

The occupation of domestic service was one in which witnesses declared that large numbers of Ceylonese had been unfairly deprived of employment by the engagement of Indians. Witnesses spoke of the problem as confined almost wholly to Colombo and made little point of the employment of Indian Tamils as domestic servants on estates. Elsewhere in the Island the non-Ceylonese domestic servant is rarely found. The employment of servants on estates would frequently be influenced by special considerations, such as climate and the absence or scarcity of Ceylonese society, and no suggestion was made that Indian servants were extensively employed on estates in conditions where Ceylonese would otherwise have found an acceptable means of livelihood. I shall accordingly limit my review of the situation to the area to which the evidence was mainly addressed, namely, the town of Colombo.

The Census of 1931 gave the total number of all races engaged in domestic service in Colombo as approximately 25,500. Of these approximately 17,100 were Ceylonese and 8,400 were Indians. The number of Indian women servants was about 300 and the number of Ceylonese women servants was about 9,000. The problem is therefore shown to be limited to male servants. These included an almost equal number of Indians and Ceylonese, a little over 8,000 of each.

It is not possible to estimate the number of Indian servants who are employed in Indian households, hotels or lodging houses for reasons of race which would be a bar, or at least an obstacle, to the employment of Ceylonese. But it will be safe to say that the great majority of the 8,000 Indian servants in Colombo in 1931 were employed in households and hotels in which Ceylonese might just as well have been employed if race alone had been considered.

No published figures are available for a comparison of the position in 1931 with earlier years, but the opinion of witnesses of experience was to the effect that the number of Indian domestic servants in Colombo has definitely increased during the last fifteen or twenty years.

Records of the occupations of immigrants entering Ceylon via Tuticorin and Mandapam have been kept by the Board of Quarantine since 1933 (Appendix VII.) and the figures relating to male domestic servants are summarized in a table given below. The description "Old" indicates that the immigrant has been in Ceylon before and the description "New" indicates that he has not. The records include persons going to all parts of Ceylon and not only to Colombo but the majority come to Colombo from Tuticorin. This is particularly noticeable among hotel servants few of whom pass through Mandapam, and it will be safe to say that a large majority of these immigrants work in Colombo. Very few domestic servants would make more than one double journey in the course of a year and the figures may therefore be taken to correspond with the numbers of individual immigrants. No figures of emigration are available.

		Old.	New.	Total.
1933.	Domestic servants	... 2,608 ...	361 ...	2,969
	Hotel do.	... 366 ...	84 ...	450
		<hr/> 2,974	<hr/> 445	<hr/> 3,419
1934.	Domestic servants	... 3,491 ...	573 ...	4,064
	Hotel do.	... 1,496 ...	281 ...	1,777
		<hr/> 4,987	<hr/> 854	<hr/> 5,841
1935.	Domestic servants	... 3,238 ...	655 ...	3,893
	Hotel do.	... 2,642 ...	916 ...	3,558
		<hr/> 5,880	<hr/> 1,571	<hr/> 7,451
1936.	Domestic servants	... 3,098 ...	500 ...	3,598
	Hotel do.	... 2,331 ...	671 ...	3,002
		<hr/> 5,429	<hr/> 1,171	<hr/> 6,600

It will be noticed that the greatest change is in the numbers of those who classed themselves as hotel servants. These increased from 450 in 1933 to 3,558 in 1935 and decreased to 3,002 in 1936. The number of new immigrants also increased most noticeably among hotel servants, rising from 84 in 1933 to 916 in 1935 and declining to 671 in 1936. It seems very improbable that all those described as hotel servants in these tables would fall within that description as it is commonly understood, and allowance must be made for the possibility that a considerable proportion of them are employed in boutiques or small eating-houses in conditions which have little resemblance to those of the ordinary hotel or lodging house of whatever grade.

In addition to possible inaccuracy of description, several factors must, of course, be taken into account before an attempt is made to estimate what increase in the total number of Indian servants employed in Ceylon these figures show, or even whether they show any increase at all. Among these are the return of Indians who lost their employment during the depression and less reluctance to take a holiday in India as the fear of losing employment became less. As already noted, no figures of emigration for this class exist. But when all qualifying factors have been taken into account these figures, and particularly the figures of immigrants coming to Ceylon for the first time, can probably be taken to indicate that the number of Indian servants in Colombo has increased beyond the total given in the Census for 1931.

The only servants included in the returns which I received from employers were those employed in certain Colombo hotels, 507 Ceylonese and 370 Indians.

The occupation of domestic servant, either in private houses or in hotels, differs from any other occupation hitherto considered in this report in that, except in the very limited part of it that is concerned with sanitation, it has none of the characteristics which in those other occupations have hindered the employment of Ceylonese. Half the male domestic servants in Colombo were Ceylonese in 1931 and in former times there was a very much larger proportion. Domestic service has not changed in character since those times. What, then, is the reason for the employment of an increasing number of Indians, already probably more than 8,000 in Colombo alone, instead of Ceylonese?

The reasons given in evidence naturally differed according to whether the witness did or did not advocate the restriction of immigration. Those who did said that there was undercutting on the part of the Indian in wages or that if the Indian did not actually accept lower wages he did what came to the same thing by doing the work of two jobs for the pay of one. He would, for example, these witnesses said, combine the work of house-boy with that of motor-car driver. Furthermore, as he had no family in Ceylon he lived in his employer's house and never left it. In addition he showed an excessive docility and would accept almost any kind of correction without complaint.

Witnesses who thought that Indian servants should continue to be available said that the Indian did not accept lower wages and was, if anything, rather more expensive than the Ceylonese, but that he gave a much higher return in work. He would, these witnesses said, do what he was asked to do, instead of either saying that it was not his job, or looking around for someone else whom he could order to do it. He was much less frequently absent from his work and had "fewer funerals to go to". He was also more amenable to discipline and would not, when corrected, become either rude or sulky or walk out.

Except for the difference of opinion about the existence of undercutting in wages, these two explanations of the position are, obviously enough, only different ways of saying the same thing, the difference depending on whether one approves of the position or does not.

But there were also other reasons given by those who thought that the employment of Indian servants was an inevitable result of existing conditions. These witnesses, including some Ceylonese, lamented the disappearance of the old class of Sinhalese servant, than whom, they said, no better or more courteous servant was anywhere to be found. The old "appu", according to these witnesses, wants his sons to be clerks, and the sons of families from which good servants came in the past now have higher ambitions for themselves. Many of those who now offer themselves come from unsuitable surroundings and have no wish to begin at the bottom and learn.

I concluded from the evidence that undercutting in wages, even if it exists at all, is no considerable factor in accounting for the employment of Indians as domestic servants. Except where employers are themselves Indians and engage Indians as servants for reasons of language or racial custom, the Indian is employed because he is found by employers to be the most satisfactory servant available. The evidence strongly indicated a marked deterioration in the class of Ceylonese now offering themselves for domestic service. This appeared to be mainly due to a turning towards what are thought to be superior occupations, a tendency found, of course, in many other countries as well as in Ceylon. It seems probable, however, that the greater the preponderance of Indians in a domestic staff the less easy it will be for a Ceylonese to get or to keep a place among them and the more he will be discouraged from the attempt.

Figures supplied by the Registrar of Servants show that between 1926 and 1936 the number of first registrations in Colombo showed a decrease of just over 50 per cent. among Ceylonese, a decrease of just under 17 per cent. among Indian Tamils, and an increase of just over 100 per cent. among Malayalees. But the number of new registrations in these records is not large and registration is not compulsory and caution should be used in drawing conclusions from these figures.

The rarity of the Indian servant's absence from his work in comparison with the Ceylonese is no doubt partly due to the fact that his family when he has one, has been left behind in India. But it is difficult to believe that reasonable absence on grounds of family or religious duty would hinder the employment of Ceylonese and the strong indication of the evidence was that absence is more frequent than is reasonable and that, in fact, the Ceylonese servant often shows the same tendency to irregularity of attendance that witnesses noted, as already mentioned, in other Ceylonese workers of similar class. An annual holiday of reasonable length, such as is commonly given to domestic servants in other countries, would not be refused in Ceylon in cases in which it is not already given.

Some Indian servants have always been employed because Ceylonese in the past have been reluctant to attend to that part of the work of a house that is concerned with sanitation and also because, for some reason that was not apparent, Ceylonese could not be found, in the past, to undertake work in the gardens and grounds of a house. Both these conditions are tending to disappear, but unless the Ceylonese servant returns to the standard of service which he formerly gave, he will be excluded from employment by the superior industry, regularity and obedience of his Indian competitor and by the latter's greater willingness to make himself generally useful and to understand his particular employer's wants. No humiliating abasement is necessary to success and one may be sure that none was shown by the highly successful Ceylonese servants of former days. But some adaptability to changed condition will be required, since households which were compelled to reduce their staff during the depression, and found that they could

get along just as well with fewer servants as they did with more, are unlikely to increase them to their former number. The same condition is to be observed in industry and commerce and it will not often be possible for an employee to set those rigid limits to the duties of his post that might have been permitted in former days.

It seems clear that unless present tendencies can be arrested Ceylonese will be increasingly excluded by their Indian competitors from employment that they should be perfectly capable of keeping for themselves.

SHOP ASSISTANTS.

It was repeatedly represented by Ceylonese witnesses in the course of my inquiry that the occupation of shop assistant was one in which large numbers of Ceylonese workers were excluded by the presence of the Indian from employment which they were well fitted to undertake and which should be theirs.

Witnesses generally recognized that trade in all its forms was outside the scope of my inquiry and it soon became apparent that it was not possible, within the limits of my Commission, to deal adequately with the problem of the Indian shop assistant because of its intimate connection with the conditions of trade.

I found that, owing to the arrangement of the occupational tables for Colombo in the Census of 1931, I could not extract the numbers employed at that time in what could be described as the work of shop assistants. The tables of the occupations of Indian immigrants from 1933 to 1936. (Appendix VII.) give the following numbers for shop assistants:—

			Old.		New.		Total.
1933	...	...	10,633	...	535	...	11,168
1934	...	...	13,169	...	434	...	13,602
1935	...	...	14,641	...	718	...	15,359
1936	...	...	13,530	...	580	...	13,530

These tables include immigrants to all parts of the Island and not only to Colombo and it is to be noted that, unlike domestic servants, the majority of shop assistants enter the Island *via* Mandapam and not *via* Tuticorin and Colombo.

In the large European stores the number of Indian shop assistants is very small and their proportion in comparison with Ceylonese shop assistants is insignificant. The Indians employed by shops of this kind are porters, messengers, watchers, and the like. The great majority of Indian shop assistants are employed in Indian shops, that is to say, in businesses which Indians have built up, and it was not within the scope of my Commission to inquire to what extent the establishment of these businesses has meant the extinction of Ceylonese businesses in which Ceylonese were employed, or has prevented the establishment of new Ceylonese businesses. I was, in effect, limited to the question whether Ceylonese could and should be employed to a greater extent than at present as shop assistants in Indian shops.

In fact the large majority of shop assistants in Indian shops are Indians, but a return supplied to me by Indian witnesses and relating to 27 Indian businesses of various kinds in Colombo, and including some shops, showed that of a total of 970 workers employed 403 were Ceylonese. These latter, were, for the most part, employed in other capacities than as shop assistants. The reasons generally given by Ceylonese witnesses for the exclusion of Ceylonese from employment as shop assistants in Indian shops were the excessively long hours of work demanded by Indian shopkeepers from their assistants, the fact that the assistants were obliged to live all together in the business premises, and the inadequacy of the remuneration which took various forms and did not consist wholly of payments in cash.

Indian witnesses maintained that whatever forms the remuneration of an Indian shop assistant might take he was in fact rather more than less expensive than a Ceylonese to employ, but their main reason for the employment of Indian shop assistants was the nature of their business and the way in which it is carried on. The Sindi merchants, for example, who are a close community dealing in silk in many parts of the world, employ generally only members of their own community, and stressed the importance of the intensive training in this highly technical business which their members undergo from youth and even from childhood. Indian merchants also drew attention to differences in their general method of conducting business from the methods of, for example, large European firms which employ Ceylonese. Apart from difficulties arising from the languages in which their books and other records are kept and prices marked, they referred to the absence of the stock-takings and other checks usual in European business and to the greater freedom with which, in dealing with a customer, an assistant could name a price. These conditions, they said, made it necessary for them to employ assistants who were thoroughly familiar, not only with a particular Indian language or with more than one, but also with the usages customary in Indian trade of the particular kind in which they were employed, and who, in addition, were bound to the interests of their employers by ties of community or blood.

An interesting example, from his own experience, was given by a Ceylonese witness who maintained the need for some measure of compulsion to secure the employment of a fair proportion of Ceylonese shop assistants in Indian business. This witness, with several of his relatives, had for some years carried on a successful business as a dealer in Eastern curios in the Canary Islands. After a time the Government of that locality took steps to secure by law the employment of a proportion of their own nationals in foreign business, and the witness came within the new rule. He sent his relatives back to Ceylon and continued trading with assistants belonging to the country. It was not long before he felt compelled to give up in despair and closed his business and returned to Ceylon.

Whatever moral the witness intended this tale to point, it was not, at any rate, an example of the success of Government intervention in increasing employment.

This brief summary of the evidence will, perhaps, be sufficient to indicate the difficulty of dealing with the question of the employment of Indian shop assistants without making at the same time a full inquiry into the conditions of Indian trade. And that examination would have to extend to businesses of different kinds in different parts of the Island.

I feel compelled to leave the subject with the observation that the employment of any considerable number of Ceylonese shop assistants in place of Indians now employed would require

some change in the organization of Indian business and some reduction in the hours of work. These changes could only be effected by law and could only operate in the larger businesses and at some considerable cost to Indian trade.

RICKSHAW-PULLERS.

According to the Census of 1931, there were then a little more than 3,000 rickshaw-pullers in Colombo and of these about 2,800 were Indians. Almost all the Indians were Tamils. No figures are available for comparison with former years, but the number of rickshaws tends to decline with the increase in the number of cars, bicycles, and other forms of transport.

The figures of Indian immigrants in Appendix VII. give the following totals for rickshaw-pullers for the whole Island:—

			Old.		New.		Total.
1933	...	...	756	...	113	...	869
1934	...	...	899	...	206	...	1,105
1935	...	...	869	...	194	...	1,065
1936	...	...	521	...	88	...	609

The explanation given by Ceylonese witnesses for the predominance of Indians in this occupation was undercutting in fares on the part of Indians. Fares are fixed by regulation and are declared in notices compulsorily displayed in rickshaws, and the explanation given by other witnesses, including some Ceylonese, was that the Sinhalese rickshaw-puller generally demands more than the authorized fare and argues noisily over what he is given.

Nothing in the evidence justified one in saying more than that it is very unlikely that the Indian commonly takes less than his proper fare and that he probably gains his custom because the passenger, of whatever race, finds him easier to deal with.

OTHER OCCUPATIONS.

According to the Census of 1931 and the evidence at my inquiry, other occupations in which Indian workers either predominate or figure largely include ladies' tailors, barbers, shoemakers, eating-house keepers, dairymen, and itinerant vendors of foodstuffs. In all these instances the problem was found chiefly in Colombo.

According to the evidence, ladies' tailoring of the less simple kinds has always been done by Indians and never by Ceylonese, and if the number of Indians has increased it is because of an increased demand for their services and not because of a displacement of Ceylonese. Men's tailoring, on the other hand, is and always has been mainly the preserve of Sinhalese workers and there is no sign that they are being driven out of work by Indian competitors.

In the case of dairies, better financial resources enabling superior stock to be supported and maintained, and traditional aptitude among people whose customary diet includes milk in one or other of its forms, as well as better business organization, accounted for the success of the Indian in this occupation. There can be little doubt that the supply of milk and butter would suffer greatly by the restriction of his activities.

In the other occupations mentioned the primary reason given by Ceylonese witnesses for the large share taken by the Indian was undercutting in prices. In addition they referred to the unreasonably long hours for which, as he had no family, the Indian was prepared to work and to his willingness to combine in himself functions for which "the standard proper to the Ceylonese" would require one or more assistants.

Reference has been made already to the employment of assistants, for the sake of maintaining a standard, for work which a man could do himself. Somebody, obviously, has to pay for that luxury.

The Indian, it has been said already, can and does live more cheaply than the Ceylonese, even when he could afford to live a good deal better; and it is probable that he is content to work on a smaller margin of profit, but there was nothing to show that the profit made by the Indian by success in these occupations could not support the Ceylonese if the latter showed the same industry, regularity, and attention to his work.

IMMIGRANT WORKERS OF OTHER RACES.

The only immigrant workers, other than Indians, to whom attention was drawn in the evidence and memoranda were those known in Ceylon as Afghans, who come to the Island from Baluchistan, and Chinese, and Japanese.

Afghans numbered about 200 in Colombo in 1931. No information is available as to their number in the whole of the Island either at that date or since. Their main occupation, and the only one which drew comment from the witnesses, was the lending of money. My Commission did not authorize me to consider that form of activity.

Japanese numbered about 50, including 21 females, in Colombo in 1931. No other information in regard to their numbers is available. The only occupation mentioned by witnesses in connection with these immigrants was the practice of dentistry and subsidiary occupations. The numbers so engaged would appear to be too small to form any appreciable factor in the consideration of the general problem of the immigrant worker as affecting employment in Ceylon.

The Chinese immigrants mentioned in the evidence were those engaged in hawking lace and silk and other textiles in different parts of the Island. Chinese immigrants, including females, numbered 104 in the whole Island in 1921, 199 in Colombo alone in 1931, and 376 in the whole Island in 1936.

It was said by witnesses that these hawkers had destroyed the occupation of the Sinhalese lace-workers in Koite and Galle. It may well be that opportunities for these workers have declined in recent years, but several factors other than the presence of Chinese hawkers would have to be taken into account in determining the cause of this position. Among these are changes in fashion and in taste and the activities of other traders in similar articles. There was nothing in the evidence which pointed definitely to any economic injury to any class of Ceylonese as resulting from the occupations of these immigrants.

THE IMMIGRANT WORKER ON ESTATES.

Preliminary Observations.

The immigrant workers on agricultural estates with whom this inquiry is concerned are all Indians. At the end of 1936 they numbered, with their dependants, approximately 650,000. That number is probably about three times as great as the total number of all the other Indians in the Island and about four times as great as the probable number of all the other Indian workers whose occupations are within the scope of this inquiry. Notwithstanding their preponderance of number and the supreme importance in the economic life of the Island of the industries in which they are employed, it will be possible to deal much more briefly with the questions arising from the employment of Indians on estates than with similar questions concerning the very diverse occupations in which the smaller number of other Indian immigrant workers are engaged.

The history of the immigration of Indian labour for estates is well known in Ceylon and a mass of information in regard to the numbers entering and leaving the Island, their wages, conditions of work and many other subjects concerning them, is annually made available in the publications of the Department of Labour.

Moreover, there is in existence adequate machinery by which the number of immigrants for work on estates can be closely controlled by the Government and, whatever the views of witnesses on other aspects of the immigration problem, all were agreed that for an indefinite time in the future a large number of Indian labourers will be necessary for work on estates where conditions are unfavourable to the employment of Ceylonese. Such conditions may arise from the climate of the area in which an estate is situated or from the absence of villages near the estate. Where the first of these factors is found it will often involve the second.

Few will need to be convinced that the planting industry would not have incurred the expenso necessary to establish and maintain an elaborate organization for the importation of Indian labour and to meet the cost of immigration and repatriation and other necessary charges, if an adequate supply of efficient workers had been available in the Island. The total expenditure from the Immigration Fund for the ten years ending in 1936-37, excluding the cost of repatriation, was nearly Rs. 19,000,000. Of that sum Rs. 575,000 was contributed by the Government from public funds and account must also be taken of a capital expenditure of approximately Rs. 1,700,000, and an average annual expenditure of about Rs. 150,000, on the quarantine camp at Mandapam. The concessions allowed by the Railway to Indian estate labourers are estimated to cost the Government annually about Rs. 50,000.

It is not easy to believe that approval of this expenditure would have been given, by those interested either in the profits of the planting industry or in the expenditure of public funds, if there had been any strong belief in either group that reasonable effort on the part of the planting industry could have supplied it with the necessary labour from Ceylon.

It was suggested by some witnesses that full use of available Sinhalese labour had not been made by planters because of unwillingness on the part of the latter to adapt themselves to the special characteristics of the Sinhalese. The Indian estate worker, these witnesses said, was, for whatever reason, more easily amenable to the discipline and routine of ordered life on an estate, and long years of dealing with him by successive generations of planters had made it difficult for many of them to adopt towards their labour any other manner of treatment than the manner taught by long experience of the Indian. Successful employment of Sinhalese on estates would require, according to these witnesses, some study, not only of their language, but also of their special racial characteristics and a manner of treatment suited to them.

There is obvious truth in the statement that workers of different races require different treatment and this truth was well illustrated by individual planters who gave evidence and described the successful and increasing employment of Sinhalese for regular work on their estates for which Indians had been employed in the past. It was to be noted, moreover, that European planters had been at least as successful as Ceylonese in this respect. But the importance of that possibility lies rather in the present and in the future than in the past and the generally accepted history of the immigration of labour for work on estates establishes the broad truth of the proposition that the system was organized and maintained at considerable cost because efficient local labour was not available. Once the system was in full operation it is possible that its success discouraged effort in the education of Sinhalese for the regular work of estates, since efficient Indian labour was so readily available and the belief that India was the only source of supply for labour of that particular kind became general in course of time. It would be profitless, however, and it is certainly impossible, to determine now whether the fullest use of the capabilities of Sinhalese labour for the regular work of estates has or has not been made in the past. What is of importance is the discovery of what possibilities there are for the wider employment of that labour in the future. All that can be said with certainty of the past is that it required no small effort and expense to establish an efficient organization for the importation of Indian labour and that if Indian labour had not been available nothing resembling the manifold advantages which have accrued to the Island from the production, first, of coffee and later of tea and rubber could possibly have been gained.

While the regular and continuous day to day work necessary on an estate for the production of tea has always been done almost exclusively by Indians, Sinhalese workers have taken a considerable share in those operations which could be carried on without entailing continuous absence from their ordinary village occupations. In the early days of coffee and tea, and later of rubber, the clearing of forest and jungle over large tracts of land in preparation for development was almost entirely done by them. No one would call that easy work and to do it they had often to go, for a time, to places distant from their homes to work in climates in which they were not accustomed to live. But it was work of which the end could be seen from the beginning and when it was done they left to others the unending, monotonous, day to day work of the cultivation of crops which left little or no opportunity to the workers to carry on separate occupations in their own homes.

In addition to the first opening up of land for cultivation Sinhalese villagers have always taken part in those operations on estates near their villages which did not involve continuous labour and could generally be done by contract for a fixed amount of work. Returns published by the Controller of Labour show that during the seven years from 1929 to 1935 the average total number of Sinhalese employed on estates, with their dependants, was approximately 63,000. These returns included only estates on which Indian labour was also employed and no figures

are available to show the number of Sinhalese employed on estates worked by their labour alone. Of the total of 63,000 mentioned above less than half was actually resident on the estates on which they worked. These took part in the ordinary processes of the production of the crop under the same conditions as Indian labour. The majority lived in their villages and worked on neighbouring estates, returning to their homes each day when their work was done. On rubber estates they took part in the ordinary processes of cultivation. On tea estates they more often, but not always, did work of the kind described above, such as weeding and draining, which could be done by contract.

The majority of Sinhalese labour, whether resident on estates or not, is employed in what is termed the Low-country, where the rubber estates are mainly situated and where the Sinhalese population is thickest. Of a total of 55,000 Sinhalese workers employed in 1935, excluding dependants, 35,000 worked in the Low-country, 14,000 in Mid-country and 6,000 in the Up-country areas. In the latter the Sinhalese workers resident on estates outnumbered those from the villages, probably because of the comparative scarcity of villages in those areas. On Mid-country and Low-country estates the position was reversed.

With these preliminary observations I turn now to particular aspects of the immigration of workers for estates.

Sources and Control of Immigration.

The sources of immigration for work on estates, and the annual average number of immigrants from each source, are shown on the map of South India given in Appendix III. It will be seen that about 75 per cent. came from the districts around Trichinopoly and comparatively few from the areas that supply the largest numbers of Indian immigrants who come from Ceylon for other purposes.

The sources of the immigration of Indian estate labour have not always been the same, but when the difficulties of the earlier stages of the organization had been overcome, and when conditions on estates which had proved an obstacle to recruitment had been removed, the Indian sources from which labour was drawn became and have remained for more than twenty years approximately as they now are.

The success of the established system of recruitment for estate labour has been such that no Indian immigrants come to Ceylon for work on estates except through that system.

I turn now to the means of control over the number of immigrants that the system provides.

There are three classes of immigrants within the system. The first are those recruited under licences issued by the Controller of Labour in Ceylon. The second are those who have previously worked on estates in the Island and are returned to it by the Ceylon Labour Commissioner in India if they wish to return and if they have in their possession a written statement by the Superintendent of the estate on which they worked that he is willing to re-employ them. The third class consists of labourers who have not previously worked in Ceylon but who wish to do so. These can be sent by the Labour Commissioner if he knows that employment is waiting for them. Since the first two classes have hitherto met the needs of Ceylon, the means available for the third class have never been used.

There are various means of controlling the number of labourers recruited under licence. The issue of licences can be entirely stopped and has been stopped at different times when the Government of Ceylon considered that there was sufficient labour in the Island. No licences were issued in 1936. Similarly, the number of licences issued can be limited. Only two were issued in 1935.

A licence normally authorizes the recruitment of 20 workers accompanied by their dependants. In actual practice such a licence may authorize the immigration of as many as 60 or 70 persons, some of whom, either children or old persons, for example, are not themselves workers. But the number of persons sent to Ceylon under the licence can be limited by the Labour Commissioner on instructions from the Government of Ceylon. In licences issued after 1934, for example, the total number was limited to 20. It could have been limited more strictly.

The return of labourers included in the second class mentioned above can also be controlled. The "credential", as it is called, given to them by the Superintendent for whom they had previously worked is valid only for six months and may have conditions endorsed on it. Apart from Government intervention, the number sent back under the authority of credentials is limited to the requirements of estates at any given time, and these are notified to the Labour Commissioner by Superintendents. The Labour Commissioner, however, would be guided by the instructions of the Government of Ceylon if for any reason it became necessary to limit the return of workers still more strictly.

It was accordingly apparent from the evidence on the working of the system that it provides a fully adequate means of control over the number of workers entering Ceylon to work on estates.

If at any time there has been a surplus of immigrant labour in Ceylon this has not arisen because of any defect in the means of control. A surplus would occur if licences were issued too freely or if conditions arose on estates which made less labour necessary than was already there. In 1933 the number of immigrant labourers entering Ceylon in that year had been reduced to 33,000. In the following year the reopening of recruitment brought the number up to over 140,000. Schemes for restricting the production of tea and rubber followed. Facilities for repatriation were repeatedly extended and every possible effort was made to transfer labour from estates which did not require it to others which did. Repatriation was voluntary (and I shall give later my opinion that it should remain so), and the possibilities of transfer from one estate to another are limited by the reluctance of labourers to move to strange or very different surroundings. Despite all that had been done it was evident that there was on some estates at the time of my inquiry a surplus of labour which, till then at any rate, it had not been possible to reduce. The effects of such a condition on the employment of Ceylonese are mentioned elsewhere in this report.

Settlement in Ceylon.

In an earlier part of this report I referred, when considering the immigration of non-estate workers, to the necessity to inquire to what extent the stream of immigration adds to the permanent population and brings into the Island a possibly distinct community, growing in numbers in course of time and becoming, like other communities in the Island, the permanent care of the people as a whole.

I have noted that at the end of 1936 the total of the Indian estate population was approximately 659,000. The estate population had, of course, been reduced during the depression and as a result of the restriction schemes for tea and rubber. Since it may be supposed that the workers repatriated during this period were generally those who had been in the Island for the shortest time, the estate population at the end of 1936 may probably be taken to have contained a higher proportion of settled workers than would be found when recruitment is in full operation.

In the course of my inquiry the Planters' Association made an estimate of the proportion of Indian estate workers who were permanently settled in the Island at that time. Figures were taken from 95 estates in 18 different districts, and the proportion permanently settled was estimated to be between 70 per cent. and 80 per cent. of the whole.

An accurate estimate is, of course, impossible and any estimate at all is very difficult to make. Among the tests applied by the Planters' Association was residence in the Island for not less than five years. This is the period of residence after which, I was informed, an immigrant worker ceases to be regarded as an immigrant under a certain Indian Act which applies to immigration to Ceylon. It is also the period of residence which, when coupled with a declaration of permanent settlement, may entitle the immigrant to the political franchise in Ceylon. Taken alone, however, five years residence would, I think, be a doubtful proof of permanent settlement and the estimate mentioned above may therefore be too high.

At the time of the Special Commission on the Ceylon Constitution, 1928, an estimate was given to the Commissioners placing the proportion of Indian estate labourers permanently settled in Ceylon at between 40 per cent. and 50 per cent. of the whole. The estate population, however, was then larger and had not been affected by those considerations which I mentioned earlier as affecting the proportion of permanently settled workers in the population of 1936.

If an estimate of 60 per cent. is taken for purposes of illustration, it will be seen that at the end of 1936 there were in the Island approximately 400,000 Indian estate workers who had become part of the permanent population of the Island. Following the normal composition of the estate population in recent years according to sex-ratio and age, these 400,000 Indians would have included, in approximately equal thirds, men, women, and children under 16. The total number, whatever it may be, may confidently be expected to increase by an excess of births over deaths which is greatly assisted by improved conditions of living on estates and by the medical attention given to the workers. It may also be expected to grow by reason of an increased tendency to settle in Ceylon on the part of new immigrants, more especially when recruitment is reopened. The evidence indicated that this tendency has noticeably increased as the result of the improvement in the conditions of estate labour to which I have referred and that the proportion of settled workers is considerably greater, for this reason, than it was, say, twenty years ago.

The Planters' Association estimated that the number of labourers, including dependants, required for the efficient working of tea and rubber estates when production is not restricted is approximately 800,000. The time is certainly not yet in sight when immigration will have produced a permanently settled population of estate workers sufficient to supply all needs for labour on estates and when immigration for that purpose can accordingly cease. But the fact that there may already be in the Island a permanently settled population of estate workers amounting to half the maximum need of estates, even if restriction of production is removed, is a fact deserving attention.

There can of course be no assurance that the requirements of this permanent section of the population will remain for ever limited to employment on estates. And since they are permanently settled in Ceylon, room and opportunity for their legitimate development will have to be provided within the Island.

Overflow of Estate Labour into other Occupation.

This was a subject to which I gave particular attention at my inquiry and for an obvious reason. There are two streams of immigration to Ceylon, the larger stream of estate labour controlled through the machinery already described, and the smaller stream of non-estate workers uncontrolled, as to numbers at any rate, by the present system. If it were decided to devise means to control the latter stream, control would be largely defeated if in fact there was a considerable overflow from one stream into the other after the checks on entry into the Island had been passed.

There was a sharp conflict of evidence on the question whether there was such an overflow of estate labour or not. Some witnesses asserted that there was, and that unskilled and casual labour in Colombo, and particularly in the harbour, was largely composed of persons who had previously entered the Island as estate workers and had, for whatever reason, left their employment. Planting witnesses, on the other hand, maintained that, whatever had occurred in exceptional conditions in the past, there was no such overflow now.

No direct evidence relating to present conditions could be obtained, except the negative evidence of police officials that, after special inquiry, no gangs of former estate labourers had been observed in recent times wandering about the country looking for work.

The Indian estate worker is an agriculturist and comes, as already noted, from localities in India which are not the source of non-estate immigration. Caste affinities differ as between the two groups. These facts would of themselves lessen the probability of his mingling in urban occupations with those who most commonly engage in them.

The great improvement in recent years in the living conditions of labour on estates, and the abolition of the former "tundu" system, have given to the estate population a more settled character than it formerly had.

Considering the evidence as a whole, I came to the conclusion that there was no sufficient ground to believe that there was at the time of my inquiry any overflow of estate workers into other occupations to an extent which would need special consideration in connection with immigration.

If a surplus of immigrant estate labour occurs, adequate facilities for repatriation will normally remove it.

The Employment of Ceylonese on Estates.

In discussing this subject it will usually be more accurate to discard the wider term Ceylonese and to refer to Sinhalese workers unless the wider term is required for some special reason.

The main purpose of my terms of reference in so far as they related to the immigration of labour for estates appeared to be the discovery of what possibilities there may be of increasing the share of Sinhalese in that employment.

In my preliminary observations on the subject of estate workers I have already noted some facts regarding the employment of Sinhalese. The share of work which they now receive in localities where conditions are favourable to their employment is of major importance in their economic life. Figures were supplied to me by the Kalutara Planters' Association showing the sums paid to Sinhalese and to Tamil workers on fifty-two of the estates represented by the Association. Omitting sums paid on seventeen other estates in the same Association from which returns had not been received, these figures showed that during 1936 a total sum of approximately Rs. 299,000 had been paid in wages to Sinhalese and a total of a little more than Rs. 817,000 had been paid to Tamils. The evidence indicated that an approximately similar situation existed in other localities in which conditions resembled those on the estates to which these figures related. On some particular estates in the low-country Tamils had almost entirely disappeared.

Many different circumstances, of course, affect the prospect of the employment of Sinhalese on estates. One of the most important is the proximity of villages to an estate. But even when these are most numerous it will require a very exceptionally fortunate combination of conditions to enable an efficiently organized estate to be maintained without at least a nucleus of resident Tamil labour. The pull of communal and family life in the village, the recurring call of the harvest, and all the deep influences of ancient and easier ways of living, compel the villager to withdraw, from time to time, from organized activities that are not his own. Whatever the cause, irresistible evidence was given of the fact that village labour, even when sufficient in number, is almost always liable to irregular absences which would impede the working of an estate relying upon it alone. The necessity of a dependable labour force on a tea estate is, of course, very much greater than on an estate producing rubber or other crops and the hours of work are more exacting. The proportion of village labour that is commonly employed is therefore less and is generally used for the less urgent operations.

Small numbers of resident Sinhalese workers are found on both tea and rubber estates, situated in different districts and at varying altitudes. All these had come to the estates on which they worked from homes in other localities, and most of them from an area in the neighbourhood of Matara. A considerable proportion had lived on the same estates for a good many years and, as far as could be judged, appeared to be permanently settled on them. They lived in lines in the same conditions as Tamil labourers and sometimes among them. They received the same wages as Tamils and the same benefits of other kinds. Village labour also, it may be noted here, was paid the same wages as Tamil labour in every instance mentioned in the evidence. The only disparity in other benefits that the evidence disclosed was in the feeding of the workers' children by the estate. The most probable reason for the difference appeared to be that the children of Sinhalese workers often remained in their villages or returned with their mothers to their homes at a reasonably early hour.

The evidence indicated that Sinhalese workers resident on estates had usually come to the estates on their own account, either as individuals or in families or small groups, or had been brought to an estate by some individual known to the Superintendent and to them. There appeared to be nothing like any recognized, or even known, means of obtaining resident Sinhalese workers if a Superintendent wished to find them. If they happened to turn up, well and good; if not, they were not sought for. In general it appeared that they were too rarely met with to be looked upon as a regular, and still less as a necessary, part of an ordinary labour force on an estate. Their presence seemed to be the result of quite spontaneous movement on the part of more than commonly enterprising individuals, less than commonly bound to the place of their birth. Their total numbers were not inconsiderable, but there was no indication that they had tended to increase. Restriction of production in recent years would not, of course, have encouraged any such tendency. Their presence, however, suggests that it is not always impossible to overcome one of the main obstacles to the establishment of resident Sinhalese workers on estates, namely, their normal reluctance to leave their homes. They seemed also to disprove, to some extent at least, the assertion of some witnesses that separate houses and small surrounding plots of land, such as the villager usually had at home, were an essential condition of their residence on an estate. If this requirement were in fact essential it would effectively prevent the employment of large numbers of resident Sinhalese, for the productive area of the estate that remained would usually be insufficient to employ them.

In addition to the more immediate effects of the depression some of the less direct consequences of that period have tended to limit the employment available to Sinhalese in recent times. During the years 1932-33 estates were obliged by financial stringency to curtail, to a greater or less extent, their programme of work. Machinery was set in motion for the reduction of the minimum wage for immigrant labour to an amount which the estates could afford to pay, but some time elapsed before the wage was actually reduced. The Planters' Association represented, in a memorandum that they addressed to me, that prolonged obligation to pay to immigrant labour a wage which the estates could not afford had compelled them to discharge Sinhalese workers and these, with their dependants suffered in consequence from lack of work. I am not, of course, concerned with the incidents of that past controversy but I mention the representations made to me because they indicated that if, for whatever reason, it is necessary to retain immigrant workers on an estate in circumstances in which they can only be paid by being given work normally done by others, Sinhalese will inevitably lose employment.

The occurrence of a similar situation, though arising from different circumstances, was disclosed by the evidence at my inquiry. Reference has already been made, in my comments on the control of the immigration of labour for estates, to the sudden rise in the number of immigrant workers from approximately 33,000 in 1933 to rather more than 140,000 in 1934 and to the subsequent curtailment of work on estates as a result of the restriction schemes. Notwithstanding the enlargement of facilities for repatriation, the evidence indicated that there was on some estates at the time of my inquiry a surplus of immigrant labour and that the obligation to pay them as long as they were kept had resulted in the assignment to them of the kinds of work usually given to Sinhalese and in consequent unemployment among the latter.

I wish to make it clear that my comments in the preceding paragraphs have no reference to the institution of the minimum wage, which is a subject with which I am in no way concerned. Those comments are solely intended to record what the evidence appeared to me to indicate as to the effect of a surplus of immigrant labour on the employment of Ceylonese.

Other effects of the restriction schemes for tea and rubber had led to the loss of employment by Sinhalese. I do not refer now to the more direct effect of those schemes in restricting work on estates, but to their less direct effect, leading to stoppage of all production on some estates and on numbers of small holdings when it seemed more profitable to their owners to sell the export coupons allotted to them than to use them for the export of produce. There was, the evidence indicated, considerable loss of employment among Sinhalese in some areas in consequence of this practice, but, since this loss was in no way the result of the immigration of estate labour, it presents an aspect of unemployment outside the scope of my inquiry.

Some witnesses alleged that immigrant workers had directly displaced Sinhalese in recent years in a limited class of superior or skilled occupations on estates. Clerks and accountants were mentioned, watchers, teamakers, certain other workers in tea factories and the like. Other witnesses denied the tendency and there was little direct evidence in either direction. The numbers involved are, in any event, small. The evidence suggested that if Sinhalese have been replaced by immigrants in occupations of that kind, it has probably happened as a result of a better educational standard among some, at any rate, of the more intelligent immigrant workers who have taken advantage of the educational opportunities that estates provide. When these successes are obtained by Indians permanently settled in the Island, no legitimate objection could, I think, be taken to them. And as long as estates need immigrant workers and provide, as they must, educational facilities for them, it would seem difficult to avoid the occasional success of these facilities even among others.

The broad indications of the evidence on the subject of the employment of Sinhalese on estates may now be briefly summarized.

The prospects of employment are, naturally, greatest on estates which are close to villages, and on which the requirements of the crop can be met, mainly at any rate, by non-resident labour. For these reasons possibilities are very limited on tea estates and are altogether absent on those tea estates which have no villages near them.

Resident Sinhalese labour is rarely found at present. The reluctance of the majority to leave their villages for long periods of time is a serious obstacle to an increase of this form of employment, apart from existing conditions restricting production.

As long as the calls of village life lead to irregular attendance of Sinhalese at their work, even those estates which are favourably placed in the neighbourhood of villages will not be able to rely on Sinhalese workers alone and a larger or smaller resident Tamil labour force will be necessary.

I was satisfied that on estates near to village labour there was every desire on the part of Superintendents to employ the villagers to the full extent made possible by the work available and by the willingness of the villagers to do it with regularity. In the evidence on this subject I noticed frequently a strong sense of responsibility on the part of Superintendents to do all in their power to improve the lot of villagers in their neighbourhood by inducing them to avail themselves to the fullest extent of the opportunities of employment which the estates offered. There were particular Superintendents who had been outstandingly successful.

PART III.

PROPOSALS MADE BY WITNESSES.

BOARD OF IMMIGRATION.

The principal proposal made by witnesses who favoured the restriction of immigration was the establishment by law of a Board of Immigration without whose permission no person not domiciled in Ceylon would be allowed to enter the Island for purposes of employment.

This proposal appeared to be based upon the method adopted in the United Kingdom for the control of the immigration of persons who are not British subjects. Under the Aliens Order, 1920, a permit issued by the Minister of Labour is necessary to authorize the entry of an alien for employment in the United Kingdom and provision is made for the registration of resident aliens and for their deportation on various grounds.

The proposal made by witnesses at my inquiry differed from the United Kingdom system in that it was intended to apply, not only to aliens, but also to all British subjects not domiciled in Ceylon. It resembled the United Kingdom system in that it would require that before a person could enter the Island for work it would be necessary to prove to the proper authority that workers suitable for that particular kind of work could not be found in sufficient numbers in the Island.

The successful operation of this system would require, first, that there should be sufficient information of labour conditions in the Island to guide the Board in deciding whether permits to enable immigrants to engage in any particular occupation should be issued or refused. It would also be necessary that accurate trace should be kept of the immigrant's movements and employment after he had landed in the Island, in order to ensure that, having been permitted to land for the purpose of engaging in a particular occupation, he did not afterwards leave that occupation and engage in another. Without efficient machinery for this purpose the system would inevitably fail.

I shall refer later to the necessity of accurate information of labour conditions in the Island. The second essential, information of the immigrants' activities, is supplied in the United Kingdom by the registration of all aliens by the Police. Every change of address and of employment is notified to the Police and recorded by them. If this information reveals a breach of the conditions upon which permission to land was given, the breach is brought to the notice of the proper authority and action is taken which may result in the deportation of the alien.

A permit to an alien to land in the United Kingdom for employment is issued by the Minister of Labour upon proof in every case that British subjects are not available in the United Kingdom for the particular work in which the immigrant proposes to engage and that the work itself is useful to the community. Unless the permit is given for a particular period specified because of the special circumstances of a particular case, it is given in the first instance for one year and is reviewed at the end of that period in the light of all the information supplied by the Police registers of the immigrant's movements, employment and conduct during that period. Upon review the permit may or may not be extended, the decision depending upon the immigrant's observance of its

conditions, his general conduct, and the state of the labour market at the time. If the permit is not extended the immigrant is obliged to leave the United Kingdom. If it is extended it will, in the absence of special circumstances, be renewed for two years and reviewed again at the end of that period. It may be that the immigrant will then be released altogether from restriction. If the immigrant's breach of the conditions of his permit, or his misconduct, makes it necessary, his permit may, of course, be reviewed and terminated at any time.

It will be apparent that the successful operation of this system requires elaborate machinery and closely involves the Police, the labour authorities, and those responsible for the supervision of immigration. In particular the duties cast on the Police are of an onerous and highly responsible kind.

In the United Kingdom the number of aliens who were allowed to land in 1936, under permits of the Minister of Labour authorizing them to engage in employment, was 21,533 out of a total number of about 479,000 aliens allowed to land. Of the total of 21,533 admitted for employment, 8,376 were males, 12,818 were females, and 339 were children. With the exception of female domestic servants, who would compose not less than half of the total of female immigrants, it may be said, broadly, that all the other alien immigrants would be specialists of one kind or another. Some of them, for example, theatrical performers, would remain in the country for only a short time.

The possible operation of the system for the protection of employment may be illustrated by the case of domestic servants. Assuming that this particular occupation had become saturated with aliens, or that greater willingness on the part of British subjects to enter domestic service had become apparent, new permits would be refused and the inflow, which I will assume to be at the rate of about 6,000 in a year, would be stopped. In addition no permit which came up for review at the end of a year from the date of issue would be extended. Thus, within a year, the total number of alien domestic servants would be reduced, according to the figures assumed, by about 12,000 below what would have been the total under the normal operation of the system.

It will be apparent that the main difficulty in operating this system is the difficulty of keeping track of the alien's movements and employment when once he has been allowed to land, and this difficulty has in fact deterred more than one highly-organized country from attempting to establish a similar control. It will be equally apparent that the greater the number of alien workers that a country requires the greater the difficulty will be. Yet unless accurate information of the alien worker's movements and employment can be obtained it is not possible to provide effectively for the protection of employment from alien competition and at the same time to make possible the employment of those alien workers whom the country needs.

I have given the total number of aliens entering the United Kingdom for employment in 1936 as, approximately, 21,000. The average annual number of Indian immigrants entering Ceylon for employment in the ten years ending in 1936 has already been given in this report as 94,000, excluding estate labourers.

Experience in the United Kingdom has shown that when an alien has been allowed to land to engage in employment of a particular kind, he must be allowed complete freedom to change his employer within the field of employment that he has been allowed to take up. If an attempt is made to ease control over his employment by making a particular employer responsible for him, the worker becomes tied to that employer and is in a position resembling that of an indentured worker. Considerable hardship, both to the worker and to his employer, may result. This freedom of movement, which it has been found essential to allow, increases, obviously enough, the difficulty of controlling the alien's employment.

The preceding observations on the main proposal made by witnesses for the control of immigration and on the actual operation of a similar system in the United Kingdom will probably be sufficient to suggest to those with a knowledge of Ceylon some of the main practical difficulties involved in the protection of employment from immigrant competition.

If practical difficulties alone are considered, a purely numerical restriction would raise no insuperable obstacles, but unless the limit of number were so large as to be meaningless, there would be grave risk of producing a shortage of workers in essential activities since the occupations in which the immigrants would actually engage would not be known. For the same reason no real protection of particular occupations from immigrant competition would be given.

Again, from the purely practical point of view, restriction by means of occupational quotas would amount, in actual operation, to nothing more than numerical restriction unless steps were taken to limit the immigrant's employment, after he has entered the Island, to the occupation for which he was admitted. This would involve all the machinery necessary to keep track of the immigrant's activities and to take action when the conditions of his permit were broken or when it came to an end. It may be helpful to consider what that machinery would involve in Ceylon when even if its operation were confined within the narrowest possible limits.

I will assume for the purpose of illustration, that all estate labourers are excluded from any new system of restriction on the ground that there is already sufficient control over their entry into the Island. I will assume also that the possibility of estate labourers leaving their employment for other work in the Island is ignored.

I will assume, in addition, again for illustration and to reduce the problem to its narrowest possible limits, that all non-estate immigrants now in the Island are freed from restriction and also all those who have previously worked in the Island and are only temporarily absent when the scheme is brought into force.

These assumptions would leave only those non-estate immigrants within the system of control who entered the Island for the first time after the scheme was established. The figures of new immigrants according to occupation given in Appendix VII. suggest that the total number of those entering the Island for the first time for employment would be about 7,000 in the first year in existing conditions. Omitting estate labourers altogether, the exclusion from the scheme of those non-estate immigrants who I have mentioned would make it necessary to provide each of them, when next he leaves the Island, with non-transferable means of identification to enable him to return if he so desires. Journeys are frequent and responsibility for ensuring that means of identification were not transferred would be very difficult to discharge in the case of the great majority who are unskilled labourers, including a large proportion of illiterates.

In the case of those immigrants who would fall within the scheme and whose number I have estimated at about 7,000 individuals in the first year, each immigrant, on receiving a permit to land, would be registered, presumably by the Police, and would be required to notify his address and employment and every subsequent change of either. At the end of the currency of his permit, or on earlier breach of its conditions, his case would be brought before the proper authority for review and his permit would be either extended or terminated. In the latter event he would be required to leave the Island and it would be necessary to ensure that he did so. Approximately 5,000 among the total of 7,000 immigrants would be what are commonly considered unskilled labourers and a high proportion of them would probably be illiterate. It needs little thought to picture the onerous task that would fall on the Police, even with so small a number within the scheme, in discovering and registering continuously all the constantly changing particulars that would be required, in establishing the identity of individuals and in keeping sufficiently close touch with immigrants in all parts of the Island to ensure that accurate particulars were obtained and that breaches of the conditions of permits were promptly brought to the notice of the proper authority. The reliability of Police officers engaged in such a task would clearly have to be beyond question.

On the assumptions that I have made for the purpose of the preceding paragraphs I have estimated the total number of immigrants coming within this hypothetical scheme of restriction to be 7,000 in the first year. What it would be in subsequent years it is impossible to estimate. The permanent departure of immigrants now in the Island and the substitution of new immigrants, general demand for labour, and the response of Ceylonese to that demand would all, of course, affect the number of immigrants within the scheme. In the first years the number would almost certainly tend to increase and at the end of three years from the establishment of the scheme the number of immigrant workers within it might well be very much greater than the number with which it began. If even a part of the groups whose exclusion I have assumed, were included, the number with which the scheme would have to deal at the outset would be multiplied many times.

I have tried in the preceding paragraphs to indicate some of the practical steps necessary for the operation of any scheme of restriction of immigration for the protection of employment if the scheme is to have any real success in achieving its purpose. I turn now to consider another essential condition, namely, the possession of sufficiently accurate knowledge of the condition of the labour-market in every field of employment to enable the responsible authority to decide whether applications to import immigrant workers for any particular occupation, or applications by prospective immigrants themselves, should be granted or refused.

An additional duty cast on the corresponding authority in the United Kingdom is to satisfy itself that the wages to be paid to the prospective immigrant worker will not tend to lower the general standard of wages in his sphere of employment.

The main question in every case would be whether efficient Ceylonese workers are available in the numbers required and the evidence showed that there is a very sharp conflict of opinion on that question in regard to many different occupations, not only on the point of numbers, but also, and not less marked, on the point of efficiency. Another question would be whether the number of immigrant workers in the Island at any given time left a surplus available for new employment and capable of efficient work in it. The answers of proper authority to these questions must, clearly, be based on accurate knowledge. If it is not, either the purpose of the scheme will be defeated or there will be risk of injury to important activities.

The only occupation about which information has been systematically collected in Ceylon for a number of years is that of the agricultural worker on estates. In 1923 there came into existence a Government department known as that of the Controller of Indian Immigrant Labour. The name of the department accurately indicates the duties for which it was designed and in the performance of which it was almost exclusively occupied. In 1931, upon the introduction of the new constitution, this department became the Department of Labour and was for the first time charged, under the direction of the Executive Committee for Labour, Industry and Commerce, with all those manifold functions in regard to labour of all kinds, all over the Island, which the wide responsibilities of the Committee entailed. No change was made either in the numbers or in the organization of the staff of the department and it will involve no shadow of criticism of it, and none, of course, on the Committee, to say that the Department is not (for it could not be) in possession of that knowledge of labour conditions in the Island, outside the estates, which would be essential if any scheme of restriction of immigration for the protection of employment is to achieve its purpose without inequalities and hardships and grave risk of economic injury. To collect that knowledge a special organization would be necessary and a considerable period of time would have to elapse before sufficient information became available.

I have now considered, in this part of my report, the main proposal of witnesses for the restriction of immigration by means of a scheme apparently based on the system in operation in the United Kingdom. I have incidentally considered two other proposals made by witnesses, namely, the institution of quotas based either on total numbers alone or on numbers for particular occupations. Most of the proposals made were, in essence, similar to one or other of those already discussed.

Another proposal suggested the establishment of "Open" and "Closed" occupations.

It was apparently intended that the Closed Occupations should be those for which it was considered that a sufficient number of Ceylonese workers were available and no immigrant, whether a British subject or not, would be allowed to enter the Island to engage in these occupations without proof that a suitable Ceylonese could not be found.

Open Occupations would be those for which it was recognized that Ceylonese workers were not available in sufficient numbers. No restriction, other than the general restriction on immigration already existing, would be placed on the entry of persons to engage in work in this class. The only occupations named by these witnesses as being in this class were scavenging and conservancy.

It will probably now be apparent that this proposal would require the possession of the same knowledge of conditions in the labour markets and the same machinery for tracing an immigrant's changes of employment that would be necessary for the scheme first considered.

I could myself discover no scheme of restriction of immigration for the protection of employment that would not involve both these obligations if it is to be effective for its purpose and at the same time to avoid grave risk of excluding essential labour that the Island itself cannot supply. The difficulty of working such a scheme would be peculiarly great in Ceylon where it cannot be assumed that the only immigrant workers whom it will be necessary to admit will normally be a comparatively small number of persons possessed of highly specialized knowledge. Indeed the necessary assumption would be exactly the reverse and those whose employment it would be necessary to control would consist of a large number of unskilled and illiterate workers whose identity it would be very difficult, or impossible, to establish, and whose movements it would be equally difficult, and often impossible, to trace. An attempt to exercise the necessary control with the means available would be open to the most serious abuses.

PART IV.

OPINIONS AND RECOMMENDATIONS.

INTRODUCTORY REMARKS.

One of the main questions raised by my Commission was whether the immigration of workers to Ceylon had deprived the Ceylonese of employment or was likely to do so.

This question very naturally attracted much attention in the Island during the worst stages of the depression when, for the first time, large sums had to be found from the public revenue for the relief of able-bodied persons in distress for lack of work. At the same time there occurred the worst epidemic of malaria known in the Island within historical times, and the very heavy death-roll drew renewed attention to problems of undernourishment and to the necessity of opening every possible approach to better standards of living. Conditions in the villages had declined, not only as a result of a fall in price of agricultural and garden products, but also because of the curtailment of work in which many Sinhalese had taken part upon organized estates producing tea and rubber and other export crops. In addition the growth of population in some areas had out-run available land, and the system of inheritance, by splitting land into uneconomic units, impeded its development.

The presence in the Island of a large and, as it then seemed, a growing number of under-occupied and undernourished people scattered through the villages and the towns, ignorant of the real causes of their hardships, was anxiously felt by many to be a condition which, for every reason, it was necessary to bring to an end.

In such circumstances it was very natural that thoughts should turn to those varied fields of employment which maintained in comparative security a number approaching a million persons who had come to the Island from outside it and most of whom, it was commonly supposed, had permanent homes elsewhere. It was inevitable that it should be asked what means could be found to secure for the Ceylonese a greater share in the opportunities for employment that their own Island afforded.

My inquiry was held some time after the crisis of the depression and I wish to record that I found, in the great majority of the witnesses, including those who favoured a restriction of immigration, a complete readiness to recognize the great contribution that Indians had made to the development of Ceylon, and to recognize also the rights of those who, by long residence in the Island, had made it their permanent home. The concern of these witnesses was with the future and not with the past.

GENERAL OBSERVATIONS.

The assumptions made by those who favoured the restriction of immigration were that a large part of the work now done by Indians could and would be done by Ceylonese if Indians were not available and that it would be just as efficiently done, if not at once, then, at any rate, within a reasonable time. The number of Indians employed in skilled work, is comparatively small, and the evidence showed that the majority of these attain their positions after having worked in the Island as unskilled labourers for some years. The problem therefore, which my terms of reference define concerns almost entirely, as I see it, the immigration of the unskilled. If that stream could justifiably be stopped or lessened, the acquisition of skilled employment by Indians would be correspondingly affected in course of time.

It was generally admitted that in the past, when it was easier for the Ceylonese to support themselves by their traditional occupations, the immigration of unskilled labour was necessary to the extent to which it took place. But it was contended that in conditions as they exist to-day it is not, and that economic pressure has made available large numbers of Ceylonese workers for employment from which they formerly held aloof.

No one, obviously, can have any certain knowledge of the extent to which Ceylonese labour is now available for unskilled work which Indians at present do, and it was, of course, one of my clearest duties in my inquiry to form the best opinion that I could on this point; for unless there is in fact a large volume of such labour, restriction of immigration must inevitably damage gravely industries and other undertakings essential to the economic and social life of the Island.

It is, I think, beyond doubt that there are considerable numbers of under-occupied potential workers scattered over the Island in the villages and, though probably to a less extent, in the larger towns. But I found no convincing evidence that any large number of these potential workers are ready now to turn to occupations in which they would not formerly engage, or that they could at present provide efficient and reliable labour in those occupations if they were willing to take them up. Some particular instances of such change were disclosed by the evidence and have been mentioned in the earlier parts of this report. But these instances were rare; they were not always successful from the point of view either of the worker or of the work and, in some of them, there was no assurance that the change was permanent.

I repeat, therefore, that in my opinion there can be no sufficient confidence that any large number of unskilled Indian workers could now be replaced by Ceylonese to justify an attempt to bring about that replacement by simply reducing the supply of Indian labour.

Nor do I think it reasonable to expect that, having regard to the general condition of unskilled labourers in Ceylon, the economic hardships of recent years would alone have prepared them to make successfully, and with some probability of permanence, such marked changes in their customary modes of life.

The evidence of the absence or scarcity of Ceylonese in certain unskilled occupations, already fully discussed in this report, showed clearly, in my opinion, that the causes of those conditions were mainly to be found in long-established racial tradition and social habit, and in deep-seated prejudices and disabilities growing from the same roots. In addition, but affecting a comparatively insignificant number, was an ambition to rise, through some semblance of education, to socially superior employment.

It seems to me too much to expect that, even under economic pressure, obstacles such as these would be surmounted, in a short time, by large numbers of highly conservative unorganized, and, unfortunately, ignorant people entirely by themselves. It seems more probable that the restriction of their customary means of earning their livelihood, during and since the depression, left the majority baffled and helpless, and with little prospect of quickly discovering in themselves the enterprise necessary to enter new fields of employment or the readiness to shed those ancient prejudices which held them back.

If I am right in my view of the main obstacles to the fuller participation by the Ceylonese in the manifold opportunities for employment that the Island offers, restriction of immigration will not remove those obstacles. Used too soon, it will merely deprive the Island of labour essential to its needs.

If restriction of immigration is to be justifiably used to increase the employment of Ceylonese, it should not, in my opinion, be the first step to be taken. It would not, I think, be justified, quite apart from other obstacles to its establishment, until there is strong ground for a belief that efficient labour is available in the Island to replace the supply that is to be cut off, and then only if restriction is shown to be necessary to achieve the object in view.

The above general observations anticipate to some extent my answer to the third question put to me in my terms of reference, the question, namely, "whether any restriction or control, beyond that already existing, should be imposed on the immigration of workers". I shall return to that question in its proper order and shall then give my view of possible means of encouraging the entry of Ceylonese into fields of employment now occupied by others.

I turn now to the questions put to me in my terms of reference in the order in which they are there given.

QUESTIONS IN TERMS OF REFERENCE.

(a) The extent of the immigration of workers and whether it is increasing.

This question is one of actual fact and in so far as figures are available, it is answered by the tables and graphs given in the Appendices to this report.

Allowing for all possible inaccuracies in the division of the numbers leaving the Island between estate labourers and others, these figures establish the broad truth of the proposition that, in all fields of employment in which Indians customarily occupy themselves in Ceylon, when work is available the immigrant comes to share in it, and when it is not he returns to his home. In times of prosperity the curve of immigration rises and in times of depression it falls and the curve of emigration goes up. It will, I think, be safe to say that as long as it is necessary for Ceylon to rely on immigrant workers, and as long as she can get them from the great neighbouring continent, the rise and fall of immigration will follow the same rule, however the total numbers may be affected by increased employment of Ceylonese. The great advantages of this fact for the Island were fully recognized by the witnesses.

The evidence gave no reason to suppose that, except in the case of domestic servants, the immigration of workers had ever increased because of a decrease in the employment of Ceylonese. In accordance with the general proposition that the immigrant worker comes to Ceylon when there is work for him to do, any considerable increase in the employment of Ceylonese in work which Indians had previously done would, as the evidence indicated produce a corresponding reduction in immigration without the intervention of any control. The evidence clearly showed that the Indian does not come to Ceylon to search for work in markets which he has reason to believe are already full. He may take a little time to learn of changes in the employment situation, but when he discovers them he is guided by the facts. Though it was impossible to deduce from available figures to what extent, if any, the movement of workers from India to Ceylon has yet been affected by any increase in the employment of Ceylonese, that movement was shown to be sensitively attuned to conditions in the Island. The ease and speed with which news travels between friends and relatives over the short distance separating the two countries contributes greatly to this result.

I pass now to the next question in my terms of reference,

(b) whether the immigration of workers has caused, or is likely to cause unemployment or other economic injury to the permanent population of the Island.

With regard to the past, I feel no doubt that it is broadly true to say that immigrant workers came to Ceylon for work for which Ceylonese were not available and for which, in the circumstances of the time, they could not have been made available by any action which employers could reasonably have been expected to take. So far from causing economic injury to the permanent population, immigrant workers made possible an economic and general advance which could not have taken place without them and in the benefits of which the great majority of the population, directly or indirectly, share to-day.

At the present time the production, manufacture, and handling of the principal export-crops of the Island could not be carried on without them; nor could the varied work of the reception and despatch of the great volume of traffic passing inwards and outwards through Colombo's port. Their still essential place in the work of Municipalities, of the Railway, of the Public Works and other departments of the Government and of engineering and other private undertakings, has already been shown in earlier parts of this report.

But all this can be frankly recognized, as it was by witnesses at my inquiry, and still leave the question to be answered whether the Island gets more immigrant workers than she needs and whether their presence is an obstacle to the employment of her own people.

Considering the fact that there is normally in the Island a number of immigrant workers approaching a million, it would certainly be an overstatement to say that this number always exactly corresponds with the need for labour which Ceylonese workers cannot or will not supply. While in some instances, or at some times, there may be a shortage, in others there may be a surplus and in so far as the evidence disclosed instances of either, I have mentioned them earlier in this report.

The fact alone that the stream of immigration, organized and unorganized, has in the course of years led to the establishment and maintenance of so great a body of non-Ceylonese labour can scarcely have been without some effect on the employment of Ceylonese. This effect must necessarily be a matter of conjecture rather than of direct evidence.

Once immigration had been established, the momentum that it gathered, and its success in meeting the Island's needs, must inevitably, I feel, have helped to mark the divisions of labour among different races and to have lessened what incentive local workers might have grown to feel to throw aside their ancient prejudices and disabilities and to take advantage of the new opportunities that opened out. To the extent that the necessities of the work allowed, methods of handling labour, ideas of the conditions that labour required, would naturally have become adapted to the characteristics of the workers. And in so far as these methods and ideas were not suited to Ceylonese they would naturally have hindered their employment.

When we turn to the future and to the possibility of helping the Ceylonese to meet their new economic difficulties by enlarging their share in the Island's work, account must be taken of the situation which the past of necessity created. And considerations such as those I have mentioned above seem to me to make it difficult to return a simple negative to the question whether the presence of the immigrant worker is an obstacle to the employment of the Ceylonese.

The main problem however, as I see it, is very definitely not one of preventing the immigrant workers from driving the Ceylonese out of work, but a problem of how to enable the Ceylonese worker to replace the immigrant in work which the immigrant has made his own because, in the past there was no one else to do it. The main difficulty in the solution of this problem lies less in the presence of the immigrant worker than in the Ceylonese themselves. How they may be helped to overcome it is a problem on which I shall give my view in answering the succeeding question in my terms of reference.

(c) Whether any restriction or control beyond that already existing should be imposed on the immigration of workers and, if so, what form such restriction should take.

In an earlier part of this report I described the existing means of control of immigration both for estate and for non-estate workers.

In the case of estate workers the existing means is, in my opinion, fully adequate to enable the number entering the Island to be restricted to any extent desired. Whatever policy is adopted by the Government on this point ample machinery exists to carry it out and nothing more would be required.

Facilities for repatriation, as developed to meet conditions arising from the tea and rubber restriction schemes, were as ample as they could be without compulsion. Such measures are, in my opinion, the proper means of reducing a surplus and compulsion would not be justified.

The engagement of immigrant workers does not, of course, involve an obligation to maintain them for ever, but their compulsory deportation when they are no longer required would be very foreign to the spirit which long tradition has introduced into the contract between the workers and their employers, and would, as the Planters' Association strongly urged, injure the good name of Ceylon as an employer. To do that would clearly be bad policy as long as Ceylon is obliged to rely very largely on Indian labour for her principal economic crops.

Nor do I think that if the existing means of controlling the number of estate workers entering the Island is wisely used, it is at all probable that such a surplus will occur that the provision of adequate facilities for voluntary repatriation will not suffice to remove it.

In the case of non-estate workers, the existing means of control of immigration is described earlier in this report. It will be evident from that description that the restriction of immigration to protect the employment of local workers is no part of the object of the existing system. If it were decided to take action for that purpose entirely new means would have to be created.

In Part III. I tried to show what steps would be necessary if immigration is to be restricted in such a way as to protect employment effectively and not to endanger those enterprises for which immigrant labour is still required. I feel convinced that such a system is impracticable in existing conditions in Ceylon, particularly having regard to the fact that the great majority of the labour which it would be necessary to admit consists of illiterate unskilled workers.

Rough and ready restriction by means of quotas, without attempting to control the immigrants' employment, does not, of course, involve the same difficulties. But it does nothing to ensure that immigrants go to the work for which they are wanted and keep away from the work for which they are not. It can be used, and is used, to affect the general composition of a population, but it is not effective for the protection of employment and risks the starvation of essential industries.

Another method, used in some countries, is the compulsory employment in particular undertakings of a specified percentage of workers belonging to the country. This method does not involve the control of immigration, except in accordance with the object of existing control in Ceylon, namely, the exclusion of persons for whom there is no prospect of work. But it assumes, or ought to assume, that local workers are available in sufficient numbers to supply the percentage fixed for particular undertakings and that they are, or could reasonably be expected to become, efficient enough not to place too great a burden on the undertaking.

Action of this kind was taken in Burma after the Rangoon riots of 1930 which resulted from competition between Indians and Burmans for employment in the port. An arrangement was made by which certain divisions of labour were to be shared equally by Indians and Burmans. According to such information as I was able to obtain, the efficiency of the work was substantially reduced but the arrangement still continues. Similar action in the port of Colombo resulted from quite different circumstances when an agreement was made in 1928 between the Ceylon Labour Union and the harbour contractors by which 25 per cent. of Ceylonese labour was to be employed in the handling of cargo on board ships. I have referred to this agreement earlier and to the circumstances out of which it arose. And I noted then what I believed to be established by the evidence, namely, that the efficiency of the work has suffered and that, even after the time that has elapsed, there is no material improvement in the quality of the work of the Ceylonese employed.

Knowledge on the part of workers of a particular race that a certain percentage of them must be employed, regardless of the quality of their work, is clearly not an incentive to improve their race improvement can hardly be expected.

I believe that increased employment as wage-earners must be a necessary part of any solution of the economic difficulties which a variety of causes have brought upon large numbers of Ceylonese. Increased employment on the necessary scale must clearly extend to private undertakings as well as to the activities of the Government and other public bodies.

Even if restriction of immigration for the protection of employment were practicable in Ceylon (and I believe it is not,) the time has not arrived for it. Nor, in my opinion has the time arrived when the compulsory employment of percentages of Ceylonese workers could be prescribed for particular undertakings. Either course would require an assurance that an adequate number of Ceylonese workers is available for work which Indians now do. If compulsory percentages were prescribed without that assurance, one of two conditions would follow. Either the percentages would have to be so small as to have no appreciable effect on the situation, or grave risk would be incurred of restricting or destroying the source of employment. When that assurance has been created it will be time enough to see whether the compulsion of employers is necessary or not.

RECOMMENDATIONS.

I have now, I hope, made it clear that I do not recommend the restriction of immigration for the protection of employment, nor any form of compulsory employment of percentages of Ceylonese. I shall now endeavour to make what seems possible in the way of positive suggestion and I turn, accordingly, to the difficult question of the encouragement of Ceylonese workers to enter new fields of work.

ENLARGEMENT OF THE LABOUR DEPARTMENT.

My first recommendation on this point is that the staff of the Labour Department should be enlarged. An essential condition of any effort to increase the employment of Ceylonese is, in my opinion, that there should be accurate information of the conditions of labour and of the labour market in the various fields of employment. This information would include wages, hours, housing, numbers employed, scarcity or surplus of workers, proportion of casual to regular employment, and the races of the workers employed in different kinds of work. The department should have the necessary power to require this information to be given to it by employers and to be kept up to date, and to verify it by inspection.

This information will be necessary if the problem of employment is to be tackled at all and no matter what means may be chosen to tackle it.

All this information is already available with regard to Indian estate labour which was, practically, the only subject with which the department was concerned when its present organization was established. And I have already noted that when, by the change of the Island's constitution in 1931, the department suddenly became charged with the care of labour of every kind no change in the organization or staff of the department was made.

The next, and by far the most difficult part of the problem, is to establish contact with potential workers in the Island and to bring them into touch with employers. Included in this task would be the discovery of what work they seemed fitted to do and whether they could be fitted for other available employment by any form of training or instruction which it seemed practicable to provide.

I shall deal separately with this part of the problem with regard to the employment of Ceylonese on estates, for I believe that there is a hopeful prospect in the development of an experiment already begun by Mr. E. H. Lucette as head of the Co-operative Department. I am referring now only to non-estate employment.

I place first the collection of information of conditions in different spheres of employment because knowledge of these will help to indicate the direction and the methods which the second and more difficult part of the task should pursue.

LABOUR BUREAU.

Several authoritative witnesses, including the Employers' Federation, suggested the formation of a Labour Bureau. What was suggested, as far as I could gather, was the registration of all workers, without regard to race, seeking employment, the kind of work that they were willing to do, and the particulars of their previous employment. Employers could apply to the Bureau for workers required but would not be obliged to do so. It was hoped, however, that the particulars registered would enable the most reliable workers to be known, and that when employers found by experience that reliable workers could be obtained through the Bureau, the practice of filling vacancies by means of it would become general. It could be left to the Bureau, these witnesses thought, to send out Ceylonese workers in preference to others if suitable Ceylonese were available. It was apparently intended that a Bureau should be established, in the first instance, only in Colombo. If it proved successful others could be set up where conditions seemed to require them.

Since Colombo is, of course, by far the largest labour-market in the Island outside the estates, any measure which helped to solve the problem there would be an important contribution to its solution as a whole.

An experiment on the lines mentioned has been made in Colombo by the Charity Commissioner. It was, I gathered, confined to the occasional supply of skilled workers. It was necessarily very limited in scope and it would not be safe to draw general conclusions from it. As far as it went it appeared to have been successful, but it was not concerned with the placing in employment of workers of any particular race.

There are, of course, some obvious difficulties in the way of establishing a Labour Bureau which would concern itself with every kind of labour, including large numbers of unskilled and illiterate workers.

A general invitation to register, issued to all persons in search of work, or more work, or better work, or merely anxious to place themselves under some imagined form of Government protection, would produce, in the first instance, an immense mass of names and of highly questionable particulars. A picture of the general labour situation would be made to appear which would, in all probability, be very far from the truth. Since a Bureau cannot create either more work or better work or vacancies in existing work, hopes born would be doomed to inevitable disappointment. And a general belief in the failure of the Bureau would impair its chances of success in the very limited sphere in which it might be useful.

I propose to recommend the establishment of a Bureau with a limited scope and a limited purpose. I cannot be confident that it will succeed, but I think that there is sufficient prospect of success to make it worth trying and that the risks are not great. If it succeeds its scope could of course be extended. It is, at any rate, the only practical proposal that I feel able to make for the special purpose of encouraging the Ceylonese to enter new fields of work.

The ordinary object of a Labour Bureau is not, of course, the substitution of one type or race of worker for another. Since that would be the object of the Bureau that I propose it would be necessary that it should have a special character.

I propose that it should be established, in the first instance, only in Colombo and that it should be under the Municipal Council, the cost being shared between the Council and the central Government as might be agreed.

Since the main problem, in my opinion, is the employment of the unskilled, the Bureau would be mainly for that class of worker. But it could, if desired, include skilled workers without the limitations that I suggest for the unskilled, since the risks mentioned above are not so great in their case. It would have the general character of a purely domestic effort to increase the employment of Ceylonese and registration should, therefore, be limited to Ceylonese whether skilled or unskilled. I shall refer again later to the question of the Indian settled in Ceylon, but I wish to make it clear now that in my opinion no distinction whatever should be drawn by the Bureau between Ceylonese (in the sense in which that term is commonly used and as I define it in the introduction to this report,) and Indian workers who were born in the Island or who have made it their permanent home. It would not be easy for unskilled, and probably illiterate, Indian workers to prove a Ceylon domicile and discretion would have to be exercised by officials of the Bureau to see that Indian applicants for registration who fulfilled those conditions, if there were any, were not unfairly excluded. Possession of the political or municipal franchise would be one possible test.

Since the object of the Bureau would be to assist Ceylonese to enter new fields of employment, my proposal is that registration should be limited to applicants for work of the kind that is now mainly done by immigrant labour, I have indicated these divisions of work, so far as the evidence disclosed them, earlier in this report. Inquiry by an enlarged Labour Department would in time make much fuller information available. It would be necessary that the Bureau should be in close contact with employers and registration should be confined to applicants for those kinds of work in which inquiry from employers showed that there was a reasonable prospect for new men to secure employment. Registration should, further, be limited at any given time to the number, for any particular employment, which it seemed possible to place in that employment within a reasonable time. I do not, of course, mean the number of actual vacancies existing at a given moment, for, in the first instance, the supply of labour by the process which I contemplate might take a little time. I mean the number which, if the men were really in earnest, could be expected to secure employment without having to wait so long that they would lose heart. If there were more than this number of applicants for any particular kind of work the number to be registered should be chosen from the rest according to apparent fitness for that work.

Applicants should be fully instructed, before registration in the requirements of the work for which they applied, whether of one kind or of several kinds. Where possible, they could be shown the work in actual progress.

Since the main object of my proposal is to assist the Ceylonese to throw off existing disabilities for particular kinds of work, I attach the greatest importance to what would be the educative part of the Bureau's activities. If by means of the Bureau even quite small numbers of Ceylonese could be successfully, and not merely temporarily, placed in employments that they now leave to others, the propaganda value of this success should have its effect, in course of time, upon employers as well as upon potential workers still holding back. The men placed in employment should be few and good. Quick results and startling success are not to be expected and if sought regardless of the percentage of failures, the chances of ultimate success will be destroyed.

It would be a part of the educative process that I mention to avoid the creation of an impression in the minds of workers placed by the Bureau that they are a special class of Government servants, temporarily lent to particular employers, and that the Bureau will constantly interfere in conditions of their employment on their special behalf. The control of the Bureau by the Municipality, and not by the Labour Department, would assist this object.

It will be clear that the Bureau that I propose would be experimental in its early stages. For that reason, apart from others, no compulsion should be applied to employers to engage labour through it. I have no doubt that if a Bureau is established the principal employers will do all that they can to assist it. If it proves its usefulness, it will have strength enough of its own.

Government Departments and the Municipal Council of Colombo could assist the Bureau by obtaining labour through it when their requirements permit and when the Bureau has organized a supply. Since registration by the Bureau would be limited to Ceylonese and to those immigrant workers who have, as I consider, a right to equal opportunity, there would be nothing in such a practice which would conflict with a fair interpretation of the now-established policy of preference for Ceylonese.

Application to the Bureau for labour required by private employers would assist to break down that practice by which vacancies among a particular group of workers are filled, by private arrangement, by friends of the group and do not even become known to outsiders. I referred earlier to this practice as tending to keep particular divisions of work as the preserves of particular groups or communities.

It appeared, during my inquiry, that some large employers in Colombo, but by no means all, had little direct concern with the affairs of the lower grades of their labour and knew little of the way in which they were engaged, discharged or controlled, or how or where they lived. If employers are to give real assistance in the enlargement of employment for Ceylonese, some more direct concern with the affairs of labour would seem to be necessary on the part of responsible persons acting on the employers' behalf.

THE TECHNICAL SCHOOL.

Information collected on the subject of skilled labour by an enlarged Labour Department and by the proposed Bureau, if it includes skilled labour in its scope, would be useful in determining in what ways the Technical School could best assist, either in acquiring new opportunities for the employment of Ceylonese, or in arresting that decline in the quality of skilled work of which several employers spoke.

DOMESTIC SERVANTS.

I have referred earlier to domestic service as the only sphere of employment in which the evidence showed that Ceylonese are definitely being replaced by Indians. The numbers involved are considerable and the chief cause appears to be a decline in the service offered by the Ceylonese. To assist the cure of this condition, I suggest, for consideration, the establishment of a training centre for domestic servants on the analogy of the school maintained by the London County Council for the training of English waiters.

HOUSING.

If any considerable number of immigrant workers in Colombo are to be replaced by Ceylonese an enlargement of suitable housing accommodation will, in my opinion, be essential. Immigrant workers, by living together in considerable numbers and without wives or families, require less accommodation than would be necessary for a more normal mode of life. More accommodation must, therefore, be provided if any substantial number of these workers are to be replaced by Ceylonese, who will ordinarily have their wives and families with them.

SEX RATIO.

I have noted earlier the information on this subject which was disclosed by available records and by oral evidence at my inquiry. It is a problem raised only by the non-estate immigrant worker. It is of importance to Ceylon and is probably not without importance in the areas from which these workers emigrate to the Island. It has some, though an indirect, bearing on the employment of Ceylonese, and this is the only aspect of the matter with which my inquiry was concerned. Not all the factors of the problem, however, can be known in Ceylon. Some at least have their origin in the country of the workers' homes and these I have no means to estimate. The most important aspects of the problem, moreover, are probably those which are outside the scope of my inquiry.

For these reasons I have felt unable to make any recommendation on this complex subject. I can only express the opinion that if the question is to be pursued, it can only be fully examined in consultation with the proper authorities in the country of the workers' homes.

THE EMPLOYMENT OF CEYLONESE ON ESTATES.

I have already advised, as strongly as I can, against the restriction of immigration as a means of increasing the employment of Ceylonese in any sphere of labour, and also against the compulsory employment of percentages of Ceylonese.

I have one further comment to make on the subject of immigration in connection, particularly, with estate labour. If the non-estate immigrant worker cannot find work he returns, sooner or later, to his home. It will be evident, however, from what has been noted in an earlier part of this report, that the presence of surplus estate labour which cannot, for whatever reason, be reduced, may and does sometimes mean that, because of the obligation to pay them as long as they are kept, these labourers are given work normally done by villagers living near the estate. According to the evidence such instances had occurred only in very exceptional circumstances. Normally a surplus, if it arises, can be more easily reduced, and these instances indicate the need to reduce it when its presence means that Ceylonese will lose employment.

If an attempt is made to estimate from the total number of immigrant workers on estates the possible scope for the employment of Ceylonese if they could be substituted for some of the former, certain factors must first be taken into account. Allowance must first be made for the proportion of immigrant workers domiciled or born in Ceylon and who must be regarded, on that account, as having an equal right with the Ceylonese to employment. Allowance must also be made for the proportion of the remainder who work in localities, or in circumstances, to which it can hardly be expected that Ceylonese will adapt themselves within any period of time that can now be contemplated. When these factors are taken into account the share of employment which it might be possible, if the necessary conditions could be created, to transfer from immigrants to Ceylonese would probably not exceed one-fifth of the total of employment given to immigrant workers by estates. But formidable obstacles remain to be removed before that limited share can be transferred, and the transfer, to the extent to which it proves possible to make it, will necessarily be a slow and gradual process.

From what I have already noted in an earlier part of this report it will be evident that the problem of the employment of Ceylonese on estates varies so greatly in different parts of the Island that it is hardly the same on any one estate as it is on any other. Generalizations are impossible, but, as far as labour is concerned, the main requirement of any organized estate is, of course, an assurance that an adequate supply will be present when it is wanted, and this requirement will vary in urgency with the crop grown.

When it is necessary that labour should be resident on an estate, either because tea is grown or because, in the case of rubber or other crops, sufficient regular labour cannot be obtained from neighbouring villages, the employment of Ceylonese as resident labourers will usually entail their removal to the estate from their homes in another locality. In such cases there is an early limit to what a Superintendent, however anxious to encourage the employment of Ceylonese, can do to get them and the aid of another agency will be necessary. When the problem is one of encouraging regularity of attendance in labour from neighbouring villages, the Superintendent's chances of success are greater, if the disposition and the economic circumstances of the villagers make success possible. In such cases the efforts of the other agency that I mentioned will be supplementary to those of the Superintendent. The encouragement of the employment of Ceylonese on estates will usually present one or other of these problems or both.

The agency to which I refer is the co-operative society, formed among villagers for the express purpose of supplying and maintaining a regular labour force of a given number for work on an estate. A society of this kind would be formed under the guidance of the Co-operative Department of the Government when the Department had been assured by the Superintendent of an estate of employment for a given number. It would be the responsibility of the society to secure the regular attendance of this number at work. The contract of employment would be with the society as a unit and not with each individual worker, and the society would include a sufficient number of members to secure that the agreed strength of the labour force would be regularly maintained. The principle of such an organization would be equally applicable to the provision of resident labour and of a non-resident labour force composed of villagers living near an estate. The

society would consist of a number of individuals voluntarily joining together, and forming themselves into a legally recognized body, for the fulfilment of a definite purpose, each assuming responsibility to the others for the fulfilment of that purpose and sharing with the others the payment for work done by the society as a whole.

The proposal which I outline in the preceding paragraph is one which was made to me by Mr. E. H. Lucette, the Registrar of Co-operative Societies, at the time of my inquiry. Mr. Lucette had then actually formed two such societies and, with the co-operation of Superintendents, had placed them on estates. It appeared that these experiments, the first to be made, had revealed some difficulties that impeded their success, but there seemed reason to hope that experience might remove them, and I consider that an extension of these attempts offers a better prospect than any other means suggested to me of gradually overcoming, if only in small numbers of workers at a time, those disabilities which have hitherto limited so severely the opportunities for the employment of Ceylonese on estates.

A very important element in the proposal which was made by Mr. Lucette, and which I adopt, was that the formation of these societies would be accompanied by a period of intensive instruction of the members, by officers of the Department, in the conditions and requirements of work on estates. I was impressed by the need for this instruction by Mr. Lucette's account of the surprising ignorance on these matters which he had met in villagers who professed themselves anxious for work on estates and who, had they obtained it in that state of mind, would probably have soon departed, baffled if not dismayed.

It would, of course, be necessary that the experiment proposed should first be tried on a very moderate scale and in circumstances favourable to its success. If it failed on any particular estate, the number of workers involved would not be sufficient to cause serious embarrassment.

Much has already been done by Superintendents of estates in encouraging the employment of Ceylonese where circumstances have made it possible for them to do so by their own efforts. Their co-operation, and that of the organization concerned in the control and management of estates, will be necessary if the proposed societies are to have any chance of success.

I recommend that the scheme should be given a trial.

CONCLUSION.

I have now answered, as far as I am able, the questions put to me by my terms of reference. The only course of action the expediency of which they required me to consider was the restriction of immigration. A negative recommendation on that subject seemed scarcely a sufficient answer to a question which implicitly raised the general problem of increasing the share of the Ceylonese in the opportunities for employment that their Island offered. I accordingly felt obliged to add what constructive proposals the information gathered during my inquiry suggested. If, as I believe, the problem, in essence, is largely one of changing a traditional outlook and social habits, the natural growth of a long and less exacting past, some educative process must be included in any solution and should not be left entirely to the harsh teaching of privation.

I wish to acknowledge warmly the help that I received from Mr. A. R. Macdonald, of the Ceylon Civil Service, who acted as my Secretary during my visit to Ceylon.

Among the many individuals and organizations who assisted my inquiry with evidence and memoranda, I wish to express my special thanks to the Planters' Association who placed the fullest possible information at my disposal on all those aspects of my inquiry which concerned estates, and made it possible for me to hear the evidence of a large number of planters of very varied experience and opinions.

I wish, finally, to acknowledge gratefully the constant help that I received, while in Ceylon, from Mr. W. E. Hobday, the Controller of Labour, and from the staff of his department.

E. ST. J. JACKSON.

Malta, March 10, 1938.

APPENDIX I.

COMMISSION ON IMMIGRATION.

NON-CEYLONESE WORKERS OTHER THAN WORKERS ON ESTATES.

SUBJECTS FOR INQUIRY.

NOTE.

1. The terms of reference of the Commission are as follows :—
To inquire into and report generally on the immigration of workers, skilled and unskilled (including assisted estate labourers) into Ceylon from India and other countries and in particular to consider the following questions :—
(a) the extent of such immigration and whether it is increasing or decreasing;
(b) whether such immigration has caused or is likely to cause unemployment or other economic injury to the permanent population of this Island;
(c) whether any restriction or control beyond that already existing should be imposed on such immigration and if so, what form such restriction or control should take.
2. The Schedule of subjects for inquiry relates only to workers other than workers on estates. A separate statement will be issued relating to estate workers.
3. Some of the questions raised are intended to be answered by employers with reference to their own employees. Other questions are of wider application and are intended to be answered by any persons who have special knowledge of the subjects.
4. A copy of the statement will be sent on request to any person who applies for one.
5. Information given in response to the Schedule will, when necessary, be amplified by oral evidence.
6. The Commissioner would be glad to receive any memoranda which have been prepared on subjects within the terms of reference of the Commission whether these subjects are dealt with in the form suggested by the Schedule or not.
7. It is requested that observations on the subjects mentioned in the Schedule may be sent to the Commissioner as soon as possible.

The Galle Face Secretariat,
P. O. Box No. 500,
Colombo, October 22, 1936.

A. R. MACDONALD,
Secretary to the Immigration Commissioner.

SCHEDULE.

NON-CEYLONESE WORKERS OTHER THAN WORKERS ON ESTATES.

I.—Employment of non-Ceylonese workers.

1. Total number of workers (Ceylonese and non-Ceylonese) classified according to the nature of their employment as, for example—
(a) clerks and persons of similar status;
(b) artisans;
(c) domestic servants, hotel servants, car drivers;
(d) shop assistants;
(e) unskilled labour (regular or casual).
2. The number of Ceylonese workers and the number of non-Ceylonese workers engaged in each class of occupation.
3. Description, according to country and district of origin, of the non-Ceylonese workers employed (e.g., Indian Tamils, Indian Moors, Malayalees, non-Ceylonese other than Indians).
4. Method of recruitment of non-Ceylonese workers—
(a) whether through an agent or contractor or otherwise;
(b) whether the agent or contractor, when employed, is a Ceylonese or a non-Ceylonese and if a non-Ceylonese, to what race or community he belongs.
5. Rates of wages paid in each class of occupation and whether in any class of occupation, skilled or unskilled, there is any difference in the rates of wages paid to Ceylonese and to non-Ceylonese workers in the same occupation.
6. Comparison of rates of wages and conditions of employment in Ceylon, in those occupations in which non-Ceylonese are engaged, with rates of wages and conditions of employment for the same work in the non-Ceylonese workers' country of origin.
7. Whether the conditions and standard of living of non-Ceylonese workers in Ceylon differ from, or are similar to, the conditions and standard of living of Ceylonese workers similarly employed.
8. Estimate of the proportion of non-Ceylonese workers in the different classes of occupation who have wives and dependants in Ceylon.
9. Estimate of the proportion of non-Ceylonese workers in the different classes of occupation who can be regarded as permanently settled in Ceylon.
10. Estimate of the average length of residence in Ceylon of non-Ceylonese workers not permanently settled there.
11. Where the wages of non-Ceylonese workers are spent or invested, i.e., whether in Ceylon or in the workers' country of origin.
12. Estimate of the amount of remittance of money by non-Ceylonese workers to their country of origin.

II.—Employment of non-Ceylonese workers as affecting the employment of Ceylonese workers.

1. Increase or decrease in the number of non-Ceylonese workers in employment, skilled and unskilled.
(a) Occupations in which any such increase or decrease is apparent.
(b) Reasons for any such increase or decrease.
(c) Whether and in what way any such increase or decrease affects the employment of Ceylonese.
2. Occupations, skilled and unskilled, for which a sufficient number of Ceylonese workers is not available.
(a) Description of such occupations.
(b) Reasons why Ceylonese are not available.
(c) Attempts made to secure Ceylonese workers.
3. Occupations, skilled and unskilled, for which a sufficient number of Ceylonese workers is available but in which non-Ceylonese workers are employed.
(a) Description of such occupations.
(b) Reasons why non-Ceylonese workers are employed.

III.—Immigration in relation to unemployment.

1. Whether unemployment is increasing or decreasing—
(a) among Ceylonese workers;
(b) among non-Ceylonese workers.

2. Description of occupations, or of classes of workers, skilled or unskilled, in which any increase or decrease of unemployment is apparent.
3. Effect of immigration or emigration upon any such increase or decrease.
4. Other causes for any such increase or decrease.
5. The unemployed non-Ceylonese worker—
 - (a) whether he returns to his country of origin or remains in Ceylon;
 - (b) maintenance in Ceylon.

IV.—General.

1. Whether and in what ways the immigration of workers to Ceylon in the past has been to the advantage or to the disadvantage of the permanent population of the Island.
2. Whether conditions have arisen, or are likely to arise in the future, requiring an extension of the existing provision for the restriction or control of the immigration of workers (see the Destitute Immigrants Regulation Ordinance, 1907).
3. If it is considered that such conditions have arisen or are likely to arise—
 - (a) what are those conditions—
 - (1) In Ceylon?
 - (2) In the country of the immigrant worker's origin?
 - (b) do those conditions affect the immigration of workers of particular classes only, or the immigration of workers generally?
 - (c) what form should the extension of the existing provision for restriction and control take, and what organization would be required for its operation?

Note.—It is emphasized that the subjects for inquiry mentioned above relate to workers other than workers on estates. A separate statement will be issued with regard to estate workers.

APPENDIX II.

COMMISSION ON IMMIGRATION.
NON-CEYLONESE WORKERS ON ESTATES.

NOTE.

1. The terms of reference of the Commission are as follows :—
To inquire into and report generally on the immigration of workers, skilled and unskilled (including assisted estate labourers) into Ceylon from India and other countries and in particular to consider the following questions :—
 - (a) the extent of such immigration and whether it is increasing or decreasing;
 - (b) whether such immigration has caused or is likely to cause unemployment or other economic injury to the permanent population of this Island;
 - (c) whether any restriction or control beyond that already existing should be imposed on such immigration and if so, what form such restriction or control should take.
2. The questions in the following schedule are intended primarily to be answered by associations of persons representing the interests concerned. A copy of the schedule will, however, be sent to any person who applies for one and answers to any of the questions, or memoranda in any form dealing with subjects within the terms of reference of the Commission, will be welcomed from any source.
3. The questions are not intended to be exhaustive but are designed to draw attention to particular aspects of the subject for inquiry.
4. Information given in response to the schedule will, when necessary, be supplemented by oral evidence.

A. R. MACDONALD,
Secretary to the Immigration Commissioner.

The Galle Face Secretariat,
P. O. Box No. 500,
Colombo, November 30, 1936.

SCHEDULE.

I.—Employment of Immigrant Workers on Estates.

1. (a) What proportion of estate workers who were originally immigrants is permanently settled in Ceylon?
- (b) What are the main tests which you would apply to determine whether or not a worker originally an immigrant, is permanently settled in Ceylon?
2. Do you think that, apart from natural increase by excess of births over deaths, the proportion of immigrant workers permanently settled in Ceylon is increasing?
3. Do you think that by the end of a period of time that can now be calculated, the population of estate workers, originally immigrants, but later becoming permanently settled in Ceylon, is likely in the ordinary course of events, to be sufficient, or more than sufficient, for all the work that the estates can offer?
4. (1) Can you give the approximate estimate of the total annual earnings of non-Ceylonese estate workers?
- (2) Can you estimate approximately the proportion of the total annual earnings of non-Ceylonese estate workers which is remitted to the workers' country of origin?
5. (a) Are there substantial seasonal variations in the work available on estates, either throughout the Island or in any particular localities?
- (b) If so, how do these variations affect estate workers?
6. (1) Does the presence of large numbers of immigrant workers on estates induce the immigration of any considerable number of other persons who are not estate workers but who come to the Island either to supply the needs of estate workers or for other purposes?
- (2) If so—
 - (a) for what purposes do such persons come to Ceylon?
 - (b) do such persons come from the same areas outside Ceylon as the estate workers or from other areas?
 - (c) are the numbers of such persons increasing or decreasing at the present time?
 - (d) does any considerable proportion of such persons settle permanently in the Island?
 - (e) have such persons replaced, to any considerable extent, Ceylonese formerly engaged in similar occupations?
7. (a) Is any considerable area of estate land allotted to estate workers to be cultivated for the workers' own purposes?
- (b) Is such allotment a common or an exceptional practice and is it increasing or decreasing?
- (c) Is such land occupied by the workers for long or short periods and does the practice tend to induce permanent settlement?
- (d) Is there a greater demand for such land than the estates can meet?
8. Does indebtedness tend to keep in Ceylon immigrant estate workers who would otherwise return to India?

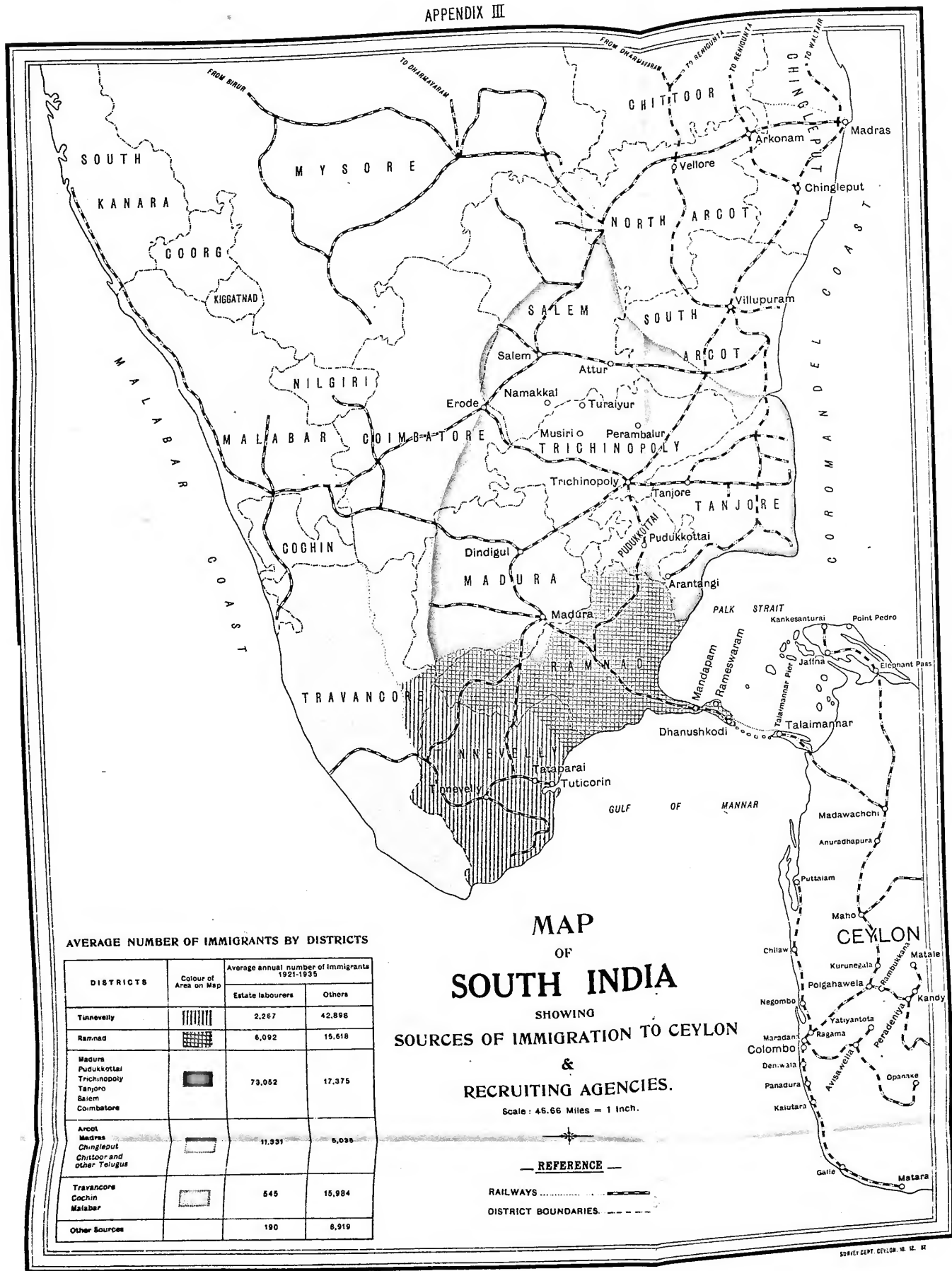
II.—*Possibility of Preventing or Disposing of a Surplus of Labour.*

1. (a) Is the existing means of control sufficient to ensure that more immigrant workers do not enter Ceylon for work on estates than the estates require?
(b) Has the existing means of control actually secured that result and, if not, why has it failed?
2. (a) How and to what extent has the operation of the Tea and Rubber Restriction Schemes directly or indirectly reduced the amount of work available on estates and small holdings?
(b) Can you give an approximate estimate of the number of workers (Ceylonese and non-Ceylonese) on estates and small holdings who have lost their employment as a result, direct or indirect, of the operation of those schemes?
(c) Has the closing of factories dealing with bought tea caused unemployment among any considerable number of workers (Ceylonese and non-Ceylonese) and, if so, among what classes of workers?
3. (a) What means exist for the transfer of surplus estate labour to estates where there is a shortage?
(b) To what extent are such means successful in absorbing surplus labour and what are the difficulties in the way of success?
4. (a) Does any considerable number of immigrant estate workers voluntarily leave estates for work outside estates and if so, for what reasons and for what kinds of work?
(b) Is there any considerable number of immigrant estate workers who, when no more work can be found for them on estates, do not return to India but remain in Ceylon seeking work in other labour markets or in other occupations?
5. (a) Is there any means of controlling the movement of immigrant workers from estates into other labour markets if such a movement arises?
(b) If not, can you suggest any means of doing so?
6. (a) Do you consider that existing facilities for the repatriation of immigrant estate workers, without cost to the worker, are sufficient to meet conditions in which there is a surplus of estate labour in some parts of the Island which cannot be absorbed by estates in other parts?
(b) If not, what extension of existing facilities would you suggest and how and by whom should the cost of any such extension be met?

III.—*Employment of Ceylonese on Estates.*

1. (1) Have immigrant workers on estates been replaced by Ceylonese workers to any considerable extent and, if so :—
(a) when, in what localities, and in what kinds of work has this occurred?
(b) what were the reasons for the replacement of immigrant workers?
(c) are the estates on which the change has occurred owned by Europeans or by Ceylonese?
(d) was the replacement permanent or temporary?
(e) have the results been satisfactory?
 - (2) Give similar particulars for any replacement of Ceylonese workers by immigrant workers.
 2. (1) Are there any considerable areas of estate land which have always been worked entirely by Ceylonese labour or by a majority of Ceylonese labour?
(2) If so—
(a) what is the approximate extent of these areas?
(b) where are they situated?
(c) are they owned by Europeans or by Ceylonese?
(d) what are the circumstances which have favoured the employment of Ceylonese?
 3. (1) Do you consider that it is practicable and desirable to increase the employment of Ceylonese on estates?
(2) (a) What are the difficulties in the way of such an increase?
(b) Are these difficulties greater or less now than in the past?
(c) How and to what extent can they be lessened or removed?
- Note.*—In answering this question consideration should be given to—
(a) Conditions arising from the situation of estates.
(b) The various kinds of work (clerical, skilled, and unskilled) which estates offer.
(c) The position of the immigrant workers permanently settled in Ceylon.

APPENDIX III



AVERAGE NUMBER OF IMMIGRANTS BY DISTRICTS

DISTRICTS	Colour of Area on Map	Average annual number of immigrants 1921-1935	
		Estate labourers	Others
Tinnevely	|||||	2,267	42,898
Rannad	|||||	6,092	15,618
Madura Pudukkottai Trichinopoly Tanjore Salem Coimbatore	■	73,052	17,375
Arcot Madras Chingleput Chittoor and other Telugus	□	11,331	5,035
Travancore Cochin Malabar	□	545	15,984
Other Sources		190	5,919

APPENDIX IV.

TABLE A.

Migration figures of Indian *Estate Labourers* travelling between Ceylon and India.

Year.	Total Resident.	ASSISTED IMMIGRANTS.			EMIGRANTS.		
		Returning.	Now.	Total.	Assisted.	Unassisted.	Total.
1921 ..	445,611	16,068	6,297	22,365	—	23,512	23,512
1922 ..	448,544	37,493	40,143	77,636	—	37,629	37,629
1923 ..	446,167	46,272	43,587	89,859	2	42,038	42,040
1924 ..	562,045	62,474	91,515	153,989	571	50,448	51,019
1925 ..	618,149	57,570	68,015	125,585	1,851	53,203	55,054
1926 ..	666,931	51,330	50,416	101,746	2,442	61,265	63,707
1927 ..	719,552	66,055	93,343	159,398	2,302	87,481	89,783
1928 ..	739,316	62,139	71,573	133,712	3,492	93,596	97,088
1929 ..	740,130	59,404	45,691	105,095	3,103	101,228	104,411
1930 ..	734,747	56,639	34,783	91,422	7,462	98,728	106,190
1931 ..	682,358	45,389	22,948	68,337	15,707	75,866	91,573
1932 ..	650,577	37,837	13,032	50,869	14,338	58,157	72,495
1933 ..	609,535	26,926	5,972	32,898	42,343	46,626	88,969
1934 ..	688,741	69,310	71,297	140,607	2,304	52,481	54,785
1935 ..	674,024	36,997	6,021	43,018	6,252	43,036	49,288
	9,426,427	731,903	664,633	1,396,536	102,249	925,294	1,027,543
1936 ..	659,311	35,832	4,971	40,803	5,396	39,747	45,143

TABLE B.

Statement of passengers travelling between Ceylon and India excluding *Estate Labourers* and Europeans.

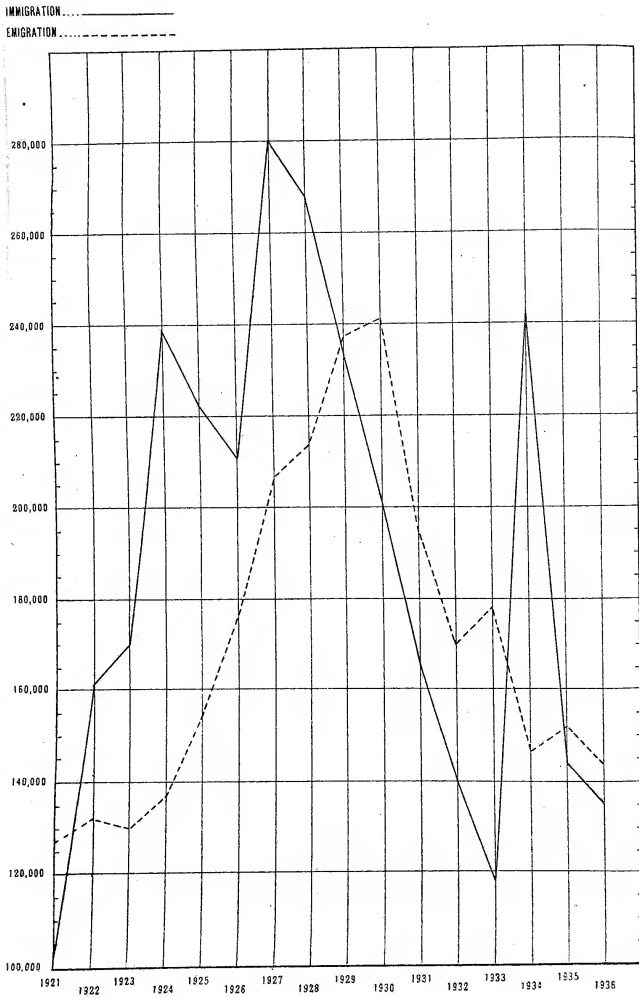
Year.	Arrivals from India (excluding labourers and Europeans).			Departures to India (excluding estate labourers and Europeans).		
	Dhanuskodi-Talaimannar Route.	Tuticorin-Colombo Route.	Total.	Talaimannar-Dhanuskodi Route.	Colombo-Tuticorin Route.	Total.
1921 ..	52,132	30,635	82,767	76,004	27,591	103,595
1922 ..	47,740	35,140	82,880	61,173	33,860	95,033
1923 ..	39,126	40,467	79,593	47,141	41,105	88,246
1924 ..	49,604	35,511	85,115	51,183	34,835	86,018
1925 ..	56,877	41,336	98,213	62,046	37,732	99,778
1926 ..	54,175	55,639	109,814	69,801	43,105	112,906
1927 ..	56,178	64,947	121,125	66,603	50,976	117,579
1928 ..	62,525	70,994	133,519	61,285	56,336	117,621
1929 ..	66,951	61,904	128,855	78,080	55,388	134,088
1930 ..	58,537	52,323	110,860	82,914	52,101	135,015
1931 ..	47,249	50,163	97,412	60,236	43,786	104,022
1932 ..	43,035	46,625	89,660	55,780	42,017	97,797
1933 ..	39,699	45,581	85,280	51,071	38,295	89,366
1934 ..	45,816	56,046	101,862	52,056	40,727	92,783
1935 ..	44,284	57,125	101,409	60,074	43,617	103,691
	763,928	744,436	1,508,364	936,047	641,471	1,577,518
1936 ..	43,365	50,805	94,170	55,213	41,585	96,798

TABLE C.

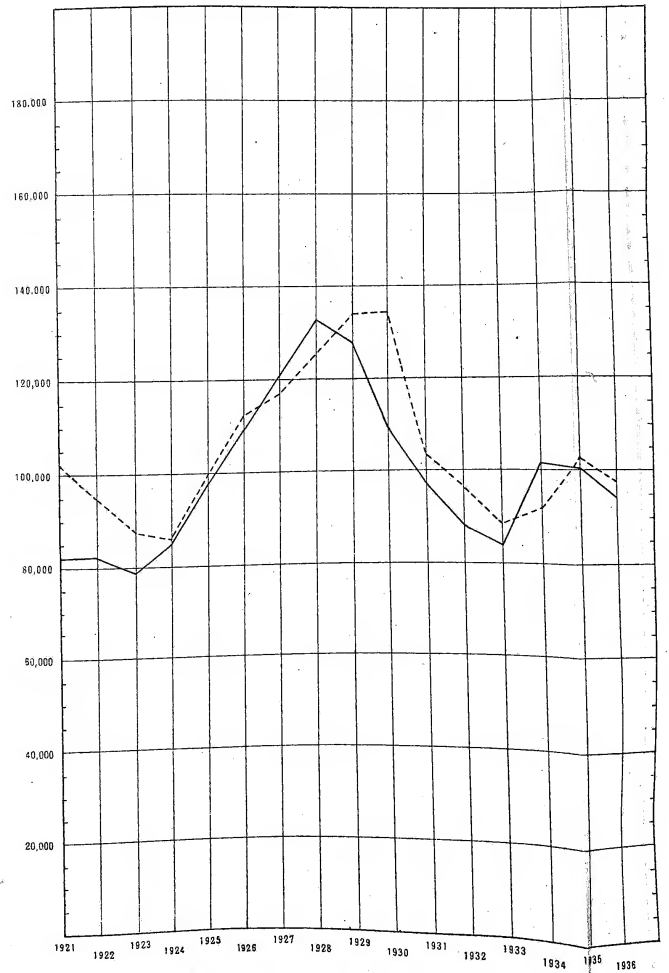
Migration figures of all passengers travelling between Ceylon and India (excluding Europeans).

Year.	ARRIVALS.			DEPARTURES.		
	Talaimannar Route.	Tuticorin Route.	Total.	Talaimannar Route.	Tuticorin Route.	Total.
1921 ..	74,497	30,635	105,132	99,516	27,591	127,107
1922 ..	125,376	35,140	160,516	98,802	33,860	132,662
1923 ..	128,985	40,467	169,452	89,181	41,105	130,286
1924 ..	203,593	35,511	239,104	102,202	34,835	137,037
1925 ..	182,462	41,336	223,798	117,100	37,732	154,832
1926 ..	155,921	55,639	211,560	133,508	43,105	176,613
1927 ..	215,576	64,947	280,523	156,386	50,976	207,362
1928 ..	196,237	70,994	267,231	158,373	56,336	214,709
1929 ..	172,046	61,904	233,950	183,091	55,388	238,479
1930 ..	149,959	52,323	202,282	189,104	52,101	241,205
1931 ..	115,586	50,163	165,749	151,809	43,786	195,595
1932 ..	93,904	46,625	140,529	128,276	42,017	170,292
1933 ..	72,597	45,581	118,178	140,040	38,295	178,335
1934 ..	186,423	56,046	242,469	106,841	40,727	147,568
1935 ..	87,302	57,125	144,427	109,362	43,617	152,979
	2,160,464	744,436	2,904,900	1,963,590	641,471	2,605,061
1936 ..	84,168	50,805	134,973	103,186	41,585	144,771

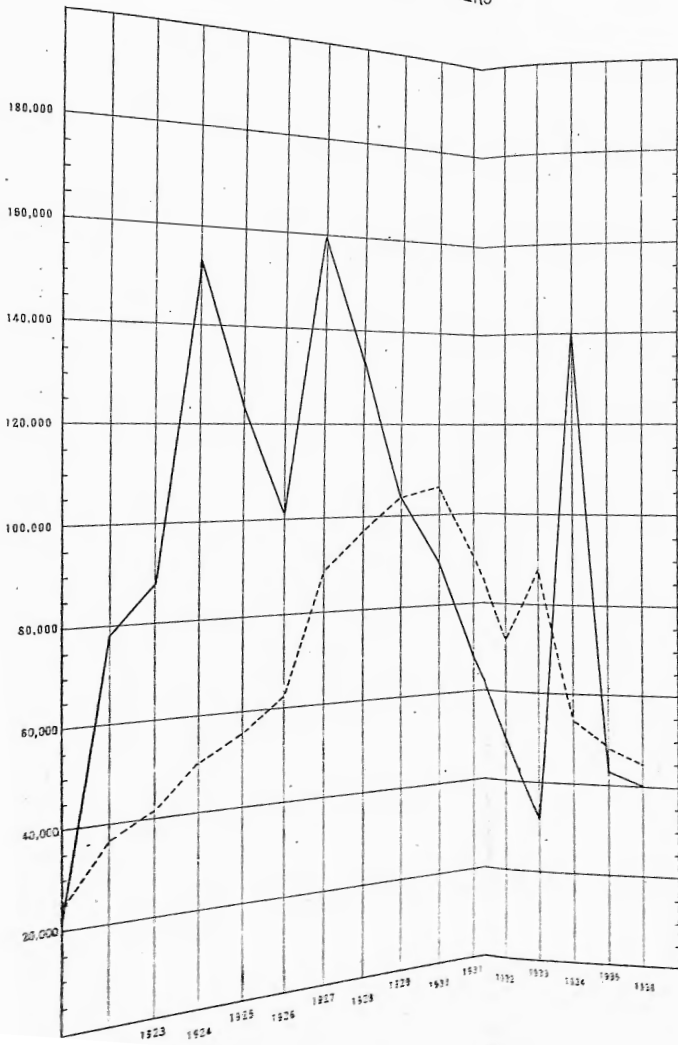
ALL PASSENGERS



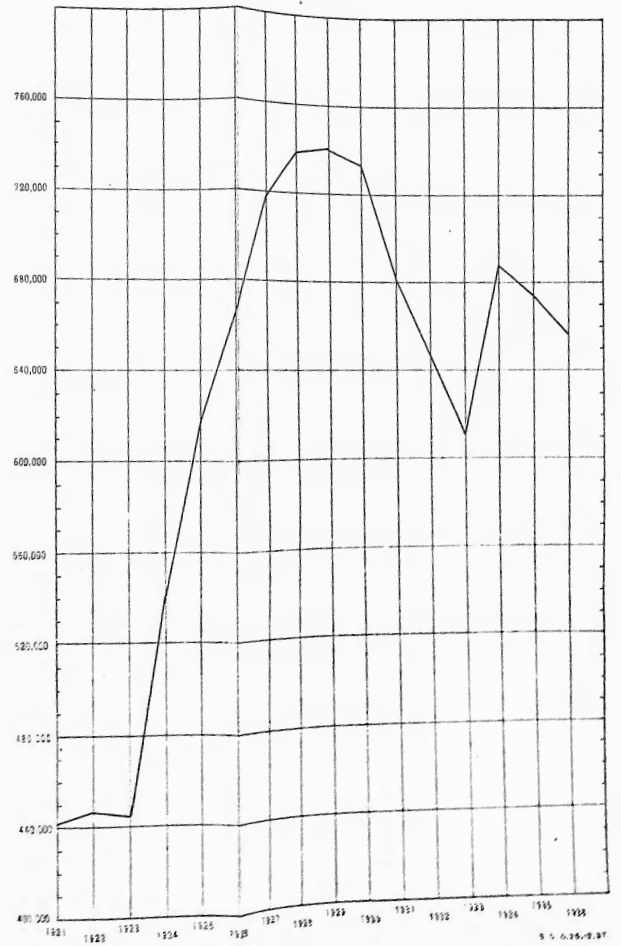
PASSENGERS OTHER THAN ESTATE LABOURERS



ESTATE LABOURERS



ESTATE POPULATION (LABOURERS)

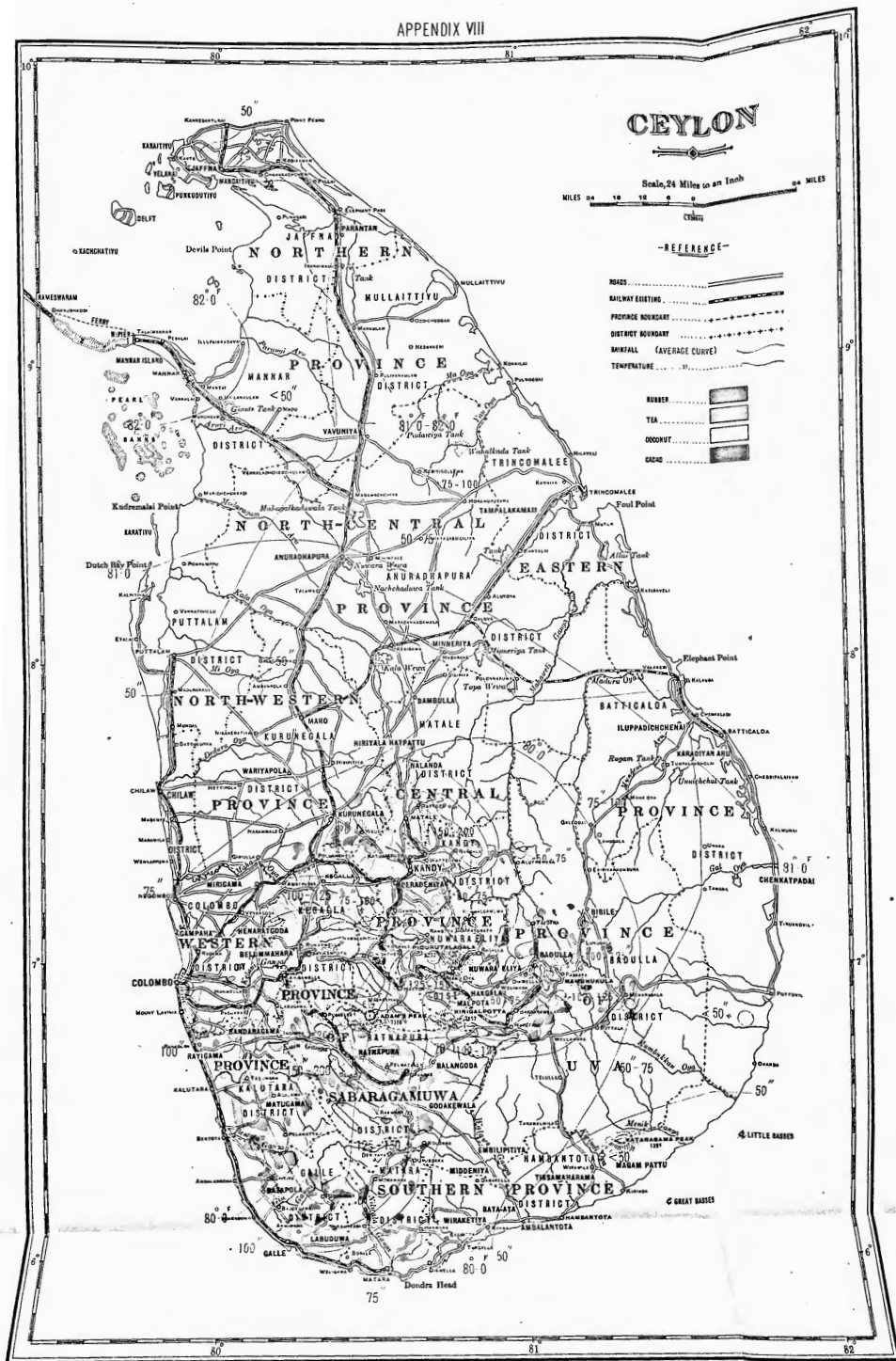


APPENDIX VI.

Classification Table of Labour employed by Government Departments and Local Bodies in 1936.

Employer.	Skilled.				Semi-skilled.				Unskilled.				Total.			
	Ceylonese.	Non-Ceylonese.	Total.	Percentage of Non-Ceylonese.	Ceylonese.	Non-Ceylonese.	Total.	Percentage of Non-Ceylonese.	Ceylonese.	Non-Ceylonese.	Total.	Percentage of Non-Ceylonese.	Ceylonese.	Non-Ceylonese.	Total.	Percentage of Non-Ceylonese.
Government Departments.																
Ceylon Government Railway	2,429	325	2,754	11.8	1,441	883	2,324	38	3,760	1,911	5,680	33.6	7,639	3,119	10,758	29
Government Press					6	1	7	14	13	13	26	50	19	14	33	42
Electrical Department	114	13	127	10.2	88	99	157	44	290	186	470	30.0	492	268	760	35
Colombo Port Commission	714	293	1,007	29	314	641	955	67	463	420	884	47.7	1,496	1,360	2,856	47
Survey Department	49	—	49	—	25	2	27	7	(not classified)	1,823*	—	—	—	—	1,823	—
General Post Office	291	10	301	—	2,151	316	2,467	13	232	22	254	8.7	2,614	354	2,968	12
Public Works Department	1,888	874	2,762	31.0	1,203	637	1,840	34.6	4,449	2,714	9,163	29.6	7,857	4,225	11,765	35.9
Irrigation Department	876	77	953	8	699	50	753	7.4	6,282	800	7,142	12	695	993	8,850	11.2
Forest Department	—	—	—	—	4	2	6	33.3	601	39	640	6.1	695	46	841	7.1
Medical Department	182	4	186	2	1,823	120	1,958	6.0	716	615	1,431	43	2,726	749	3,475	21
	6,483	1,602	8,085		7,950	2,457	7,406		16,820	6,766	27,586		30,988	11,128	44,070†	
Municipal Councils.																
Colombo	618	211	829	25.4	191	608	859	77.8	592	2,102	2,694	78.8	1,401	2,981	4,382	68
Kandy	39	1	40	2.5	10	—	16	—	90	492	582	83.1	145	493	638	77
Galle	15	—	15	—	8	1	9	11	101	21	122	11.5	151	22	208	10.7
	672	212	884		215	609	884		843	2,615	3,458		1,730	3,496	5,226	
Urban District Councils.																
Ambalangoda	3	—	3	—	3	—	3	—	1	2	3	66.7	7	2	9	22.2
Anuradhapura	—	—	—	—	—	—	—	—	1	48	49	98	7	48	55	98
Badulla	2	—	2	—	—	—	—	—	11	1	12	8.3	1	14	15	
Bandarawela	—	—	—	—	—	—	—	—	2	24	26	92.3	13	24	37	
Batticaloa	7	—	7	—	2	1	3	33	41	13	54	21	50	64	92	
Beruwala	—	—	—	—	—	—	—	—	—	19	19	100	—	19	19	100
Chilaw	1	—	1	—	6	—	6	—	2	28	30	93	0	28	37	
Dehiwala-Mount Lavinia	6	—	6	—	—	—	—	—	2	7	9	77.8	28	13	41	
Gampola	1	—	1	—	20	6	26	23	2	10	12	83.3	3	10	13	
Hatton-Dikoya	—	—	—	—	1	7	8	87	—	—	—	—	1	7	8	
Jaffna	8	1	9	11	23	—	23	—	167	11	178	6.5	183	12	200	
Kalutara	12	—	12	—	—	—	—	—	25	60	85	73	37	60	97	
Kegalla	—	—	—	—	5	10	15	66.7	2	—	2	—	7	19	22	
Kolonnawa	1	—	1	—	—	—	—	—	7	1	8	12.5	8	1	9	
Kotte	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Kurunegala	5	—	5	—	6	—	6	—	50	22	72	30	56	22	78	
Matalo	—	—	—	—	—	—	—	—	22	78	100	78	27	78	105	
Matara	18	21	39	54	—	—	—	—	30	41	71	59	18	21	39	
Moratuwa	—	—	—	—	—	—	—	—	9	95	104	91.3	30	44	74	
Nawalapitiya	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Negombo	20	—	20	—	5	1	6	33	6	51	57	89	9	95	101	
Nuwara Eliya	7	36	43	83.7	—	—	—	—	37	64	101	63	62	64	60	
Panadura	2	—	2	—	—	—	—	—	—	—	—	—	—	—	—	
Puttalam	—	—	—	—	1	1	2	100	6	91	97	93.8	6	91	97	
Ratnapura	1	—	1	—	—	—	—	—	20	98	118	90.8	23	99	122	
Tincomalee	—	—	—	—	—	—	—	—	65	28	93	30	66	28	94	
	94	58	131		75	28	92		468	804	1,342		605	929	1,495	
Army	167	15	182	8.2	96	77	173	44.5	2,502	491	2,993	16.4	2,765	583	3,318	17.4
Navy	877	55	932	6.0	280	18	298	6	4,072	180	4,252	4.2	5,229	253	5,482	4.6
	1,044	70	1,114		376	95	471		6,574	671	7,245		7,994	836	8,830	

* Represent mean total employed per month.
 † Or (omitting survey) 42,111.



FORWARD UNDER THE ORDER OF THE GOVERNMENT OF CEYLON.

Survey Dept. Ceylon 13 10 35