

Our Countrymen in Malaya.

**Being a Review of the social, economic and
political position of Indians in Malaya**

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in Malaya, I would most humbly request them to forgive me. It will be remembered that healthy and constructive criticisms should not be resented even though they may not be very palatable to the tastes.

Finally I should express my deep sense of gratitude to all those who have helped me in any way and in particular to my brother Thomas of the Loyola College Madras, Mr. A. George of the Co-operative Societies Department, Kuala Lumpur and Mr. K. A. P. Menon formerly of Benut, Johore.

Meloor, Cochin State }
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A. Varkey Mootheden.

Our Countrymen in Malaya

INTRODUCTION

About 1,500 miles to the east of Madras, separated by the deep sea is the Malay peninsula. It is one of the richest countries in the British Empire. It is famous as the largest tin and rubber producing country in the whole world. The area of the country is 56,602 sq. miles and it has a population of 4,381,311. The natives of the place are the Malays and they form roughly 40% of the population. Their religion is Mohammedanism. Numerically the Chinese are a little more than the Malays, while the Indians number only 627,720 or nearly 14% of the total population. Politically the Malay peninsula is divided into three parts. First we have the Straits Settlements a crown colony administered by a Governor appointed directly by the crown. The capital of the Straits Settlements is Singapore. Secondly we have the four progressive Malay States of Perak, Selangor, Negri-Sembilan and Pahang which have formed themselves into a federation known as the Federated Malay States, with the capital at Kuala Lumpur. Thirdly we have the five Malay States of Kedah, Johore, Kelantan, Trengganu and Perlis which stand separate and are known as the Unfederated Malay States. Governor of the Straits Settlements is the High Commissioner for the Federated Malay States and the Unfederated Malay States. Rulers of the Malay States are known as Sultans.

For a clear understanding of the position of Indians in Malaya, we must have some idea about the form of government of the country which is said to be a "benevolent autocracy". For administering the government of the Straits Settlements the Governor is assisted by an Executive and a Legislative Council. The Executive Council has 6 official members including the Governor and 2 unofficial members. At present, all the members of the Executive Council are Europeans, though the Chinese claim that in the past they had Chinese representatives. The Legislative Council has 14 official members and 13 unofficial members. With the exception of two members who are elected by the Chambers of Commerce at Singapore and Penang, all the unofficial members of the Legislative Council are nominated by the Governor. Ordinarily the Governor presides over the council meetings.

In the Federated Malay States, the local head of administration is the Chief Secretary. In important matters, the decision of the Chief Secretary is subject to the approval of the High Commissioner. The Chief Secretary is assisted by the four British Residents appointed for the four Federated States. The highest legislative body is the Federal Council consisting of 14 official members including the High Commissioner, the Chief Secretary, and the 4 British Residents and 12 unofficial members appointed by the High Commissioner who usually presides over the council meetings. The Sultans watch the proceedings of the Federal Council from special seats; but they take no part in the deliberations. Any bill passed in the council should be approved by the Sultans before it becomes the law of the country. This is only a mere formality. I have never heard of a case where the Sultans have withheld

their assent. Besides the Federal Council, each of the four States has a council known as the State Council, presided over by the Sultans of each State. The British Resident of each State is a member of the State Council. Most of the members of the State Council are Malays and the council is primarily concerned with questions affecting the welfare of the Malays. At present a scheme is in progress known as the "Decentralization Scheme" the object of which is to loosen the ties that bind together these four states. Though as a result of the federation, these states have made rapid advancement politically and economically, it is complained that the authority of the Sultans and the State councils is gradually transferred to the Chief Secretary and it is even feared in some quarters that if the federation goes on as it is, very soon the Federated Malay States will become virtually a crown colony. With the completion of the new scheme, the Chief Secretary will disappear from the scene, some of his powers being transferred to the High Commissioner and some to the State Council and the British Resident. The far-reaching effects of this new policy on the Indian community will be discussed later.

In the Unfederated Malay States, the supreme authority in each State is the Sultan and the State Council. British Adviser in each State is also a member of the State Council. The connecting link between the High Commissioner and the Sultan is the British Adviser.

OUR PAST IN MALAYA

Before we examine the present position of Indians in Malaya a brief reference to their past is quite necessary. Indian emigration to Malaya began several centuries ago. Indian influence on the customs and manners of the Malays can be traced from ancient times. It is said that a prince belonging to the house of Mitra Gupta in the ancient Pataliputra in North India visited Kedah in the year 300 B. C. and established a kingdom there. Later on Chulia kings from South India ravaged the coasts of the Malay peninsula in the eleventh and the twelfth centuries. Indian soldiers, jockeys and Mahouts were employed by the Sultans. Chulia merchants from the coromandel coast carried on large trade between India and Malaya. In the seventeenth century history of Perak, a Tamilian named "Tambi Kechil," who had one wife in Perak and another in India was rewarded by the Sultan of Perak for bringing a trader from India who bought his elephants. In the official report of the 1921 census there is a passage which summarises the relation between India and Malaya during the 19th century. "Singapore, Malacca and Penang were convict establishments first under East India Company and then under the Government of India down to 1873. Thugs and dacoits were sent from Bengal and felons from all parts of the Madras and Bombay presidencies. In 1857, there were 2,139 convicts from India, Ceylon and Burma in the Singapore goal. St Andrew's Cathedral, Government house and many roads and public buildings were constructed by Indian convict labour. Owing to a very generous ticket of leave system many of these convicts merged especially in Penang into the local population. "Penang Malay" contains more Tamil

words than any other Malay dialect in the peninsula. The number of "Jawi Pekan" or half-Indian-half-Malay persons is large, and members of the community clever and industrious. In Penang alone the influence of Indian Muslims has led to the celebration of the Hassan-Hussain festival and to a dance called the "Boria," practised during the month of Muharram."

RECRUITMENT OF LABOURERS

About 75% of Indians in Malaya are labourers born and brought up in South India. A question therefore arises how these South Indian labourers reach their places of employment in Malaya. This is done by an elaborate system of recruitment under the supervision of the [Controller of Labour]—a Senior European officer of the Malayan Civil Service. He is assisted by a number of European officers of the Malayan Civil Service and about half a dozen Indian officers known as Extra Assistant Controller of Labour. There is an Emigration Commissioner at Madras and an Assistant Emigration Commissioner at Nagapatam in the service of the Malayan Governments to supervise the recruitment of labourers. To advise the Malayan Governments on questions of recruitment and all other matters relating to Indian labour, there is a committee known as "The Indian Immigration Committee," with the Controller of Labour as chairman, consisting of 16 members appointed by the Malayan governments. 14 members of the committee are Europeans being planters and other employers of Indian labour and the remaining 2 are Indians. Consequent on the passage of the Indian Emigration Act, 1922 and the subsequent amending acts, an agent of the Government of India is now residing in Malaya, while a Protector of Indian

Emigrants is also maintained in Madras. These are the officers who guide the destinies of the bulk of the Indian population in Malaya.

All the labourers who arrive in Malaya fall into two main divisions (1) Labourers who are assisted (2) Labourers who are not assisted. Those of the second category are very few indeed. Among assisted labourers there are (a) Recruited labourers (b) Non-recruited labourers. Large majority of emigrants to Malaya are recruited labourers recruited by licence-holders known as kanganyes. Kanganyes are generally selected from labourers who have experience in Malaya and they are sent to S. India by Rubber estates and government departments who require Indian labourers. Controller of Labour or his deputy provides them with recruiting licence. The Agent of India, after interviewing each kangany countersigns his licence. When the kanganyes reach Madras or Nagapatam the licences will be endorsed by the emigration commissioners there. They will then proceed to villages canvassing labourers. Those who are willing to emigrate will be taken before the Village Munsiff who after inquiring fully into the circumstances of the labourers and after ascertaining the views of their parents will pass them. Irregularities in recruitment, due to ignorance and dishonesty on the part of the kanganyes and misbehaviour and indifference on the part of village munsiffs, are quite common. A kangany receives a commission of Rs. 10 for every adult labourer recruited. A part of this money he is expected to give to the labourers either as an inducement to emigrate or to pay off their prior debts or in the way of presents to their relations. Non-recruited labourers are emigrants who appear themselves before the Emigration commissioners, without the intervention

of the kanganies and are given free passage to Malaya. Recently the Government of India has notified its intention of amending the rules of emigration by making the extra-provision that a non-recruited labourer should get a certificate from his village head-man to the effect that there is no objection to his emigrating. The Controller of Labour was dissatisfied by this proposal and described it as a "Retrograde measure". To support his contention he quoted the report of the Royal Commission on Labour in India wherein it is stated that the best form of recruitment is that which is not organized. If this principle is accepted, I cannot understand why the Malayan Governments have organized such an elaborate system of recruitment. Let an Indian coolie pay his own passage, go to Malaya, work on what terms and wages he likes and be as free as a Chinese coolie.

The labourers are taken by the steamers of the British India Steam Navigation Company with whom the Malayan Governments have made an agreement for a regular fortnightly service between Madras and Nagapatam on this side and Penang, Port Swettenham and Singapore on the other. The Malayan Governments have guaranteed a minimum of 35,000 deck-passenger tickets per annum. The feeding and transport expenses of the assisted labourers are met from the Indian Immigration Fund which is under the control of the Indian Immigration Committee. I have made two trips to Malaya and I have personally inspected the labourers and made inquiries regarding their comforts and convenience on board the steamers. The greatest hardship to a labourer is that there is always too much congestion. In 1928, when I made my first voyage to Malaya on board the S. S. "Tairea," I was told that

there were about 3,000 deck passengers. In some cases, there was not even space to sit ; much less to lie down. I found 2 persons in an area of 5 ft. by 2 ft. If they were to lie down, the hands and feet of one man would be over the body of the other man. If they were to go to the latrine, they would have to trample upon the limbs of their neighbours. This would often lead to quarrels and once I saw actually the exchange of blows. Due to want of space, poor labourers had to take their place at a distance of 3 ft. from the latrines. Considering the horrible condition of the latrines, I wonder how these poor people spend their days and nights near a latrine, at the very approach of which, I feel inclined to vomit. The scarcity of water was another trouble. There were two pipes for 3,000 people ! And remember these pipes are not kept open throughout the day ! What a rush to pipes when opened ! I have found hundreds of men and women waiting for hours together with cans in their hands ! Bathing was the privilege of the mighty only. The feeble had little chance of getting even drinking water. In 1931 June and 1932 March, when I made trips to India, I observed the same difficulties for the deck-passengers. It may be argued that my observation might have been wrong ; but I find the Indian Agent Rao Sahib M. Kunhiraman Nair in his report for 1930, giving expression to the same views but in a milder form. "There were complaints occasionally against the food supplied and other arrangements made in the steamers and of incivility of the ships' crew and officers towards the passengers: these were taken then and there to the notice of the steam ships authorities and of the Local Agents of the steamship company; and suitable steps were taken by them to redress the complaints as far as possible." The steps taken are not

enough. I would suggest that the Government of India in the interest of nearly half a million of its humble subjects should ask the Malayan Governments to fix a reasonable maximum limit to the number of deck passengers that can be accommodated in emigration vessels. I would also request some of the public spirited men of the Provincial and Central Legislatures to pay occasional visits to the steamers just before they depart or arrive and ascertain for themselves the comforts and convenience of the labourers.

One restriction placed on the free recruitment of Indian labourers to Malaya is the famous sex-ratio rule under the Indian Emigration Act, 1923. It is as follows:—

“Men who are unmarried or unaccompanied by their wives shall not be assisted to emigrate to anyone country in anyone year to a number exceeding one in five of the total number of persons so assisted :

Provided that the Governor-General-in-Council may exempt any special country from the operation of this rule or may in the applications of this rule to any specified country modify the ratio fixed thereby.”

According to this rule, two married couples may take with them one unmarried person. The object of this rule is to encourage more and more women to emigrate so that gradually the male and female population may balance each other. The disparity in the number of males and females is the cause of sex-jealousy, resulting in a large number of crimes and murders among the Indian labourers. In the Federated Malay States, out

of 100 persons convicted for murder and culpable homicide during 1923, 1929 and the first ten months of 1930, sex-jealousy was the motive in the case of 41 persons. In the matter of sex-ratio, though there has been some improvement, even now the position is not satisfactory. Among assisted labourers there was only one female for every 2.3 males in 1926, 3.8 in 1927, 2.8 in 1928, 4 in 1929 and 4.8 in 1930. Still, I understand, the Malayan Governments get exemption from the operation of this rule year after year. At present due to the depression, recruitment has been suspended. But when times improve, every effort should be made to enforce the sex-ratio rule.

INDIAN IMMIGRATION FUND

All the expenses connected with the recruitment of Indian labourers and the quarantine expenses at the rate of nearly \$2* per head at Penang and Port Swettenham are met from the Indian Immigration Fund which is under the control of the Indian Immigration Committee. This fund has millions of dollars to its credit. The rates of assessment to this fund are fixed by the Indian Immigration Committee and are collected from the employers of Indian labour, both skilled and unskilled. In 1930 there were 3,099 employers contributing to this fund. Excluding 272 government departments most of the contributors are rubber estates. For the purpose of fixing assessments the year is divided into four quarters each consisting normally of 72 working days. The following figures give assessment rates for the year 1930

* \$1 = Rs. 1-8-0 and 1 cent = 3 pies approximately.

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	Male.	Female.
	\$	\$
First quarter	2.88	2.16
Second quarter	2.15	1.44
Third quarter	1.44	.72
Fourth quarter	.36	nil.

With a view to give relief to the rubber industry which is passing through very difficult times, the assessment rates are very much lowered now. The figures for the second quarter 1932, the latest available are 72 cents for males and 48 cents for females. To realise the difficulty of the planters it is only necessary to compare the rate of assessment for the second quarter 1930, with that for the second quarter 1932. Besides these assessments, employers who engage Indian labourers locally, that is to say without recruiting them from India, are to pay monthly \$1 per head as local registration fee. The fact that there were 120,000 such labourers in 1930 shows that this is a fertile source of income to the Indian Immigration Fund.

LIFE ON RUBBER ESTATES

About 75% of the Indian population, as I stated before, are South-Indian labourers and 75% of the South Indian labourers are employed on rubber estates. In some quarters, the life of the labourers in Malaya is described as a life in Paradise whereas in some other quarters it is described as worse than a life in hell. Without entering into this protracted controversy, I shall paint the picture of the Indian labourers in their happiness and misery as I saw them and as I was informed on making inquiries and investigations among hundreds of labourers coming from different estates.

Most of the European estates employ Indian coolies ; but a few employ Chinese as well as Indians. According to the report of the Controller of Labour there were in the Federated Malay States on the 31st December 1930, 1757 estates on which 100 labourers or more were employed. And there were 132,745 Indians and 30,860 Chinese working on these estates. Thus it will be seen that for every 4½ Indians employed on a rubber estate there is one Chinese.

The estate labourers are divided into two classes (1) Tappers (2) Field coolies. The work of the tappers is to collect latex (wet rubber) from trees while weeding and field-works will be done by field-coolies. All the coolies should get up very early in the morning and be ready for muster (taking of rolls) at 4-30 a. m. For a picturesque description of "Taking rolls", I shall better quote from an article by an European Planter, in the last September issue of "British Malaya"—a magazine published from London. "The rubber tappers, Indian Tamils, are lined up in rows on either side of me. The sequence of their names has become familiar by daily repetition and with the exception of one who has overslept and is even yet hardly awake, each is ready to answer almost before I have completely pronounced his name. They are a strange assembly. Take a look at them, as I run through the list. There is Marie, who has just answered. His appearance is not less deceiving than his name. But for his masculine voice, you would have mistaken him for a woman, for over his neck and shoulder long, black, oily hair hangs untidily
* * * * *

* * Coming to the last name, we send them off to their tasks and turn our attention to the women. In seventy or eighty there will be half a dozen with the

same name. But this does not confuse us. We distinguish them by numbers. One answers to the name Annamah No. 6. She is the wife of Marie and a very good wife too. Up before him in the morning, she has the family meal cooked in time for them to eat before the tom-tom calls them to work. The task she performs for her daily wage is very little less than his, and it is probably better done. But for her buxom female form and a slight difference in the manner of wearing her cloths, you might have easily mistaken her for her spouse. Her feet are bare, though probably not so ugly as his, and her hair too hangs in oily untidiness. Moving off, she walks erect, balancing on her head an empty bucket in which to collect the liquid rubber. In one hand she carries a small canvas bag, in the other a saucepan of cooked rice. This latter she hands to one of her children as she passes them where they stand in the children's muster as eager as their elders to answer their names and be off to work. As you look down at this row of dusky shining faces, the idea of such young children going to work may surprise you. But do not pity them; your sympathy will be misplaced. They choose to work because they are well paid. Their task in the fields is light, healthy and pleasant and exercising their minds and bodies and turning their natural childish energy to some useful purpose. Standing in an orderly row, they watch us intently with big brown laughing eyes. As each name is answered, white teeth flash in a cheeky smile. If I betray the vestige of a grin as I order them to move off, they will break away in strikes of delight tearing headlong down the road to the accompaniment of the headmen's vociferous but unavailing efforts to restrain them". After the rolls the sick people will be sent to the estate hospital. Before 11-30

a. m. all the latex collected should be taken to the factory and after that tappers can return to the coolie lines. Now a-days owing to the slump, estates are practising the dual policy of wage cut and longer hours of work, as a result of which on many estates the tappers are sent to field work from 12—2. As for the field labourers their working hours are from 4-30 a. m. to 2 p. m., with an interval of half an hour when they can take their noon meal consisting invariably of rice and dal which they might have cooked in the morning and brought with them when they went to work.

I am reliably informed that on some estates labourers are not allowed to wear shoes while working. The object of this rule is said to be to enable the labourers to save more by avoiding unnecessary expenses. If this is the real object, the managers concerned should be congratulated for their interest in the labourer's prosperity. But a friend of mine narrated to me an incident from which it is to be deduced that the motive of the managers is not always very noble. On a particular estate in Johore, the manager has strictly prohibited his labourers from wearing shoes. A new labourer to the estate, out of ignorance, wore shoes while he was doing field work. The manager accidentally observed this, got angry and said in Tamil, "who is superior, you or I?" By wearing canvas shoes costing 30 or 40 cents, I cannot understand, unless there is an Aladdin's lamp, how an ordinary coolie can become superior to his European manager! Some labourers out of illness or any other real necessity may not be able to walk bare-footed and in such cases, by denying them the use of shoes, the managers are doing them a positive harm. Therefore I would request the managers who advocate this rule, not to enforce it vigorously.

HEALTH ON ESTATES

Most of the rubber estates are not healthy. Year after year thousands of coolies become victims to Malaria which is the main scourge of the South-Indians. The death-rate among Indian labourers is high even without taking into consideration the large number of decrepit-Indians with slender thin limbs, pale emaciated faces and big protruding stomachs who are repatriated to India by every steamer that leaves Malaya. I am sure most of these will not survive more than a year. Of the different parts of Malaya, the death-rate is lowest in the Straits Settlements, it is almost double in the Federated Malay States and still higher in the Unfederated Malay States. In the Federated Malay States alone 2106 deaths were recorded in 1930 out of an estate population of 133,000, which works out at the rate of 15 per mille. In order to improve the health of the estate population, legislation was introduced in 1926 establishing "Health Boards" for "the employment and payment of medical practitioners, dressers, attendants and midwives and necessary staff and the erection, acquisition, maintenance, provision and equipment of hospitals". For small estates visiting medical practitioners are appointed. The Health Boards expenses are met by levying a cess of not exceeding \$ 5 per acre. Due to the extremely low price of rubber, planters through out the country have made representations to the governments that maintaining of the Health Boards is beyond their capacity at a time when many estates are not able to make both ends meet. Governments of the Federated Malay States and the Straits Settlements have, I understand, yielded to this pressure and very shortly the Health Boards Enactment will be repealed, leaving the question of medical relief to the estates.

themselves. I am afraid, with the abolition of the Health Boards, health of the Indian coolies may go from bad to worse. Already when the Boards were in operation, the Agent to the Government of India has severely criticised their inefficient working. In his report for the year 1930, he says, "only a few estate hospitals have qualified resident medical officers. The rest are practically in charge of third grade dressers or dresser clerks or dresser-conductors or dresser-school masters who are mostly not qualified to treat sick patients, though they are supposed to be under the supervision of qualified visiting Medical Practitioners who visit the estates only weekly or fortnightly." If this was the state of affairs when rubber was high, when planters were happy and when the Health Boards were vigorously working, I do not know how much attention will be paid to the health of the poor labourers, when rubber is low, when the Health Boards are abolished and when planters in despair make every effort to reduce the cost of production.

WAGES

There has been regular tug of war on the question of wages, between the Government of India and the Malayan governments. It started as early as 1922, when the Standing Advisory Committee on Emigration appointed by the two houses of Central Legislature in India strongly urged in the interest of the Indian labourers in Malaya that a standard minimum wage should be fixed which would be sufficient in the words of the committee, "to maintain a labourer in tolerable comfort according to his standard of living, regard being had to the fact that a male labourer may have to provide for a family and secondly to allow a margin for

savings, sickness and old age." The Malayan governments accepted this principle and the Labour Code was so amended as to empower the Indian Immigration Committee to fix standard wages. The Indian Immigration Committee after holding inquiries, as an experimental measure fixed for one district in the Federated Malay States the standard wage of 35 cents for an able-bodied male labourer and 27 cents for an able-bodied female labourer. Thus ended the first stage of the struggle. Again in 1925, the Government of India raised the question considering that this rate was too low. The Malayan governments asked the Indian Immigration Committee to reconsider the matter and the Indian Immigration Committee after making further inquiries fixed 40 cents for a male and 30 cents for a female, the rates being applicable to three districts in the Federated Malay States, namely Klang, Kuala Langat and Kuala Selangor. This was the second stage. The Indian government thought that this rate was not sufficiently high and in 1927 it suggested that (1) the standard wage should be raised (2) it should be made applicable to all the places in the Malay Peninsula. Then followed protracted inquiries and prolonged discussions on the part of the Indian Immigration Committee. In particular, Rao Bahadur R. Subbayya Naidu then Indian Agent, the Controller of Labour and the Chairman of the Planters Association of Malaya took an active interest in the deliberations, as a result of which, a new scheme for fixing standard wage was introduced. According to this arrangement, the whole of the Malay peninsula was divided into two categories. The first category comprised the easily accessible and fairly healthy places like Perak, Selangor, Negri Sembilan in the Federated

Malay States; Malacca, Penang, Province Wellesely and the Dindings in the Straits Settlements and Kedah. The second category consisted of somewhat unhealthy, inaccessible and costly areas which included Singapore in the Straits Settlements, Johore and Kelantan. Province Wellesely and the three districts of Klang, Kuala Selangor and Kuala Langat formed the Key districts of the first category and the inland districts of Pahang formed the Key districts of the second category. Standard rate of wages prescribed for estates in the Key districts of the first category was 50 cents for adult males, 40 cents for adult females and 20 cents for working children. The rate of standard wages prescribed for Key districts of the second category was 53 cents for adult males, 46 cents for adult females. These rates were applicable to only Key districts. In all other places there was no standard rate fixed. This was only a preliminary step in the direction of fixing standard wages throughout the country and it was not satisfactory to the Indians in Malaya. The Hon'ble Mr. S. Veerasamy, the Indian member to the Federal Council, voiced the feelings of the community when he said at the council meeting in 1928, "Now what I have to suggest is that these rates should be made applicable throughout the whole of the peninsula and that is the object with which I am addressing you today. I earnestly ask that steps be taken as soon as possible so that these rates be applicable as I have suggested. I do not like to stress much on the justice of the Indian labourers' cause. One has just to look and see what are the conditions elsewhere. If you refer for a moment to labour conditions in either Europe, America or British Colonies, you will find that in those countries in fixing the minimum wage, consideration is had not only for the requirements of the labourer, but also the

requirements of his wife and a family of two or three children. Here we take into consideration the requirements of the individual labourer. I understand a wage of four guineas a week is considered reasonable as a minimum wage in Great Britain. Here we are asking for something which is less than one-tenth of that. Apart from the merits of the case, I would like to draw the attention of the honourable members to the fact at the present moment emigration is only lawful and permitted to Ceylon and Malaya under certain rules and regulations. There is one rule, which is known as the sex-ratio rule and I understand the Malayan Governments granted exemption from it year to year. Now unless we do something to introduce standard wages throughout Malaya, I doubt very much whether the Indian Government will continue to grant this exemption any longer." Now let us see the reply of the Hon'ble Mr. E. W. F. Gilman, the Controller of Labour. "From the outset," he said, "we decided on the policy of prescribing a standard wage in selected areas rather than that suggested by my honourable friend, which was the policy of the government of India viz., that we should declare a minimum wage throughout the whole of the country. As has been pointed out there have been progressive steps in this policy and I think we can claim, on the whole, that it has been successful. At the present moment the question of taking further action in this matter is under consideration by the Indian Immigration Committee".

Meanwhile the unprecedented world trade depression started and the planters throughout the country began to clamour that the existing wages were too high with the result that a special meeting of the Indian Immigration Committee was called at the instance of

Malayan governments on the 16th July 1930, to consider the reduction of standard wages so as to give relief to the rubber industry. The committee decided on an all round 20 per cent cut in wages but at the same time gave the public assurance that "the committee unanimously agree that the existing standard rates of wages of Indian labourers should be restored as soon as the rubber industry is in a position to pay them." The reduced wages were 40 cents for a male, 32 cents for a female and 16 cents for a child --these rates being applicable to the Key districts of the first category. For the Key districts of the second category the reduced wages were 47 cents for males and 37 cents for females. Since effecting this reduction, the position of the rubber industry has been made more critical because an international restriction agreement among rubber producing countries could not be secured on account of the uncompromising attitude of the Dutch East Indies. In the struggle for the survival of the fittest and the cut-throat competition that may follow in their efforts to reduce cost of production, I do not know to what extent the wages may be reduced and how many labourers are going to be repatriated. Since my leaving Malaya in March, I read in some Indian newspapers that about 20,000 unemployed labourers were waiting to be repatriated and a special boat was hired for this purpose. On my way home, I made inquiries among hundreds of repatriated labourers on board the steamer, regarding the conditions of labour on estates. They told me on several estates the present wages range from 28—35 cents for males and 20—25 cents for females.

INDIAN COOLIES V. CHINESE COOLIES

From what has been said, if my readers have concluded that the few Chinese coolies on estates also receive the same wages as Indians; then they are mistaken. The Chinese are more enterprising and are always unwilling to accept fixed daily wages. They work on a contract basis by which they are paid 2 or 2½ cents for every pound of rubber produced and on an average a Chinese is able to earn even now about 60-80 cents a day, whereas an able bodied Indian coolie may get 35 or 40 cents at the most. I asked several experienced Indian coolies whether they could not work as hard as the Chinese. They all assured me, given an opportunity they could turn out the same amount of work as the Chinese, but according to the law of the country namely "The Labour Code", the employers are obliged to pay fixed wages to Indian coolies whether they produce 20 pounds or 40 pounds. Therefore the Indian coolies are not encouraged to work as hard as the Chinese for the simple reason that their wages are not dependent on the quantity of rubber produced.

Propaganda is being carried on in some of the Malayan newspapers to show that the Indian labourers are less efficient than the Chinese. A correspondent who appears to be an European Planter and signs himself as "Palay Dorei," wrote on the 25th February, 1932, to some of the daily newspapers as follows:—

"With the Tamil assessments, registration fees for locally recruited coolies, compulsory schooling of children, maternity allowances and a hundred and one other matters, and not least the medical expenses, the Tamil labourer has become the most expensive

labour in Malaya and therefore has had to make room for a very considerable number of Chinese labourers, who are willing to work as long as they can make enough for the purchase of rice, a little dry fish and occasionally some vegetables. Chinese labourers are healthy and the estate incurs actually no expenses whatsoever above the salary earned by the coolies and at the same time the Chinese tapper of to-day gives 100% value for the salary paid him. His work is up to the standard of the very best and he taps all the trees given under his care. He needs no Mandores (Head coolie) and the supervision required over Chinese is practically nil. With Chinese the manager has a soft job * * * *
 Tamils require a mandore for at least every fifteen coolies, a conductor, and an European to be ready and present at all times. It is a slavery to work Tamils." In the heat and in the fury of Mr. Palay Dorei, he has forgotten that slavery has been abolished long ago and if he calls the present system of Tamil labour in Malaya slavery, then he will be doing a great service to humanity by bringing this fact to the notice of the International Labour Office at Geneva and the British Parliament. If all or at least a majority of planters were of Mr. Palay Dorei's opinion I am sure there would have been to day not a single Tamil coolie in the whole of Malaya. Does Mr. Palay Dorei think that any planter with an atom of common sense will continue employing for more than thirty years labourers, who are idle, inefficient, unhealthy and costly when he can easily secure Chinese labourers who are hard-working, quite efficient, healthy and willing to work on very small wages? That the Chinese labourers are willing to work for a trifle just sufficient for the purchase of rice and a little dry fish or that they are willing to work for

a song is absolutely incorrect. The fact is as I stated before they work on a contract basis and even in these hard days they earn almost double the wages of an Indian coolie. I cannot agree with Mr. Palay Dorei's complaint that he does not get 100% value for the money spent on Indian labourers. I discussed the matter with several persons who have considerable experience on estates and we found that an estate employing 200 Indian labourers would have normally to spend about \$ 500 p.m. on account of the hundred and one allowances to labourers over and above the actual wages. This works out at the rate of 10 cents per day for a labourer and when it is added to his actual wages the total will not exceed 50 cents a day. As for the work done by him under the vigilance of the European manager and the ever-present mandore, if he were to be paid on the same basis as the Chinese namely 2—2½ cents for every pound of rubber produced, the Tamil labourer would surely get 60—65 cents a day. The estates are therefore making a profit of about 10 cents p.d. from every Tamil labourer employed. If it is so even in these hard days of slump, how much profit the estates might have made in the days of prosperity? Still Mr. Palay Dorei says Indian labourers are more costly and less efficient. Perhaps he would revise his calculations. But one complaint appears to be true that the estate managers will be given much trouble by the officers of the Labour Department if they violate consciously or unconsciously any of the provisions of the Labour Code or if they fail to send half a dozen monthly statements regarding Indian labourers or if they fail to settle the labourers' quarrels resulting from taking too much toddy. I agree that much of these troubles can be avoided if they employ Chinese labourers. The root cause of all this is that

there is too much of "spoon-feeding" on the part of the authorities, as though the Indian labourers are incapable of managing themselves. I have no doubt that if they are left to themselves they can look after their affairs equally well as the Chinese. After all, there is nothing wrong with the Indian labour force so far as efficiency is concerned; but what is wrong is the Labour Code, some of the provisions of which should be amended or repealed with a view to make Indian labourers as free as the Chinese. I strongly support Mr. Palay Dorei's view that "the Tamil coolie must be taught to look after himself, he must be made a free man able to go where he wants and when he wants in the same manner as Chinese and all others do. The Indians have so far had a nurse at each hand. It has got to stop; for the coolies do not want it. I have heard them say, 'why cannot I go and work where I want to go and what have my movements got to do with the Jundi Dorei (Controller of Labour)?' I have lately had hundreds of Tamils applying for work, but I have had to tell them straight that I would like to take them on, but with all the "fiddle-diddle-doo," they are too troublesome as compared with other labourers. They were willing to work at the same rate as Chinese, but then registration fee and assessment and medicals put the rate up. Give the Indian coolies that freedom on the level with every other coolie of other nationalities."

TODDY—A LABOURER'S FRIEND

There is nothing which has contributed so much to the physical and moral deterioration of the Indian labourers in Malaya as the large number of toddy shops from one end of the peninsula to the other. These

toddy shops are erected solely for the use of the Indian labourers, as the Chinese and the Malays never drink toddy. Normally the Indian labourer is peaceful, quiet and law-abiding; but let him enter one of these toddy shops and draw inspiration from the dieties presiding there, he becomes at once petulant, noisy and quarrelsome. If we go through the proceedings of the criminal courts and the assizes, we shall see how numerous are the crimes committed under the influence of toddy.

In 1930, there were 761 toddy shops compared with 771 in the previous year. Of these, more than 600 are Estate toddy shops, thus providing one shop for approximately 300 labourers. The Estate shops are leased to the managers of the estates on a contract that $\frac{2}{3}$ of the gross collections shall be paid to the government treasury. In the Federated Malay States alone the revenue from toddy shops amounted in 1930 to 22 lakhs of rupees while in the Straits Settlements it was 10 lakhs of rupees. Despite the fact that in 1930, there was a slight decrease in the number of toddy shops and also the fact that the year saw the departure from Malaya of 154,265 Indian labourers against 72,883 arrivals from India, it is surprising that drunkenness has increased so much as to enhance the government revenue in 1930 by an appreciable amount. Out of $\frac{2}{3}$ of the gross collections from an estate toddy shop, after deducting the expenses of running the shop, the profits should be utilized for such purposes as will improve the material and moral welfare of the Indian labourers. This rule is more honoured in the breach than in observance is clear from the report of the Indian Agent who severely criticises the present practice on some estates. "It was found," he says "that some estates were utilizing the money for meeting

items of expenditure such as, maternity benefits, teachers salaries, maintenance of creches and supply of milk to children etc., which were legitimate charges on estate revenues. These cases were taken to the notice of the Controller of Labour. The profits are not spent in any systematic manner for the lasting benefit of the labourers. In most estates the money is frittered away in fire walking ceremonies and Deepavali revelries in a day." It will be a good thing if this money can be utilized for starting on estates small labourers' clubs where Tamil, Telugu or Malayalam newspapers can be got and also arrangements can be made for sports and magic lantern shows and for staging small dramas from time to time. It is a great blessing if the attention of the Indian labourers can be diverted from toddy to these innocent recreations. Out of the toddy shop profits, labourers should be assisted to purchase cows and goats so that they may rear them and use their milk, butter-milk and butter.

There has been a lot of controversy as to whether these toddy shops should be abolished entirely or not. Advocates of their retention argue that toddy is as necessary as water and fresh air for human life. Instead of taking rice, some labourers drink toddy, and without it they will not be able to keep themselves fit for an active life in Malaya. The champions of toddy shops emphasize that if selling of toddy is prohibited, labourers will take to more costly drinks like beer and wine and the result will be "Robbing Peter to pay Paul." On the other hand advocates of prohibition are angry with the government and the Indian Immigration Committee for keeping open so many toddy shops. They want cent per cent prohibition to be introduced all at once. To impress upon the public the evils of drink, they

might even quote the Indian Agent's remarks that "toddy is a newly acquired habit to many of the Indian labourers in Malaya. The temptation provided on estates at their very doors is the real reason for this. Many estates have as many toddy shops as there are Divisions on them. Toddy has become a daily routine with the Indian labourers in spite of the fact that it was considered a luxury and excluded from their monthly budget. Many of them spend their earnings at toddy shops without providing enough for their food and other necessaries of life. Where the toddy shops were a little far away from the labourers' lines, there were many total abstainers and occasional drinkers, whereas the location of toddy shops close to their lines has converted almost the whole labour force into habitual drinkers, including in some cases, women and children. The rule prohibiting the sale of toddy to women and children is more honoured in the breach than in the observance. In my short experience, I have found that Estate managers need to exercise more supervision over the management of estate toddy shops." However great the evils of drink may be, they can be wiped out only gradually and not by simply closing the toddy shops altogether, as many of the enthusiastic supporters of prohibition may think. Alexander the Great found a ready bold solution for untying the Gordian Knot by cutting it into two; but to solve the drink problem, the abolition of toddy shops is no such solution. Rightly or wrongly I firmly believe that by means of educative propaganda the labourer should be taught the evils of drink and he should be made to abhor it from the bottom of his heart. Meanwhile the number of toddy shops may be gradually reduced. So the two remedies to eradicate the evils of drink are

(1) educative propaganda (2) gradual reduction of toddy shops. The work of educative propaganda should be done by the various Indian Associations and the future Federation of Indian Associations in Malaya and the work of gradually reducing the number of toddy shops should be undertaken by the Malayan Governments through the Indian Immigration Committee. I know the Selangor Indian Association at Kuala Lumpur has appointed a committee, members of which go to the coolie-lines, give lectures and hold debates showing the evils of drink. Though this committee was very active for some time, its enthusiasm died away very soon. A programme of educative propaganda can be vigorously and effectively carried on by a Federation of Indian Associations in Malaya. It should properly be a function of the Federation, to carry on educative propaganda and it should appoint an ad hoc committee, consisting of men of the right type for social service. Annually adequate funds should be voted for this purpose. Government also should be approached to provide an annually recurrent grant. To avoid troubles and to give the government the assurance that the committee is not carrying on pernicious propaganda directed against law and order, I think, it will be better if the committee acquaints the Labour Department with its programme of work and secures the co-operation of the officers of that Department. As the work of this committee is in accordance with the acknowledged policy of the Labour Department namely to bring about a decrease in the consumption of toddy, I hope, the Department will be willing to assist the committee in all possible ways. To carry out this policy the Malayan Governments should follow a "Three year Plan" by which every year the number of toddy shops should be

reduced by 10% by closing those shops in the vicinity of the coolie lines. Secondly the governments should see that the rules restricting the hours of sale and prohibiting the sale of toddy to women and children, are strictly observed. At the close of the "Three year Plan", the Malayan Governments should appoint a committee with the Controller of Labour as Chairman and as members the Indian Agent, two experienced planters and two unofficial Indians nominated by the Federation of Indian Associations if formed, otherwise two unofficial Indians selected from a panel of Indians each Indian Association nominating one. It will be the work of this committee to inquire thoroughly into the subject and to make suitable recommendations as to the future Policy the Governments should follow.

ECONOMIC POSITION OF LABOURERS

Even the rudimentary principles of wise saving and wise spending are not understood by most of the Indian labourers in Malaya. Though it is one of the richest countries in the whole world, large majority of our labourers are heavily in debt or making a hand-to-month living without even a passing thought that "Sufficient for the day is the evil thereof." When I was at Kuala Lumpur, I used to visit coolie-lines and make inquiries regarding their welfare. Out of 100 labourers with the exception of 3 or 4, all the others are not saving a pie. I was surprised to hear that some labourers whose wages did not exceed 35 cents a day, were drinking daily 4 bottles of toddy which cost 40 cents! I asked them whether they wanted to go to India in their old age. All of them replied "yes". Then I said, "where can you find passage money to India? How can you earn your

livelihood in India, when you are old and unfit to work?" They assured me that there was no need for alaram regarding passage money as the Controller of Labour would help them with a free passage and as for a living in the old age, God would surely help them. On board the steamer S.S. "Rajula" in March this year, I made inquiries among more than 300 labourers coming from different estates. Most of them said that they had no savings except the old dirty linen tied around their waist and two or three emaciated children. They all repeated the same old story of drunkenness and extravagance connected with fire walking ceremonies, "Koottus," "Kappu", etc. A few unfortunate among them said that they entrusted their savings with the estate-shop keeper or the estate-clerk, and in many cases these personalities absconded from the estates with their small savings. After all these inquiries my conclusion is that 75% of the ordinary labourers do not save anything. Then how can we account for 70 lakhs of rupees remitted to India by money order by labourers and 20 lakhs of rupees standing to the credit of the labourers in the Post Office Savings Banks in the year 1930? These two items of savings represent not more than Rs. 20 per labourer and I think these amounts must have been saved mostly by highly-paid labourers e. g., kangannies, mandores, mechanics, artisans, skilled labourers and petty-traders.

✓ The two main causes for this unsatisfactory economic position are (1) Toddy, (2) Absence of adequate facilities for depositing the savings of the labourers. Regarding the intimacy between toddy and the labourers and the waste of money consequent on it, I have taken some pains to impress upon my readers. As for facilities for depositing their savings, it is to be remembered that most of the estates are far away from Post

Offices and therefore the labourers are unable to make use of the Savings Bank facilities. Co-operative Societies registered under the Co-operative Societies Law which is based on the Indian Co-operative Act, would have easily supplied this need. But the co-operative movement in the words of the Director of Co-operation, Malaya, "has touched the merest fringe of the Indian labour population working in over 3,000 places of employment." There are at present only 88 Estate Labourers' Co-operative Societies with 12,185 members and a paid-up capital of 3 lakhs of rupees which represents savings of approximately Rs. 25 per member. From the fact that loans granted to members amounted only to Rs 4,000 it will be clear that these societies are essentially thrift societies with very little of granting loans and other business transactions which require a deep knowledge of the principles and practice of co-operation. Their working is as simple as that of a Post Office Savings Bank and the officers who supervise them require only the elementary principles of co-operation. In order to make these societies very popular on estates, the control and supervision of the Estate Labourers' Societies now exercised by the Co-operative Societies Department should be transferred to the Labour Department. The Government can confer on some of the Assistant Controllers of Labour the powers of a Registrar under the Co-operative Societies Law and the Inspectors of the Labour Department may very well supervise the societies, after a week's training in the Co-operative Department. As the Labour Department has power and influence on estates which the Co-operative Department has not, it is quite possible for the former to easily persuade the estate managers to start societies. Where the officers of the Co-operative Department have to make a gentle request, the officers

of the Labour Department may even force. Of course there will be objection that the Estate Labourers' Societies organized and supervised according to this suggestion, may not conform hundred per cent to the co-operative principles. That does not matter. What we require is not ideal co-operative societies, but some medium for absorbing all the savings of the labourers. To safeguard the depositors' money, the audit of the Estate Labourers' Societies should be carried on by the auditors of the Co-operative Department. I have no doubt that if two senior Malayan Civil Service officers like the Controller of Labour and the Director of Co-operation put their heads together they can evolve a scheme for the organization and supervision of the co-operative societies on estates on the lines suggested. If they fail and the present system continues, it will take a century before we shall have one society on every rubber estate.

EDUCATION

To facilitate the education of children of the labourers, vernacular schools are started on estates. A great obstacle to the progress of education is the lack of trained teachers in vernacular languages. I was reliably informed that most of the teachers are kanganis or labourers with scanty knowledge of even their vernacular languages. In the Straits Settlements, there were in 1930, 25 aided and 35 unaided schools with an average enrolment of 1,543 children and in the Federated Malay States there were 7 government vernacular schools, 282 aided schools and 193 unaided schools. With the appointment of an European Officer as Inspector of Tamil schools, it is to be hoped that

primary education will spread rapidly among the labourers.

The children of well-to-do Indians attend English schools where the highest standard is Senior Cambridge. Educationally Malaya is very backward. Only recently Raffles College was started in Singapore to give the sons of rich men a glimpse of university education.

THE DECREPITS AND THE UNEMPLOYED

As I have observed elsewhere due to the catastrophic fall in the price of rubber, that industry is passing through a great crisis. The greatest sufferers during this period of distress, are the planters and the poor Indian labourers. In replying to a question in the Legislative Assembly on the 3rd February, 1932, Sir Frank Noyce said, "between June 1, 1930 and December 31, 1931, 130,781 Indian labourers with their dependants were repatriated from Malaya owing to unemployment, which was due to depression in the rubber and tin industries and also in some cases, due to unwillingness on the part of labourers to accept work on reduced wages." During this period of wholesale repatriation, the Indian labourers had to suffer much due to overcrowding in the camps and on board the steamers to India.

There are two homes for the decrepit and unemployed Indians, one in Penang and the other in Kuala Lumpur. They are maintained entirely at the cost of the Indian Immigration Fund. In the "Home for the unemployed" in Penang there were 5,503 adults, 731 minors and 128 children and the expenses of maintaining them amounted in 1930 to Rs. 20,000. Admissions

to the "Home for Decrepit Indians" in Kuala Lumpur, numbered 5,161 in 1930 and the expenses amounted to Rs. 25,000. About 95% of the inmates of these two Homes were repatriated to India and for the rest work was found. In spite of these two homes, the sight of destitute and unemployed Indians wandering about the streets of the principal towns in Malaya, is not at all uncommon. Repatriates are provided with free clothing wherever necessary and given free passage by rail and steamer till they reach their native villages in India. In deserving cases cash bonuses to the value of Rs. 10 each were paid.

INDIANS IN THE GOVERNMENT SERVICE

In the pre-war days, even those Indians who had only a smack of English education were gladly welcomed into the government service; but times are now altered. To-day even highly educated Indians find it impossible to get a footing in the government service. There are two reasons for this. First is the spread of English education as a result of which year after year hundreds of youngmen born and brought up in Malaya, come out with the Senior and Junior Cambridge Certificates. They are more than sufficient to meet the requirements of the subordinate service in the government. Secondly, due to the present world-wide trade depression, the revenues of the Malay States have dwindled considerably and the two weapons the "axe" and the "tax" are in full swing. From all the departments and in particular from the Railways and the Postal Departments where there are large number of Indian clerks and technical apprentices, these subordinates are sacked with a month's salary as bonus and a free passage to India. A large number of clerks who have put

in more than ten years service and who are on the pensionable establishment whether their age is 35 or 55 are compelled to retire on pension. These measures of retrenchment were directed against the Indians with special severity was the grievance of the Indian public and representations were made drawing these grievances to the notice of the Government and requesting that in all proposals for retrenchment there should be no discrimination against Indians. While denying any racial discrimination in carrying out retrenchment plans the Government's reply emphasized, as anticipated, that their cases would be considered with the greatest sympathy.

In this connection it is necessary that I should say a few words about the policy of the government regarding the appointment of Indians to the services. At the top there is the Malayan Civil Service, most of the members of which are British subjects of purely European descent. There are also a few Malays; but Indians and Chinese are strictly excluded. In making appointments to the subordinate services, first, preference is given to the Malays, secondly to candidates of other nationalities born and educated in Malaya, thirdly to candidates born in Malaya but educated elsewhere. After considering all these applications, the cases of adventurous youngmen hailing from India with Indian qualifications will have a chance and how remote that chance is, will be clear from the fact that hundreds of youngmen born and educated in Malaya are without employment. There is however one department in which half the number of subordinates are Punjabees and that is the Police Department. The Sikh policemen are admired for their bravery. They are able to strike terror in the hearts of the Chinese gang robbers.

Malayan Governments' appointment policy affects Indians adversely, because their practice is unlike that of the Chinese to keep their families in India with the result that their children born in India will not be considered as "Malayan born" and therefore they will find the doors of the government departments closed and barred against them. I had, while I was at Kuala Lumpur, the opportunity of discussing these matters with Indians whose opinions ought to be respected. They all fear that in course of time the Indian representation to the services will be quite inadequate. I have noted another tendency among Indians in the government service. They do not like to settle down in Malaya after their retirement. They look forward with eagerness for the dawn of that day when they can return to their native land as pensioners. Most of the Chinese, on the other hand, look upon Malaya as their adopted motherland and wish to die there.

The initial salary for a subordinate is usually \$40 and in a few cases it is 50—55 or 60 at the most. The minimum qualification for a clerk is Junior Cambridge certificate. Ordinarily, a subordinate after putting in 25 or 30 years service can expect a salary of \$210 p.m. A few favoured by the Gods may secure some prize appointments, in which case their salary may rise to \$260, \$350 or \$400. I don't think in the whole of Malaya there are more than a dozen Indian subordinate officers drawing \$400. Though these salary schemes are comparatively higher than those in India for subordinates of the same rank, it is surprising that due partly to extravagance and partly to the high cost of living in Malaya, a very large number of subordinates including Indians as well, are in the clutches of the money lenders. The situation became so acute that

the Government had to come to their rescue and a law was passed entitled "Public Servants' Liabilities Enactment" in the Federated Malay States and a similar Ordinance in the Straits Settlements, whereby the salaries of officers drawing less than \$ 150 p. m. could not be attached by creditors. Finding by experience that this law failed to achieve the object for which it was enacted, very recently it was repealed. This I stated only to show that the Indian clerks and other subordinates in the Government service, though receiving high salaries when measured with Indian standards, are not free from financial embarrassments.

Before concluding this part of my review, I wish to observe one fact which has made a very strong impression in my mind and in the minds of others. The Indians true to their traditions in the mother country are mad after government service. On the other hand most of the Chinese look down upon government appointments. They like independent business or professional line and in my experience I have come across some Chinese who unhesitatingly resigned their post in the government for opening a small tailoring shop or a cloth-shop or starting some other business. It is a fact that some of them have failed in their business; still many of them have become rich and powerful and have contributed large sums of money to charitable or public organizations, while the Indian clerks in the government service are leading a hand-to-month life with their monthly pittance. It is therefore my sincere opinion which I have never hesitated to communicate to my friends over and over again that those Indians who can afford, should not join the government service where they have no freedom to say or do anything and where they are bound by so many general orders, departmental

circulars, Secretariat circulars, rules and regulations so much so that every atom of initiative, originality or spirit of public service is nipped off in the bud.

**PROFESSIONAL MEN AND MERCANTILE
EMPLOYEES**

Indian lawyers, Indian doctors, graduate teachers of private schools, clerks, short-hand typists and accountants in mercantile firms, though they number only a few thousands, still form an important section of the Indian community in Malaya. They represent the unofficial Indians and from them are nominated Indian representatives to the houses of legislature and municipal councils. The present Indian representatives to the Legislative Council and the Federal Council are both barristers. The Presidents and Vice-Presidents of the various Indian Associations in Malaya are generally elected from the unofficial Indians who guard the rights and privileges of the Indian community and whenever the Government introduces measures adversely affecting the welfare of the Indian community, it is their duty to organize public opinion and to make suitable representations to the authorities concerned. As I have observed elsewhere government servants are powerless on occasions like these and for the initiative in these matters, the Indian community will turn towards the unofficial Indians.

In the whole peninsula, I think, there are about 30—40 Indian Barristers. I understand some "Vakils" who were practising in India with the B. L. degree of the Madras University or the L. L. B. degree of the Bombay University went to Malaya with the hope of being admitted to the bar, but they were sadly disappointed. The law governing the admission of candidates

to the Bar in the Federated Malay States is the "Advocates and Solicitors Enactment" and the corresponding Ordinance is the law in the Straits Settlements and it is provided that only members of the English Bar are allowed to practise there unless a person has served as an Articled Clerk for 5 years under an Advocate and Solicitor practising in Malaya.

Though most of the Indian lawyers are prospering, a little more of organization and a little less of petty jealousies and quarrels on their part would have strengthened their position in Malaya. Any casual visitor to Malaya will not fail to be struck by the lack of organization among Indian lawyers. I have seen a number of European legal firms in Malaya with branches in all important towns in some of which there are 6 or 7 European lawyers, but I have not yet seen a single Indian legal firm with more than one lawyer. Even if a partnership is formed between two Indian lawyers, before long, we shall hear that their partnership is dissolved. This I am saying not out of my imagination but from actual experience. From a financial stand point, a firm of lawyers has advantage over each lawyer working singly; because establishment charges will be considerably less. From a professional point of view the members of a legal firm have the advantage of consulting each other when perplexing legal difficulties arise and this will evidently add to the efficiency of the profession. Thirdly the Indian community will be a gainer if the Indian lawyers associate among themselves to form legal firms. By remaining single a lawyer has to look into every aspect of the profession and he will always be busy. Even if he has the inclination he will find no time to devote for the welfare of his community whose guide and philosopher he is by education and

training. If on the other hand, had he joined with another of his fraternity, by the principle of division of labour, he could have saved much time and energy which he could have utilized for the advancement of the community. When I was in Kuala Lumpur, in connection with the activities of the Selangor Indian Association, I wanted to invite a prominent Indian lawyer to preside over a public meeting. He was working alone and I searched for him for 3 consecutive days; but I was not able to meet him. Had he a partner to assist him, surely I would have been able to secure his services.

There are about a hundred Indian doctors, some of whom are in the government service, some are medical officers on estates and some are private practitioners. The Madras M. B. & B. S. degree is given full value. If a medical graduate is taken to the government service he will be started on \$250 p. m. The general remarks I made about lawyers, regarding their lack of organization, are equally applicable in the case of doctors.

Until recently a few graduates of the Indian Universities were taken into the government service, some as school masters, some as clerks and some as interpreters. Now-a-days it is impossible for them to secure any such appointment and they start private schools to coach up students for the Cambridge and London Matric examinations. They receive from government no assistance financial or otherwise and it should be said to their credit that some of these private schools are run so very efficiently that their results in the university examinations are far better than the results of the government schools.

In mercantile firms, Indians as short-hand typists, book-keepers, accountants and clerks are proved to be

very efficient and reliable and have won the admiration of the European Managers for their honesty and ability. Smart short-hand typists and accountants are usually started on \$150 p. m. In the case of able accountants who have put in 25—30 years service in well-established European firms, their salary may rise to \$400 or \$500.

What I have said about the economic position of the Indian subordinates in the Government service is equally applicable to the mercantile employees and other middle class Indians in Malaya. In 1930, 7,500 Indian clerks in the Federated Malay States and the Straits Settlements were able to save only 20 lakhs of rupees in the Post Office Savings Banks and about 35,000 Indian clerks were able to remit to India by money order 30 lakhs of rupees. These results are not very encouraging. To most of them thrift and self-help are virtues quite unknown. What is familiar to them is extravagance. To encourage habits of thrift, Co-operative Thrift and Loan Societies were started in 1922 and many of the middle class Indians are members of these societies. Though a large number of them are famous as borrowers, still I am proud to say that some of the leading Urban Co-operators are Indians. Messrs. S N. Sarma, B. A., K. A. Narayan and Sant Singh of Kuala Lumpur are well-known to every Co-operator in Malaya.

MERCHANTS

Throughout the length and breadth of the country, one can find numerous Indian traders, hawkers, coffee-shop keepers and a few big general merchants. It is also note-worthy that the most successful merchants

and business-men among Indians are Mohammedans. The most unsatisfactory feature of the Indian trade is that there is no organization among the merchants and the business-men. In every branch of trade and commerce, the Chinese are the masters. Even the Europeans have acknowledged that the Chinese are the most shrewd business-men. Their Chambers of Commerce and their banking arrangements for providing credit for the purposes of trade are as efficient as that of any European nation. In the whole of Malaya I have not found a single Indian Chamber of Commerce which can be favourably compared with a Chinese Chamber. To take one example there is in Kuala Lumpur, the strong-hold of Indians in Malaya. "The Selangor Indian Merchants Association," which in other words represents the Indian Chamber of Commerce there. My humble opinion about this organization is that there is nothing to show whether this is a living or a dead body. I have heard a great deal about the inactivity of this Merchants' Association. "Reduction of Steam Fares to India" was one of the subjects which attracted the attention of the Indian public and they approached the Selangor Merchants' Association about a year ago, requesting them to take the initiative in the matter; but I hear from Kuala Lumpur that this subject is still under consideration of the Merchants' Association. Very recently the Federated Malay States government introduced a duty of 12 cents per pound on imported ghee. As ghee is an essential food staff of Indians, this tax affected them most. While Indians recognized that they should be prepared to bear additional taxation in order to help the depleted finances of the government, they felt that the duty imposed on ghee was too high and they felt that it was the function of the Selangor Indian Merchant's Association

to take suitable steps for getting this grievance redressed. But what did the Merchants' Association do? It simply kept quiet and therefore the Selangor Indian Association called a public meeting so as to pass resolutions requesting the government to reduce the duty on ghee. As a further testimony to the wonderful work done by this Merchants' Association, let me reproduce here a letter which appeared in "The Selangor Indian" a magazine of the Selangor Indian Association. The letter addressed directly to the "Selangor Indian Merchants' Association," is as follows:—

Gentlemen,

We have known as every one who cares to know, of your existence as a corporate body brought into being to promote Indian trade in Malaya. But we confess we are not aware of a single tangible achievement, which can worthily be attributed to yourselves. We have heard that you shun publicity, that you do not necessarily admit to membership every Indian trader, that some elder tradesmen in this town dominate you, that you do not keep yourselves abreast with the times and that as such you are not so popular and useful a body as you ought to be. We would fain advise you—even if such advice were unwelcome—that you should as early as possible eliminate all undesirable features which mar your fair name as a constitutional body.

Yours etc.

"Selangor Indian."

I am sure, if only the Indian merchants are a little more energetic and a little more organized, there will be

several channels for expanding trade between India and Malaya.

The following figures taken from the official reports will give some idea about the trade between India and Malaya.

	1929	1930
	\$	\$
Exports from India to Malaya	73,725,731	63,767,023
Imports to India from Malaya	32,804,592	32,214,225
Total volume of Trade between India and Malaya	106,530,323	95,981,248

It will be seen from the figures above, that the trade between India and Malaya has fallen by 10% in 1930. This fact need not cause any undue anxiety because, as a result of the present trade depression the whole foreign trade of Malaya has fallen from 1,800 million dollars in 1929 to 1,400 million dollars in 1930 i.e., a reduction of 24%. The principal exports from India to Malaya are rice, cotton cloths, opium (Benares), Gunnies, Tobacco, onions, garlic etc....Principal imports from Malaya to India are: arecanuts, motor spirit, tin, fish (dried and salted), tapioca, kerosine etc. I don't see why the trade of cotton cloths between India and Malaya cannot increase tenfold. I would suggest to every Indian merchant here as well as in Malaya to study closely the annual reports entitled, "Foreign Trade of Malaya," issued by the Registrar of Statistics, Singapore. I hope this will help those who have the business knack to start new business. Those who have the brain and the capital to organise new business, will find plenty of opportunities in Malaya.

CHETTIARS AND MONEY-LENDING

Of all the businesses carried on by Indians, money lending by Nattukottai Chettiars is the most firmly established. They provide credit facilities to the Chinese and the Malays. In a way they act as small bankers to the Asiatics. Of late there had been in some quarters adverse criticisms to the effect that the Chettiars are Shylocks and parasites living upon the labour of other people. But I don't think there is any justification for this charge. Even great administrators of the country have admitted that the Chettiars are scrupulously honest and fair in all their dealings and they have rendered valuable service for the development of the country by providing capital to the Malay natives and the enterprising Chinese at reasonable rates of interest. Most of the landed proprietors among Indians are Chettiars and it is stated in official reports that lands valued at 10 crores of rupees are in their possession. Due to the present slump, they are badly hit. They find it almost impossible to recover the money lent to the Malay Small-holders and the Chinese traders. Several of their money-lending firms have suspended active business. To add to their troubles, recently a law was passed in the Federated Malay States restricting the sale for recovery of debt of small-holdings mortgaged to them. As soon as the draft bill was published in the F. M. S. Government Gazette for general information, the Chettiars were roused from their lethargy, they held several public meetings and passed resolutions to the effect that if this bill were to become law, their business would be ruined. Though only slight modifications were made in the bill to pacify the Chettiars, they however learnt the valuable lesson that their strength would in future

depend upon their organized efforts. With this object they have formed Chettiars' Chambers of Commerce in all important Malay States. Some of their chambers e.g. The Chettiars Chamber of Commerce (F. M. S.), are working very vigorously for safeguarding their interests. They have already requested the Malayan Governments to appoint their representatives to the houses of legislature and the municipal councils.

INDIAN ORGANISATIONS

Organizations in Malaya are formed with various objects: some purely religious, some religious and social, some religious, social and economic and a few social economic and political. So as to give a rough idea of the variety and the multiplicity of these organizations, I shall just mention the names of a few I have come across in the State of Selangor alone. The Chief among them are: The Catholic Choral Society, Pathar Sangam, Sanathana Dharma Sabha, Selangor Maruthuwar Sangam, Adi-Dravida Sangam, Nadar Paripalana Sangam, Indian Reading Room, Youngmen's Indian Association, Indian Printers' Association, Coastal Indian Association, Chettiar's Chamber of Commerce, Selangor Indian Merchant's Association and The Selangor Indian Association. Membership to these organizations is confined to Indians; but there are other bodies to which Indians as well as Ceylon Tamilians who are mostly Jaffnese, are admitted. The most prominent among them are Tamilian Physical Culture Association, Sangeeda Abhivardhana Sabha and the Suguna Vilas

There is an interesting controversy going on as to whether Ceylon Tamilians or Jaffnese are Indians and if ~~as~~ whether they cannot be admitted freely into the

various Indian Associations. From the appearance and the mode of speech it is difficult to distinguish between a Tamilian from India and a Tamilian from Ceylon. They have almost the same customs and manners and they are allowed to worship in the same temple; but the pity is that a large majority of our countrymen in Malaya are not inclined to consider the Ceylon Tamilians as Indians. This feeling is so intense that in 1931, when the Selangor Indian Association conducted an essay competition open only to Indians, about a dozen essays forwarded by Ceylon Tamilians on the plea that they are also Indians, were rejected by the special order of the Managing Committee of the Selangor Indian Association. Progressive Indian opinion is not however against admitting Ceylon Tamilians into the Indian Associations; but I am sure, any such measure of reform will have to meet bitter opposition from conservative circles. As the Ceylon Tamilians in the whole of the peninsula do not exceed ten thousand their voice will not be strong enough to mould public opinion or to influence the policy of the government. But their interests are almost identical with those of the Indians and therefore they are anxious to have a political union with the Indian community. The consensus of Indian opinion is that, if once they are admitted into their associations, they will seek election to the managing committees and so frame the policy of the associations to serve their own selfish ends. Whatever may be the outcome of this controversy it is to be admitted that the Indians have yet to learn many valuable lessons from the Jaffnese. They are very well organized and most of them are in the Government service while a few are drawing nearly \$600 p.m.—a salary which, I am afraid, very few Indians have ever drawn. To improve their

economic position they have formed a co-operative society known as the Jaffnese Co-operative Thrift and Loan Society with a membership of more than 1500 and a working capital amounting to several lakhs of rupees. The society is giving scholarships to deserving students from their own community. To encourage agricultural industry and to divert the attention of the educated Jaffnese young men to agricultural pursuits, this society has instituted special scholarships. If our countrymen had taken as much pains to organize themselves and to improve their lot in Malaya as the Jaffnese brethren, to-day I would have had to tell a different story altogether about the social, economic and political position of Indians. More than four lakhs of Indian labourers are scattered through out the country without any organization to safeguard their interests. There are more than a lakh of middle class Indians consisting of business men, clerks, traders, mechanics and artisans; but only a small minority among them are members of the several Indian organizations.

Now let us consider how these organizations are working. Most of them exist in paper only. Some have weakened themselves by internal quarrels and splits. In Penang there are two rival Indian Associations known as "Penang Indian Association" and "United Indian Association, Penang" and I was told that both of them are not working satisfactorily. They are like the Congress organizations in Calcutta split by rival leaders. In only one sphere these associations in Malaya seem to have made remarkable progress and that is in sports. Very recently by the efforts of these associations a sum of Rs. 1,000 was collected for sending Mr. Lall Singh of Kuala Lumpur to India. Fortunately for Mr. Lall Singh and the Malayan cricketers, he was selected by

the All-India Cricket Board to join the Indian Cricket Team that visited England this spring. For giving relief to the unemployed, though almost all the associations have appointed committees and collected funds, very little progress has been made. The Selangor Indian Association, one of the leading Indian Associations in Malaya with a membership of more than 400, was able to collect only Rs. 2,000 and repatriate only 38 persons to India during a period of one year. The Singapore Indian Association with a membership of about 300, provided deck-passages to India to 4 persons and spent about Rs. 300 for giving relief to the unemployed. These associations are holding lectures and debates periodically. When I was at Kuala Lumpur, I was able to start with the assistance and co-operation of the members of the Selangor Indian Association, Literary and Social Evenings for affording members and their families opportunities to meet together in a lively and homely atmosphere and to cultivate friendship and understanding which are highly necessary for building up "A" class Indian Associations in Malaya. Two English magazines are published one by the Singapore Indian Association and the other by the Selangor Indian Association. During the last 3 or 4 years there had been annual gatherings of Indians known as the "All-Malayan Indian Conference." The last Conference was held in April, 1931 under the presidentship of Dr. N. K. Menon whose presidential address was mercilessly criticised by some of the European newspapers. Whatever may be one's views on the constructive side of this speech, it has served some useful purpose as a severe and relentless attack on the backward position of the Indian community in Malaya. But the irony of the situation is that such a spirited speech should have, as

it were, sounded the death-knell of the All-Malayan Indian Conference, for ever since its last session, nothing has been heard about it.

Various reasons are assigned to the unsatisfactory working of the Indian Organizations in Malaya. First there is the lack of sufficient number of public spirited men to work ungrudgingly and disinterestedly for the progress of the Indian community. One essential requisite for such public service is leisure and those who have the leisure to do public service, are very few in Malaya. An ordinary Indian subordinate in the Government service or a mercantile employee will have no time to spare for public activities. From 8 o'clock in the morning till 5 or sometimes 7 or 8 in the evening they will be working in their offices. On Sundays, they have their own private affairs to look after. Conditions are different in India. We have at our disposal the services of retired Government servants and professional men. But Malayan Indians do not have this advantage, as their pensioners and retired business-men would return to India so as to spend the evenings of their lives in their own native places. The second reason for the inefficient working of these organizations is the absence of large numbers of really educated Indians in Malaya. Though there are some barristers, doctors, and a sprinkling of graduates of our universities, really able men with the zeal for public service are few indeed. The lack of capable men to be in charge of the various activities of the associations is keenly felt. When I was the Chairman of the Literary section of the Selangor Indian association, we wanted to start a magazine known as "The Selangor Indian." The greatest difficulty was to find a suitable person who is not in the government service to be the editor. There

was also an editorial committee to assist him. A set of rules was framed for their guidance and it was specially provided that nothing should appear in the magazine, likely to wound the feelings of any individual member or section of members. It is very regretful to note that the editor and the editorial committee did not care a pin for these rules, they took the law in their own hands and published objectionable articles suited to their whims and fancies without even a passing thought that their rash action would endanger the spirit of co-operation and good-will existing among members. In the very first issue of the magazine there was explosive material. The Hon'ble Mr. S. Veerasamy the Indian representative to the Federal Council and a life member of the association, was mildly attacked by referring to him as "Silent member". Mr. Veerasamy considered it as an insult and he tendered his resignation from the association, but later he was persuaded to withdraw it. Then everybody hoped that the Editor and the editorial committee would not repeat the same mistake. Three months were passed and out came the second issue in April this year and it caused almost a sensation among responsible and level-headed Indians. Before this sensation had time to cool down, there was the annual general meeting of the association, at which I am informed, that fiery speeches were made attacking the editor and the editorial committee. The second issue of the magazine in justifying the infallibility of the editor and the editorial committee, poured as it were oil into fire by publishing an article in which misrepresentation of facts and asperity of criticisms directed against Mr. Veerasamy, in the opinion of all the members, exceeded the bounds of decency and fair journalism. In referring to his work in the Federal Council, the article

says inter alia, "Mr. Veerasamy is not an Indian member in the Federal Council, because he is Mr. Veerasamy Bar-at-law, but because he happens to be an Indian." Again it continues, "..... it is human to err and that it is perhaps much more human to be blinded to things around by the dazzle and splendour of one's elevation to the Federal Council." It is very painful to see this magazine, for whose birth I had to work so hard fighting tooth and nail against opposition, adopting a policy of awakening sleeping members by abusing them. While I should say to the credit of the Editorial Committee that they would have won for their laudable work under very trying circumstances, the admiration of the Indian community, by refraining from giving publicity to an offensive article like this, I should gently remind them that the alleged inactivity of Mr. Veerasamy is partly the fault of the Indian community and the Indian organizations in the Federated Malay States. I hope there will be a change of heart on the part of the editor and the editorial committee and they will make a new start. I narrated this long story only to show that the Indian organizations in Malaya are yet in their infancy. For their growth they require the services of men and women with well balanced views and real public spirit not impaired by unjust prejudices against any person.

Very recently the Selangor Indian Association has been advocating the formation of a "Federation of Indian Associations in Malaya." It is a very useful suggestion and I think it will be better if the leading Indian Associations in Penang, Kuala Lumpur and Singapore invite some prominent public men from India to assist them in framing the constitution of such a Federation. The person invited should have a

theoretical and practical knowledge of the working of similar organizations in India. If the person so selected belongs to the Congress party, that may rouse the suspicion of the Malayan Governments and therefore it is preferable to have a person belonging to the Liberal school of politics in India or a prominent member of the Servants of India Society. I wish that every Indian Association would do its utmost that it may have in fullness of time a Federation powerful enough to speak with authority on any matter connected with the Indians in Malaya.

POLITICAL STATUS

A prominent Chinese member of the Legislative Council described the system of administration in the Straits Settlements as worse than that of a tenth-rate British Colony. While every citizen in the Colony of Ceylon is contributing per annum on an average of Rs. 20 only to the state coffers, the average government revenue per head in the Straits Settlements is Rs. 45. But a subject of the Ceylon Government has the privilege of electing a representative to the State Council, which privilege a taxpayer in the Straits Settlements does not enjoy. To have an idea of the form of Government of the Straits Settlements, we have only to imagine the picture of a province in British India which has a legislative council with an official majority and all the unofficial members with the exception of two, nominated by government. If we can consider for a moment that the four Native States of Mysore, Travancore, Cochin and Pudukkotta have entered into a sort of federation with many of the departments common and a central legislative council with an official majority and all the unofficial members.

nominated by government, then that will represent the government of the Federated Malay States. As for the Unfederated Malay States, they are like any native state in India, the Sultan in each State having almost autocratic powers. The only Indian representative to the Legislative Council is Honourable Mr. H. H. Abdool Cader and the only Indian representative to the Federal Council is Honourable Mr. S. Veerasamy.

The Straits Settlements Association, the various Chinese organizations in Malaya and the All Malayan Indian Conference have repeatedly asked for "Council Reform." They want a Legislative Council with a majority of elected representatives. How much the Chinese are dis-satisfied with the apathy of the government in this matter is reflected in the Chairman's speech at the recent annual general meeting at Penang of the Straits Chinese British Association. "Our joint petition to the Governor," he said, "on the subject of council reform met with a rebuff despite the moderation of our demands and the justness of our cause. The official reply to the petition is a verbal quibble beloved of the bureaucrat rather than of the statesman. Public opinion in the colony as reflected by the Press is in favour of Council reform.....In view of the political development in other colonies, is the re-constitution of the Colony's Legislative Council with an unofficial majority so revolutionary a change as is made out by obscurantists? It is to be hoped that some of the members of the Council will initiate a discussion of the subject in council and press the government to appoint a commission to go thoroughly into the question". For an authoritative statement on the necessity of council reform, I cannot do anything better than to quote the words of Sir Frank Swettenham who was

once the Governor and High Commissioner for Malaya. "It might be in the interests of the country" he wrote in his well-known book on British Malaya, "if some at any rate of the unofficial members were appointed by a form of popular election. There are a number of well recognized public-bodies in the Malay States, Planters and Tin Miners Associations, Chambers of Commerce and so on to which the election of certain unofficial members of the council might safely be entrusted. There seems no strong reason why the representatives of the Chinese and the Indian communities should not be chosen or at any rate nominated by a similar procedure and while this course would almost certainly appeal to the various nationalities concerned it might result in the public benefit." Almost the same view is endorsed by the Colonial Office Conference held in 1930. Dr. T. Drummond Shiels, Parliamentary Under Secretary for Colonies, as Chairman of the Conference, said *inter alia*, ".....one important principle held strongly by this government was that subject people should be given every opportunity to develop to their fullest capacity in all directions and particularly in that of ultimate self-government. He was confident that this principle had the sympathy and support of Colonial Governors and Governments." If this is the real aim of British Government, nothing is so urgent as to reconstitute the Legislative Council so that there may be a majority of elected members. In the reformed council it is quite essential that there should be special representatives of the Chinese and the Indian labourers. I am strongly of opinion that such representatives of the Indian labourers should be chosen by the labourers themselves by some suitable method devised by the Controller of Labour and the Indian Agent.

While the burning topic of conversation in political circles in the Straits Settlements is "Council Reform," the "Decentralization" proposals of the F. M. S. Government are keenly discussed by the Malays, the Chinese and the Indians residing in the Federated Malay States. Some of the principal features of the decentralization scheme as I stated in a previous chapter are (1) the Chief Secretary will disappear from the scene (2) The Federal Council will become a shadow of what it is today (3) The Sultans and the State Councils will become more powerful. So far as the Indians are concerned the abolition of the post of the Chief Secretary is not of much importance. What really affects their interests is the transference of much of the powers of the Federal Council to the State Councils. The State Councils as at present constituted contain an overwhelming majority of Malay members. Indians are very poorly represented on the State Councils. In three out of the four Federated Malay States, one Indian member is appointed to each State Council—in Perak Mr. Louis Thivy, in Selangor Honourable Mr. S. Veerasamy J. P. who is also a member of the Federal Council, and in Negri Sembilan Dr. S. R. Krishnan J. P. It is highly necessary that the several Indian Associations in the Malay States should urge the respective governments for increased Indian representation. If the Chinese and the Indians are not given seats in the State Councils somewhat in proportion to their numerical strength, I fear, it will kindle in their hearts discontent with the British Government. Let the Government take note of the warning given by Mr. Heah Joo Seang. "I take this opportunity to sound a note of warning in regard to certain recently developed tendencies which if allowed to run out their full course, are not calculated to promote harmonious relations among the various races which go

to form the cosmopolitan population of this country. I refer to the movement which is inspired by the slogans "Sons of the Soil" and "Malaya for Malays." The marked preference shown to one section of British Subjects may be an astute move in the politician's game, but it is a germ of latent racial hostility."

GENERAL

Before concluding this review, I shall refer briefly to certain matters which are of vital importance to the welfare of the Indian community in Malaya. First of all, there is the *Law of Banishment* the unfair operation of which is keenly resented by the Chinese, the Indians and all other nationalities except the Malays. According to this law the authorities have power to banish any person from any part of Malaya whenever it appears to them that there are reasonable grounds for believing that the banishment of such a person is conducive to the good of the state. The worst part of it is that there is no appeal against the order of banishment. Nor is the person affected given an opportunity to vindicate his innocence in the open court. At the Federal Council meeting held on March 14, 1932, Hon'ble Mr. Cheah Cheang Lim, voicing the feelings of the Chinese community against this piece of unfair legislation said, "In Malaya, the Banishment Enactment is a powerful weapon in the hands of the Executive and is often used even against people who are acquitted by the Courts. According to the latest judicial pronouncement, it is a veritable sword of Damocles hanging perilously over the heads of the whole population excepting the Malay subjects of the Rulers who, I understand, are exempted." In supporting the views of his Chinese

friend, Hon'ble Mr. Veerasamy gave a picturesque description of the modus operandi of this law. "No government," he said, "to-day in any civilized country in the world will ever claim the right to arrest a subject, put him in chains, lock him up in prison, deprive him of access to his wife, family and friends, remove him thence at its own will and pleasure, place him on board a foreign ship, transport him across the seas and then cast him in some corner of the earth, without trial, without the semblance of a trial. This is what banishment means." What security is there if Indians and Chinese born and brought up in Malaya, are banished in this way? They have contributed and their forefathers have contributed as much to the development of Malaya, as the Malays themselves. It is to be readily conceded that the land belongs to the Malays. But what about capital and labour? The Chinese labour the Indian labour, European capital and Chettiars capital all these have played their respective parts for making Malaya what it is to-day. In fairness and equity a Malayan born subject whatever may be his nationality should not be banished without proper inquiry and proper trial.

Workmen's Compensation : At the Colonial Office Conference, 1930, the Chairman, Dr. Drummond Shiels said that there were Workmen's Compensation Ordinances in a number of colonies and he wished to state that His Majesty's Government desired to see a wider application of this form of legislation. But it is to be regretted so far as Malaya is concerned that there is no such law in force. To remedy this defect, in January 1929, a bill known as Workmen's Compensation Bill was passed by the Federal Council; but the date of its coming into force was postponed pending the

Government of the Straits Settlements passing similar legislation. Unfortunately the whole matter has been shelved. At one time it was stated that the Malayan Governments were awaiting the publication of the Royal Commission Report on labour in India. This report was published a year ago and based on the recommendations of this commission a bill has been introduced into the Legislative Assembly with a view to amending the existing law of Workmen's Compensation. Still no action has been taken by the Malayan Governments to give relief to the victims of accidents or their dependants. Whatever may be the cause of this undue delay to introduce legislation so essential for the welfare of the working people, the fact remains that hundreds of poor widows and dependants of workmen who have met with fatal accidents are left without relief. Last year when I was at Kuala Lumpur, an application for assistance was made to the Selangor Indian Association by one Nair from Malabar who was employed in a private dispensary. He completely lost his eye-sight as a result of an accident while opening a medicine bottle. The poor man was in a miserable state because his employers did not pay him enough money even for a passage to India. As legal action was out of question in the absence of a Workmen's Compensation Act applicable to Malaya, the association opened a subscription list and the money so collected was handed over to him.

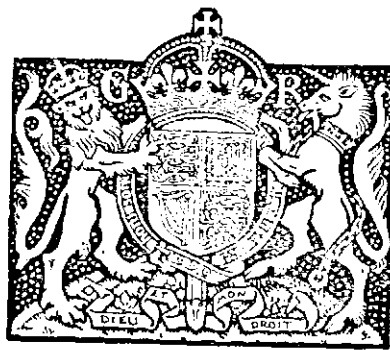
Indian Colonisation: Though various schemes have been tried in the past for the permanent settlement of Indian labourers on lands, they were without much success. The Controller of Labour in replying to the Indian member in the Federal Council in 1928, has promised to consider such schemes most sympathetically.

In disagreeing with the view of the majority of his colleagues of the Malayan Rice Cultivation Committee, that it is not advisable to give artificial stimulus to agricultural immigrants from India and China, Hon'ble Mr. Tan Cheng Lock observes, "while agreeing with the view of the committee that in any policy for the extension of rice cultivation due and full regard should be given to the requirements immediate and future of the Malay inhabitants of the Malay States, I am strongly of opinion that people of the non-Malay races, such as the Chinese and the Indians should be permitted and encouraged to acquire land in Malaya outside the Malay Reservation for the purpose of rice planting." As long ago as 1917 Government of India realised the importance of Indian immigrants to Malaya, settling down permanently on land and Mr. Ahmed Thanubi Marakkayar and Sir Norman Marjoribanks were sent out by the Madras Government to inquire into the possibilities for Indian Agricultural Colonisation in Malaya. It is high time that an influential deputation is sent out to Malaya in order to catch up the work already turned out by the Madras Commissioners fifteen years ago and also to inquire into the problems of sex-ratio, standard wages and other kindred subjects connected with Indian labour. In 1930, Government of India was about to send a deputation; but considering the parlous state of the rubber industry, the sending of this deputation has been postponed. Due partly to the trade depression and partly to the failure of an effective rubber restriction scheme, it is not likely that the rubber industry will regain its former position within a short time and hence there is no use of waiting till better times for sending out a deputation.

Indian Agent : After the passing of the Indian Emigration Act of 1922, an Agent of the Government of India in Malaya was appointed to protect the interests of the Indian labourers who are mostly Tamilians with a few thousands of Telugus and Malayalees. Even in this small over-seas appointment, communal representation is strictly observed. The first Agent was a Tamilian, the second a Telugu and the present one a Malayalee. The Agent is of the cadre of a Deputy Collector in the Madras Provincial Civil Service. Without the slightest intention of casting any reflection on the work of the successive Indian Agents who undoubtedly have done their arduous duties honestly, diligently and to the best of their abilities, I am constrained to remark that as the whole of their careers have been spent in the Government service accustomed to regular routine work, they do not possess initiative and organizing ability to the same extent as leading professional or business-men who as members of legislative councils or as distinguished members of prominent organizations, have acquired some knowledge of the working of Government departments. I would suggest that such unofficial gentlemen should in future be appointed as Indian Agents in Malaya. I am sure, if distinguished public men, like Rt. Hon'ble V. S. Srinivasa Sastri and Sir K. V. Reddi who were sent to South Africa as Agents, were sent to Malaya, to-day the position of Indians in that peninsula would have been far better socially, economically and politically.

Internationalism in Malaya : During my stay in Malaya what impressed me most was the friendship and understanding that exist among the different nationalities that constitute the cosmopolitan population

of this far-eastern country. Communal and racial riots among them are almost unheard of. Inter-racial and inter-national marriages are very popular. Indians marrying Chinese, Chinese marrying Eurasians, Eurasians marrying Malays, Malays marrying Ceylonese and Ceylonese marrying Indians are quite usual and nobody will stare at the sight of a Chinese Lady, on a fine Sunday morning, accompanying her Indian husband to a Christian Church. There was actually a case of a Malayalee marrying a Ceylonese, their son marrying a Japanese and their son in turn marrying a Chinese. The problem is to find out the nationality of the issue of the last mentioned couple. However difficult this problem may be, for the welfare of Indians in Malaya they should live in peace and harmony with other nationalities there. In conclusion I have only to exhort my country men to observe the spirit of the message of Mahatma Gandhi to Indians and Ceylonese residing in Malaya that "they should represent the best traditions of the countries from which they come and befriend the people on whose good will and co-operation their living in the peninsula depends".



REPORT OF
BRIGADIER-GENERAL SIR SAMUEL WILSON,
G.C.M.G., K.C.B., K.B.E.,
Permanent Under-Secretary of State
for the Colonies on his

VISIT TO MALAYA
1932

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Map.

To the Right Honourable
 SIR PHILIP CUNLIFFE-LISTER, G.B.E., M.C., M.P.,
 Secretary of State for the Colonies.

SIR,

I was instructed by you to proceed to Malaya in the autumn of last year with a view to discussing with the High Commissioner, the Malay Rulers, and the leaders of public opinion, the proposals which have been made to decentralize certain public services in the Federated Malay States.

You took this course because you wished His Majesty's Government to have the fullest information at first hand on all aspects of the matter.

I left London on 20th October, 1932, and, travelling via Marseilles, reached Penang on 10th November, 1932. In addition to paying visits to Penang, The Dindings, Malacca, and Singapore, I visited during my stay in Malaya the following Malay States in the order mentioned:—Kedah, Perlis, Perak, Selangor, Negri Sembilan, Pahang, and Johore; and in all cases I had the opportunity of discussing with the Rulers, and in some cases their State Councils too, such matters as they wished me to bring to your notice. At Kuala Lumpur and Singapore at both of which places I stayed for some days I had the advantage of being able to confer, in the presence of the High Commissioner, with the officers of the Federated Malay States and Straits Settlements Governments. At the end of a month's stay in Malaya I proceeded, in accordance with your instructions, to visit Hong Kong and Ceylon, eventually embarking for England at Colombo on 18th January, arriving at Marseilles on 3rd February and in London on 4th February. A full itinerary of my tour is given in Appendix I.

As regards the controversy during recent years concerning the system of government in the Federated Malay States, I intend to confine myself to giving a brief summary of the events which have led up to the situation that exists to-day, since in my opinion little is to be gained by repeating the arguments which have been put forward on one side or the other.

I propose to face facts as they are now, and to suggest to you what appears to me a possible solution of the delicate problem of reconciling the natural political aspirations of the Rulers with the practical difficulties, economic and administrative, of decentralizing a system of government in a territory the size of Malaya.

I would, however, say in this introductory note that I think that all those who have given the situation in Malaya serious thought very much regret the difficulties that have arisen from time

to time in the past twenty years between successive High Commissioners and the officers holding the post of Resident-General, or Chief Secretary, at Kuala Lumpur, culminating as they did some years ago in the unconcealed friction that existed between the holders of these two posts. So far as I have been able to ascertain, the situation then created has been to a great extent responsible for the change that, I am told, has taken place in the spirit of co-operation and goodwill that had always existed between all sections of the community before then. Further, I am led to believe that the same situation paved the way for the growth of the feeling of suspicion and mistrust which appears to exist to-day between the Colony and the Federated Malay States.

In dealing with the different aspects of the decentralization proposals I have done so in what appears to me to be their order of importance, viz., political, financial and economic, and administrative. I mention the point because I think that there is a tendency in Malaya to exaggerate the administrative difficulties that may arise if changes are made and to forget that in all cases the administrative machine exists for the benefit of the country and its people and not vice versa.

I am much indebted to the Governor and High Commissioner for the very excellent arrangements which he made in order to enable me to carry out my task. I also owe a deep debt of gratitude to the High Commissioner and Rulers and all those who gave us such a warm welcome and extended to us so much kind hospitality.

I have also to thank Mr. Gent of the Colonial Office who accompanied me as my Private Secretary and has rendered me invaluable assistance.

Finally I wish to record my deep appreciation of the courtesy of the Malayan Press, which, interested as it was in the whole question of decentralization and the High Commissioner's policy, refrained during my tour in the country from publishing any controversial matter on the subject.

S. H. WILSON.

25th February, 1933.

REPORT

CHAPTER I.*

Constitutional and administrative developments up to the post-War period.

The original Treaties concluded with the Rulers of the Malay States were not identical in terms, but each provided for British protection and for assistance in administration by the appointment of a British officer by the Governor of the Straits Settlements to reside in each State. The advice of that officer was to be asked for and acted upon in all matters other than those touching Mohammedan religion and custom.

The first of these Treaties was the Treaty of Pangkor concluded with the Chiefs of Perak in 1874. In the fifteen years which followed, British Residents were also appointed in Selangor, Negri Sembilan, and Pahang. At that time the exploitation of the tin-ore resources by foreign, chiefly Chinese, enterprise was leading to a rapid opening up of the country: and the Malay Rulers and Chiefs had neither the administrative organization nor the resources to exercise proper control.

The result was that the British Residents had no option but to gather the reins of government into their own hands in spite of an explicit statement by the British Government that their functions were not administrative. This statement explained that a Resident was placed in a Native State as an adviser, not as a ruler, that his functions were the giving of responsible advice, and that he was not to interfere more frequently or to a greater extent than was necessary in the minor details of administration. But it did not take full account of the administrative inexperience of the Malay Rulers and the limited resources at their disposal, or of the fact that at the time the Malay Governments maintained a precarious existence and were to all intents totally lacking in proper organization. It does not require a great stretch of the imagination to understand how, in the circumstances, the Residents were forced to create and control the administrative systems in the States and to expand and adapt them to meet the needs of a rapidly developing country.

The Malays, who shared in the growing prosperity which resulted, accepted the new régime without resentment, but the rapidity of the country's material development outstripped the advancement in education of the Malays. The result was that Asiatics differing in religion and customs of life from the people of the Peninsula were recruited for employment in commerce and industry and

* A general description of Malaya and its constituent parts is given in Appendix II.

monopolized the most prized posts in the subordinate government services.

In 1893 the Marquess of Ripon, then Secretary of State for the Colonies, suggested federation which the Governor welcomed as likely to lighten his own work and to promote co-ordination between the four States concerned.

In 1895 a draft scheme of federation was approved by Mr. Joseph Chamberlain, who laid down that no pains should be spared to safeguard the position and dignity of the Malay Rulers, that they should be invited to continue to co-operate with their British advisers in promoting the advancement of their respective territories and subjects, and that they should be given the assurance that such changes as were to be made were solely intended to promote strength by co-operation. Further they were to be assured that in binding themselves and their States they would not be diminishing in the slightest degree the powers and privileges they then possessed nor would they be curtailing the right of self-government which they enjoyed.

In the result the Treaty of Federation of 1895, the terms of which are reproduced in Appendix III, was readily signed by the Rulers of the four States of Perak, Selangor, Negri Sembilan, and Panang.

On a strict interpretation the terms of the Treaty are in some respects contradictory. It may however be maintained :—

(a) That the Treaty itself conveyed no power of control to the Resident-General, whose office was created under Clause 4, nor did it in any way change the advisory status of the Governor's representative.

(b) That the term " Federation " as applied to the form of union created by the Treaty was a misnomer, since the Treaty did not establish any central Government, did not make any attempt at a division of powers, but did on the contrary preserve all former State rights.

Various and conflicting as are the opinions which have been expressed by persons of knowledge and authority on the precise intentions of those who drafted the Treaty, there can be no doubt that it did in fact effect substantial changes.

For example previous to the Treaty the *de facto* executive power (matters concerning Mohammedan religion and Malay custom excepted) had been left by the Ruler in each State to his British Resident, who consulted the Ruler whenever he thought desirable. The creation, as the result of the Treaty, of a Federal Secretariat under a Resident-General, whose advice had to be followed in all matters of administration, removed many of the powers previously exercised by the Residents to a superior authority who was not in continuous and personal touch with the Rulers; and the same authority took over complete supervision of the rapidly expanding finances of the States: and the unified control which resulted was a great stimulus to commerce and development.

The State Governments, even if they had wished, were powerless to check centralization in the Federal Government and to escape from the ever expanding activities of the federal departments.

From time to time there were isolated protests from individuals against encroachments by the Federal Government; and in 1903 the Sultan of Perak, at an annual meeting of the Rulers, pleaded for the maintenance of State rights, but on the whole there can be little doubt that there was general acquiescence in the federal system, where there was not whole-hearted approval.

The first attempt to modify the system was made by Sir John Anderson in 1909, because at that date he considered there was a strong feeling on the part of the Malay Rulers against the loss of authority by the State Governments. He decided to curtail the powers of the Resident-General and the federal machine, by the creation of a Federal Council with the High Commissioner himself as President and including the Rulers and Residents as members. He also instituted conferences between the High Commissioner, the Resident-General, and the Residents with a view to keeping the High Commissioner in direct touch with the views of the Rulers. Finally he changed the title of "Resident-General" to that of "Chief Secretary to Government".

The Federal Council was accordingly constituted under the terms of an Agreement, concluded with the four Rulers of the Federated States in October, 1909. The terms of this Agreement are reproduced in Appendix IV (i).

This Agreement may be said to mark a definite attempt to create a genuine federal system. Legal critics have pointed out the inconsistencies of the actual terms of the Agreement, but, whatever its shortcomings may have been, it did create the Federal Council as the main legislative and financial authority for the Federated Malay States, and it did attempt a division of powers by allocating certain questions to the sphere of the State Councils.

The change of title of the Resident-General was also effected, but no actual steps had been taken to restrict his powers before Sir John Anderson's term as High Commissioner came to an end in 1911: and it is interesting to note in this connexion, that the first Chief Secretary in his Annual Report for 1910 recorded the change in title, but at the same time observed that the duties and responsibilities of the post would remain the same.

The years 1910-13 marked a great expansion in the rubber plantation industry, high prices in the tin mining industry, and phenomenal increases in Government revenues: and in the general rush of development, bringing with it increased prosperity, any discontent with the highly centralized bureaucracy at Kuala Lumpur seems to have been forgotten.

This period was followed by the War when everything was subordinated to the Empire's struggle for existence. During these critical years the Malay Rulers and their peoples were in the first

rank in their generosity and their eagerness to help the British cause.

The many difficult problems which arose in the Federation were ably handled by the Chief Secretary to Government and his assistants, and the many fresh extensions of bureaucratic control went unchallenged.

CHAPTER II.

Constitutional and administrative developments subsequent to the War.

When Sir Laurence Guillemard took up the duties of High Commissioner in February, 1920, he found that some of the Rulers of the Federated States were not satisfied with the position and were apprehensive that federal encroachment might grow worse.

The sequel was that the whole question of the future of the Malay States came under consideration, and in December, 1921, the High Commissioner was authorized to make a declaration in the Federal Council to the effect that it was not the policy of His Majesty's Government to extend the Federation to embrace any of the States not already included, unless at their own wish, but to aim at friendly co-operation between the Colony, the Federated States, and the Unfederated States on all matters of common interest.

In the following year it was announced in the Federal Council that the question of the transfer of power from the Federal to the State Governments was under consideration, and that it was hoped to increase the powers and functions of the State Councils in some important respects; and assurances were given from time to time during this period, that it was the intention of His Majesty's Government to give effect to a policy of decentralization.

Slow progress was made, however, in giving any practical effect to these assurances, and the first step which calls for notice was the passing of an enactment in April, 1924, which empowered the Chief Secretary to dispense, by notification in the *Gazette*, with those statutory provisions which necessitated the approval of the Chief Secretary being given before a Resident could take action in certain matters.

During a visit to England in August, 1924, His Highness the Sultan of Perak took the opportunity to visit Mr. J. H. Thomas, then Secretary of State for the Colonies, to ask for the restriction of the powers of the federal authority and the transfer to the State authorities of the control of their domestic affairs.

In 1925, Sir Laurence Guillemard, the High Commissioner, visited England and discussed the question with Mr. Amery, who was then Secretary of State for the Colonies.

As the result of these discussions, an official announcement was made in the Malayan press to the effect that it had been common ground for years past that the administration of the Federated Malay States was too highly centralized and that the root of the

difficulty lay in the great powers of control which were vested in the Chief Secretary; and it was stated that the whole question was under consideration.

Sir Laurence Guillemard, who returned to Malaya towards the end of 1925, explained in December of that year to the Federal Council that the Government was committed to a policy of decentralization and that the logical outcome of that policy was the gradual devolution of the powers of the Chief Secretary until the office as then constituted practically ceased to exist. The High Commissioner also suggested to the Federal Council the possibility of the Rulers electing in due course to withdraw from membership of the Council to the serener atmosphere of an Upper House or periodical Durbar; and he expressed the view that it might be found to be a good thing if only members of the State Councils were eligible for appointment as unofficial members of the Federal Council.

Opposition to the policy of decentralization concentrated on the proposal to reduce the powers and status of the Chief Secretary; and the subsequent controversy showed that the European and Chinese unofficial members of the Council, and practically the whole commercial community took the same view. They argued that a reduction of the powers of the Chief Secretary as proposed would, to a large extent, release the State Governments and the Residents from the control of the Federal authority, and would shake public confidence in the financial stability of the Federated Malay States.

Progress towards giving effect to a policy of decentralization was made in two respects before Sir Laurence Guillemard's term of office (which had been extended for one year on account of the proposals) came to an end in 1927. These were:—

(a) The rearrangement in 1927 of the various Heads of Expenditure in the Annual Estimates in three categories as follows:—

(i) *Federal Services* to be provided for in the Federal Estimates.

(ii) *Reserved (State) Services* to be shown in the State Estimates.

(iii) *Unreserved Services* to be regarded as not yet finally allocated, and to be susceptible of classification in either the Reserved (State) Estimates, or the Federal Estimates and to be shown in a volume "Unreserved Services."

(b) The conclusion in 1927 of a new Agreement* with the Rulers for the reconstitution of the Federal Council. By this reconstitution the Rulers withdrew from active membership of the Council though retaining the right to be present at any meeting if they wished; the unofficial membership of the Council was enlarged to give it a more representative character and its legislative and financial authority was defined.

* For the terms of this Agreement see Appendix IV (ii).

No further steps towards giving effect to a decentralization policy were taken during the time that Sir Hugh Clifford held the post of Governor and High Commissioner, and it was not until 1930, when Sir Cecil Clementi took up the appointment, that the question of taking further steps was raised.

In this year (1930) the four Rulers re-opened the question of decentralization at the Annual Durbar, and in the following year the High Commissioner, who was home on leave in England, discussed the matter with Lord Passfield, who was then Secretary of State for the Colonies.

As the result of this discussion, the Secretary of State wrote to the officer who was acting as High Commissioner informing him that he agreed with Sir Cecil Clementi's views as to the existing Constitution being capable of improvement, and added that, as a preliminary measure, it was desirable to explore the question of how far the defects in the existing relations between the several States and Settlements in the Peninsula could be remedied. At the same time the Secretary of State pointed out that the problem was a large one and would require full consideration in Malaya before any definite proposals were submitted to His Majesty's Government for consideration: and he explained that he had authorized Sir Cecil Clementi on his return to Malaya to discuss his proposals with the Rulers and to ascertain their views.

In August of the same year, Sir Cecil Clementi, after his return to Malaya explained to the Rulers at a Durbar held at Sri Menanti his proposals for giving effect to a policy of decentralization: and he dealt with the matter still further in an address to the Federal Council on 14th November, 1931, and at a Durbar held at Pekan in April, 1932.

It was in connexion with these proposals that I was instructed by the Secretary of State for the Colonies to visit Malaya, and they are consequently fully dealt with in the succeeding chapters of this Report. I will confine myself therefore, at this stage, to giving a brief summary of their scope.

The proposals as adumbrated by the High Commissioner at the Sri Menanti and Pekan Durbars provide for:—

(a) The transfer to the State Governments of the control of the following departments, viz., Agricultural, Co-operative, Educational, Electrical, Forestry, Medical, Mining, Public Works, and Veterinary.*

(b) The strengthening of the State Councils and an extension of their powers.

(c) The abolition of the post of Chief Secretary as now constituted.

* The Drainage and Irrigation Department which is now a separate department was at this time included in the Public Works Department. The Prisons Department has been subsequently added to the list.

(d) The control of the Railways by a new railway board to be appointed in addition to the existing Advisory Board; and the control of Posts, Telegraphs, and Telephones by a postal board.

(e) The organization of certain services such as Customs and Surveys on a pan-Malayan basis.

(f) The discontinuance of the system of having in the Colony and the Federated Malay States separate heads of certain departments, and the creation of a single head of each service for the whole of Malaya, these officers being vested with executive powers in the Colony but only with advisory powers in the Malay States.

(g) The abolition of that volume of the Estimates entitled "Unreserved Services", thus reducing the number of volumes of Estimates in future from six to five, the services shown at present under "Unreserved Services" being shown in either the Federal volume or the State volumes; those whose final allocation is not decided being marked with a note to that effect.

The announcement of the High Commissioner was welcomed by the Rulers of the Federated States, but many of the proposals, and particularly that for the abolition of the post of Chief Secretary, were soon the subject of public criticism. Indeed, very considerable opposition has been shown by the business community as a whole—European, Chinese, and Indian—to the proposed abolition of the post of Chief Secretary. The reasons for this opposition are similar to those which underlay the criticism of the proposals made by Sir Laurence Guillemard some seven years earlier.

It is interesting to note that the criticisms of Sir Cecil Clementi's proposals show a particular apprehension that what will result is not so much decentralization in the Federated Malay States as centralization in Singapore. The possibility of such a situation arising appears to be viewed with dismay by the commercial and business communities in the Federated Malay States, who freely express the view that in such circumstances their interests would be sacrificed to those of the Colony.

CHAPTER III.

Political aspects of decentralization proposals.

From a purely economic point of view it would no doubt be advisable in a country the size of Malaya to have one Central Government administering the whole territory.

There is, however, the political aspect of the problem; and as pointed out in the previous Chapter, the creation outside the terms of the Treaties and Agreements of the highly centralized bureaucracy that exists at Kuala Lumpur to-day has led in recent

years to a growing wish on the part of the Rulers for a transfer to the State Governments of more control of their own affairs, and for the assimilation of the position of the Rulers of the Federated States to that of the Rulers of the Unfederated States. Further there can be little doubt that the events of recent years have encouraged the Rulers to believe that it is the intention of His Majesty's Government to adopt in the near future a policy of decentralization; and the adoption of any other course now would, I am afraid, shake to a great extent the confidence of the Rulers in the bona fides of the British Government. Without doubt the Rulers one and all expect some considerable measure of decentralization.

Moreover it seems clear that the maintenance of the position, authority, and prestige of the Malay Rulers must always be a cardinal point in British policy; and the encouragement of indirect rule will probably prove the greatest safeguard against the political submersion of the Malays which would result from the development of popular government on western lines. For, in such a government the Malays would be hopelessly outnumbered by the other races owing to the great influx of immigrants that has taken place into Malaya during the last few years.

Politically everything seems to point to the desirability of the Rulers and their respective Governments being allowed to have control of their own domestic affairs without interference except in those cases where a unified policy is clearly necessary.

That this should be the ultimate political relationship between the different Governments of Malaya appears to be the High Commissioner's view, having regard to his pronouncement at the Sri Menanti Durbar in August, 1931, and to the decentralization proposals that he has formulated during his three years' tenure of office which are designed to assimilate the position of the Rulers of the Federated States to that of the Rulers of the Unfederated States.

Some closer assimilation is obviously an essential preliminary to any scheme for the promotion of co-operation between the constituent parts of Malaya as a whole, and until the knot now tied so tightly in the Federated States can be loosened it would appear hopeless to suggest that the Rulers of the Unfederated States should come into any form of Malayan League, or even agree to meet together periodically to discuss matters of common interest. A possible explanation of why the High Commissioner has not made a more explicit statement in regard to his proposals for decentralization is firstly the fact that the Secretary of State has not yet approved a decentralization policy as a whole, and secondly a reluctance on the part of the High Commissioner to do anything that might arouse a suspicion in the minds of the Rulers of the Unfederated States that there was an intention of forcing them against their will into any form of closer union.

Any such suspicion would, as I have pointed out to those Rulers whom I have had the honour of meeting, have been quite unjustified because, as I was authorized to tell Their Highnesses the Sultan of Johore and the Regent of Kedah, His Majesty's Government have no intention of requiring the Ruler of any Unfederated State to enter against his will into any kind of Malayan League or Union.

On the other hand, and while there is no such intention on the part of His Majesty's Government, it is obvious, as I have pointed out to Their Highnesses the Sultan of Johore and the Regent of Kedah, that there must be many questions on which joint discussion could not but be of advantage to every constituent part of Malaya; and, as I have suggested to these Rulers, this can be done without interfering to any great extent with their natural desire to retain their independence in the administration of the domestic affairs of their States.

However, from my discussions with Their Highnesses it appears to me that these two Rulers would be very reluctant to commit themselves at the present time to any closer co-operation than there is to-day with the other Governments in Malaya: and from what I learnt from the British Advisers in Kelantan, Trengganu, and Perlis, the Rulers of those States would take the same view.

Everything seems to point to its being some considerable time before the Rulers of the Unfederated States are likely to agree to do more than take part in occasional Durbars, or Conferences, for the discussion of questions of interest to Malaya as a whole: and I think also that the day is a long way off before it will be practicable, or desirable, to decentralize to such an extent in the Federated States as to put the Rulers of these States in exactly the same position as that in which the Rulers of the Unfederated States are to-day.

Time and experience alone will show to what extent it will be possible to assimilate the positions of the two sets of Rulers.

I am of opinion, however, that for political reasons there is everything to be said for the gradual substitution in the Federated Malay States of a genuine federal system for what the High Commissioner describes as the "amalgamation" of to-day, and I am of opinion that, as the first stage in carrying out such a policy, effect might be given to the proposals adumbrated by the High Commissioner at the Sri Menanti Durbar in August, 1931, for putting the Agricultural, Co-operative, Educational, Electrical, Forestry, Medical, Mining, Public Works, and Veterinary Departments under State control.* It is not possible at the present time to visualize what changes may prove desirable in the subsequent

* The Prisons Department has since been added to this list and I see no objection to its inclusion. The Drainage and Irrigation Department which was part of the Public Works Department has been separated from it.

stages, but those which one can foresee as likely to be most urgent will be primarily financial and administrative and they are dealt with in the two following Chapters.

As another political aspect of the problem of decentralization, I should mention that the representatives of the Chinese and other non-Malay communities strongly pressed their claim that the interests of non-Malays born in the Malay States should not suffer as the result of any decentralization proposals that may be approved. I deal with the anxiety shown by these communities in Chapter VII.

It is also right to mention in this Chapter that the increase that has been made recently in the composition of the State Councils is likely to strengthen the demand on the part of the Rulers and the State Governments for more control in the administration of their own affairs.

To summarize, there is a strong case on political grounds for giving the Rulers of the Federated Malay States control of their own domestic affairs, and I recommend that as a beginning effect should be given during the next four years to the scheme proposed by the High Commissioner at the Sri Menanti Durbar in August, 1931, for putting the Agricultural, Co-operative, Educational, Electrical, Forestry, Medical, Mining, Public Works, and Veterinary Departments under State Control*.

CHAPTER IV.

Financial and economic aspects of decentralization proposals.

The great importance that must be attached to the financial and economic aspects of any scheme of devolution makes it desirable at this stage to consider the matter from these aspects.

A local committee which met for this purpose in 1932 expressed the view that, in no circumstances should a policy of decentralization be allowed to impair to any degree the financial stability and credit of the Federated Malay States as they exist to-day. The committee emphasized the fact that any changes made in the mutual relationship of the Federal and State authorities must not be such as to weaken that essential political cohesion and joint financial responsibility on which those who lent money to the Federation in the past confidently relied. The interests of others who have invested a large amount of capital in schemes for the development of the country and its resources should also be borne in mind in this connexion.

It seems unlikely that the future development of the country can proceed without recourse to the raising of loans from outside, and to use the words of the local committee which considered the matter it is essential that the Federation should be able "to

* The Drainage and Irrigation and the Prisons Departments should be added to this list.

enter the money market in the future with credentials no whit less convincing than those it carried in the past ”.

From my discussions with the Rulers, I feel sure that they all agree with the view expressed by the local committee to the effect that “ political devolution cannot be purchased at the price of financial dissolution ”.

At the same time I submit that a measure of decentralization could be effected which, while giving to the Rulers and their State Councils practically a free hand in the administration of their own affairs, would at the same time safeguard the financial credit of the Federation by keeping the general control of finance in the hands of a central authority, on which the Rulers would be represented.

Again, I venture to think that, apart from the question of confidence, there will for some time to come be a need for some form of central fund in the Federation from which the development of the weaker and less wealthy States can be assisted, a development which must be regarded as a potential asset to Malaya as a whole.

When I express these views, I do not mean to imply that there is not a great deal to be said for handing over the control of the “ spending departments ” to the State Governments. It has been suggested to me that a good deal of the extravagant expenditure in recent years has been due to the fact that those who have urged the carrying out of certain services have not been responsible for finding the money to pay for them. Moreover the State authorities who are in close touch with the details of what is being done must be in a much better position to see that there is no unnecessary extravagance than the Heads of the Federal Departments who can only take decisions on the advice they receive from their State officers and can only at the best pay periodical visits to the different States.

In a genuine federal system there should be a clear division of legislative and other powers between the Central Government on the one hand and the State Governments on the other; but, if a policy of decentralization is introduced in the Federated Malay States, there will be for some time to come, and certainly during the transitional period, certain questions which as regards policy will have to remain subject to a common control, but as regards detailed administration can with convenience and economy be left to the State Governments. In this category I would include certain matters on which a uniform policy is of particular interest to the commercial community, such as regulations for dealing with mining lands, standard of health on estates, measures for prevention of floods, forest reserves, and so on.

I do not anticipate any practical difficulty in ensuring uniformity of policy on such questions although under State control, since my proposal is that for dealing with them the High Commissioner

should have an Advisory Council* on which the State Governments will be represented: and in addition the Rulers are to be invited to appoint both the Legal Adviser and the Federal Treasurer of the Federated Malay States Government to be members of their State Councils, and these two officers, together with the Resident in each State, will be available to assist the Rulers and their State Councils with information as to the necessity for a uniform policy.

I am of opinion that from the point of view of finance there is a strong case for adopting a decentralization policy which, while retaining under a Central Government on which the Rulers are represented the general control of finance and of other matters of common interest, will in course of time make the State Governments responsible for their own domestic services.

But the question as to when or how effect should be given to such a policy is a matter for serious consideration, because the feeling is widely prevalent in Malaya that the Government are making too many proposals for changes at the same time; and there is a strong feeling amongst the business community that, with the slump in the rubber and tin industries, the present is an inopportune time to choose for making changes in the system of government under which the Federated Malay States reached the zenith of their prosperity. To those who argue on these lines I suggest that it was the abnormal development of the tin and rubber industries which was responsible for the prosperity of recent years rather than the actual form of government. I agree, however, that the present is an unfortunate time to effect any drastic changes.

I suggest, therefore, that from the financial point of view any changes should for the time being be strictly limited to those which will tend at once to check extravagant expenditure and strengthen the financial position of the Federated Malay States.

Towards the close of the year 1936 it may be possible to reduce debt charges by the conversion of the 6 per cent. Sterling Loan. By this time also the financial position ought, with rigid economy, to have greatly improved. In the circumstances I submit that from a financial point of view three to four years would appear to be a suitable period to fix for what might be called the first stage of a decentralization policy.

The proposals and changes which I think might reasonably be said to come under the category of those which would help to check extravagant expenditure are:—

(a) The proposals made by the High Commissioner at the Sri Menanti Durbar in August, 1931, for putting certain spending departments† under State control. This change has already been suggested as desirable from a political point of view.

* This Advisory Council is not in any way intended to take the place of the Federal Council which will continue to deal with those matters which remain federal.

† For lists of Departments, vide page 10.

(b) The proposal of the High Commissioner to have only five volumes of Estimates instead of six and to dispense with the volume of Estimates entitled "Unreserved Services", the services now shown in that volume being included in future in either the Federal volume or one of the State volumes, with an appropriate note concerning those about which there may still be some doubt as to their final allocation.

(c) A change from the present system of "Supplementary Estimates": because although it may not directly affect a policy of decentralization there appear to be strong grounds for drastically reducing the number and amount of these Estimates.

As regards (a) I recommend that during the next four years revenue should continue to be collected and appropriated by the Federal Government, and that the Federal Council should vote a block grant to each State to meet the sum total of the cost of the services administered by the State. For the reasons mentioned above this arrangement should tend to economy.

As regards (b) about half the total expenditure in recent years has been for "Unreserved Services" and to meet this no revenue has been set aside in that particular volume of the Estimates. Indeed, owing to the complicated method of preparing the Estimates and the elaborate accounts that have had to be kept by the Treasury, it has not been possible to show any correlation between revenue and expenditure in the Estimates in their present form, and I suggest that they might well be misleading to anyone without a good deal of inside knowledge.

The possible result may have been that, when under consideration, the Estimates have not been subjected to the degree of criticism that they have deserved; and it has been suggested to me that it is only such a state of affairs that could have made it possible for the expenditure of the Federated Malay States to have been on such an extravagant scale as it has been since the War.

I suggest that the changes proposed by the High Commissioner in the arrangement of the Estimates cannot but help to check extravagance.

As regards (c), I realize that the question of Supplementary Votes is not directly relevant to the question of decentralization. Since, however, I have suggested the changes outlined above partly for political reasons and partly with a view to checking extravagance, I think it well to mention that "Supplementary Votes" seem to have been too freely resorted to in the past. With good estimating few, if indeed any, such Votes should be necessary.

I suggest that the second stage of financial devolution (i.e., after the four-year period) may well include arrangements for the collection and appropriation by the States of certain of the revenues which are not required for federal purposes, the object of this being to make the State Governments increasingly independent as regards their State services but at the same time still dependent

on the Federal Government voting money to balance their budgets, if necessary, or to meet such special or extraordinary expenditure as cannot be met from their own resources.

The subsequent stages of financial devolution might cover the transfer of other sources of revenue and the right to impose taxation so as to put the States in a position to meet all their expenditure without subvention from central resources.

As regards the final stages of financial devolution and the division of revenue between Central and State authorities, it has been suggested to me that all revenues should be collected by the States and that the Central authority should be financed by contributions from the State Governments. All precedents show that the better plan and the one least likely to cause friction is the collection and appropriation of certain revenues by the Central authority. There are, in my opinion, strong grounds for doing this in the case of the Federated Malay States and for appropriating to the Central authority such revenues in this way as will be sufficient (i) for the service of the debt, (ii) for meeting the recurrent expenses of the Central authority and, (iii) for the building up of an ample reserve fund.

All the above suggestions are subject to the essential necessity of not allowing the financial stability and credit of the Federation to be impaired in any way in the course of decentralization; and, in addition to certain safeguards with a view to effecting this object, the High Commissioner must retain his power to veto expenditure which he does not approve, and also the power in exceptional cases to insist on a State Government providing for such services as he may consider necessary.

The normal safeguards might include:—

(a) The appointment of the Federal Treasurer to be a Member of each State Council.

(b) The submission for the concurrence of the High Commissioner of State estimates before they are submitted to State Councils.

(c) An instruction to Residents that they are to work in the closest touch with the Federal Treasurer; and that any case of disagreement must at once be referred to the High Commissioner.

(d) No State loan to be raised without the sanction of the Federal Council.

To summarise, I am of the opinion that there is a strong case on financial grounds for some measure of decentralization, and I recommend the following proposals:—

(a) During the first stage extending over a period of about four years, the transfer to State control of certain departments (already recommended as desirable on political grounds, vide page 14); with a block grant to each State to be voted by the Federal Council each year to meet the sum total of the cost of the departments so transferred.

(b) During the second stage the collection and appropriation by the States of certain of the revenues which are not required for federal purposes with a view to making the State Governments increasingly independent.

(c) During the final stages the transfer to the States of other sources of revenue and the right to impose taxation so as to put the States in a position to meet all their expenditure without subvention from central resources.

(d) During the process of decentralization there will be certain questions which as regards detailed administration can with convenience and economy be left to State Governments, but which as regards policy will have to remain subject to a common control. An Advisory Council* under the presidency of the High Commissioner and on which the State Governments are represented should be set up to deal with those questions from the point of view of a common policy.

In addition to the foregoing I recommend on general grounds the following two proposals which are not necessarily connected with decentralization.

(e) The High Commissioner's proposal for the abolition of the volume of Estimates entitled "Unreserved Services."

(f) A change in the present system of Supplementary Estimates with a view to reducing the number and amount of such Estimates.

CHAPTER V.

Administrative aspects of decentralization proposals.

One thing has stood out perhaps more than any other in the controversy that has taken place in recent years over the proposal to adopt a policy of decentralization in the Federated Malay States, and that is the strong opposition to the proposed abolition of the post of Chief Secretary.

Without exception the representatives of the business communities and of the unofficial members, together with a large number of officials, take the view that the post should not be abolished unless it is intended to substitute for the Chief Secretary some senior officer, not necessarily with the same extensive powers, who will (i) reside at the seat of the Federal Government, (ii) be responsible for assisting the High Commissioner in co-ordinating policy on questions which remain federal, and (iii) be accessible to representatives of the public.

It is argued that so long as there are certain questions which necessitate a unified policy it would be impossible for the High Commissioner to carry out the work of co-ordination himself without the assistance of some such officer.

On the other hand there are many who advocate the retention of the post of Chief Secretary on other grounds and argue that it is essential to have a senior officer at Kuala Lumpur who can,

* See footnote on page 16.

as it has been actually put to me, "fight the battles of the Federated Malay States against the High Commissioner and the Colonial authorities at Singapore." These people are inclined to forget that the abolition of the post *as it exists to-day* is an essential part of any policy of decentralization, and at the same time to overlook the fact that there is no intention of dispensing with the appointment until the policy of decentralization has been carried to such a stage that the greater part of the duties and powers of the post as it is to-day will have been transferred. Only actual experience will show when this state of affairs is likely to be reached.

As another argument against the adoption of a policy of decentralization, it has been suggested to me that the State Governments have not yet had sufficient administrative experience to justify any considerable delegation of power. I suggest that, although this may be a reason for the very gradual carrying out of a policy of decentralization, it is not an argument for rejecting such a policy altogether. Moreover the State Councils have recently been considerably strengthened by the addition of new members including unofficials, and as I have already mentioned it is the intention of the High Commissioner to invite the Rulers to appoint both the Legal Adviser and the Federal Treasurer of the Federated Malay States to be unofficial members of their State Councils.

In any case, the general question of policy must, I submit be decided on broad grounds of political and economic expediency and must not depend on the retention or otherwise of some particular appointment in the administrative machine or on the efficiency of any particular administration. For the reasons I have mentioned in the two preceding Chapters I am of opinion that there are strong political and economic reasons for deciding to carry out now a considerable measure of devolution in the existing system of government in the Federated Malay States, and as I have stated, the eventual abolition of the post of Chief Secretary *as it exists to-day* must be an essential part of any such policy.

The proposal referred to in Chapter VIII* to set up a Malayan Establishment Office cannot be said to be a measure of decentralization. It is, however, a change which cannot but directly affect any general reorganization of staffs; and I suggest that, so far as possible, effect should be given during the initial period to the proposals of the High Commissioner for setting up this Office.

I personally agree with the view which is almost universally held in Malaya that if a decentralization policy is approved the day is a long way off, if it ever arrives, before an executive head of what remains of the federal machine at Kuala Lumpur can be dispensed with altogether, and that it would be impossible for the High Commissioner to do the necessary co-ordination himself.

* Vide page 30.

It was for this reason that I had intended to recommend the substitution of a "Federal Secretary" for the existing "Chief Secretary" in a few years time when, with the progress of decentralization, the importance of the latter appointment will probably have dwindled to that of an executive head of a very much smaller federal machine than the one that exists to-day. Such a post might, I think, be filled by an officer of lower rank and drawing considerably less emoluments than the existing Chief Secretary. The nomenclature of "Federal Secretary" would in my view emphasize the fact that his duties, as compared with those of the present Chief Secretary, would be strictly confined to dealing with matters which still remained federal. The High Commissioner, with whom I discussed the matter before leaving Malaya, would much prefer, however, that the title of the post should continue to be that of Chief Secretary, so long as it is necessary to have an officer acting as executive head of what remains of the existing federal machine. I do not attach great importance to the title of the post, and I am prepared to accept the High Commissioner's view provided that :—

(a) It can be made clear to the Rulers that the functions of the post will be strictly confined to that of an executive head of the federal machine and to dealing with purely federal matters, and that its importance from the point of view of responsibilities, functions, and emoluments is very different from what it is to-day.

(b) It is considered fair to ask an officer to accept the post with no change in the nomenclature and with a salary which will not enable him to maintain the same position, or entertain on the same scale, as the Chief Secretary of to-day.

I am not prepared to say whether it will ever be practicable to dispense altogether with what remains of the existing federal machinery and its executive head, as this will depend on the setting up of some new central machinery for dealing with matters of interest to Malaya as a whole and the absorption into it of what then remains of the existing federal machinery.

The officers of the Departments which it is proposed to decentralize are for the most part opposed to the proposal to transfer the control of these Departments to State Governments. They argue :—

(a) That the proposals will result in loss of efficiency owing to the central executive control being done away with; and that the powers of visiting and inspection which are to be retained as one of the functions of the Departmental Head will be a poor substitute for the unrestricted power that they have now to issue orders to their subordinates.

(b) That difficulties will arise as regards the question of the transfer of officers from one State to another.

(c) That the interests of the officers in the Departments will suffer.

(d) That in the case of the Medical Service, it is contrary to all modern ideas to put the Medical and Health Services in a State under one Head.

While sympathizing with the natural desire of Heads of Departments to retain their present control over their Departments, I suggest that we must not lose sight of the political aspect of the question and the natural desire of the State Governments to control their own services.

Although I do not agree that with the will to make the proposed system a success there need be any great loss of efficiency, I take the view that, even if there is some such loss of efficiency, it will be the lesser of two evils, and I cannot believe that in the event of this happening it will not be possible to find a remedy.

In this connexion, I was interested to hear the view expressed that the officers of Departments have themselves partly to blame for the desire on the part of State Governments for the adoption of a decentralization policy, since in the past the officers of the Departments have in their zeal to carry out their duties been accustomed to visit States without informing the State Governments, or even paying the usual courtesies to the Rulers.

The need for working in the closest touch with the State Governments will be stronger than ever in the future because as the result of the recent enlargement of the State Councils the views held by the local authorities as to what may be termed "federal interference" will not remain inarticulate.

The proposals for the decentralization of Departments are briefly described in Appendix V.

It will be observed that the proposals for the future organisation of the Medical and Public Works Departments differ from those for the other Departments. In the Medical and Public Works Departments the "Director Adviser" will possess executive authority in the Colony only, whereas it is intended that the Heads of the other Departments shall be vested by the Ruler with executive authority in each of the Federated States.

The distinctive treatment of the latter group can be justified by reasons of economy and practical convenience. In the large staffs of the Medical and Public Works Departments there are many officers available with ripe experience of an administrative character to qualify them to exercise the chief executive control in the several States. In the other Departments it is desirable that the Head of the Department himself should be vested with the chief executive power.

To summarize, I am of opinion

(a) That the abolition of the post of Chief Secretary as it exists to-day, with his wide statutory and administrative powers, is an essential part of any policy of decentralization.

(b) That there is no strong objection on administrative grounds to the measures of decentralization which I have recommended in the two preceding Chapters, and that the carrying out of these measures will automatically result in relieving the Chief Secretary of the more important functions of the post as it exists to-day, thus making it possible to replace him as head of what remains of the federal machinery by an officer of considerably less status.

(c) That it is not possible at the present time to say whether it will ever be practicable to dispense altogether with what remains of the existing federal machinery and its executive head, because this will depend on the setting up of some new central machinery for dealing with matters of interest to Malaya as a whole into which what then remains of the existing machinery can be absorbed.

(d) That the statutory and administrative powers exercised by the present Chief Secretary should be transferred to the Rulers in Council in the case of State matters, and to the High Commissioner or the appropriate federal officers* in the case of matters which are to remain federal.

(e) That so far as possible, effect should be given to the proposal referred to in Chapter VIII, to set up a Malayan Establishment Office.

CHAPTER VI.

Suggested procedure in carrying out the policy recommended.

There is without doubt a strong feeling amongst a large number of the community, both official and unofficial, that there has in the last year or two been a tendency to try to redress too quickly any previous delay in implementing promises made to the Rulers.

During my tour in Malaya it has been brought home to me:—

(a) That the view is widely held that due regard has not been paid to public opinion and the necessity of keeping those interested informed of the actual meaning of the changes proposed.

(b) That the proposals made up to date have created an atmosphere of suspicion and misapprehension as to the intentions of the Government.

(c) That practically everyone whom I met, officials and unofficials, and the Rulers, take the view that the Government are trying to carry out too many changes at once, and that if a policy of decentralization is to be adopted it should be carried out very gradually.

(d) That there is a strong feeling that the interests concerned are not consulted by Government before decisions are taken and that consequently certain aspects of the question are ignored.

* The term "federal officers" includes the officer referred to in (b) at the top of the page who is to replace the Chief Secretary.

(e) That there are many who feel that owing to the slump in trade a more inopportune time than the present could not have been chosen for proposing changes in the system of government to which everyone is accustomed.

(f) That some people view with such mistrust what they call the proposals for centralization in Singapore that they advocate the creation of two separate posts, viz., one of High Commissioner at Kuala Lumpur and another of Governor (or Administrator) at Singapore.

(g) That there is a certain amount of feeling over the comparisons which have been made between the present financial position of the Unfederated States and that of the Federated States, and that such comparisons are regarded as unfair in view of the benefits which it is said the Unfederated States have received in the past at the expense of the Federated States.

I think it most essential therefore, that if a policy of decentralization is approved, the steps to give effect to it should be carried out very gradually, or as the Sultan of Selangor advocated to me, step by step.

Various suggestions have been made to me as to the length of period over which the carrying out of a policy of decentralization should be spread, and these have varied from as much as five to twenty-five years.

Everyone will I think agree that, in changing from a highly centralized form of government such as that which exists to-day at Kuala Lumpur, much must depend on the experience gained in the actual working of each change, and I am of opinion that it would be unwise to do more at the present time than to suggest the changes which might be made in the next few years and to visualize generally the further changes that may then be found desirable. Indeed I am of opinion that it would be premature at the present time to attempt to dogmatize as to:—

(a) The exact powers that can eventually be transferred to State control.

(b) When, and how it will be found desirable to revise the existing Treaties and Agreements.

Assuming that the proposals I have made for giving effect to a decentralization policy are approved, I visualize the position in three to four years time as follows:—

(a) The control of the following Departments, viz., Agricultural, Co-operative, Educational, Electrical, Forestry, Medical, Mining, Public Works, Veterinary, Prisons, and Drainage and Irrigation, will have been handed over to the State Governments, and the expenditure incurred on them will be met by a block grant to be voted each year by the Federal Council to meet the sum total of the expenditure on the Departments so transferred.

(b) The High Commissioner will be in the same position *vis-a-vis* the Governments of the Federated States as regards the transferred Departments as he is now in with the Governments of the Unfederated States on similar questions and will himself deal through a Secretary with matters affecting those Departments with the Resident in each State.

(c) Any matters transferred to State control such as the standard of health on estates which as regards detailed administration can with convenience and economy be left to State Governments but as regards policy will have to remain under a common control, will be dealt with from the point of view of a common policy by an "Advisory Council" presided over by the High Commissioner and on which the State Governments are represented.

(d) The statutory and administrative powers exercised by the present Chief Secretary will have been transferred to the Rulers in Council in the case of State matters, and to the High Commissioner or appropriate federal officers (including the officer who has by then replaced the present Chief Secretary) in the case of matters which are to remain federal.

(e) The officer who has replaced the Chief Secretary will be the executive head of the Federal Government but his functions, duties, and powers will be reduced to dealing with such matters as it is decided must remain federal.

(f) The re-arrangement of the Estimates will have taken place. The volume now entitled "Unreserved Services" will have disappeared and there will be five instead of six volumes of Estimates.

(g) A Malayan Establishment Office will have been set up.

(h) A change will have been made in the system of Supplementary Estimates with a view to reducing the number and amounts of such Estimates.

Any changes which are not directly connected with the transfer of the control of the Departments whose decentralization is now recommended should be deferred for the time being, and I suggest that this rule should also apply to any changes which might appear to the Rulers of the Unfederated States as an attempt to bring them into any form of closer union, because I have already called attention to the fact that some of them made it quite clear to me that they would not look with favour at the present time on any move in this direction. I cannot but feel, however, that in course of time and when these Rulers fully realize that there is no intention of pressing them to agree to any constitutional change, they will be the first to recognize the great advantages that will accrue to their States, and to Malaya as a whole, by the creation of suitable machinery for discussion of, and, if agreed, the administration of matters of common interest.

So far as it is possible now to visualize generally the changes subsequent to the first period of three to four years they might include :—

(a) As suggested in Chapter IV, the collection and appropriation by the States of certain of the revenues which are not required for federal purposes with a view to making them increasingly independent.

(b) The transfer to the State Governments of other sources of revenue and the right to impose taxation so as to put them in a position to meet all their expenditure without subvention from central resources, leaving the Central Authority to collect and appropriate such revenues as will be sufficient for (i) the service of the debt, (ii) meeting recurrent expenses for federal purposes and, (iii) building up an ample reserve fund.

(c) The ultimate abolition of the existing federal machinery and its executive head. This however depends on the setting up of some new central machinery for dealing with matters of common interest to Malaya as a whole and the absorption into it of what then remains of the existing federal machinery.

CHAPTER VII.

Non-Malay Asiatic Communities.

It has been suggested to me that the future treatment of the people of non-Malay origin has no direct bearing on the question of the decentralization proposals. This may be true to a certain extent, but, while I was in Malaya, I have had the opportunity of meeting representatives of the communities concerned and they have left me under no illusion as to the anxiety which they feel. This anxiety, as I have pointed out in Chapter III, must be regarded as one of the political aspects of the proposals to transfer considerable powers from the Federal to the State Governments.

The population of the Federated Malay States is comprised of :—

	<i>Per cent.</i>
Malays (including all indigenous peoples of the Peninsula and Archipelago)	34.7
Chinese	41.5
Indians	22.2
Others	1.6

It will be seen, therefore, that the Chinese and Indians form the major part of the population.

According, however, to the Census Report, the number of the Chinese population which has been for a long time in the country is relatively very small and the number of those who were born there and expect to end their days there is smaller still. The Report also states that the same is true of the Indian immigrant, so that the number of non-Malays who have adopted Malaya as

their home is only a very small proportion of the whole population of the territory, and the increase that is taking place in this number is hardly appreciable. That the people who come under this category form only a small proportion of the total population must not, however, be allowed to affect the way in which they are treated; and indeed, when I have explained in detail the cause of their anxiety, I think it will be agreed that the smaller their numbers the more easy will it be to ensure that they receive fair play.

Those who have been born in Malaya themselves, or whose children have been born there, call attention to the fact that they have acquired great interests in the land of their adoption and have contributed in no small degree to its prosperous development. They state that in a great many cases those concerned have never seen the land of their origin and they claim that their children and their children's children should have fair treatment.

That the anxiety of these communities has increased of late appears to be due to:—

(a) The cry of Malaya for the Malays which has recently been heard much more than in previous years.

(b) The proposals expounded by the High Commissioner at Sri Menanti for transferring considerable powers to the State Governments, and the fear that the reduction of the powers of the Chief Secretary will expose them to discrimination, since they appear to regard this officer as their protector against any unfair treatment by the State Governments.

(c) The fact that the progress of education amongst the Malays has resulted in more appointments in the Government services being given to Malays than previously.

(d) The fact that the alienation of so much land in recent years for the development of the rubber and other industries has led to a longer view being taken of the land needs of the Malays: and a correspondingly greater use of the Government's powers under the Malay Lands Reservation Enactment.

Because of the facts mentioned in (c) and (d) above, the non-Malay communities are inclined to the view that the Government have adopted a new policy. This is not so, since for some years past the Federated Malay States Government have recognized the claims of the Malays to preferential treatment in the matter of appointments in the Public Service and to the reservation of suitable and sufficient land for their needs. Indeed some of the non-Malay gentlemen whom I met went so far as expressing the view that this was in their opinion not unreasonable in the territories of the Malay Rulers; but what they appear to object to is discrimination in principle and the extension of the preferential treatment to immigrant Malays from the Dutch Archipelago who are Dutch subjects. Some of them would, I think, willingly support a policy of fair chance.

The non-Malays who have made Malaya the country of their adoption, form a loyal section of the community and it has been the policy of the Government to accord full recognition to their status as British subjects (in the case of those born in the Colony) and British protected persons (in the case of those born in the Malay States).

No one will deny the important part that the non-Malays who have made Malaya their home have played in its development, and the share they are destined to take in helping its future progress, and I think that for this reason alone they are entitled to an assurance that their interests will not be allowed to suffer as the result of effect being given to a policy of decentralization. Moreover, subject to the policy of preferential employment of qualified Malays in the Government Services, and the reservation of sufficient lands for Malay needs, I take the view that the persons born in the Malay States of non-Malay parents (although only British protected persons) should be treated in those States in exactly the same way as persons born in the Colony of non-Malay parents (who are British subjects) and should have the same professional and business opportunities as European British subjects.

I should record that some of the representatives of the non-Malay communities whom I met raised questions in connexion with educational facilities, representation in the Councils and in other public bodies, the restriction of alien immigration and so on. I had to explain that these were matters not directly relevant to the decentralization proposals, but that I would bring their representations to the notice of the Governor and High Commissioner, which I subsequently did.

CHAPTER VIII.

Miscellaneous proposals not affecting decentralization in the Federated Malay States.

I propose to deal briefly in this Chapter with certain proposals which, though not affecting a policy of decentralization in the Federated Malay States, have inevitably become associated with the proposals made by the High Commissioner at the Sri Menanti Durbar* and in some instances were in fact included in his announcement on that occasion.

Railways; Posts, Telegraphs, and Telephones.

Both of these Departments are at present federal; and at the Sri Menanti Durbar the High Commissioner explained his proposals for putting them under a single central management on which each of the Governments interested would be represented.

* Held in August, 1931.

(i) *Railways.*

The railways throughout the Peninsula are owned by the Federated Malay States Government except in the case of Johore, where, under a revised Agreement only concluded very recently, the Government of Johore has undertaken to lease the railway through the State to the Federated Malay States Government at a peppercorn rent. In return Johore is to be entitled to a share in any railway profits without any obligation to contribute towards any losses that may be incurred. The scheme explained by the High Commissioner at Sri Menanti contemplates :—

(a) The control of the railways by an Executive Board, which is to be created in addition to the existing Advisory Board, in order to give a share in the control of policy to the Colony and to each of the States served by the railways.

(b) The acceptance by the Governments of the Colony and of the Unfederated States concerned of a portion of the liability in respect of the capital cost of the railways. This is to be done in consideration of the advantages that have accrued to them in the past from the construction and operation of the railway by the Federated Malay States.

The Federated Malay States Railway, in common with many other railways throughout the world, no longer shows a sufficient profit to provide for a return on the capital invested; and it appears to me more than questionable whether in the circumstances any condition such as that mentioned in (b) above is likely to prove acceptable to the Governments concerned.

(ii) *Posts, Telegraphs, and Telephones.*

The proposals for the re-organization of the service of posts, telegraphs, and telephones contemplate :—

(a) The creation of a Postal Union for the Colony, the Federated States and any of the Unfederated States which may elect to come into the Union.

(b) The control of the activities of the Union by a Board under the Chairmanship of a Director-General of Posts and Telegraphs and including representatives of the Colony and each of the participating States together with official and unofficial members to be nominated by the High Commissioner.

(c) The issue by each of the Governments belonging to the Union of its own distinctive postage stamp, subject to the Regulations of the "Universal Postal Union of the World" which require, *inter alia*, the design of all stamps of any postal administration to bear an indication, as far as possible in Roman characters, of the country of origin, which in this case would be "MALAYA."

(d) Legalizing the use of the stamps of the different Governments belonging to the Malayan Postal Union throughout the administrative areas of the participating States; the revenue and expenditure being apportioned between the Governments concerned on an agreed basis.

Before I left Malaya I was led to believe that it is intended to form a Postal Union comprising the Colony and the Federated States without delay and that the question of the participation of the Unfederated States was not to be allowed to delay the formation of the Union. I suggest that this is wise, and I feel sure that, when the Rulers of these States realize that the creation of a Postal Union for Malaya, as a whole, cannot but be the most economical and efficient method of organizing this public service, they will decide to co-operate.

Customs.

The four States comprising the Federated Malay States form a Customs Union and the Customs Department is a federal unit; and there is no intention of any measure of decentralization within the federation.

Both the Unfederated States and the Federated States have, as the result of the Ottawa Conference, granted certain additional preferences on British goods.

The Colony has always adhered to a policy of free trade, but has nevertheless imposed a few duties most of which give preference to British goods. There is a strong body of opinion which is apprehensive that some change may be made which they argue would be disastrous to the Colony. The matter is a very complicated one, and I have assured those concerned that they need not be afraid of any change being approved unless the Secretary of State is quite satisfied that it will not be to the serious detriment of the interests of the Colony.

The tariffs in the Unfederated States are not uniform and a Customs Union for the whole of Malaya could only be agreed after considerable negotiations with these States.

The possibility of forming a wider Customs Union than exists to-day is still under examination by the local authorities.

One committee has already reported on certain aspects of the question, the report of a second committee is awaited, and a third committee has just been appointed to consider questions relevant to the trade of the Colony. It would not be practicable or desirable to offer an opinion on the matter until the facts are available.

Malayan Establishment Office.

The present organization of the Malayan Services is inherited from the days of separate and distinct services for the Colony on the one hand and the Federated States on the other. The

Unfederated States have never, except in respect of certain isolated appointments, developed European services of their own and their European staff has been seconded from the establishment of the Straits Settlements, or from the joint Federal Establishment.

This system which allows of one member of a Malayan Service being on one establishment and another on a separate establishment, has not conduced to efficient and smooth working or to contentment within the services.

There appear to be strong grounds in the interests of efficiency and smooth working for adopting a scheme which will put all European officers in the same position, and bring the Federated States, the Unfederated States, and the Colony into line as regards the supply of European officers; and thereby eliminate the anomalies attendant on the present system of seconding. It is proposed:—

(a) To create a single Malayan establishment on which all European personnel will be borne.

(b) To set up a Malayan Establishment Office in charge of an Establishment Officer who will work under the direction of an Establishment Board representative of the interests of the Colony, the Federated States, and the Unfederated States.

(c) To arrange if possible for an agreement between the Colony, the Federated States, and the Unfederated States under which all agree to employ a specified number of officers in each of the Malayan Services and jointly and severally to accept liability for recruitment charges, salaries, pensions, passage and leave expenses, etc., and for the cost of the Establishment Office.

It is obvious that a large amount of detailed negotiations will be necessary between the different Administrations before such an Office as that proposed can be set up, and I understand that the proposals are now under consideration.

Reorganization of the Supreme Courts of the Colony and the Federated Malay States.

The Supreme Court of the Colony is constituted by Ordinance and exercises within the Colony jurisdiction and authority to an extent similar to that of His Majesty's High Court of Justice in England. As the Court of Appeal it also has appellate jurisdiction.

The Supreme Court of the Federated Malay States is constituted by a Courts Enactment of the Federal Legislature and comprises the Court of Appeal and Judges' Courts.

There is at present a Judge resident in each of the Federated States except Pahang, where Assizes are held from time to time.

Under a Colonial Ordinance the Judges of the Federated Malay States are, subject to the possession of the necessary professional qualifications, Judges *ex officio* of the Supreme Court of the Colony.

and under a Federal Enactment the Puisne Judges of the Colony, but not the Chief Justice, are Supernumerary Judges of the Federated Malay States.

The Governor and High Commissioner has proposed that the separate entity of the several Federated States should be recognized by constituting a High Court of Justice for each State to take the place of the present Judges' Courts. He further proposes that in order to promote co-operation and the fullest use of the available judicial strength a single Supreme Court of Malaya should be created having jurisdiction over the Colony and the Federated Malay States with a single Chief Justice at its head. This Supreme Court would comprise a High Court of Justice in the Colony (replacing the present Supreme Court in its original jurisdiction), the State High Courts, and a Court of Appeal having jurisdiction to hear appeals from all the High Courts.

If the Unfederated States were to elect to use the services of the Court of Appeal its jurisdiction could be extended accordingly.

It is not necessary in this Report to give more than the above brief outline of the scheme which is under consideration.

I found that there was an important conflict of opinion in the Federated Malay States as to the desirability of creating a single Supreme Court with one Chief Justice for both the Colony and the Federated Malay States, and I promised to bring to the notice of the Secretary of State the representations made to me by the Bar Committee of the Federated Malay States. Both political and administrative objections have been urged against the proposal and these will certainly require the fullest examination before any change is approved.

I am aware, however, of no such substantial objections to the Chief Justice of the Colony being empowered to sit as a Judge in the Federated Malay States; and, at the time when I left Malaya, the High Commissioner contemplated getting the consent of the Rulers to the necessary amendment of the Federal Enactment to permit of this, and had decided to leave for further consideration the larger scheme which has no direct bearing on the decentralization proposals proper.

Secretariat for Chinese Affairs.

For the last twelve years there have been two separate appointments of "Secretary for Chinese Affairs"—one in the Colony and one in the Federated Malay States.

With a view to ensuring a uniform policy throughout Malaya in relation to Chinese immigration and the control of Chinese aliens, the Governor and High Commissioner has proposed the creation of a single appointment of "Secretary for Chinese Affairs" instead of the two existing appointments. Up to date the Secretaries have not exercised any direct authority over the Protectors of Chinese in the Unfederated States, but from time to time the

active assistance of the Secretary at Singapore has been sought by the State authorities when important questions have arisen, because the High Commissioner on behalf of His Majesty's Government is responsible for the ultimate control of Chinese policy throughout Malaya.

The new proposal contemplates a change, therefore, in so far as it provides for putting the "Secretary for Chinese Affairs" in the same position as the existing "Controller of Labour"* and making him the executive officer responsible to the High Commissioner for the control of the Protector of Chinese throughout Malaya.

It has been suggested that the proposed pan-Malayan Secretary for Chinese Affairs should reside at Singapore, since it is the chief point of Chinese immigration and the chief centre of Chinese activity in Malaya. I understand that this suggestion has led to criticisms by the authorities in the Malay States who, as already indicated in this Report, are generally apprehensive of any element of administrative control from Singapore, since it is contended by them that the interests of the Malay States are not the same as those of the Colony. Again there is a further reason, viz., the fear of the strong influence that the Chinese community at Singapore may exercise.

I suggest that these apprehensions are at least exaggerated and I have no fears that the interests of the Malay States would be overlooked if the proposed organisation is adopted. The question is one, however, on which all the authorities concerned will have to be consulted, and I cannot but feel that when each Government has been shown that the proposed scheme makes full provision for the consideration of their own particular views there ought to be no difficulty in getting them to acquiesce in its adoption.

CHAPTER IX.

Summary of Conclusions and Recommendations.

CONCLUSIONS.

(i) From the purely economic point of view, it would no doubt be advisable in a country the size of Malaya to have a single Government administering the whole territory.

* The duties of the "Controller of Labour", who is of pan-Malayan status, are mainly concerned with the control of Indian immigration and of the terms and conditions of employment of Indians throughout the Peninsula: and in carrying out these duties he acts as the chief adviser and agent of the Governor and High Commissioner in dealing with various political questions which arise from the presence of such a large Indian community in Malaya. As the greater part of the Indian labour employed in Malaya is working in the Federated Malay States, the Controller of Labour resides at the Federal Headquarters at Kuala Lumpur.

(ii) There is, however, a political aspect of the problem, and there can be no question that the events of recent years have encouraged the Malay Rulers to believe that it is the intention of His Majesty's Government to arrange for a transfer to the State Governments of more control of their own affairs.

(iii) The creation of a highly centralized bureaucracy at Kuala Lumpur has been undoubtedly one of the main causes of the request on the part of the Malay Rulers for decentralization.

(iv) The maintenance of the position, authority, and prestige of the Malay Rulers must always be a cardinal point in British policy, and the encouragement of indirect rule will probably prove the greatest safeguard against the political submersion of the Malays which would result from the development of popular government on western lines.

(v) From a political and financial point of view, there is a strong case for adopting a policy of decentralization and for gradually substituting in the Federated Malay States a genuine federal system for what has been described by the High Commissioner as the "amalgamation" that exists to-day.

(vi) There is no strong objection on administrative grounds to a policy of decentralization.

(vii) The closer assimilation of the position of the Rulers of the Federated Malay States to that of the Rulers of the Unfederated Malay States is obviously an essential preliminary to any scheme for promoting co-operation between the constituent parts of Malaya as a whole on matters of common interest.

(viii) Although, as I pointed out to the Rulers of Johore and Kedah, there is no intention of requiring any Unfederated State to enter against its will into a scheme of closer union, the Rulers of the Unfederated States appear nervous that some policy of this kind is in contemplation, and it is evident that they would be reluctant at the present time to agree to any closer form of co-operation than there is to-day. At the same time I think the Rulers would all agree that there must be many questions on which joint discussion could not but be of advantage to every constituent part of Malaya.

(ix) Time and experience alone will show (a) to what extent it will be possible to assimilate the positions of the two sets of Rulers, and (b) whether some system of periodical Durbars for discussing questions of common interest can be arranged.

(x) The non-Malay Asiatic communities feel considerable anxiety as to the extent to which their interests may be affected by the adoption of a policy of decentralization.

(xi) The recent addition to the State Councils in the Federated Malay States of unofficial members is likely to strengthen the desire of the State Governments for more control of their own affairs.

(xii) Any changes made in the mutual relationship of the Federal and State authorities must not be such as to weaken that essential political association and joint financial responsibility on which the

prosperity of the Federated Malay States has been built up, and there can be no question of purchasing political devolution at the price of financial dissolution. The general control of finance must remain, therefore, in the hands of a central authority, on which the Rulers are represented.

(xiii) From the point of view of checking extravagant expenditure, there seems to be much to be said for handing over the control of the " spending departments " to the State Governments.

(xiv) It is argued that the State Governments have not yet had sufficient administrative experience to justify any considerable delegation of powers. Though this may be a reason for proceeding slowly, it does not appear to be a strong argument for not adopting a policy of decentralization at all.

(xv) It is argued that the transfer to State control of certain services will result in loss of efficiency and administrative difficulties in dealing with the personnel of the departments affected. With the will to make the new system a success, there need not be any great loss of efficiency. If there is it can probably be remedied, and in any case, everything points to its being the lesser of two evils.

(xvi) The abolition of the post of Chief Secretary, as it exists to-day, must be an essential part of any policy of decentralization, since there can be no place in any such scheme for an officer at the head of the Central Government holding such wide statutory and administrative powers as this officer does to-day.

(xvii) The representatives of the business communities and of the unofficial members are strongly opposed to the abolition of the post of Chief Secretary, but I think that they, together with a large number of officials who likewise fear its abolition, would not feel as strongly as they do about the matter if it were the intention to substitute in the place of the Chief Secretary an officer of reduced status who could act as the executive head of what remains of the administrative machinery for dealing with federal affairs.

(xviii) So long as there are certain questions which have to be dealt with by the federal machinery, it seems likely that it will be necessary to have an executive head of what remains of that machine, and I agree with those who take the view that it would be impossible for the High Commissioner to do the necessary co-ordination himself.

(xix) The view is prevalent amongst members of the business communities in the Federated Malay States that, owing to the clash of interests between those States and the Colony, the importance of having a senior officer at Kuala Lumpur who will be available to look after the interests of the Federated Malay States cannot be overestimated.

(xx) The view is widely held that due regard has not been paid to the necessity of educating public opinion as to what the proposed changes actually mean, with the result that an atmosphere of suspicion and misapprehension as to the intentions of the

Government has been created. The Rulers, Officials, and un-officials almost without exception take the view that the Government have been proposing too many changes at once, and that if a policy of decentralization is to be adopted it should be carried out very gradually, step by step.

(xxi) There is a strong feeling that the interests concerned are not consulted by Government before decisions are taken, and that consequently certain aspects of the question are ignored.

(xxii) The view is widely held that owing to the slump in trade and the urgent necessity for considering retrenchment the time is an inopportune one for carrying out any material changes in the system of government to which everyone is accustomed.

(xxiii) Some people view with such mistrust what they call proposals for centralization in Singapore, that they advocate the establishment of two separate posts, one of High Commissioner at Kuala Lumpur, and another of Governor (or Administrator) at Singapore.

(xxiv) A certain amount of feeling is shown about the comparisons which have been made between the financial position today of the Unfederated States and that of the Federated States. Such comparisons are regarded as unfair in view of the benefits which it is said that the Unfederated States have received in the past at the expense of the Federated States.

(xxv) Time and experience alone will show to what extent decentralization can be carried and to what extent it will be practicable to assimilate the positions of the Rulers of the Federated and Unfederated States; and it would be unwise at the present time to attempt to dogmatize as to what can be done after the first period of four years.

(xxvi) As in the case of all bureaucracies, there has been a tendency for that at Kuala Lumpur to get more power into its hands year by year, and for the number of experts to grow and grow.

(xxvii) If the proposals for decentralization are approved a greater proportion of the time and attention of the Governor and High Commissioner is likely to be taken up with matters concerning the Malay States, and it will probably be necessary for him to spend more time in those States than has been the custom in the past.

(xxviii) Various views are held as to the length of period over which the carrying out of a policy of decentralization should be spread, and these vary from as much as five to twenty-five years.

(xxix) It is not necessary or desirable to consider the revision of the Treaties and Agreements until experience has shown what are to be the eventual relations between the State and Federal authorities. This is not likely to be for some considerable time.

(xxx) Too great importance should not be attached to uniformity in details and no undue pressure should be brought to bear on the Rulers of the Unfederated Malay States to conform to what is being done elsewhere unless as regards essential matters.

(xxxi) In changing from a highly centralized form of Government, such as that which exists to-day at Kuala Lumpur, it is only the experience gained in the actual working of each change which will show at what pace the process should proceed.

(xxxii) A period of about four years seems a reasonable one to allow for rearranging the financial relationship of the Federal and State Governments on a satisfactory basis, and also for strengthening generally the financial position of the Federated Malay States; and the first stage of decentralization might with advantage correspond with this period.

RECOMMENDATIONS.

I am of opinion:—

(a) That a definite policy of decentralization should be adopted forthwith.

(b) That the changes involved by the adoption of such a policy should be carried out very gradually.

(c) That the first stage of such a policy should cover a period of about four years, corresponding with the time required for rearranging the financial relationship of the Federal and State Governments on a more satisfactory basis than it is to-day and for strengthening generally the financial position of the Federated Malay States.

(d) That during the first stage the decentralization measures should be strictly limited to the following:—

(i) The transfer to State control of the following Departments, namely—Agricultural, Co-operative, Educational, Electrical, Forestry, Mining, Medical, Public Works, Veterinary, Prisons, and Drainage and Irrigation; with a block grant to each State to be voted by the Federal Council each year to meet the sum total of the cost of the Departments so transferred.

(ii) The setting up of an "Advisory Council" presided over by the High Commissioner and including representatives of the State Governments, to deal from the point of view of a common policy with questions which as regards detailed administration can for convenience and economy be left to the State Governments, but as regards policy will have to remain under a common control.

(iii) The transfer of the statutory and administrative powers exercised by the present Chief Secretary to the Rulers in Council in respect of those matters which are transferred to State control, and to the High Commissioner or appropriate Federal Officers (including the officer who is to replace the present Chief Secretary) in respect of those matters which are to remain federal.

(e) That during the first stage of decentralization effect should also be given to the following proposals, which are not, however, directly connected with decentralization :—

(i) The abolition of the volume of Estimates entitled “ Unreserved Services ”.

(ii) The setting up of a Malayan Establishment Office.

(iii) A change in the system of Supplementary Estimates with a view to reducing the number and amounts of such Estimates.

(f) That it would be unwise to try to lay down precisely what further changes can be made in the direction of decentralization subsequent to the first stage referred to above (since this must depend on experience) but that they might include :—

(i) During the second stage the collection and appropriation by the States of certain of the revenues which are not required for federal purposes, with a view to making the State Governments increasingly independent.

(ii) During the final stages the transfer to the States of other sources of revenue, and the right to impose taxation so as to put them in a position to meet all their expenditure without subvention from central resources, leaving the central authority to collect and appropriate such revenues as will be sufficient for the service of the debt; meeting the recurrent expenses of the central authority; and building up an ample reserve fund.

(iii) Ultimately the abolition of what remains of the existing federal machinery and of its executive head. This, however, depends on the setting up of some new central machinery for dealing with matters of interest to Malaya as a whole and the absorption into it of what then remains of the existing federal machinery.

(g) That the question of the revision of the treaties and agreements with the Malay States is not urgent and should be regarded as a matter for the future.

APPENDIX I.

Itinerary.

1932.		
October	20th ...	Left London.
	21st ...	Embarked in S.S. <i>Ranpura</i> at Marseilles.
November	10th-13th ...	At Penang.
	13th-15th ...	In Kedah with a visit to Perlis on the 14th.
	15th-19th ...	In Perak.
	19th ...	Visited the Dindings and embarked in the S.Y. <i>Seabelle II</i> sailing from Lumut in the evening.
	20th ...	Disembarked at Port Swettenham.
	20th-21st ...	At Klang and Kuala Lumpur (Selangor).
	21st-23rd ...	In Negri Sembilan.
	23rd-29th ...	At Kuala Lumpur. (Selangor).
	29th-30th ...	Spent night at Frasers Hill.
	30th-Dec. 1st	In Pahang.
December	1st-3rd ...	At Kuala Lumpur. (Selangor).
	3rd ...	Day at Malacca, and entrained in the evening.
	4th ...	Day at Johore Bahru and drove to Singapore in the evening.
	5th-10th ...	At Singapore.
	10th ...	Embarked in S.S. <i>Ranchi</i> for Hong Kong.
	15th-21st ...	At Hong Kong.
	21st ...	Embarked in S.S. <i>Sarpedon</i> for Colombo.
	25th-28th ...	In port at Singapore.
	29th ...	In port at Port Swettenham.
	30th ...	In port at Penang.
1933.		
January	3rd ...	Disembarked at Colombo.
	3rd-7th ...	At Colombo.
	8th-12th ...	At Nuwara Eliya.
	12th-17th ...	At Kandy with a visit to Anuradhapura on the 14th/15th.
	17th-18th ...	At Colombo.
	18th ...	Embarked in S.S. <i>Strathaird</i> for Marseilles.
February	3rd ...	Disembarked Marseilles.
	4th ...	Arrived in London.

APPENDIX II.

General description of Malaya.

The group of territories which has come to be known as Malaya comprises (a) the three Settlements of Penang, Malacca, and Singapore, which, with the Settlement of Labuan off the coast of Borneo, constitute the Colony of the Straits Settlements; (b) nine Malay States, each with its Malay Ruler, and each in treaty relations with the British authority by virtue of which their States are placed under British protection.

Of these nine States four came under British protection in the course of the years 1874-1889, viz., Perak, Selangor, Negri Sembilan, and Pahang. They subsequently in 1895 concluded an Agreement constituting their countries into a Federation to be administered under the advice of the British Government. These four States are known as the Federated Malay States. The five States which are not included in the Federation are Kedah, Kelantan, Trengganu, Perlis, and Johore. The first four, which

lie between the Federated Malay States and Siam, came definitely under British protection in 1909 when Siam transferred to Great Britain her rights over those territories. The fifth, Johore, in the south of the Malay Peninsula, had by a Treaty of 1885 confided the control of its foreign affairs to the care of Great Britain, but it was not until 1914 that an Agreement was concluded with the Sultan, under which a British officer was appointed as General Adviser with authority similar in extent to that possessed by the British Advisers in the other Unfederated Malay States.

The total area of the Malay Peninsula is approximately 50,000 square miles of which the Colony of the Straits Settlements accounts for not more than 1,144 square miles, but to the total Peninsula population of approximately 4,350,000 the Colony contributes 1,100,000 and in the two great ports of Singapore and Penang lie the main channels of international trade and communication, not only with the Peninsula but also between Europe and the Far East.

Of the total population of Malaya the Malays (including for this purpose all indigenous peoples of the Malay Peninsula and Archipelago) are by a small margin the largest element numbering 1,962,000 or 45 per cent.

The Chinese number over 1,700,000 or 39 per cent. They constitute nearly 60 per cent. of the population of the Colony of the Straits Settlements, and they form the most numerous race in the Federated States of Perak, Selangor, and Negri Sembilan as well as in the Unfederated State of Johore. In the other States they form a numerically far less important element of the population and fall to a minimum of 5 per cent. in Kelantan.

The Indians in Malaya number 624,000 or over 14 per cent. of the total population, and are concentrated chiefly in the Federated States of Perak, Selangor, and Negri Sembilan, and in the Settlements of Singapore and Penang, and in the State of Johore.

In general, it is true to say that the bulk of the Chinese and Indians, like the Europeans, go to Malay not to make it their home, but in the hope of making a living and possibly amassing wealth with which to return to their native lands.

The main occupation of the majority of the population is agriculture. In the Report of the 1931 census it was estimated that probably one-fifth of the working population was engaged in rice cultivation. The rubber cultivation industry was estimated to occupy probably one-third of the working population, while tin mining, which is from the economic point of view the other most important producing industry, employed no more than 4 per cent.

APPENDIX III.

Treaty of Federation, 1895.

Agreement between the Governor of the Straits Settlements, acting on behalf of the Government of Her Majesty the Queen, Empress of India, and the Rulers of the following Malay States:—that is to say, Perak, Selangor, Pahang, and the Negri Sembilan.

(1) In confirmation of various previous Agreements, the Sultan of Perak, the Sultan of Selangor, the Sultan of Pahang, and the Chiefs of the States which form the territory known as the Negri Sembilan, hereby severally place themselves and their States under the protection of the British Government.

(2) The above-named Rulers and Chiefs of the respective States hereby agree to constitute their countries a Federation, to be known as the Protected Malay States, to be administered under the advice of the British Government.

(3) It is to be understood that the arrangement hereby agreed upon does not imply that any one Ruler or Chief shall exercise any power or authority in respect of any State other than that which he now possesses in the State of which he is the recognized Ruler or Chief.

(4) The above-named Rulers agree to accept a British Officer, to be styled the Resident-General, as the agent and representative of the British Government under the Governor of the Straits Settlements. They undertake to provide him with suitable accommodation, with such salary as is determined by Her Majesty's Government, and to follow his advice in all matters of administration other than those touching the Mohammanadan religion. The appointment of the Resident-General will not affect the obligations of the Malay Rulers towards the British Residents now existing or to be hereafter appointed to offices in the above-mentioned Protected States.

(5) The above-named Rulers also agree to give to those States in the Federation which require it such assistance in men, money or other respects as the British Government, through its duly appointed officers, may advise; and they further undertake, should war break out between Her Majesty's Government and that of any other Power, to send, on the requisition of the Governor, a body of armed and equipped Indian troops for service in the Straits Settlements.

Nothing in this Agreement is intended to curtail any of the powers or authority now held by any of the above-named Rulers in their respective States, nor does it alter the relations now existing between any of the States named and the British Empire.

The above Agreement was signed and sealed by the under-mentioned Rulers and Chiefs of the various States in July, 1895:—

His Highness the Sultan of Perak.
 His Highness the Sultan of Selangor.
 His Highness the Sultan of Pahang.
 His Highness the Yam Tuan Besar of Sri Menanti.
 The Dato' Bandar of Sungei Ujong.
 The Dato' of Johol.
 The Dato' of Jelebu.
 The Dato' of Rembau.
 The Tungku Dewa of Tampin.

APPENDIX IV.

Agreements of 1909 and 1927.

(i) AGREEMENT FOR THE CONSTITUTION OF A FEDERAL COUNCIL. 1909.

AGREEMENT between the High Commissioner of the Federated Malay States acting on behalf of the Government of His Majesty The King, Emperor of India, and the Rulers of the Federated Malay States of Perak, Selangor, Pahang, and Negri Sembilan.

Whereas by the Treaty entered into in July, 1895, known as the Treaty of Federation the above-named Rulers agreed to constitute their countries a Federation to be known as the Protected Malay States to be administered under the advice of the British Government, and whereas the above-named Federation was duly constituted as provided in the above-named Treaty, and whereas the above-named Rulers, further desire that means should be provided for the joint arrangement of all matters of common interest to the Federation or affecting more than one State and for the proper enactment of all

laws intended to have force throughout the Federation or in more than one State, it is hereby agreed:—

(1) That on and after a date to be fixed by His Majesty a Council shall be established to be known as the Federal Council of the Federated Malay States.

(2) In the first instance the following shall be members of the Council:—

The High Commissioner.
 The Resident-General.
 The Sultan of Perak.
 The Sultan of Selangor.
 The Sultan of Pahang.
 The Yam Tuan of Negri Sembilan as representing the Undang of the Negri Sembilan.
 The Resident of Perak.
 The Resident of Selangor.
 The Resident of Pahang.
 The Resident of Negri Sembilan.
 Four unofficial members to be nominated by the High Commissioner with the approval of His Majesty.

The absence of any member shall not invalidate any proceedings of the Council at which he has not been present.

(3) If hereafter it should in the opinion of the High Commissioner be desirable to add to the Council one or more of the heads of the various public departments, he may do so subject to the approval of His Majesty, and may in such case and subject to the like consent also nominate not more than one additional unofficial member for every official member so added to the Council.

(4) A head of a department who is nominated to the Council shall hold office so long as the High Commissioner thinks fit. Unofficial members shall hold office for three years.

(5) The High Commissioner shall be President of the Council and in his absence the Resident-General shall be President.

(5A) The Legal Adviser of the Government may attend any sitting of the Council and assist in the discussion of any legal questions which may arise in the course of its proceedings but shall not be entitled to a vote; and any head of a public department may similarly attend and assist in the discussion of any matter affecting his department but shall not be entitled to a vote.

(6) If any of the Rulers above-named is unable to be present he may nominate one of the members of his State Council to represent him. In the case of Negri Sembilan, the nomination shall be by the Undang.

(7) The Council shall meet at least once in every year at a place to be appointed from time to time by the High Commissioner.

(8) Unless the President of the Council shall certify in writing that it is a matter of urgency every law proposed to be enacted by the Council shall be published in the *Government Gazette* at least one month before being submitted to the Council.

(9) Laws passed or which may hereafter be passed by the State Councils shall continue to have full force and effect in the State except in so far as they may be repugnant to the provisions of any law passed by the Federal Council, and questions connected with the Mohammedan Religion, Mosques, Political Pensions, Native Chiefs and Penghulus and any other questions which in the opinion of the High Commissioner affect the rights and prerogatives of any of the above-named Rulers or which for other reasons he considers should properly be dealt with only by the State Councils shall be exclusively reserved to the State Councils.

(10) The Draft Estimates of Revenue and Expenditure of each State shall be considered by the Federal Council, but shall immediately on publication be communicated to the State Councils.

(11) Nothing in this Agreement is intended to curtail any of the powers or authority now held by any of the above-named Rulers in their respective States, nor does it alter the relations now existing between any of the States named and the British Empire as established by previous Treaties.

The above Agreement was signed and sealed by his Excellency Sir John Anderson, G.C.M.G., High Commissioner for the Federated Malay States, on the twentieth day of October, 1909, having been signed and sealed before that date by the under-mentioned Rulers and Chiefs of the Federated Malay States:—

His Highness the Sultan of Perak.
 His Highness the Sultan of Selangor.
 His Highness the Regent of Pahang.
 His Highness the Yang-di-Pertuan Besar of Negri Sembilan.
 The Dato' Klana Petra of Sungei Ujong.
 The Dato' of Johol.
 The Dato' of Jelebu.
 The Dato' of Rembau.
 The Tungku Dewa of Tampin.

(ii)—AGREEMENT FOR THE RE-CONSTITUTION OF THE FEDERAL COUNCIL, 1927.

Agreement between the High Commissioner for the Malay States, acting on behalf of the Government of His Majesty the King, Emperor of India, and the Rulers of the Federated Malay States of Perak, Selangor, Negri Sembilan, and Pahang.

Whereas an Agreement was entered into between the High Commissioner for the Malay States, acting on behalf of the Government of His Majesty the King, Emperor of India, and the Rulers of the Federated Malay States of Perak, Selangor, Negri Sembilan and Pahang, and executed by the High Commissioner on the 20th day of October, 1909, having been executed before that date by the said Rulers, whereby it was agreed that a Council should be established to be known as the Federal Council of the Federated Malay States:

And whereas the Federal Council was duly established accordingly:

And whereas the constitution of the said Council was varied by two supplemental Agreements entered into between the same parties and executed by the High Commissioner on the 7th day of November, 1912, and the 9th day of July, 1924, respectively, having in each case been executed by the Rulers before the said date:

And whereas the parties to the hereinbefore recited Agreements desire to re-constitute the Federal Council and to define more clearly its powers and duties:—

It is hereby agreed by and between the said parties as follows:—

(1) From the date of the execution of this Agreement the following shall be members of the Federal Council:—

The High Commissioner.
 The Chief Secretary to Government.
 The Resident of Perak.
 The Resident of Selangor.
 The Resident of Negri Sembilan.
 The Resident of Pahang.
 The Legal Adviser.
 The Financial Adviser.
 The Principal Medical Officer.
 The Controller of Labour.
 The Director of Public Works.
 The Director of Education.

One other official to be nominated by the High Commissioner.

Eleven unofficial members to be nominated by the High Commissioner with the approval of His Majesty. At least four of such unofficial members shall, if possible, be Malay, selected one from each of the States.

(2) If any unofficial member shall die or become incapable of discharging his functions as a member of the Council or be suspended or removed from his seat in the Council or be absent from the Federated Malay States or resign by writing under his hand the High Commissioner may provisionally nominate a fit person to be temporarily a member of the Council, provided that every such nomination shall cease to have effect if and when the same be disallowed, by His Majesty or on the termination of any such incapacity, suspension or absence as is hereinbefore referred to. Any provisional nomination may be at any time revoked by the High Commissioner.

(3) If hereafter it should in the opinion of the High Commissioner be desirable to add to the Council one or more heads of public departments or one or more unofficial members he may do so subject to the approval of His Majesty and to the preservation of an official majority on the Council.

(4) The official nominated by the High Commissioner under Article 1 of this Agreement and any head of a department nominated to the Council under the preceding Article shall hold office so long as the High Commissioner shall think fit, and an unofficial member shall hold office for the term not exceeding three years for which he was nominated.

(5) The High Commissioner shall be President of the Council and in his absence the Chief Secretary shall be President. In the case of an equality of votes the President shall have an additional or casting vote.

(6) The Council shall not be disqualified from the transaction of business on account of any vacancies among the members thereof; but the Council shall not be competent to act in any case unless (including the President) there be present at and throughout the meeting of the Council three members at the least.

(7) Suitable accommodation shall be provided at every meeting of the Council for any of the Rulers who may have signified their intention of being present.

(8) The Council may pass Standing Orders for the regulation of its proceedings, and may when it thinks fit suspend such Standing Orders.

(9) The Council shall meet at least once in every year at a place to be appointed from time to time by the High Commissioner.

(10) The Council shall pass all laws intended to have force throughout the Federation. Laws passed by the Council shall be enacted in the following words: "It is hereby enacted by the Rulers of the Federated Malay States by and with the advice and consent of the Federal Council," and shall be signed by each of the Rulers before coming into force, provided that the Yang di Tuan Besar of the Negri Sembilan shall sign on behalf of the Undang of the Negri Sembilan.

(11) Any law passed or which may hereafter be passed by a State Council shall continue to have full force and effect in such State except in so far as it may be repugnant to the provisions of any law passed by the Federal Council.

(12) Estimates of revenue shall be submitted to the Council and all expenditure shall be sanctioned by the Council by resolution or supply bill; provided that the Council may by resolution allocate to each State every year a lump sum to be expended without further

reference to the Council on such services as the Council may from time to time determine.

(13) Subject to the provisions of Article 12 questions connected with the Mohammedan Religion, Mosques, Political pensions, Native Chiefs and Penghulus and any other questions which in the opinion of the High Commissioner affect the rights and prerogatives of any of the Rulers or which for other reasons he considers should properly be dealt with only by the State Councils shall be exclusively reserved to the State Councils.

(14) Nothing in this Agreement shall affect the validity of any act done or law passed by the Federal Council as constituted before the execution of this Agreement.

(15) Nothing in this Agreement is intended to curtail any of the powers or authority now held by any of the Rulers in their respective States, nor does it alter the relations now existing between any of the States named and the British Empire as established by previous Treaties.

In witness whereof the parties hereto have signed the present Agreement and have affixed their Public Seals thereto.

Done at Kuala Lumpur, the 24th day of April, 1927:—

(Here follow the signatures and seals of

His Excellency Sir Laurence Nunns Guillemard, G.C.M.G., K.C.B.

His Highness Paduka Sri Sultan Iskandar Shah, K.C.M.G., K.C.V.O., ibni Idris, Sultan of Perak.

His Highness Ala'iddin Suleiman Shah, K.C.M.G., ibni Almerhum Raja Muda Musa, Sultan of Selangor.

His Highness Muhummad, K.C.M.G., K.C.V.O., ibni Almerhum Yam Tuan Antah, Yang di per Tuan Besar of Negri Sembilan.

His Highness Almoktasim Billah Al Sultan Abdullah, K.C.M.G., ibni Almerhum Al Sultan Ahmad, Sultan of Pahang.

Mamor bin inche Kassim, C.B.E., Datoh Klana Petra of Sungei Ujong.

Kamat bin Leman, Datoh Penghulu of Johol.

Abdullah bin Panglima Muda, Datoh Penghulu of Jelebu.

Abdullah bin Haji Dehan, Datoh Penghulu of Rambau.

Tengku Mohamed bin Tangku Dewa, Tengku Besar of Tampin).

APPENDIX V.

Summary of Proposals* of High Commissioner for Decentralizing Departments.

(i) *Agriculture, Drainage and Irrigation, Education, Electricity, Forestry, Mining, Prisons, and Veterinary.*

The arrangement that is proposed for decentralizing the above Departments is designed to meet the case of those Departments of which the senior officer stationed in each State is of comparatively junior rank. Under this arrangement

(a) The Head of the Department is to be styled "Adviser."

* The proposals explained in this Appendix differ in some respects from those adumbrated by the High Commissioner at the Sri Menanti Durbar in 1931; e.g., the Drainage and Irrigation Department at that time was part of the Public Works Department and the Prisons Department was not mentioned.

(b) The Adviser's powers as a federal officer in respect of the various States are to be advisory and inspectoral only, his executive powers being confined to federal property and institutions.

(c) The Adviser is to have executive authority in the various States, but to derive it from each State Government and not from the Federal Government as at present; the authority being vested in the Adviser personally by written warrant from each State Government under the hand of the Ruler in Council.

(d) The word "Deputy" is to be placed before the title of the senior officers of these Departments stationed in each State in cases where the existing title denotes independent charge, so as to make it clear that the Adviser is himself the chief executive officer.

(e) The Adviser as the chief executive officer is to be responsible to the State and not to the Federal Government for all executive action taken by his Department in the State.

(f) The Adviser (in his federal advisory capacity) is to retain the right to initiate correspondence with both the Federal and State Governments on any matters affecting the activities or policy of his Department.

(g) As Advisers the Heads of these Departments are to retain all the powers of visiting and inspection within the Federated Malay States that they now possess. The consent of each State Government to such visits will be general, and all that a visiting Head need do is to apprise the State Secretariats in good time of such visits. The Adviser will take pains to make the personal acquaintance of each Ruler.

(ii) *Public Works and Medical.*

The arrangement for the decentralization of these two Departments differs from that proposed for the other Departments in so far as it does not include the retention of executive functions in the Federated Malay States by the Head of the Department. The proposals provide for:—

(a) The abolition of the particular posts of Director of Public Works, and Principal Medical Officer, Federated Malay States.

(b) The creation of the appointments of "Director of Public Works, Straits Settlements, and Adviser on Public Works, Malay States," and "Director of Medical and Health Services, Straits Settlements, and Adviser on Medical and Health Services, Malay States." The headquarters of these officers will be at Singapore.

The duties of each of the "Director-Advisers" in so far as concerns the Malay States will be amongst other things to supervise European personnel, to effect the transfer of officers after consultation with the administrations concerned, to pay periodic visits of inspection to each State and report the result to the Government concerned, to give advice on any matter referred to him by the Head of his Department in a State or by a State Government and keep the State Governments concerned informed of any interesting developments in other States, to compile a manual of instructions on purely professional or technical (as distinct from administrative) matters, and to ensure the proper administration of joint institutions.



REPORT

on the

Conditions of Indian Labour in Malaya

By

The Right Hon'ble V. S. SRINIVASA SASTRI, P.C., C.H.

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New Delhi, the 6th February, 1937.

To

The Secretary to the Government of India,
Department of Education, Health and Lands.

Sir,

I beg to submit herewith my Report on the conditions of Indian labour in Malaya. I attach also a brief additional Report on certain subjects of general interest which are not covered by my terms of reference.

I have the honour to be,

Sir,

Your most obedient servant,

V. S. SRINIVASA SASTRI.

REPORT ON THE CONDITIONS OF INDIAN LABOUR IN MALAYA.

Terms of reference.—An invitation from the Malayan Governments to the Government of India to send a deputation to Malaya and obtain first hand information upon the conditions of Indian labour in that country remained in abeyance for a considerable time. In 1936 the Government of India came to the conclusion that it would be convenient to accept the invitation, and I was asked, and consented, to be their delegate. On the 18th November, 1936, the Government of India published the following Press Communiqué:—

“The Government of India have for some time had under consideration a proposal to send a deputation to Malaya to examine the condition of Indian labour there. The Malayan Governments themselves expressed a wish that such a deputation should be sent and the proposal received the approval of the Standing Emigration Committee of both Houses of the Indian Legislature.

The Government of India have now appointed the Right Honourable V. S. Srinivasa Sastri, P.C., C.H., as their delegate. Mr. Sastri will sail from Calcutta on the 29th November and will be accompanied by Mr. G. S. Bozman, I.C.S., at present Additional Deputy Secretary in the Department of Education, Health and Lands, as adviser. The Delegation's terms of reference are as follows:—

To examine the condition of Indian labourers in Malaya with special reference to—

- (i) the rates and payment of wages,
 - (ii) hours of work,
 - (iii) the provision made for residence, medical treatment and education and for subsidiary occupation, *e.g.*, by the allotment of land for cultivation,
 - (iv) sex ratio,
 - (v) political and social status;
- and to make recommendations as to—
- (a) what improvements are desirable in respect of these or any other matters in the interest of the Indian labour force already in Malaya, and
 - (b) whether assisted emigration to Malaya should be permitted in future and, if so, on what conditions.”

2. *The Tour in Malaya.*—I was unfortunately delayed for a week in Rangoon and did not arrive in Penang until the 13th December. Rao Sahib K. A. Mukundan, Agent of the Government of India in Malaya, had in the meantime been called away to Singapore by urgent work in connection with a strike there and was unable to return to Penang until the 14th December. My tour, therefore, took place somewhat later than had been intended. The actual programme of inspection, interviews and so forth was drawn up by Rao Sahib Mukundan, who accompanied us throughout. I

should like to take this early opportunity of recording that I took Rao Sahib Mukundan into my fullest confidence from the outset and that his close acquaintance with conditions throughout Malaya and considered advice were always at my disposal and proved of the greatest assistance. I was met at Penang by the Hon'ble Mr. Charles Wilson, Controller of Labour, Malaya, who accompanied me as far as Kuala Lumpur and rejoined me later in Singapore. I travelled by road down the whole length of the peninsula and made halts at the following places:—

Penang, Ipoh, Kuala Lumpur, Raub, Seremban,
Malacca, Muar and Singapore.

Nearly thirty rubber estates were visited in all, some of them producing also copra, in addition to one tea estate, one oil-palm estate, one pineapple estate and two tin mines. At each halting place I had interviews with the leading Indian residents and, where opportunity offered, inspected the housing arrangements for Indian labour provided by Government and local authorities, such as Municipalities, Sanitary and Town Boards, the Public Works Department and the Railways. I visited the Quarantine Camps and Immigration Depôts at Penang, Port Swettenham and Singapore. At Port Swettenham my visit coincided with the arrival of the s.s. "Rolma" with some 500 Indian immigrants. It was, therefore, possible to see not only the accommodation and arrangements provided on the ship, but also the whole procedure from the time the ship was first boarded by the health authorities till the first meal was served in the quarantine camp, after disinfection had been completed. The United Planters' Association of Malaya sent a deputation to Singapore and we had a friendly and useful discussion on certain topics. Finally, His Excellency Sir Shenton Thomas kindly accorded me an interview at which, besides Mr. Bozman and myself, there were present the Colonial Secretary, the Federal Secretary, the Controller of Labour, the Director of Education, the Director of Medical Services and the Chief Officer of the Customs and Excise Department. Many important matters arising out of the enquiry were informally discussed. I sailed from Singapore on the 11th January, 1937, returning to India *via* Colombo. On the way from Colombo to Delhi, I inspected the Emigration Depôts maintained by the Malayan Governments at Negapatam and Avadi (Madras). I arrived in Delhi on the 26th January, 1937.

3. *The Malayan Labour Department.*—Perhaps it is not generally known in India that the Malayan Governments have an organised Labour Department which has now been in existence for more than thirty years. The enactments which this Department administers vary slightly in the Colony, the Federated States and the Unfederated States, but the variations are not of such importance as to prevent the Department administering and enforcing a uniform policy throughout Malaya. The Department is under the direction of the Controller of Labour, who has at his disposal a staff of Deputy Controllers, Assistant Controllers, and Extra Assistant Controllers. It is the duty of the Department to inspect all places of employment, to investigate any complaints and to demand from employers fair treatment of their labourers, a reasonable standard of housing, medical attention, educational facilities and scrupulous adherence to the proper rates of wages and their due payment. The Department deals mostly with Indian labour, and all the officers employed speak Tamil and in some cases Telugu with reasonable fluency. The Controller of Labour,

who is invariably a senior official of the Malayan Civil Service, is also a Member of the Indian Immigration Committee, a statutory body which manages and administers the Indian Immigration Fund. The Labour Department in its various activities, both in India and in Malaya, has acquired a great deal of information and experience in dealing with the problems of Indian labour in Malaya. I met nearly all the senior officials of the Department at various stages in my tour, and I feel it my duty to record the strong impression I received that they are earnest in the discharge of their duties and bring to the daily problems which confront them not only knowledge and experience but also a ready sympathy for the labourers. The control exercised by the Department over employers is real and effective, and the Labour Officer is not infrequently called upon to exercise tact and judgment in settling small disputes between labourers themselves as well as disputes between labourers and employers, which might otherwise involve the cost of Court proceedings.

4. *General Conditions on Estates.*—Detailed reference will be made later to such questions as housing, medical facilities, etc. Here I wish to make general observations on the conditions under which Indian labour lives and works on the estates. The estates chosen for my visits seem to me to have been fairly typical. I saw estates which were very good, I saw estates which appeared average, and I saw estates which had obvious and remediable shortcomings. Most of the estates visited were under European management, but there were also samples of Japanese, Chinese and Indian management. It is a pleasure to me to express the view that on the whole the choice of managers has been made with considerable care. It will no doubt be easily understood that conditions are liable to differ between small or privately-owned estates and large estates or groups of estates run by Companies with their headquarters in London or elsewhere. On the small estates employing perhaps one or two hundred labourers, or on the estates— they are few—where the manager is himself the proprietor, not only is it comparatively easy for the manager to establish personal relations with each unit in the labour force, but, in the case of private estates especially, reference to agents or to Boards of Directors becomes unnecessary when expenditure needs to be undertaken to improve the conditions. In one such estate, for instance, the proprietor-manager has provided not only the latest type of lines, with specially designed kitchens to minimise the danger to children, but also uniforms and physical training for the children, a swimming bath with a chute available for all the labourers and electric light in the lines themselves. It should not be understood that I am offering adverse criticism on estates organised on a larger scale. I am concerned only to point out that, in the matter of providing amenities for the labour force, the manager who is under obligation to refer all matters to a Board of Directors is, comparatively speaking, at a disadvantage. Of course every manager can and does exercise a great influence in this respect; in fact at each visit I became more and more convinced that the happiness and well-being of the labourers were, to a great extent, dependent upon the personality of the manager. This is only to be expected; and I believe that something would be lost by too much interference with the personal relations between employer and employed. The responsibility, however, of those who select managers is obviously great, and, judging from the good type of the majority of those whom I met and the interest displayed in planning improvements for the benefit of the labour force, that responsibility is recognised. It is to be hoped that that will continue

to be the case. Improvements can be suggested and effected; but, allowing for the facts that the labourers are away from their own country and that the new climate proves in many cases uncongenial, they are able to lead, particularly when accompanied by their wives and children, a healthy, respectable life and to aspire to a standard distinctly higher than they could attain in their own villages. No complaints were made to me of any case of physical violence or compulsion, and in one case only did I have evidence of the use of abusive language. It is satisfactory to record also that throughout the country the practice of managers themselves handing over wages to the labourers is uniform, and that in no case is payment left to a clerk or any other subordinate. It is to be hoped that this commendable practice will be preserved, and that, if necessary, the Planting Association, by means of a circular or otherwise, will ensure that it is placed beyond all hazard. It should be remembered that every labourer is specifically informed at the time of being employed that he is at liberty to give one month's notice to his employer and seek service where he thinks it will be most congenial. This freedom of movement is not only laid down by statute, but is well known and understood by all labourers and engenders in them a healthy spirit of independence. Communications throughout the country are excellent, and in many parts buses or cheap hire cars are available to take the labourer to the nearest town or village. Nearly every estate has its own temple, supported, as a rule, by the labourers themselves. Line sweepers are provided and paid by the estate. Where the number of children justifies it, there is a creche under the charge of an ayah, also paid by the estate, to look after children whose mothers are at work, either tapping or weeding. Water supply appears to be a simple matter in all parts of Malaya and I neither saw nor heard of any estate where there was not a permanent and abundant supply of good water. Under statutory authority maternity benefits are paid on all estates at the rates of 2/6ths of six months earning for the first child and 2/11ths of eleven months earnings for subsequent children.

5. *Rates of Wages.*—In 1928, after protracted correspondence between the Malayan Governments and the Government of India and a detailed examination of the cost of living, certain standard rates of wages were fixed and applied with statutory force to selected areas known as key areas. The rates finally decided upon were 50 cents a day for men and 40 cents for women in ordinary areas and 58 cents a day for men and 46 cents for women in certain less accessible and more expensive areas.* Shortly after the introduction of these rates the world depression hit the rubber industry with unprecedented severity, and a cut of 20 per cent had to be imposed upon all wage rates. The standard rates then became 40 and 32, and 47 and 37. In point of fact, however, a number of estates were not in a condition to pay even these rates. Since the choice lay between allowing reductions in the rates and seeing estates closed and large numbers of labourers wholly unemployed, the Labour Department permitted the payment of less than the standard rates, but kept a careful check upon total monthly earnings according to a new formula which was evolved. By the time I landed in Malaya the payment of the rates of 40 and 32 was practically universal. Outside key areas some estates paid wages to tappers according

* NOTE—For purposes of comparison the exchange value of \$ 1 (100 cents) may be taken as Rs. 1-9-0. That is 4 cents = 1 anna. Needless to say this does not necessarily represent the purchasing value.

to the amount of rubber tapped each day, but only in one or two cases did I find that the monthly earnings fell below the standard. In those rare cases I am satisfied that the Labour Department are taking or have taken proper steps to set matters right. During my visit the Malay Governments decided, in the case of labour employed by them, to restore half the cut which had been imposed in 1930. The estates immediately followed suit, and the standard rates are now 45 and 36. At the time when the 20 per cent cut was imposed, it was clearly understood that full standard rates would be restored as soon as the industry found itself in a position to pay them. The position now is that the International Rubber Restriction Scheme has effected a real improvement in prices, and rubber, which at one time fell to 2d. a lb. or even less, is now commanding a price in the neighbourhood of 10d. a lb. The production quota has been raised to 75 per cent for the first quarter of 1937 and 80 per cent for the second quarter. Since my return to India a press report has appeared to the effect that the quota is to be further increased to 85 per cent. Stocks are short, however, and it is doubtful if many estates can in fact increase their production as rapidly as the new quota would permit. The intention apparently is to stabilise the price of rubber somewhere in the neighbourhood of 9d. a lb., but the two factors just mentioned may force the price higher than that before the stabilising influences can make themselves felt. For the present, therefore, everything seems to point to a good price for rubber—a price of 7d. or over may be assumed to guarantee a reasonable return to the producer, provided a fair quota of production is permitted—and consequently to an increasing demand for Indian labour. I am, therefore, of opinion that the time is at hand when the Government of India should press for the restoration of the standard wages. I wish to lay special stress upon the need for early action in this respect. The demand for labour will be combined and immediate, and urgent action is necessary to have the matter settled before that demand is completely satisfied. It is true that, as half the cut in wages has been recently restored, it may not be possible for the Malay Governments to give effect to this recommendation for another month or so. I believe, however, that they will recognise the obligation resting upon them and upon the rubber industry to restore the 1928 wage levels, and with production at 80 per cent or 85 per cent the time for such restoration seems to have arrived. Labour proceeding now from India should, therefore, receive the assurance that it is entitled to a fair share of the reviving prosperity of the industry, and that the payment of the 1928 wages is under active and sympathetic consideration, and I urge that this position should be put to the Malay Governments without any delay. For easy reference I bring together certain passages, more or less authoritative, which place the promise of full restoration beyond doubt. In July, 1930, the Agency Houses of Selangor presented a memorandum to the Indian Immigration Committee which contained the following:—

“The Agency Houses are of the opinion that the temporary reduction should remain in force until such time as there appears to be good reason to believe that the industry has recovered from the present depression and that there is little likelihood of the price declining to below 25 cents per lb. for an appreciable period.”

On the last day of the same month, at a meeting of the Indian Immigration Committee when the reduction in wages was finally decided, “it was

unanimously agreed that the existing standard rates of wages for Indian labourers should be restored as soon as the industry is in a position to pay them." In a letter to the Government of India dated the 29th September, 1930, the Malayan Governments stated "Had the market price of rubber not fallen below 25 cents (par value 7d.) per lb., it is safe to say that this enquiry would never have been held." The enquiry referred to is the one as a result of which a temporary cut of 20 per cent in wages was recommended.

6. *Key and non-Key areas.*—I have referred in the previous paragraph to the distinction between key and non-key areas. Briefly it amounts to this, that in a key area an employer is placed under a statutory obligation to pay not less than the standard wage and is liable to be prosecuted at the instance of the Labour Department, if he fails to do so. In non-key areas there is no such statutory obligation or liability to prosecution. The labourer in a non-key area being at liberty to seek employment in a key area, it is assumed that economic forces will come into play and compel the payment of standard wages throughout the peninsula. So far as I could judge, wages have in fact become standardised in both key and non-key areas; and even where wages are calculated upon a different basis, the monthly earnings are not less than they would be if standard wages were paid. At the same time, there are good reasons why the distinction should now be abolished. The economic law which appears to have effected a general standardisation will work only so long as there is a strong demand for labour. True, the system of supply adopted by the Labour Department does exercise considerable control. But in times of prosperity it is clearly to the advantage of the employer to recruit slightly more than his economic needs, in order that competition among labourers for employment may prevent wages rising to uneconomic levels. The moment, therefore, that a surplus, however small, is available in the country, the employer has a handle which he can use against his labour unless some statutory obligation is placed upon him. To make standard wages applicable throughout the peninsula would certainly assist the Labour Department in its efforts to ensure that supply and demand are fairly balanced and that there is no floating surplus which may become a burden either on the industry or on the public revenues. Another factor which may not be ignored is that, the longer a labourer and his family have been in employment in Malaya, the more attached do they become to particular estates or areas. While therefore it may be true that in theory the labourer is at liberty to seek more profitable employment elsewhere, in practice he is often unwilling to sever the ties that he has established and to uproot himself from a locality where he has formed binding associations. On principle also and from the point of view of the employer, there appears to be no justification for enforcing standard rates in certain selected areas and not enforcing them elsewhere. I made some enquiries, but was unable to find that the selection of areas had been made upon any well-defined principle. It seems inequitable, therefore, that one employer should be liable to statutory pains and penalties from which his neighbour across the border may be free. There is no reason to suppose that the employer will not continue to encourage good work by offering some form of bonus to the more expert labourer; it is in his own interest to do so. For these reasons therefore I recommend that the distinction between key and non-key areas should be abolished and the statutory standard wages enforced in all areas.

7. *Higher rates in less accessible, more unhealthy or more expensive areas.*—As already stated, in 1928 higher rates of wages were standardised for certain areas where conditions appeared to warrant them. It has been the practice to refer to these areas as "less accessible" but the term is somewhat misleading. Throughout the inhabited parts of Malaya, so far as I could see, there are first class roads with bitumen surfaces and, except in times of flood, communications are excellent. The degree of accessibility therefore is hardly the criterion by which one should judge whether higher wages are necessary. What needs to be determined is whether in fact living is more expensive and whether there are other disadvantages for which recompense should be given. I found, for instance, in the estates I visited in Pahang that the cost of rice is undoubtedly higher than in the areas nearer the main arteries of communication. In the time at my disposal, I was unable to make a detailed enquiry regarding other articles of diet, but I was told that they too were slightly more expensive. The country generally is more rural in character and nearer to the jungle, and the central towns appear to be more scattered, though in themselves they differ little from the smaller towns in other parts of Malaya. It may not be without significance that it was in this area that I saw the least satisfactory of all the estates visited, and a planter in this neighbourhood stated clearly that labourers were not altogether willing to come. In point of fact too, higher wages were paid here than elsewhere, and it is highly probable that economic conditions necessitated it. My general conclusion is that for various reasons these areas are less attractive to Indian labour, and therefore, when the wages of 50 cents and 40 cents are restored in other areas, the wages of 58 cents and 46 cents should be restored in these areas, which are now called less accessible, but which perhaps it would be truer to describe as less popular.

8. *Hours of work.*—The standard wages have been fixed for a nominal day's work of 9 hours which in practice is reduced to 8 hours. It was pleasing to note that on all the estates visited the labour force was always back in the lines by 2.0 p.m. or shortly afterwards, and that thereafter any work undertaken was in the main voluntary and was invariably paid for as overtime. A day's work for a tapper is in fact usually about 6 or 6½ hours. When the heat of the sun has increased beyond a certain point, the latex from the tree will not run freely, and it is therefore essential that the tapping task should be completed early. The work is not commenced before about 6.0 a.m., and all latex is brought to the factory by 12.30 or 1.0 p.m. at the latest. The field workers employed on weeding and cleaning the estate finish their task by 2.0 p.m. The arrangement appears satisfactory, and I heard no complaints regarding it. One point, however, should be clearly understood. Where standard wages are in force—and I have suggested elsewhere in this Report that they should be applied to the whole of Malaya—it must not be open to any employer to offer less than a full task except by way of overtime. If a labourer appears at muster and is given a task to perform, it must be a matter of regular practice that, even if the exigencies of the industry require that he should be given a light task, he should receive a full day's pay. With this proviso I have no recommendation to make with regard to hours of work.

9. *Housing on estates.*—At each estate I paid special attention to the lines provided for the labour force. Conditions varied very considerably,

but I was pleased to note that the Labour Department bestows particular care on this aspect of the labour question and brings considerable pressure to bear upon the employers. The old type of lines consists normally of a long barrack-like structure of wood, roofed either with "attap", a local palm, or with tiles or corrugated iron. The line is divided down its length by a partition which does not reach the roof and single rooms are provided back to back so that each line is in effect a double line facing both ways. Usually, though not always, the lines are lifted above the ground on piles, and room is provided underneath the main building for a kitchen and for storing belongings; in fact in such lines the labourers live more on the ground space than in the rooms above. Sometimes a verandah is provided, sometimes not. This type of building has now been condemned by the Labour Department and the health authorities, and no new line on this model may be built. Wisely, in my opinion, the Labour Department has not standardised any new type but all plans for new buildings have to receive its sanction. Employers are thus at liberty to originate new designs to suit their particular conditions, and a variety of plans are available in the Labour offices for their inspection and comment. The general tendency now is to provide what is known as the cottage type of line consisting of separate four roomed houses to accommodate two families. Usually these also are raised on piles, giving greater coolness from free air circulation and extra storage accommodation, and the division between families is complete, ensuring greater privacy. I saw a number of such cottages either recently constructed or in course of construction. There were a number of variations in detail in which the Labour Department took a keen interest. I cannot forbear to mention one particular case where each raised cottage was enclosed in its own garden area, wired in, the garden itself being again divided into two parts by wire fencing to separate the portions belonging to the two families in the cottage. Another excellent arrangement which I saw was where the lines were grouped as in a village round a central 'maidan' with the main water supply available in the centre. Except in a few estates in water-logged coastal areas, good drainage is arranged in cement drains and in all estates systematic anti-malaria work is rigidly enforced. The complete control of malaria is perhaps one of the most remarkable public achievements in Malaya, and its success is as noticeable on estates as anywhere. Kitchens and latrines are of various types; these again are matters in which the Labour Department evinces the keenest interest and is continually suggesting improvements. In taking leave of this section, the only recommendation I have to make is that the programme of replacing the condemned type be hurried up, and that meanwhile every attempt should be made to maintain a high standard of cleanliness.

10. *Medical attention.*—The care taken of the health of the labour force on an estate falls into two categories. In the first place there is the control exercised over sanitation and prevention of disease, in the second there is the attention given to a labourer who is sick. In the previous paragraph the first category has already received some notice. As in so many other respects, in this matter also the comfort and health of the labourer depend mainly upon the attention and sympathy of the manager. So far as I was able to judge, the majority of estate managers realise clearly that it is in their own interest to maintain a healthy and contented labour force, and the periodical inspections by the Labour Department

and the health authorities supply a sufficient stimulus in those cases where it is needed. As regards the second category, I am not entirely satisfied. A number of the larger estates have constructed well-equipped hospitals on up to date lines, and there can be little doubt that in such cases the labourers receive excellent medical attention. Occasionally such hospitals are run as group hospitals serving more than one estate, and this arrangement was objected to by some people. The matter, however, seems to be one of administrative detail. On smaller estates there is frequently no hospital. There is a dispensary in charge of a dresser, who can do no more than attend to minor complaints and superficial injuries. Any case of a more serious nature has to be sent to and dealt with in the nearest Government hospital. I am not competent to judge of the qualifications of the dressers employed, but there were numerous complaints that they were often insufficiently qualified. I understand that this matter has already been examined by the Health Department and that steps are being taken to improve the position.

11. Upon one point, however, a comment is allowable, viz., the combination in one person of the duties of conductor and dresser, sometimes of clerk as well. I found this in more than one estate. The dresser's work should clearly be a whole-time occupation. He should invariably be at hand when required and should also exercise an initial supervision over the cleanliness and sanitation of the lines. I say initial, because no manager should be permitted to shift the responsibility for the general health of the labourers to any subordinate officer. Further, the conductor is responsible for reporting the presence or absence of particular labourers at their daily tasks, and the clerk is responsible for maintaining the chief register of attendance, the check roll. The combination of these duties with that of dresser, upon whom falls the responsibility of reporting a man sick, opens the way to confusion and neglect of important tasks. I was told by planters that a labourer is not allowed to remain sick in the lines, and that after a space of 24 hours he is invariably sent to the hospital. This is true of the larger estates where an estate hospital is available. But it is too much to expect in the case of smaller or more remote estates where there is no estate hospital and the nearest Government hospital may be as much as 10 miles away. I recommend, therefore, that dressers on estates should not be permitted to undertake any other estate work, and that the necessary steps should be taken to ensure that all dressers are properly qualified.

12. While on this point one other matter calls for mention. When a labourer is sick he does not appear for muster, his name is not entered in the check roll and consequently he gets no pay. I was told that a labourer in permanent Government employ is entitled to 28 days full pay while sick in hospital and, I believe, to a certain period of half pay thereafter. On several estates I was told that when a labourer was sick, the estate, though under no obligation to do so, would feed his family free of charge during the period of his absence from work. This reflects credit upon the authorities concerned; but I venture to think that a stage has been reached when this question should be settled upon a more secure basis. The system said to be in force in Government Departments has much to recommend it. The labourer is informed beforehand of the sick benefits to which he is entitled and can rest assured that, if misfortune overtakes him, his family will be in a position to support themselves

without an appeal to charity. The uniform application of some such system to estate labour deserves sympathetic consideration.

13. *Educational facilities.*—According to the Labour Code, the Controller of Labour has power to order the establishment of a school in any place of employment where the children between the ages of 7 and 14 are ten or more in number. On most estates such schools have in fact been instituted. There is, however, great room for improvement in this respect. In several urban areas enough accommodation is not available for all children of school age, and the authorities, whether Government or a Municipality, are slow to provide the necessary facilities. In many estates the housing of the school is by no means satisfactory and, more important still, the teachers employed are of inferior quality. The Director of Education, who kindly granted me an interview in Singapore, admitted there were defects and explained the administrative difficulties which had been experienced in this connection. I learned from him that it had already been decided to appoint an inspector of Tamil Schools. The officer selected is at present in England, studying Tamil at the School of Oriental Studies, and on completing his course there, will proceed to India to familiarise himself with colloquial Tamil and to learn something of the primary education imparted in India. This is undoubtedly a step in the right direction. But it is clear that a year or two must elapse before the benefits of it can begin to be felt. It is likely that when the special officer has made a survey of conditions in Malaya, he will find it necessary to recommend the appointment of additional supervising staff. This again will take time to decide. In my view this is a question of first rate importance in which improvement is urgently needed. I trust, therefore, that there will be no delay in setting up such machinery as may be necessary. Further I may venture to state my belief that matters could be considerably expedited if, in his first survey, the Inspector of Tamil Schools were to have the assistance of an experienced officer of the Education Department of Madras. I hope that this possibility will be examined by the Government of India and the Malay Governments.

14. One small point remains to be mentioned. While it is true that the majority of the labourers in Malaya are Tamil speaking, there are also small communities speaking Telugu or Malayalam. In most cases their numbers are not sufficient to justify the employment of a special teacher in their own vernacular. But in the selection of teachers preference may be given, on all estates where the Indian population is not purely Tamil, to men having a knowledge of another vernacular, if it may be done without sacrificing efficiency and other important considerations.

15. *Toddy shops.*—With the exception of a few areas which have been declared 'dry', most estates run their own toddy shops. The estate applies for a licence for a certain number of gallons and this quantity is, I understand, checked by either the Excise Department or the Labour Department against the number of labourers employed on the estate. This quantity constitutes a daily ration, and it is an offence for the toddy shop-keeper to keep any toddy which may be left over at the end of the day. Unused toddy must be thrown away, the intention being to guarantee that the toddy supplied is absolutely fresh. The price at which

it may be sold is also fixed and displayed publicly outside the shop. Any profits made by the estate—and there normally is a margin of profit—are credited to a special account, and funds so accumulated may be used by the estate, subject to the control and scrutiny of the Labour Department, for certain specified objects, all of which are purely for the benefit of the labour force in general. The Government also run a certain number of toddy shops, and where these happen to be in close proximity to an estate there is no estate shop.

16. It occurred to me that in a country like Malaya where surplus budgets appear to be the rule rather than the exception, and excise is not a major head of revenue, conditions were particularly favourable for a policy directed towards ultimate prohibition, and I endeavoured to find out how informed opinion stood on this question in so far as it affected Indian labour. A certain number of managers are inclined to regard toddy as a harmless indulgence if within limits, and as a means of keeping their labour contented and happy. Others, on the other hand, perhaps forming the majority, agree that toddy is by no means a necessity and would not object to a suppression of the toddy drinking habit. Without it labourers would undoubtedly be in a position to save more money and their efficiency would at least not be impaired, while the managers themselves would be spared the trouble of supervising the shop and its accounts and settling the occasional disputes which arise from drunkenness. In practice, however, they are almost unanimous in declaring that this is only a counsel of perfection. There is available in Malaya a potent and highly deleterious spirit known as 'samsu' which is easily and cheaply distilled from rice. Practically throughout Malaya I was informed, not only by planters but also by Government officials, that illicit distillation of this spirit by Chinese is rampant. It appears that the apparatus required is so simple in construction and so cheap to erect that effective control is a matter of the utmost difficulty. In Johore I was told that the most stringent penalties were enforced, but in spite of this, the evil appeared to be unchecked. 'Samsu' is said to be far more damaging physically and mentally than toddy, and most planters told me that they dare not abolish the toddy shop since the immediate result would be that their estates would be encircled with numbers of illicit stills brewing 'samsu'. The fear of 'samsu' also prevents them from attempting to reduce toddy consumption by raising its retail prices. The weight of evidence regarding the widespread illicit distillation of 'samsu' is so great that it is impossible to disregard it. At the same time the fact cannot be ignored that in those areas which have been declared 'dry' I was not informed by anybody concerned that the experiment was wholly a failure. While it seems true therefore that in present circumstances the planter is forced to favour the acceptance of the lesser of two evils, I am not entirely satisfied that some improvement is out of the question. The suppression of 'samsu' is a problem which would call for strenuous efforts on the part of the Malay Governments and would entail considerable expense. If I might venture to make a suggestion on so difficult a matter, the Government might concentrate on limited areas and subsequently extend the preventive measures by degrees. I recommend that the Government of India should enquire from the Malay Governments whether they would consider a more rigid campaign against 'samsu' with the ultimate object of prohibiting toddy altogether on estates.

17. *Co-operative Societies and encouragement of thrift.*—The Director of Co-operation kindly supplied a memorandum on the subject of co-operation amongst Indian labourers on estates and with copies of the latest annual reports of his Department. So far as Indian labour on estates is concerned, the movement was started in 1926 with one society which had a membership of 130 and a paid-up capital of \$1,305. At the end of June 1936 there were 228 societies and 3 unions. The membership of the societies aggregated 36,081 with a paid-up capital of \$768,624. These figures are by no means unsatisfactory, particularly when it is remembered that the policy of the Department is not to force the formation of such societies but only to assist the natural expansion of the movement. I heard of no case where any Manager objected to the formation of such societies. The majority of those with whom I discussed the question were prepared to give them every encouragement.

18. A number of estates where no such registered societies have yet been formed run thrift societies of their own. These are under the personal control of the Manager, and subscriptions to them are entirely voluntary. A separate account is kept under the name of each subscriber. In a few cases interest is allowed on the deposit and loans, recoverable with interest, are also allowed. In most cases, however, the society is little more than a safe from which the depositor is at liberty to withdraw sums from time to time for such purposes as ceremonies or for remittances to India. There are no standardised rules or regulations for their conduct and, as might be expected, their success depends mainly upon the confidence which the labourers place in their particular manager. No word of complaint was anywhere said regarding the management of such funds, but it is obvious, I think, that a properly registered co-operative society is more desirable. Not only is an unorganised thrift society liable to dislocation by changes of managers and similar administrative disabilities, but there also arises the difficulty of dealing with small deposits—I found a number of such cases—left behind by labourers who had absconded or quitted the estates without drawing them. The managers have been compelled to leave these amounts idle, sometimes for years together, before they felt safe in applying them to the toddy fund or some similar fund for the benefit of the labourers as a whole, and even so the legality of such action may at any time be open to question. While therefore it will be agreed that the co-operative movement is one which should grow of its own accord and should not be forced upon unwilling subscribers, I think that the Co-operative Department, provided it is satisfied that the movement among labourers is generally on the right lines and is proving of real benefit to them, might consider the desirability of more energetic propaganda among estate labour, and might approach all estates where thrift societies exist with the object of converting these societies into properly registered co-operative societies with recognised bye-laws.

19. *Land allotments and settlements.*—It is laid down in the Malay Labour Statutes that on application every labourer on an estate shall be provided with an allotment of land for his own cultivation, and the area to be so allotted has been fixed at 1/16th acre for each labourer who has dependants. It is clear that Indians who have a traditional knowledge of agriculture stand in danger of losing that knowledge if their whole

time is devoted to estate work only, and the provision in the statutes appears to be a salutary one. I have reason to believe that this provision is generally complied with, but it would appear that sometimes land is offered at such a distance from the lines as to make the offer almost valueless. In most of the estates visited I found that allotments were available sufficiently close to the lines and that they were in fact cultivated, though not possibly to the fullest extent. The plaintain is the favourite crop, while the betel vine is perhaps the most profitable. It is needless to point out that conditions vary considerably from one estate to another. In some instances, when lines were built many years ago, due consideration was not paid to the necessity for so siting them that sufficient land was available for garden cultivation. Other difficulties may also arise. For instance, I came across one estate where a main road had been built through existing lines and another case in which the process, already started, of eliminating a large double bend in a main road would mean the complete destruction of existing lines. In the latter case I may mention that the manager was delighted that he would be able to build modern lines with compensation money rather than with the Company's own money. I was continually told by managers that they were only too willing to provide allotments if applications were forthcoming, but that a large number of their labourers evinced no particular interest in the matter. Of course the estate can offer no permanency of tenure to a labourer who is at liberty to leave at a month's notice, and it is only the labourer who has a fixed intention of settling on one estate, or at least of remaining on it for some considerable time, who will consider it worth his while to cultivate his allotment with any care. Another difficulty is that the Chinese are expert vegetable gardeners and their produce can be purchased at very low prices. These are probably sufficient reasons for the fact that all available allotments are not taken up by Indian labour. The matter, however, is of some importance. It is not desirable that an estate labourer should lose his natural taste and capacity for agricultural labour by sheer disuse; for if he returned to India or joined one of the settlements in Malaya to be presently mentioned, he would find the taste and capacity of immense value. In order to encourage the cultivation of allotments I should like to suggest that, with the assistance of the Labour Department, estates should guarantee, in the event of a labourer leaving an estate, to take over his improvements and crops at a fair valuation. It might be necessary for the estate to stipulate previous continuous employment on the estate of, say, six months, but this is a detail which need not be examined here. On estates where co-operative societies are working successfully I should also like the Co-operative Department to consider whether a combination of allotments could not be satisfactorily worked on a co-operative basis. It would no doubt require a strong and efficient panchayat, and the first experiments should be made in societies selected with great care.

20. I have mentioned above settlements of Indian labourers in Malaya. Various experiments have been made in this direction. I visited two such settlements. Undoubtedly it would be of advantage to Malaya to have a permanently domiciled labour supply, and there are indications that the number of Indian labourers who tend to look upon Malaya as their home, at least for the whole of their working lives, is on the increase. Cases have

occurred, particularly where some extra occupation such as fishing is available, of labour forces which have been paid off from an estate refusing to leave the lines, even though the estate could offer them no employment and no wages. There is, therefore, some possibility of success in experiments which may tend towards stabilising the Indian labour force in Malaya and providing for the future a steady supply. A considerable settlement of this nature exists at Chuah, in Negri Sembilan. An area of some 250 acres has been cleared of jungle by the settlers themselves, drained and planted with various crops. The land is Government land and, though at present assignment is on a temporary basis, I was informed that steps are being taken to issue permanent titles to the settlers. It is too early to be sanguine of eventual success though the signs are favourable. The other settlement is at Sungei Ujong on land owned by an estate of that name. This also is a recent enterprise and its future cannot at present be predicted. I think, however, that a venture of this kind on privately owned land is probably a mistake. I cast no aspersions on this Company or on any Company when I suggest that such experiments should not be connected with, or under the control of, any private owner. The idea behind such settlement schemes is no doubt laudable, and in particular instances they may cater for a real need. It is, however, essential that they should provide for complete independence and liberty of movement among the settlers, so that no suggestion that they are in any way tied or bound to a particular estate should be allowed to grow. I think, therefore, that any such schemes must be sponsored by Government and by Government alone. It is the settlers themselves who by their own exertions open and develop the land, and it must be clearly understood that they have as permanent a stake in the welfare of the country as any mine or estate owner. Their title therefore must be permanent and unassailable, and in any future political development which may take place they must receive recognition as permanent independent inhabitants of Malaya. It is only if these conditions are fulfilled that such settlements can be expected to flourish, and these conditions can only be guaranteed if the land is originally allotted by Government. It is a pleasing feature of the Chuah settlement that a General Purposes Society has been registered by the Co-operative Department, and that that Department is taking an active interest in the development of the settlement as a whole. It is obviously an experiment where the advice and experience of trained co-operative workers may be of great value. I would suggest that Government should consider the possibility of taking over the area covered by the Sungei Ujong settlement and issuing permanent titles there as in the case of Chuah.

21. *Quarantine and Immigration arrangements.*—I visited the quarantine stations and immigration depots at Penang, Port Swettenham and Singapore. At Port Swettenham I was able to follow the whole process of landing some 500 immigrants. The immigration depots are full or even moderately full only for a short period, usually not more than 24 hours. Immigrants are housed there after completing their quarantine and while waiting for the guides to take them to the various estates. Those who have travelled from India unassisted and have no specific estate or job awaiting them are free to go immediately after the quarantine period and may not be detained at the depot at all. The depots are also used for housing repatriates while waiting for a ship or while their histories are being verified. Generally speaking the housing accommodation is adequate.

though it might be improved in minor details. For instance, I am not attracted by the type of bed platform which is usually provided. It takes the form of continuous planking throughout the length of the building. Division into separate beds would afford at least some sense of privacy and would avoid possible confusion of belongings. Care might also be taken to diminish or conceal as far as possible the prison camp appearance conveyed by the wire enclosure to the depots. Shade trees and flowers may also alleviate what must in any case be a somewhat dreary atmosphere. These, however, are matters of detail, and the exercise of some imagination by the officers in charge can very easily effect improvements in them. The quarantine camps are much larger than the immigration depots and owing to the fact that immigrants may have to be detained for a number of days are of greater importance. It may be stated at once that so far as the camps at Singapore and Penang are concerned the arrangements and the accommodation appeared altogether satisfactory. One small detail only requires mention. The living quarters at Penang are very hot, and conditions could be improved by the provision of a ceiling inside the roof. This has already been done in the hospital there with good effect. I was informed that this item of improvement is included in a programme of work already sanctioned. If this is the case, it is to be hoped that it will be executed as early as possible. If this is not the case, I earnestly commend it to the immediate attention of the authorities. At Port Swettenham on the other hand, which for Indian labour is an important camp, matters were not so satisfactory. I had already heard some complaints about this camp and examined it fairly closely. The practice in all quarantine stations is that on arrival the immigrants and all their possessions are immediately disinfected. After this disinfection they are taken to the camp proper where they are medically examined, vaccinated and inoculated against cholera. The process is insisted upon by the health authorities in Malaya and is doubtless salutary. On the day I was there the number of passengers was small; yet it took the establishment an unconscionably long time to handle them. Nearly every process was delayed. Not only was there no particular anxiety to minimise the time but nobody had applied his mind to the task of saving the passengers the inconveniences and discomforts attendant on the work of a quarantine camp. No doubt the place is cramped and ill-designed but I could not resist the impression that with a little forethought and consideration all the operations including feeding could have been concluded in much less time than was actually taken and with less confusion and annoyance than were actually caused. For instance, when feeding began, it began in only one of the sheds, the one occupied by the assisted emigrants. The unassisted emigrants in the neighbouring shed were kept waiting till their luckier fellow-passengers had had their fill. I could not discover any reason for this invidious treatment except the small saving to the contractor of the additional establishment that would have been required if the feeding had been simultaneous instead of successive. Separate provision was made for the bathing of the men and the women, but it was not impossible for members of the staff to overlook the women's quarter either out of curiosity or owing to the exigency of business. Without unduly prolonging this criticism, I would bring this topic to a close by suggesting a better-designed reconstruction of the whole place and by demanding of the staff greater despatch and consideration for the feelings and needs of poor people who have performed a long voyage in none too easy conditions and look forward to food and rest.

22. While on this subject it is worth nothing that I saw both the immigrant ships, the s.s. "Robna" and the s.s. "Rajula", the former in Port Swettenham, the latter in Madras, landing repatriates. These two ships have been specially equipped for this traffic and are capable of carrying very large numbers. For various reasons I was unable to travel on these ships myself, but both from my inspections and from what I heard in Malaya I am satisfied that an honest attempt is made to provide reasonable accommodation and ample food for the emigrant labourers as well as to protect them from abuse or unauthorised coercion by the crew. It is worth mentioning that both ships on every voyage carry both male and female Government inspectors, appointed by the Malay Labour Department, whose duty it is to see that all reasonable requirements are satisfied.

23. I may also mention at this stage the Emigration Depots maintained at Negapatam and Madras. Both are under the management of Malay Civil Service officers of the Labour Department. The buildings and sites are the property of the Indian Immigration Committee, and all expenses in connection with the depots are met from the Indian Immigration Fund. The camp at Negapatam is the smaller of the two and its buildings are not of the latest pattern. It is however well laid out, shady and convenient. The main camp at Avadi near Madras is big and the buildings are of modern construction. Considerable care has been taken to make the camp as comfortable as possible for those who inhabit it, and I was satisfied with what I saw.

24. *Non-estate labour.*—A large number of Indian labourers find employment not on estates but in various Government or quasi-Government Departments. Municipalities, Town and Sanitary Boaras, the P. W. D. and the Railways all utilise Indian labour and at the end of 1935, those employed in Government Departments totalled nearly 38,000. It may be noted in passing that the fact that Government is so large an employer of labour gives a concrete advantage in negotiations regarding wages between the Government and other employers. If Government raise their wages other employers find themselves compelled to follow suit. Indian labour is also employed under contractors on all kinds of work and under varying conditions. It is generally assumed that the labourer who hires out his work on contract is sufficiently independent and able to look after himself. To a large extent this is probably true. Indian labour on tin mines is frequently contract labour, and so long as the employer pays the agreed rates to the contractor not many complaints are heard. Needless to say, no amenities are provided for these labourers, such as housing, education, medical attention, etc.; consequently the rates demanded and paid are usually higher than those for a permanent labour force. Complaint is sometimes heard that such labour does not receive as much attention as permanent or estate labour. To a certain extent this is a natural consequence of the greater independence which the labourer has sought and enjoys. It is, however, not true that such labourers are entirely neglected. The Labour Department is as much at their disposal as at the disposal of their fellows on estates, but the probability is that the labourers habitually look to the contractor for everything and only rarely approach the Department for assistance. Labour employed by the Government or semi-Government Departments is normally of a permanent character and is provided with housing. I inspected the accommodation provided at a number of places and found it satisfactory with

one notable exception. In Penang, where the Municipality employs a considerable number of Indian labourers, the housing provided for married couples, though by no means of the best type, is at least as good as I found on a number of estates with the older model of lines. On the other hand I was shocked beyond words by the condition of the quarters provided for the bachelors. They consist of a stone barrack-like building which at the time of my visit was so over-crowded that it is doubtful if even the barest requirements of public health were fulfilled. Both the heat and the smell of the place were over-powering and appeared to find no easy exit. The washing accommodation was such that all used water found its way down the main steps which form the general entrance. No privacy of any sort was provided for and no wonder the place is the scene of frequent disputes and quarrels. It is to be hoped that both the Municipality and the Labour Department will give immediate attention to this evil and undertake drastic improvements without delay.

25. The rates of wages paid by such authorities are normally the standard rates and occasionally a little above them. One point, however, deserves the earnest consideration of the authorities. On estates it is usual for the labourer's wife also to find employment either as a tapper or as a weeder. She thus makes a material contribution to the family income. In Government employ, however, it is the exception rather than the rule for women to find paid occupations, and the total income of a household is, therefore, liable to be much less than in the case of estate labour. In a number of cases the request was made to me that paid work should be found for women, and, in spite of such administrative difficulties as the impropriety of employing female labour on night work, it is necessary that something should be done to increase the family earnings of these people. I hope that the Labour Department will take this matter up in earnest with the various authorities concerned. In cases where it is impossible to provide suitable work for the women some married allowance or other addition to the men's pay might well be considered.

26. In the matter of medical attention such labour is normally within easy reach of a Government hospital or dispensary, though this does not apply to railway labour such as gate-keepers or to P. W. D. road gangs. I have therefore no suggestions to make as regards medical attention. I am not, however, satisfied that sufficient educational facilities are provided. The powers of the Controller of Labour to order the provision of schools apply presumably to all classes of labour and employer alike, whether private or Government. It does not appear that the obligation has been enforced on Government and quasi-Government employers as strictly as on employers of estate labour. It is true that in towns or their neighbourhood Government or aided schools are available, and the Labour Department is unwilling to trespass upon what is really the province of the Education Department. From what I saw and heard, however, at more than one centre it is open to doubt whether the Labour Department have in fact ever considered the question of securing to urban labour the same advantages in this respect as to estate labour. I attach more than a little importance to this question and would suggest that the Departments concerned should make a detailed survey of conditions in this respect. That there are gaps requiring to be filled I am fairly confident.

27. One final word regarding non-estate labour generally seems to be required and will not, I hope, be misinterpreted. An impression exists

among urban labourers that their interests do not receive from the Labour Department the same care and attention as those of estate labourers. In so far as this complaint is well-founded the Department will probably be able to show that the disparity proceeds in large measure from the inherent nature of the case. I confess to a misgiving, however, that the complaint is not wholly devoid of justification. It came to my knowledge that the recent strike at Singapore has occasioned an enquiry into the causes that led to it. I trust that the opportunity will be taken to examine thoroughly the conditions of urban labour and that in consequence the Department will come to be looked up to as the guardian of all sections of labour.

28. *The Sex Ratio.*—Under the Indian Emigration Act of 1922, the Government of India have taken power to require that among emigrants a certain ratio of females to males should be observed, the rule laying down that men who are unmarried or unaccompanied by their wives shall not be assisted to emigrate to any one country in any one year to a number exceeding one in five of the total number of persons so assisted. Put in simple language the rule means that in every five persons assisted to emigrate two shall be married women travelling with their husbands. The ratio of males to females should therefore be 1.5 to 1. The Governor General in Council has power to exempt any country from the operation of this rule or to modify the ratio in respect of any country. Assisted emigration is permitted to two countries only, Ceylon and Malaya. Ceylon has from the beginning been permanently exempted from the operation of the rule, the ratio there having been consistently higher than that demanded by the rule. Since the rule came into force Malaya has been exempted from time to time but continuously and without a break. It is worth noting therefore that the rule has never been applied in practice and that no experience has been gained of how it would actually operate. According to the official census figures the following ratios have obtained among Indians in Malaya:—

	1911	1921	1931
Females per 1,000 males	308	405	482

The comparable figure required by the rule would be 666. Considerable public interest has been taken in this question in India, and the suggestion has been influentially made that the provisions of the rule should be enforced in the case of Malaya. I venture to think that that suggestion is made without a full comprehension of its implications. In the first place it should be noted that the rule applies only to assisted emigrants. There is, however, a stream of voluntary emigrants to whom it does not apply and to whom under existing laws it cannot be applied. This stream during the past few years has consistently been greater in volume than that of assisted emigrants. The rule, if applied, would under existing conditions affect less than half of those emigrating from India to Malaya. In the next place it should be remembered that the ratio of 1.5 to 1 has been fixed only since 1922, the figure previously accepted having been 2.5 to 1. By 1922 a large Indian labour force had been well established in Malaya. It is not to be expected therefore that the rule even if enforced could in the space of a few years entirely alter the position reached after a long period of immigration in this respect uncontrolled. The figures I have quoted show for 1931 482 females per 1,000 males. In that year out of 624,000 Indians in Malaya 304,000 were resident on estates and 583,000 were south Indians. The sex ratio on estates

showed 643 females per 1,000 males and among other Indians 355. It is thus clear that, so far as assisted estate labourers are concerned, there has been a real improvement. This is borne out by certain figures I have seen regarding the proportion among assisted emigrants in 1936. Complaints were made by many persons that enticement of married women was becoming common, but conviction in a court of law was difficult to obtain owing to the impossibility of producing satisfactory proof of marriage. There was a general demand that some remedy should be found, but no practical suggestion was forthcoming beyond the idea of compulsory registration of marriages, which is absolutely impracticable in India. In the absence of a consensus of informed opinion it is unwise to experiment by legislation or otherwise in a delicate sphere of human relationship. The object which the sex ratio rule seeks to attain is undoubtedly praiseworthy and is accepted as such by the Malayan Governments. The time for its application to Malaya does not, however, appear to me to be opportune. If after the lapse of some time no improvement is perceptible in the present position and there should arise a large demand for further labour, the Government of India may have to consider whether the sex ratio rule should be enforced and its application extended, by whatever administrative measures may be necessary, to voluntary emigrant labourers. For the present, in my opinion, it is not necessary to take such steps, and I recommend that further exemption should be accorded to Malaya for such period as may seem reasonable, the position at the expiry of that period being again examined from all points of view.

29. *Assisted Emigration.*—The terms of reference call for a clear finding whether assisted emigration to Malaya should be permitted in future. Assisted emigration is of two kinds, recruited and non-recruited. Recruited labour is obtained through the service of kanganyes, themselves agricultural labourers who have worked on estates in Malaya. Licences are issued to such kanganyes by the Labour Department in Malaya and are endorsed by the Agent of the Government of India. They are also registered in the Malayan Emigration Depots at Madras and Negapatam. Non-recruited emigrants consist of labourers who themselves apply at the Depots in Madras or Negapatam and who are considered by the Malayan authorities there to be fit for estate work. In 1930, owing to the depression, immigration was suspended by the Malay Governments and during the three succeeding years some 190,000 Indian labourers were repatriated to India at Government expense. In 1934, after discussions with the Government of India and with their consent, assisted emigration was reopened but mostly in the non-recruited form. Kanganyes were allowed to recruit labour only for the few tea and oil-palm estates. Licences were also issued for a few rubber estates which drew their labour from districts of Madras, such as Malabar and parts of the Telugu country, lying at such a distance from the ports of embarkation that intending emigrants would find it difficult to raise the railway fare to reach the depots. Actually very few kangany licences have been issued, and for practical purposes it may be assumed that all emigration to Malaya since 1934 has been voluntary. It has been contended by the Malay Labour Department in the Annual Report for 1935 that the kangany system of recruitment has been so supervised as to eliminate, as far as is humanly possible, the abuses to which such recruitment is subject. It is irrelevant to discuss here the merits or demerits of the administration of the system since the argument itself admits the abuses to which

it is liable. The kangany system is no doubt of value to employers and saves some work in the Labour Department offices, particularly when there is any abnormal demand for labour. It produces results more quickly and guarantees, so far as assisted emigration is concerned, a supply almost exactly equated to the demand. There are, however, other factors which deserve consideration. Since immigration was reopened in 1934, the system of non-recruited emigration has produced an adequate supply of labour. In fact in 1934, the influx was in excess of requirements. Since then the Labour Department have devised a system of applying quotas to individual employers according to their needs, and the depots in India are instructed not to admit any non-recruited emigrant for whom there is not a definite offer of employment in Malaya. In theory also there can be no doubt that the voluntary system affords greater independence to the individual labourer and is not open to the suspicion that, however careful the administration may be, the labourer may be under some concealed obligation to the kangany which will act to his disadvantage in Malaya. I am not in favour of the kangany system either in theory or in practice and recommend that it should not be revived. I believe that little real hardship, if any, would be caused by its abolition. The great majority of emigrants to Malaya come from districts in the south of Madras which are within easy reach of one of the two depots, and it is precisely in those districts that economic pressure has in the past proved most acute. The attractions which employment in Malaya has to offer are now fairly widely comprehended, and emigrants from the more remote districts are in the majority of cases acting under the stimulus of some personal relationship or connection. In such cases there will not normally be any great difficulty in finding sufficient money to reach the nearest depot. Recruitment for tea and oil-palm estates was permitted on the ground that these industries were new in Malaya and that the estates concerned had not yet established any connection with centres of labour supply in India. Presumably in the last year or two that position has to some extent been rectified, and we are within sight of the total abolition of the kangany system. There is some danger that the abolition, if decided upon, will aggravate the evil of illegal and unlicensed recruiting. This evil, however, is not unsusceptible of remedy. I would recommend that, if the Government of India are satisfied that the complete abandonment of the kangany system is a desirable reform, they should invite the Malay Governments to join them in devising suitable machinery to cope with illegal and unlicensed recruitment; and when the ground is prepared, they should take the step which will put an end to the kangany system.

30. With regard to non-recruited assisted emigration I have already described the existing arrangement. Where a man before whom all the facts have been placed as clearly as possible elects to forego the advantage of living in his own place in order to obtain certain other advantages in another place, I doubt whether any Government can with propriety forbid him to make that choice, so long as the Government is satisfied that the new conditions are reasonably good. [I have described the general conditions which I found in Malaya and consider that there is no justification for preventing Indian labour from emigrating there.] I have made certain suggestions, particularly with reference to rates of wages, which should receive the close attention of the authorities in Malaya. If those improvements are forthcoming I am clear that permission to emigrate should be continued. That being so, it would be harsh as well as unreasonable to order that a man may go only if he is prepared to bear the cost of

emigration himself. It is precisely those who are not in a position to meet that expense who will be most willing to emigrate. When an organisation already exists, financed in Malaya, which will meet that expense for them and in addition assures them of employment, the idea of denying them the advantage is unthinkable. My recommendation, therefore, is that, given an assurance of active and sympathetic consideration of the improvements suggested above and in particular of steps being immediately taken to restore the standard rates of wages which were fixed in 1928, (non-recruited assisted emigration) to Malaya should be permitted to continue.

31. *The Indian Immigration Committee.*—An Indian Immigration Committee was established in Malaya in 1907. The Committee consists at present of 6 Government officials, 9 planting representatives, including the President of the United Planters' Association of Malaya, one prominent business man and two Indian representatives, one for the Colony and the other for the F. M. S. The Committee administers the Indian Immigration Fund, which draws its income from a levy on employers of Indian labour and meets expenses in connection with passages of the emigrants from their homes in India to Malaya, quarantine charges in Malaya, transport from ports in Malaya to places of employment and repatriation to India. It is this Committee which owns the emigration depots at Madras and Negapatam, to which I have previously referred. It is perhaps worth noting that Government and Public Departments employing Indian labour contribute to the Fund on the same footing as any other employers. Under the provisions of the Malayan Labour Code, the Indian Immigration Committee is authorised, with the approval of the Chief Secretary, to "prescribe standard rates of wages payable to all or any classes of labourers performing all or any of" certain specified classes of labour. The classes of labour specified include practically all those in which Indian immigrant labour is employed. This function of the Committee has assumed considerable importance since the fixation of standard wages in 1928 and the depression of 1930. There is one respect in which the constitution of the Committee is susceptible of improvement. It will be seen that as at present constituted it is heavily weighted in favour of the employers. There are only two Indian representatives and both the men now holding office, apart from their own private occupations, are already busily engaged in public affairs on behalf of the Indian community in general. There are 637,000 Indians in Malaya, of whom probably some 250,000 are daily paid labourers. I do not suggest that for the present labour as such should have representation on the Committee, but it is clear that Indian representation is utterly inadequate. It is not possible for the two existing representatives to cover all the ground of the Colony and the Federated Malay States, nor can they claim sufficient immediate acquaintance with the problems the Committee has to discuss. At least two more Indian representatives should be appointed, chosen for their knowledge of labour conditions in areas where Indian labour is largely employed; and I would suggest that, so far as circumstances permit, those appointed should not be gentlemen already representing the Indian community in some other sphere. Only men not burdened with other public duties can give close attention to matters affecting labour. From the general point of view also the Indian community will have a slightly larger chance of taking part in public affairs, and service on the Immigration Committee may well prove a useful training ground for public service elsewhere.

32. One more point I should mention in connection with this Committee. The Indian Immigration Fund maintains at Kuala Lumpur a Home for Deceperit Indians. I inspected this institution and found it satisfactory and performing a useful service. The suggestion was, however, made to me that this institution would be of greater value if it were developed into a Central Orphanage as well. On the face of it the idea deserves consideration, and it may be put before the Malay Governments with a request that the possibilities of such expansion should be carefully examined.

33. *Political and Social Status.*—The terms of reference require that attention should be paid to the political and social status of Indian labourers in Malaya. Strictly speaking, the question of political status does not arise. There is no franchise in Malaya, and all appointments to legislatures or advisory bodies are made by nomination. When any constitutional changes are under consideration, it may be necessary for the Government of India to examine how they will affect the position or the representation of Indian labour. Until that position arises, the matter does not appear to require examination. So far as the social status of the Indian labourer is concerned, there are no racial restrictions nor any discrimination between the Indian and any other labourer. A representation was made to us that Chinese seamen were being preferred to Indian seamen in Singapore. But this, even if true, appears to be a purely commercial question and in no way a social problem. Children of Indian labourers on estates who show exceptional promise are in a number of cases given opportunity to proceed to higher studies, and in the few instances brought to our notice where a labourer's family had acquired a higher status, I heard of no bar against them either because they were Indian or because they were of the labouring class. No recommendation is called for in this respect.

34. *Summary of conclusions and recommendations.*—(i) The Labour Department in Malaya has established an effective control over employers, particularly on estates. It operates mainly in the interest of the Indian labourer and renders him sympathetic and efficient service.

(ii) Indian labour on estates in the long run is the most efficient, and the majority of employers realise that it pays them to maintain a contented labour force. Now that the depression is lifting, it will be in their own interests to assure their labour a fair share in the returning prosperity.

(iii) Estate managers on the whole are of a good type and take a genuine interest in the welfare of their labour.

(iv) In 1928 standard wages were fixed at 50 cents for men and 40 cents for women in ordinary areas and 58 cents for men and 46 cents for women in certain special areas. In 1930 a cut of 20 per cent. was imposed on account of the depression. In point of fact a bigger cut was imposed, the alternative being to discharge the labour. By 1936 rates of 40 cents for men and 32 for women were fairly uniform and from the 1st January, 1937, standard rates have been fixed at 45 cents for men and 36 cents for women.

(v) It has always been understood that with a return of prosperity the standard rates fixed in 1928 would be reintroduced. The rubber industry is now recovering rapidly. Rubber is quoted at about 10d. (36 cents) a

pound and the production quota has recently been raised to 85 per cent. The time has arrived when the full 1928 rates should be restored.

(vi) Standard rates are at present obligatory only in certain areas known as key areas. These areas do not appear to have been selected with reference to any well-defined principle and the distinction between key and non-key areas does not seem to serve any useful purpose. It may be abolished, and the standard wage applied with statutory force throughout the country.

(vii) Higher rates were fixed for certain special areas on the ground that they were more expensive or less healthy or accessible. The distinction between these areas and ordinary areas is perhaps not as acute as it was eight years ago, but the fact remains that estates in these areas do pay higher rates in order to attract labour. The higher rates fixed in 1928 should therefore continue.

(viii) Housing for labour on estates is largely under process of reconstruction. The old type of lines has been condemned by the Labour Department and may not in future be erected. Modern lines are mostly of the cottage type and are satisfactory. Reconstruction of this nature should be pushed as fast as the circumstances of the planting industries permit.

(ix) Medical attention is satisfactory on the larger estates. The dressers employed, however, particularly on the smaller and more remote estates, are not always sufficiently qualified. Wholtime dressers with proper qualifications should be employed on every estate. It is understood that the Malay Governments are already taking steps in this direction.

(x) Estate schools need closer supervision. Both the accommodation provided and the quality of the teachers employed are susceptible of considerable improvement. The Malay Governments propose to appoint an Inspector of Tamil Schools. When the appointment is finally made, it may be of assistance if a qualified educational officer from Madras gives his advice in the first stage of reorganisation. Till that takes place the Labour Department and the Education Department should make every effort to improve the existing schools.

(xi) The abolition of toddy shops on estates is attended by grave danger from an illicit spirit called 'samsu' which is easily distilled from rice. There is, however, agreement among the majority of employers that, if illicit liquor could be prevented, the labour would not suffer by the prohibition of toddy. The Malay Governments may be asked to consider whether this policy cannot be gradually enforced. There are already a few dry areas and evidence shows that the experiment has not been a failure.

(xii) Co-operative societies are on the increase and do good work. The Co-operative Department should consider the possibility of developing unregistered thrift funds, where they exist, into properly registered societies.

(xiii) The full use of garden allotments on estates should be encouraged by all possible means. Any settlements of Indian labourers should be by means of a permanent title held only from Government and not from any private owner.

(xiv) The quarantine station and camp at Port Swettenham needs considerable reconstruction and more sympathetic administration. In other respects the quarantine and immigration arrangements call for no comment.

(xv) Non-estate labour is normally more independent than estate labour. Labour employed by Government and Public Departments obtains the same wages as estate labour or possibly slightly higher wages. There is, however, insufficient work found for women and if such work cannot be provided the possibility of some married or family allowance should be considered. Contract labour appears able to protect its own interests but the Labour Department might make a greater effort to obtain the confidence of non-estate labour in general.

(xvi) The sex ratio shows signs of improvement, particularly among estate labour. Further exemption from the sex ratio rule may be given and the position re-examined at a later opportunity.

(xvii) Voluntary assisted emigration should be allowed to continue. The kangany system of recruitment should not, however, be revived and to the extent to which it still exists should be abolished. Machinery should at the same time be devised to prevent illicit recruitment.

(xviii) At least two more Indian members should be appointed to the Indian Immigration Committee and the Indian representatives on that Committee should as far as possible be men who have not been chosen to represent the Indian community in other capacities as well. The possibility of expanding the Decrepit Home to include a Central Orphanage should also be considered.

35. *Acknowledgments.*—Our tour in Malaya was attended by so much hospitality, both private and public, that it is impossible in this Report to make due acknowledgment to all those who contributed to our entertainment. Special thanks are due to H. E. Sir Shenton Thomas both for personal hospitality and courtesy and for the opportunity which he afforded us of having a discussion on various subjects with him and his principal officers. To Mr. C. D. Ahearne, M.C.S., Federal Secretary, we are indebted not only for his kindness in entertaining us at Kuala Lumpur, but also for the readiness with which he placed at our disposal the great experience which he has had with Indian labour problems in Malaya over a number of years. Mr. Charles Wilson, M.C.S., Controller of Labour, accompanied us between Penang and Kuala Lumpur and met us again in Singapore. His friendly reception of us and the information which he gave us on a wide variety of subjects afforded us a valuable insight into many matters of interest to both India and Malaya. Through him I should like to express our gratitude to all the officers of the Labour Department whom we met. They were without exception of the greatest assistance in our enquiry and in co-operation with Rao Sahib K. A. Mukundan, undertook the task not only of arranging our programme, but also of rearranging it at short notice as circumstances demanded. Rao Sahib K. A. Mukundan, Agent of the Government of India in Malaya, accompanied us throughout the tour. His ready and willing assistance at all times proved invaluable, and the cordial relations which he has established with the officials of the Malay Governments, the planters and the representative Indians in all parts of Malaya smoothed the path in front of us and facilitated approaches which in other circumstances might have been beset with obstacles. Wherever we halted, we met with the utmost

cordiality and hospitality from the Residents or Resident Councillors and from all local officials and to these our thanks are due. Indian Associations at every stopping place came forward with invitations and with offers of assistance, and so numerous were our hosts and so overwhelming their attentions that it would be invidious to single out any individuals. I received a number of memoranda containing information and suggestions which were invaluable. Numerous individual Indians also spared neither time nor trouble in explaining particular points that arose and in giving their views on topics of interest connected with my enquiry. To all these gentlemen and to the whole Indian community of Malaya, as also to the Ceylonese community, we must express our deep sense of gratitude and obligation. The United Planters' Association of Malaya very kindly sent a deputation to wait on me in Singapore. The discussion of various questions with them was conducted in the most frank and friendly atmosphere, and we shall retain the happiest memories of our contacts with the planting community of Malaya both at this interview and on individual estates. Finally we must record our appreciation of the services rendered by Mr. T. N. Gupta of the Education, Health and Lands Department of the Government of India who accompanied us. The unfortunate illness at Rangoon of Mr. V. S. Sankaran, which prevented him from accompanying the deputation, placed an extra burden upon Mr. Gupta's shoulders which he willingly undertook, and we should commend his untiring zeal and energy to favourable notice. I have kept my obligation to Mr. G. S. Bozman to the end. The Government have called him my Adviser, but I am thankful to say he has been more. He has fully shared my responsibility, and though I sign this report, there is nothing in it which does not carry his assent. He gave me without stint the benefit of his experience, industry and sound judgment. My debt to him is incalculable, and I shall always remember with pleasure my association with him in this mission to Malaya.

V. S. SRINIVASA SASTRI.

The 6th February 1937.

ADDITIONAL REPORT.

During the course of our tour in Malaya a number of topics were raised in discussion with representatives of the Indian community. They are matters which have attracted public interest both in Malaya and in India and which affect the Indian community as a whole. They do not fall within the terms of my reference, but I was able, by the courtesy of His Excellency Sir Shenton Thomas, to mention them both to him and to his principal advisers. Since they are subjects of public concern which have already to some extent been ventilated in the press and otherwise, it will not be improper if I submit a short additional Report about them.

2. *Facilities for higher education.*—The first of these matters is the provision of facilities for secondary and higher education. Complaints were made to me that such facilities were scarce for Indian students, and the suspicion was entertained that some discrimination existed against Indians in this respect. There are in Malaya only two institutions where higher education is imparted, Raffles College and the King Edward VII Medical College, both at Singapore. There is no University in the country. The Medical College is full and has, I understand, a considerable waiting list. Raffles College, on the other hand, has vacancies available. The tuition fees at the latter amount to \$300 a year, and residence and boarding charges to a like sum. It is clear, therefore, that, barring the scholarship winner, the course is open only to the comparatively well-to-do. I found no evidence that in admission to these two institutions there was any discrimination against Indians as such, and I am satisfied that there is none. With regard to secondary education it is no doubt true that some Indian parents find it difficult to secure admission for their children, but no discrimination is made because they are Indians. The difficulty arises wholly from lack of accommodation and presses on all communities. Certain special facilities are available for Malays in the shape of closed scholarships and free education, but all other communities receive equal treatment. The Malay Governments realise that generally the provision for secondary education does not meet all requirements. Complaint was made to me more than once that very few of the secondary schools provide a scientific training. I have reason to believe that the defects are known to the authorities, and that steps are being taken to remedy them as quickly as circumstances permit. I received an explicit assurance that no question of racial discrimination was permitted to invade either the policy or the administration of the Education Department.

3. *Representation on Public Bodies.*—A number of complaints were forthcoming to the effect that Indians received inadequate representation on the State Councils and other public bodies. A further complaint was very generally made that, even where an Indian representative is contemplated, the seat is frequently given not to an Indian but to a Ceylonese, the term including Jaffna Tamils. For the purpose of representation on the various Councils in the Federated Malay States, the term 'Indian' is defined to include Ceylon Tamils, and in fact there was recently only one State in which an Indian, as distinct from Ceylonese, represented the Indian community. At the time of my visit this circumstance had caused some bitterness in the relations between the Indians and the Ceylonese. While I publicly lamented the discord, it seemed to me at

the same time that the authorities should be apprised of the position, and I pointed out that the Indians greatly outnumber the Ceylonese in Malaya and would prefer that one of their own community should be selected to represent them. So far as Indian representation on other public bodies is concerned, I would only remark that the experience gained by service on such bodies is often a useful preparation for representative appointment on bodies having a wider scope, and may bring to light a natural capacity for public work which would otherwise remain undiscovered.

4. *Appointments in public services.*—Considerable dissatisfaction was expressed by representative Indians as to the proportion of appointments in the public services held by Indians. In recent years a pro-Malay policy has been in operation in the peninsula, to which point was given by the institution of a special service in the F. M. S. To this service only members of the British and Malay races are admitted. The exclusion of Chinese and Indians born and domiciled in Malaya from this service was criticised adversely, and Mr. Veerasamy, the Indian representative on the Federal Legislature, gave voice to the protest. H. E. the High Commissioner defended the exclusion on the ground, among others, that it was consistent with the practice of British colonial administrations. The Indian community in Malaya are naturally unable to acquiesce in this policy and have made strong representations to the Government of India. In my talk to His Excellency on the subject I learned that the restriction in question was confined to administrative posts, *i.e.*, posts carrying executive responsibility, analogous to the Collector and his subordinates in our districts. His Excellency expressly stated that Indians would not be excluded, for example, from the educational or medical services. When in addition it is borne in mind that the exclusion does not extend to the British Colony, the issue is narrowed down considerably. I must add in justice to His Excellency that the policy represents and fulfils the wishes of Their Highnesses the Sultans and may not be modified except with their full consent. That consideration obviously shifts the matter to another plane, and as soon as I learned of it, I felt precluded from further discussion. My hesitation was accentuated by the difficulty in defining the citizenship of non-Malays born in the States. It appears that not even in the third or fourth generation can a non-Malay attain to the status of a subject of the Sultans. The law applies equally to Europeans, Chinese and Indians; under it even those who have no domicile except in the States become only "British protected persons" but not British subjects or subjects of the Sultans.

5. *Status of the Indian Agency.*—It was frequently urged before me that if an official of the Indian Civil Service were appointed to represent the Government of India in Malaya, he would carry greater weight with the Malayan Governments and Indian requirements would receive closer attention. This proposal has no relation to the terms of reference of my enquiry and in any case concerns the Government of India more nearly than the Malayan Governments. I did not, therefore, think it right to trouble H. E. the Governor about the matter. It should be stated at once that the representations on the subject explained that no personal reference was intended to past Agents or to the present Agent. It has already been stated in the main Report that I formed a high opinion of the work done by Rao Sahib K. A. Mukundan, and my examination of the proposal is therefore entirely impersonal. The Agency in Malaya

should certainly not be considered in any way inferior to the Agency in Ceylon, to which it has been the custom in the past to appoint an I. C. S. officer. It is a fact that the Agent in Malaya has to maintain personal contact with high officials of the Malay Governments, and for this purpose the selection of the right man becomes of considerable importance. No impression should be created that the post belongs to a particular service. Government should be free to choose a non-official if the occasion demanded it and a suitable non-official was available. If the Agent is chosen from the services, Government should again be unfettered as to the field of selection, I venture to suggest, however, that the next appointment might be made from the I. C. S., and an officer chosen who is fitted by experience and temperament for the duties of the post.

V. S. SHINIVASA SASTRI.

MEMORANDUM

OF

**Presented to the Indian
Deputation**

PREPARED BY

The Hon. Mr. J. G. ...

P R E F A C E.

This Memorandum was drawn up, as a result of the decision arrived at a meeting of representative Indians from all over the country held at Kuala Lumpur, to be presented by the Council of the Central Indian Association of Malaya to the Government of India Deputation led by the Right Honourable V. S. Srinivasa Sastri P.C. C.H. It was then thought that that representative all-Malayan body could conveniently go through the formalities of registration by the time the Deputation visited this country. Unfortunately it could not be done, and I have been asked as the President of the Penang Indian Association to present this Memorandum at Penang.

This document seeks to reflect Indian public opinion in Malaya. It incorporates the views and opinions of most Indian Associations in the country, and the following bodies particularly co-operated in its preparation:—

- (1) Indian Association, Penang.
- (2) Selangor Indian Association, Kuala Lumpur (through its special sub-Committee).
- (3) Singapore Indian Association (through its representative).
- (4) Kinta Indian Association, Ipoh.
- (5) Kedah Indian Association, (through its Committee)
- (6) Butterworth Indian Association, Province Wellesley (through its Committee).
- (7) Coastal Indian Association, Klang (through its Committee).

N. RAGHAVAN,
President,
Indian Association,
Penang, S.S.

6th December, 1936.

MEMORANDUM.

The Indian connection with Malaya is traceable to the early ages of history and it is well known, though its importance is not sufficiently recognised these days. It is not the purpose of this short memorandum to delve into our past more than what is necessary. Our modern problems are acute enough to engage all our attention to-day.

MODERN INDIAN EMIGRATION.

The history of modern Indian "emigration" to Malaya dates more or less from the early years of the last century. From the beginning of this century however, the demand for Indian labour increased first for the sugar plantations and public works, and later for the rubber estates and other spheres of manual labour. With the labourers came into this country quite a number of educated Indians as clerks, school masters and others who found little or no difficulty in getting absorbed into the services here. Tradition has it that Indians in those days were welcome.

Till about 1910 the Indian estate workers were subject to a system of "indentured labour" which the great Gokhale characterised in the Imperial Legislative Council as monstrous and iniquitous "based on fraud and maintained by force.....opposed to modern sentiments of justice and humanity..... a great blot on the civilisation of any country that tolerates it." Perhaps the system had already served its purpose or had its day, perhaps rubber was showing already signs of almost undreamt of possibilities. Anyhow the Government of this country recognised the inhuman nature of the system and abolished it.

Still on the statute books of this country there remained legislation denying many an ordinary human right to the hewers of wood and drawers of water. The vestiges of such legislation and the outlook created by it are observed even to this day.

Conditions are different at present, and our problems to-day are, given the necessary goodwill and sympathy, much easier of solution than ever before. We have in Malaya a bureaucratic Government which though uninfluenced by ideas of democracy is still amenable on the whole to public opinion. It is true that but for the paternal interference of the Government of India time and again the history of Indian immigration into this country might have been rather different. However the notion prevalent nowadays in India, and to a certain extent in this country, that the Malayan Government is virtually a planters' Government is not correct. If wrongs had not

been righted, if blunders had been committed and if problems had been handled with what appeared to be sheer indifference in the past, it was due not so much to any intentional callousness, or antagonism to the Indian cause but to the ignorance of individual administrators of the exact position that should be morally and legally accorded to Indians in Malaya. Malaya is a very young country, and most things are in a nebulous stage. There are very few well-established traditions to fall back on, and concepts which are well recognised in older countries are not yet crystallised over here. Very few, in public affairs, know definitely what is to be done, and not to be done. Schemes, policies and pronouncements have not reached any finality at all. We have so many changes in policy, in pronouncements, and constant alterations in legislation so much so that one would be justified in thinking that we do not know even our own minds. It is a great experiment with all the vagueness, indefiniteness and uncertainties of an experiment; and it is highly important that no false step should be taken at this stage of our development. If our mistakes remain unrectified now, the future will bring out many a rotten brick and fragile corner-stone in the mighty edifice that Britain is at present constructing in this part of Asia. Our fear is that if a broad outlook and a generous policy are not brought to bear upon the Indian question to-day our growth will be stunted and our future development in this country will be entirely on wrong lines. We have in the past received valuable help and assistance from our Labour Departments here but at no time have we had more sympathetic officers than at present. The record of the Malayan Labour Department has on the whole been creditable and praiseworthy, and in our attempts at regulating our progress through healthy channels we shall no doubt be looking forward to its willing co-operation in the future also. It is most vital that our case should continue to receive even greater consideration by the Governments both here and in India.

OUR PROBLEMS.

Until lately our problems in the Colony of the Straits Settlements and in the Malay States have been more or less of a similar nature, but a change in outlook and policy in the Malay States have brought about some difference between the States and the Colony.

An attempt is being made to measure what may, for convenience be termed "States questions" by a different standard from the Colony to the detriment of not only the Indian Community but other non-Malay Communities. Under the guise of decentralisation a mistaken policy of discrimination is being pursued in the States by which certain elementary rights of citizenship are being denied even to those Indians who are domiciled in these States. There is evidently an effort to pamper the Malay community under a mistaken

political notion that they being the earliest settlers are entitled to very special privileges. Such views underlie the declared policy in the States. It is said, for example, that "the aim of the Government is to provide primary education, free of cost in the *Malay* language to all boys and girls of parents domiciled in the Malay Peninsula." This, it appears, is done with the avowed purpose of "building up a Malayan citizenship among all races whose home is Malaya". Whether it is actually so we shall examine later. Of course this particular pronouncement has since been disowned as a mistaken piece of statesmanship, but such attitude still discolours the vision of the powers that be. However, suffice it to say at present that there is a recognised difference in outlook between the administration in the States and that in the Colony as a result of the introduction of a Malay policy of decentralisation, the implications of which even its stoutest protagonists do not fully appreciate. What we require in the Colony is more a change in outlook, but what is required in the States at the present day is a clear change of policy.

It is pointed out that Malaya is not one country but nine, and of the nine, only one is a British State, four politically federated Malay States and five others Malay States of varying political character. But that has not prevented in the past, whenever occasion demanded it, for a common policy from being introduced or evolved for the whole of the peninsula. What we Indians require is that the same treatment be accorded to us all over the peninsula where Indians have settled down in appreciable numbers.

What we ask for is a common policy both in the Colony and in the other parts. If the Government is striving for a Malayan citizenship as was announced in the past, the very worst thing that they can do to further it and nurture it is to identify it with a Malay one. It is, to quote one of our soundest jurists, our object "to insist on clear thought and clear expression by His Majesty's Government and to point out that the absence of this clear thought and clear expression has given rise to all manner of misunderstanding and has disturbed very violently the extraordinarily happy relations that subsisted in the country before Malayanisation came into our politics."

It is well known that we are the 3rd largest community in Malaya taken as a whole, and of our number about 30% at least are non-labourers. It has been customary in the past however to regard Indian immigrants and settlers as nothing more than a large labour force. Indian questions here, we admit, have been to a very large extent labour questions, but problems of political status generally speaking affect not only the 70 per cent, but the whole Indian community. They are so inter-connected that the solution of the one without the solution of the other will only result in an undesirable patchwork.

Most of the questions that affect Indians have been receiving the attention of the respective Agents of the Indian Government in this country and can well be gathered from their Annual Reports. It is a matter for regret that in spite of such information so available, and despite the great interest that the public and the Government at home have evinced in the past no adequate efforts have been made by the Home Government to elicit a satisfactory declaration of policy from the local Governments as regards Indians in Malaya, and to get Indian claims for equality of citizenship and opportunity established beyond the personal predilections of individual administrators. Great hopes are now being entertained, and as a result of the present Deputation we feel justified in expecting that hereafter at least the Indian policy of the Governments of Malaya will be placed on an entirely satisfactory basis so that in the future development of this land Malayan Indians can rise to their fullest stature without any impediment being placed in the path of their progress. It is our earnest desire that every effort shall be made to solve the questions in such a way as to benefit both our motherland and the land of our adoption. Our endeavour has always been to make conditions in Malaya such as to enable Indians to settle down here for good and look upon her with the same pride and affection as any other inhabitant of this peninsula.

For the realisation of this aim we do desire the solution of (a) those economic questions affecting Indian labour and (b) political questions affecting Indians generally. In this brief memorandum one can only indicate in meagre outline the acuteness and importance of both these aspects of Indian existence and colonisation in Malaya. The whole future of the Indian connection with Malaya depends on a satisfactory solution of both these questions.

ASSISTED EMIGRATION.

Whether Indians should be assisted to emigrate to Malaya, whether they should even be allowed to do so, depends entirely on what an Indian can expect in this country at present and for the future. One point that Indians in this country desire the Government at home to make quite clear is that if this land requires our labour force they should also welcome the educated classes of Indians. Another point is that if Indians are invited to come into this country, they may be persuaded to remain here not as mere birds of passage but to settle down and colonise this land together with other communities. That does not mean that they should as is often supposed, remain here as a permanent source of labour supply. It presupposes that

the future should hold out to them not merely prospects of employment as rubber tappers, weeders and road "coolies", but opportunities of service and progress in every walk of life possible to any other subject or citizen. In other words, they should have the same status and treatment as are at present enjoyed even by the most privileged of His Majesty's subjects. These demands may sound to some to be too large, if not fantastic. That is only because there is a superiority, as much as an inferiority, complex in the Malayan atmosphere. We feel however that the Government and the people of India will not countenance with equanimity the virtual "exile" of Indians from their motherland to a country where the prospects shall be that they will for ever enjoy a second or third class citizenship. While at home active endeavours are being made to bring up Indians to their full stature, there is no reason why an adventurous section of them should be allowed, and even encouraged, to emigrate to a country where they are at present assured of being relegated into an unenviable position of inferiority.

In any event why "assist" emigration? Times out of number it has been pointed out by interested people that conditions here at present are very attractive for any Indian labourer. One of their mouthpieces exclaims "If present conditions in Southern India are taken as a comparison, wages, houses and housing conditions will be found to be immeasurably superior to anything the Labourer experiences in his homeland." If such be the case why "assist" emigration at all? It is because the employers themselves realise the fallacy of such contentions that they ask for "assisted" emigration. The few amenities (?) that the Indian labourer gets here are not in any manner equal to the sacrifices he makes. He goes into a foreign atmosphere, has to get himself acclimatised to strange surroundings in a country where he is nothing but a pawn in the economic game. In most cases he is confined to the seclusion of his particular estate or plantation. His interests get naturally restricted to rubber tapping and toddy drinking. His social life is nil. His needs are increased. His wages are not sufficient to bring down his family. He slowly drifts into vice unchecked as at home by any village public opinion. If he has an able-bodied wife with sufficient spirit of adventure, he perhaps succeeds in bringing her down—not to look after his household and bring up his children, but to work as a "coolie". When his children are born, his debts increase and problems of a different nature stare him in the face. They, who may in India go to educational institutions worth the name, and one day be peasant proprietors, farmers, merchants, officials or professional men, will have to be contented with the sort of "instruction" that an estate school master imparts, or is able to impart, in the three R's. If they ever go back to India they are strangers in their own homes. If they remain here they will die as estate labourers, or in the case of the more fortunate ones, as domestic servants.

Some, in spite of the ruthless forces that are at work, rise to better positions, but they are only the few exceptions that may go to prove the rule. It is gratifying to note that recruited emigration has now been virtually stopped, but we are of opinion that even in exceptional cases Kangani licenses on no account should be issued.

Generally speaking, voluntary assisted emigration on a strictly regulated quota is not viewed with disfavour by Indian public opinion in this country, but it is strongly felt that even such assisted emigration should not be allowed unless and until we are assured of a change in our present circumstances. If labourers wish to come here of their own accord they may be told about the advantages of their employment, but they should also be enlightened as to the decided disadvantages of their existence here. They should be told the whole truth, and not dangerous half-truths before they leave their native shores. Then perhaps the best among them may not proceed any further. If on the other hand conditions improve here and equal status, prospects and opportunities are accorded for the future, then all assistance may be given to promote and encourage emigration, but even without any "assistance" Indian labourers are then certain to find their way into this country. We are therefore against assisted emigration *in our present circumstances* for the following among other reasons:

- (a) Disadvantages far outweigh the advantages.
- (b) In spite of continuity of employment the amenities are insufficient.
- (c) Wages are unsteady and still continue to be poor.
- (d) No social life or scope for development.
- (e) No facilities for settling down in this country.
- (f) If they are assisted to immigrate here they should be "assisted" to secure permanent employment even in the days of "slump" and "assisted" to a subsistence allowance if decrepit or old. At present they are left more or less to the tender mercies of an employer's board, subjected to the fickle fortunes of a speculative industry and if found even temporarily useless, dumped back into India.
- (g) No political status or future.

TRAVEL.

We shall now deal with facilities for travel from India to Malaya. But before we do so we feel it our duty to point out that it is highly necessary in the interests of the labour emigrants before embarkation, to acquaint them in a clearer way than as at present done with their rights and obligations and as to the protection afforded them by the Agent of the Government of India and the Malayan Labour Department. They may be told as to methods of saving, co-operative societies, housing conditions and particularly of Workmen's Compensation about which they know little or nothing. Such instruction may easily be carried out not only by pamphlets in simple and popular Tamil, Malayalam or Telugu but by means of lectures accompanied by lantern slides both at the Depots and on board the ships.

As to the actual voyage itself, it is the considered opinion of many that from the point of view of the labourer it will be much more satisfactory to have him embarked and disembarked at Madras. Negapatam is a very inconvenient place whereas Madras with its nearness to Avadi, its railway communications and other features, its harbour and wharf facilities is an ideal one. Negapatam does not allow of any civilised method of embarkation and disembarkation. The sea is rough and dangerous most parts of the year, the boats that ply there are almost antediluvian, the distance from the shore to the anchorage quite appreciable and the passage enervating in the blazing sun, so much so that all the enthusiasm of the adventurer is almost crushed, and his or her self-respect practically broken even by the time he or she gets on board. Only those who have witnessed the "performance" at Negapatam can realise the experience. Often has it been asked by more fortunate passengers on board "Are they goats, or are they human beings?" The steamship company is not to be blamed for such treatment. Nothing else, perhaps, is possible at Negapatam.

The steamship line however is to be blamed for another matter: the cost of travel. The rates prevailing between India and Malaya are comparatively high, and because the service is more or less a monopoly the public are not in a position to bring them down. The conveniences on board the ship are not exceptional and not tantamount to the fares charged. There is ample room for improvement both in feeding arrangements and in the accommodation provided for the deck passengers. These are old and vexed questions but none the less important ones. In this connection we would also point out that the steam ships that carry Indian labourers to Malaya are often much too over-crowded on their outward journey: but we are told that they are allowed by the Indian Government to carry more deck passengers than are

allowed by the local Government—an anomaly, which, if true, should soon be rectified.

QUARANTINE.

On the fifth day after embarkation at Negapatam the passengers reach Penang. All the third class passengers including labourers are subjected to a process of quarantine. It is felt that considering that they remain for about 5 days on board before they reach Malaya, quarantine should be limited to the shortest period possible. It is also felt that improved accommodation be given, particularly to women passengers and emigrants. Easier facilities are required for unofficial visitors to visit these camps and make recommendations. Again, deck passengers are being subjected on arrival to an examination for leprosy, syphilis and other diseases under section 69 (2) of the Quarantine and Prevention of Disease Ordinance. In certain cases the unfortunate people are as required by the section sent back to India as leper suspects or as persons suspected of other diseases. It is highly desirable that if any such examination as at present done is to be carried on it should be done at home (if necessary by a Malayan Government Doctor) rather than in Malaya, so that none of these suspected cases shall be put to the trouble of coming here and going back for no purpose whatsoever.

Before we leave this matter we would draw the attention of the Delegation to a new problem that has arisen lately. It is the application of the Passengers Restriction Ordinance against Indian deck passengers arriving in Malaya from Calcutta and Rangoon. Passengers by these Boats whom the Boarding or Immigration Officer Penang considers to be undesirable are usually held up at Penang, apparently under Section 9 (1) b of the Ordinance, housed inconsiderate of their sex or number, in a shed-like structure near the water front, and shipped back by the next available steamer to their port of origin. It was not always that the very wide powers given by the Ordinance were discriminately used. Voices have been raised in protest against abuses, and the application of the ordinance is at present not so severe as before. There is however genuine anxiety that things may at any moment revert back to the same position as before.

In the estates and in other places of employment the problems that await the Indian labourer are many and varied.

WAGES.

The one feature that stood out during the slump in rubber industry was the extremely precarious position of the Indian worker. It was then

realised by all honest observers that the Indian labourer was at best only an agency for exploitation and when such exploitation is in any manner obstructed he becomes unwelcome. He was almost the first to bear the brunt of the slump and the last to recover from its effects. Part time employment, lower wages, fewer working days and "enforced rest" were some of the methods adopted by ingenious employers to tide over the difficulty. Even though the rubber industry has now successfully survived the catastrophe that threatened it, the lot of the labourer whose wages were cut is still almost the same. While salary cuts in the Government service and among the planters have been restored, the 20% cut to which the Indian Wage-earner was subjected still remains. Large and definite promises were made at one time that no sooner conditions showed signs of improvement than the wages would be restored to its old level. Rubber has gone up, fair dividends are being paid but even the inadequate wages that the Indian workman was at one time getting is still being denied to him. What we look forward to however is not only for a restoration of the cuts, but adequate wages. It is sometimes supposed that the two attractions of the South Indian labourer is that he is docile, and that his needs are meagre. Peaceful they certainly are, but their low standard of living is a hardship forced upon them by a low wage level. At even a restored rate they will be unable to have enough to satisfy their simple wants, to help their dependants, or to put by for a rainy day.

Again, wages now granted to Urban labourers are grossly inadequate. It is not realised that the cost of living is higher in towns than in the country, and that it is not possible for the wives and other female dependants of working men to secure work or improve their lot by other means open to estate labour. This factor, we fully hope, will not hereafter at least, be over looked. It is regrettable that the peculiar problems of town labour have not so far received the attention they deserve.

We have no desire to reproduce here the various arguments advanced for the establishment of better wages on a steadier footing to all kinds of labour, as they are too well known to need repetition. But the policy of according lower wages on a 9 hour day basis requires very serious consideration and immediate revision. No loop-hole should be left for unfair employers to take advantage of in this respect. There is strong feeling against the authorities for delaying the introduction into this country of at least an eight hour day. Even in Ceylon, where according to the local planters, conditions of Indian labour are decidedly inferior to ours, the eight hour day is an accomplished fact.

SEX RATIO.

This is another subject on which there has not been any divided opinion in this country. A ratio has been fixed, but it is honoured more in its breach than in its observance. Even the most conservative of estate-owners dare not deny the necessity for the establishment of a correct sex ratio with a view to adjusting the present unnatural balance of less than 500 women to every 1000 men.

This disparity in sexes has been the cause of a good deal of unhappiness among the Indians here. Serious crimes among local Indians, and quite a good proportion of suicides, have had their origin in sex. It has brought down the reputation of a community for no fault of their own. Such disparity was to a certain extent enhanced by the discharge of women and children by most estates during the early days of the rubber stump.

Unless better wages are given to the labourers generally they will not be even now in a position to bring their women kind to Malaya. Wages have to be raised and every encouragement given with a view to bringing more Indian women into this country.

Indians rarely get absorbed among the other communities. They marry into their own and unless we have a more or less equal number of men and women there will never be any steady or permanent settlement of Indians in this country.

In spite of a united public opinion on this question we had to witness the sorry spectacle of the Government of India giving way every time it was approached by the local Government for exemption from the application of the sex ratio. We have often wondered whether the ratio was fixed for the sole purpose of granting exemptions. India, we realise, has a teeming population looking out for new worlds to colonise, but all the same, misguided emigration has been the cause of most of our ills abroad, and we fully hope that hereafter at least a firm stand will be made, and any form of emigration from India discouraged, unless there is some assurance that there will be a healthy sex ratio at the other end.

EDUCATION.

Without ample facilities for education both in the towns and on the estates, it is undesirable to encourage Indian colonisation in this country. Malayan educational policy is at present in a whirlpool of confusion. It is hard to detect whether there is any policy at all. But one feature stands

out pre-eminently, and that is that the Governments here have shown little or no enthusiasm to provide educational facilities to the Indian labourer. A few Tamil schools have been started here and there but, judged even by the humblest standards, they are but schools in name. They are mostly institutions brought into existence just to satisfy the Labour Ordinance, the letter of the law. But even of such institutions we have not enough. Urban employers of Indian labour, the public works department and Railways, Municipal and Sanitary Boards—bodies, one would expect to do their duty, to their manual employees have been successfully evading their obligations to them.

The Agent of the Government of India commenting on the kind of schools that exist remarks in his Report for 1935: "As teachers employed in the Tamil schools are mostly untrained and unqualified the quality of education cannot but be poor". As the loquacious London cabman puts it "you can't get a Derby winner for 6d a mile", and one can not expect much from the sort of ill paid drudges that man the Estate Tamil Schools—teachers, who have to be taught and untaught before they can impart anything useful to their pupils. If these schools are to be of any benefit at all, a better class of teachers should be employed from among the number of educated unemployed young Indians in this country and giving them the training required, or by engaging qualified teachers from South India. They should not only provide Tamil but English education also, so that the best among the students can, if necessary, go up to other schools and proceed for higher studies, if they show the necessary inclination in that direction. The scheme should be such that these schools should assist every child in the estate to go up the ladder of culture and enlightenment as far as he is fit to go.

But before the evolution of such a scheme there should be a thorough orientation in the present educational ideals of the governments here. At present free Malay elementary education is given throughout Malaya to Malays (including Dutch East Indians). According to authoritative pronouncements the Government of at least the Malay States consider it their duty to provide education *only* for the "natives" of the country. We have been told that if "the immigrant races" desired education in their own language they must pay for it. In the Colony they have not made any such pronouncement so far, but it is a case of example being better than precept, and in actual practice they have left little room for doubt.

It is significant as the Agent points out that "there is not a single Government Tamil School in Penang, Malacca or Singapore though large numbers of Indian labourers are employed by Government departments and public bodies at these places" and though a considerable proportion of the

education cess is collected from Indian tax-payers. Efforts in the past to persuade even municipalities to establish such institutions have met with no success at all in spite of the provisions of the Labour Ordinance. In this connection it is worth while noting that Indian labour in towns is in this respect also, much worse off than on the Estates. The rules that are enforced by the Labour department against Estates are easily relaxed if not overlooked in the case of the Government, Municipalities, Sanitary and Rural boards, Railways and other public bodies—perhaps the largest employers of Indian Labour in this country.

The final outcome of the present state of affairs has been that it is futile for Indians settling down in this country, whether in the Colony or in the States, to expect any suitable educational facility for their children. It does not take them long to lose their touch with the language, culture and traditions of their native land. They are made to lose their identity and are given nothing else in substitution. They are made to lose their Indian citizenship but are not granted in return the rights of a Malayan citizen.

TODDY.

The attitude of the Indian Community of Malaya to the Toddy question is well known and is well reflected in the latest report of the Agent of the Government of India, and it is not proposed to dwell upon it again in this brief memorandum. The avowed toddy policy of the Government is that it should be pursued solely in the interests of the labourer and not for purposes of revenue. To most Indian labourers toddy is a habit newly acquired in this country, and so the Indian Community of Malaya would like to see the complete abolition of toddy shops in this country. But we realise that such a procedure at present will meet with practical difficulties. However the profits derived from toddy should, and could, be spent on the labourers themselves, not as at present in providing entertainments. It will be a great boon if these funds are deflected towards the inauguration of some scheme of compulsory adult education for the labourers in the estates and in the towns.

Regarding medical relief and maternity welfare it is of supreme importance to engage only South Indian doctors to be in charge of estate hospitals and employ only Tamil knowing (South Indian) full time dressers and assistants. It is also essential to train up for employment South Indian nurses and midwives to render advice and assistance to Indian mothers and popularise hospitals, particularly in cases of childbirth. This suggestion is not made in disparagement of other doctors and nurses. The reasons for the proposal are obvious.

OTHER SUGGESTIONS.

With a view to improving and ameliorating the condition of the Indian labourers we would also make the following representations:

- (a) An adequate number of Indian Extra Assistant Controllers of Labour may be appointed so that every Labour Office may have at least one such officer.
- (b) An increasing number of South Indians may be engaged in the clerical services both in the estates and in the public departments where Indian labour is largely employed.
- (c) To increase, regulate and encourage in the various post offices a certain number of efficient and respectable South Indian "petition-writers" charging fixed fees.
- (d) A much larger number of Co-operative Thrift Societies and stores with more Indian co-operative officers to promote and guide them. It is high time to replace Estate "Kedais" with stores run on efficient co-operative lines.
- (e) A central orphanage on modern lines to be started and maintained either by the Government or from the Immigration Fund.
- (f) A Rescue-Home for Indian women.
- (g) The appointment of "Superintendents of Social Welfare" to be attached to each Labour Office whose sole duty it shall be to study the needs and difficulties of the Indian workers and to improve their condition generally.

LAND SETTLEMENTS.

This is yet another subject that agitates the minds of the Indian immigrant very much. We may as well assume that the suggestion for the establishment of Indian Settlements in Malaya and the policy of persuading the Indian labourer to settle down in and colonise this country are both sincere and well-intentioned. It has been found that by merely giving small holdings to estate labourers for purposes of kitchen-gardens they could not be made to settle down and multiply on the estates. Only very rarely they

are given anything like fixity of tenure. In many cases these garden allotments are yet another attempt to fetter the movements of the hard-working labourer. Except where security of tenure has been conferred—as at Chua (Negri Sembilan)—the land settlement schemes have been of doubtful success or benefit. It is often asked why the Tamil labourer evinces no desire at all to acquire a stake in the country by taking up land for himself, while the Chinese immigrant has always showed an instinctive “land-hunger” and is keenly acquisitive of land in Malaya. The explanation is not far to seek. Whatever may be said to the contrary, the Indian labourer knows that life in his native land is on the whole happier than out there. He is not made reasonably at home in Malaya at all, and unless the thorny problems of sex ratio and education, of steadier wages and better social amenities, of equal status and unequal treatment are solved in some satisfactory manner the Indian labourer will instinctively turn to the land of his birth. Even the grant of free holdings here or there backed up with security of tenure will not act as a sufficient incentive for him to overcome the attractions of his native country.

The present policy is somewhat of an enigma. While the Labour Department assiduously pursues a policy of land colonisation by Indians, the Government itself is for all appearances propounding policies and programmes which it is easy to see, will have no other effect than making Malaya an impossible place for Indians to live in. Intentionally or otherwise the Government seems to be at cross purposes with its own Labour Department. Or perhaps the aim of both is to secure a permanent supply of local Indians with “coolie” traditions expecting no rights other than the right to live and earn an honest day’s wages.

If years of service and years of colonisation have not qualified them for better privileges here than the privilege to do manual labour for the more fortunate, it will be but a snare to attract young men and women from India to come over here and settle down in this country. The so-called Indian ‘coolie’ is also a human being with human rights, ambitions and aspirations—if not for himself, at least for his children and children’s children. He must be given every opportunity of realising these. At present, so long as he remains a ‘coolie’, he is invited, even protected by an efficient department specially constituted for his benefit. The moment he shows signs of becoming an equally useful citizen in any other walk of life, he is in the danger of being looked upon practically as a foreigner, or even as a parasite. So long as the future holds only such step-motherly treatment, this land will continue to be looked upon with disfavour by Indians generally.

To encourage Indians to settle down in and colonise such a country without conferring on the settlers equality of status with the other communities that inhabit this peninsula is without doubt an unwholesome attempt at creating a permanent class of Indian helots, which will at no time redound to the credit of either India or Malaya.

Until it is fully conceded, in theory as well as in practice, that the children of these labourers who make Malaya their permanent home shall enjoy all the advantages of full British citizenship at present enjoyed by other British subjects or subjects of the States it will be a blunder of the first magnitude to encourage and foster any scheme or proposal for permanent Indian Settlements here.

SERVICES.

The position at present is that the Malayan Civil Service to which Indians were eligible some years ago is now limited to persons of British parentage. In the Malay States the Malays are also allowed to enter this service. Voices have frequently been raised by not only Indians but others, against this unjustifiable restriction but such demands have had no effect so far, and it is doubtful whether there will be any change at all in the immediate future. It is nothing but a glaring injustice to perpetuate in this Colony a meaningless differentiation dependant entirely on birth. There is no reason why British Indians should not, as before, be allowed to fill places in the Malayan Civil Service. As with many other things in this country, the clock of progress is being set back in this important matter also. A service which at one time reflected the best traditions of British justice is at present being constituted on entirely erroneous notions of racial superiority. Apart from this colour bar however, there are few obstacles in theory in the Colony to an Indian entering the Government or Municipal services. But in practice he is nowhere. Here and there a local-born Indian at times is appointed to some insignificant post. But an examination of the appointments made to the various public services in the Colony for a few years last past will clearly show how the Indian is being gradually eliminated even from the subordinate public services. We are not aware whether this is the result of any well-defined policy, but it does not appear to be mere accident. This apparent policy adopted by the Government of the Colony and other public bodies has secured for the Indian community the unenviable title of "Malayan Cinderella". It is also having sympathetic reactions in Banking and Commercial firms quite a number of which of late have adopted an attitude of unwarranted discrimination against Indians, as a result of which the Indian element is slowly vanishing from their services also. Even

Estates that depend so very much on India and the regular supply of Indian labour have thought it fit to staff their offices, if possible, with non-Indians. Appointments are presumably made on grounds of efficiency, but there is not a scrap of doubt that in practice it forms only a very secondary consideration.

In the Unfederated Malay States very few Indians are appointed at all to any kind of public service. It is doubtful whether even Indians born and domiciled in these States have any claim, right, or status. They are undoubtedly either British subjects or subjects of the Sultans, but neither status has so far entitled them to any consideration. If no other person is available perhaps they may get a chance, but as things are, such a situation arises only very rarely.

In the Federated Malay States the position is unique. The policy there was in a way honestly set out in Chapter VII of the Report made by Sir Samuel Wilson the Permanent Under Secretary of State for the Colonies who visited Malaya in 1933. We make no apology in quoting in extenso a few passages therefrom:—

“Those who have been born in Malaya themselves, or whose children have been born there, call attention to the fact that they have acquired great interests in the land of their adoption and have contributed in no small degree to its prosperous development. They state that in a great many cases those concerned have never seen the land of their origin and they claim that their children and their children’s should have fair treatment.

“That the anxiety of these communities has increased of late appears to be due to:—

“(a) The cry of Malaya for the Malays which has recently been heard much more than in previous years.

“(b) The proposals expounded by the High Commissioner at Sri Menanti for transferring considerable powers to the State Governments, and the fear that the reduction of the powers of the Chief Secretary will expose them to discrimination, since they appear to regard this officer as their protector against any unfair treatment by the State Government.

“(c) The fact that the progress of education amongst the Malays has resulted in more appointments in the Government services being given to Malays than previously.

“(d) The fact that the alienation of so much land in recent years for the development of the rubber and other industries has led to a longer view being taken of the land needs of the Malays, and correspondingly greater use of the Government’s powers under the Malay Lands Reservation Enactment.

“Because, of the facts mentioned in (c) and (d) above, the non-Malay communities are inclined to the view that the Government have adopted a new policy. This is not so, since for some years past the Federated Malay States Government have recognised the claims of the Malays to preferential treatment in the matter of appointments in the Public Service and to the reservation of suitable and sufficient land for their needs.

“The non-Malays who have made Malaya the country of their adoption, form a loyal section of the community and it has been the policy of the Government to accord full recognition to their status as British subjects (in the case of those born in the Colony) and British protected persons (in the case of those born in the Malay States).

“No one will deny the important part that the non-Malays who have made Malaya their home have played in its development, and the share they are destined to take in helping its future progress, and I think that for this reason alone they are entitled to an assurance that their interests will not be allowed to suffer as the result of effect being given to a policy of decentralisation. Moreover, subject to the policy of preferential employment for qualified Malays in the Government services, and the reservation of sufficient lands for Malay needs I take the view that the persons born in Malay states of non-Malay parents (although only British protected persons) should be treated in those States in exactly the same way as persons born in the Colony of non-Malay parents (who are British subjects) and should have the same professional and business opportunities as European British subjects.”

The Government however followed up this report by further demonstrations of their decidedly partial policy towards the Malays to the detriment of the other natives of the soil.

Indians in the Federated Malay States have never attempted to make any inroads into the legitimate rights and demands of any other community. They have always advocated a policy of “live and let live”. There is therefore acute disappointment that those Indians who are born and domiciled in the States will have for ever to satisfy themselves with a decidedly secondary status. To tell persons who have been here for years, who know of no country other than this, whose affection and attachment are more towards

this land than to any other, that they can at no time in their existence expect to receive equality of treatment with the other British subjects or subjects of the Sultans is perhaps the high water mark of political injustice.

The only positions to which Indians are now generally eligible are co-operative officers, subordinate officers of the Public Works and allied departments, interpreters and the lower cadres of the police department. The clerical services are in practice closed to them as a result of a General Order of the Federal Government enforcing preferential treatment to Malay candidates. As regards those Indians not born in Malaya even if domiciled here, the chances are of course, nil.

The already dwindling hopes of these Indians who have settled down here, and who have come to settle down here for good, received yet another blow in the beginning of this year when in answer to the Honourable Mr. S. Veerasamy's well-reasoned plea in the Federal Council for equality of status for domiciled communities His Excellency the High Commissioner gave an honest, but to say the very least, unsatisfactory reply. His was not a plea merely for the loaves and fishes of office. He wished to elicit from the Government a declaration as to the status of those persons domiciled in the States—persons settled down there for good, and who had severed all connections with the countries of their origin and adopted this country as their only home. The question was one of life and death to those communities whose cause the Indian member advocated. While the Honourable Mr. Marcus Rex admitted that the question needed earnest consideration, His Excellency himself dismissed their claims for recognition in a rather casual manner. He said that it was unfair for him to leave any one with the belief that he could support the proposals for the appointment of non-Malays to administrative posts in the Federation, and that he knew of no country in which those who were not "natives of the soil or Englishmen" were appointed to such posts.

It is humbly submitted that the reply was ill-conceived and inaccurate.

The domiciled Indians with whose plight we are directly and personally concerned could not for a moment take this answer as final. They have no other home and cannot with ease emigrate elsewhere. They are the natives of the country just as much as any other section of the subjects of their Highnesses the Sultans of the Federated Malay States. The policy indicated consigns for ever Indians born and brought up in those States to the position of an untouchable caste to be ruled over by persons, who had the good fortune to be born into a more privileged caste.

His Excellency's pronouncement makes every Indian born and bred up and domiciled in this country a stranger in his own home; an alien in the land of his birth. That this statement of policy was in direct conflict with all ideas of justice and fair play was clear from the manner in which it was received throughout the length and breadth of this land. Storms of protest raged with as much vehemence as was possible in this country. It will be rank injustice to deny the domiciled communities their rights of citizenship. They are entitled to serve Malaya equally with any other community; they are "sons of the soil" as much as any other community. It is still hoped that the Governments of the Federated and Unfederated Malay States will make it quite clear that there shall be equality of opportunity and equality of status between the Malay and non-Malay subjects of these States. The fact that the rulers happen to belong to a particular community or religion cannot make any difference between subject and subject in any civilised country.

We claim that "natives of the soil" includes domiciled Indians. What we ask for is fair treatment. There shall not be any artificial obstacle placed in the path of an Indian domiciled in this country. He should be given his rightful share in the administrative and Government services of the Malay States; at least in proportion to his importance in each particular State.

REPRESENTATION IN PUBLIC BODIES.

He should be given his rightful position not only in the services but in the Councils and other public bodies of the Federated and Unfederated Malay States. This is a problem that applies in varying degrees to all the Malay States as well as to the Colony.

Indians have only one member in the Legislative Council of the Colony whereas our sister community, the Chinese, have a member for each Settlement. It is clear that one member will find it extremely difficult to keep in touch with all the three Settlements, and if a particular member unfortunately happens to be weak or inefficient, the whole Indian case for a period of at least three years may go by default. Such dangers can easily be averted, or at least diminished, by giving us increased representation on the Legislative Council.

We have now no representatives on the various State Councils of the Unfederated States and in quite a few of the Federated States. Even in those States of the Federation where seats were at one time or other set apart for Indians are now filled up by members of other communities. There exists a very strong feeling in this matter. The latest report of the Agent of the Government of India calls pointed attention to the seriousness of the position.

and we do hope that the present retrograde policy of nominating non-Indians to fill up seats on the Councils originally reserved for all appearances for Indians will soon be reversed.

Again, even on bodies other than Legislative, Federal or State Councils, Indians receive but scant recognition. Taking Singapore for example, there is a strong feeling that Indians should be given four members on the Municipal Commission two of whom at least may be nominated by the local Indian Association there.

Considering the importance of the Indian rate-payer in Penang there is not the slightest doubt that there should be more Indian members on the Penang Commission also. Rural boards like that of Province Wellesley (where Indians form some of the oldest settlers in Malaya, and where they constitute a very important section of the community) have no Indian members on them at all. There are various other Rural and Sanitary Boards all over Malaya where there is a total absence of Indian representation. Singapore and Penang Harbour Boards have Chinese members on them, and there is no reason why Indians who are commercially equally important are left out at all. Some of the other glaring examples where the Indian claim for representation has so far not received any recognition are the cinema Board, the Railway Board, the College Councils and the Standing Labour Sub-Committee of the F.M.S. Railways on all of which if we mistake not, we have representatives of our sister community.

THE INDIAN IMMIGRATION COMMITTEE.

The Indian Immigration Committee as at present constituted does not, and cannot, command the confidence of the labourers. It has wide powers and performs very large and important functions. It consists of 5 officials and 11 unofficials. It is called an *Indian* Immigration Committee but there are only two Indians on it. Despite the presence of the officials, it is nothing but an Employers' Board at present. Without doubt this Committee is to be enlarged by the addition of more Indian members. The ideal way of reconstructing this Committee is by inviting labourers also to serve on it, but that is obviously impossible at present; and we have to be satisfied with those Indians who are anxious or willing to serve the cause of Indian labour in this country. It has been suggested that until Indian labour becomes conscious and organised, the Indian Associations of Singapore, Penang and Selangor may be given the privilege of nominating a member each to this Committee.

OTHER SUBJECTS.

The following are a few of the other suggestions that we wish to put forward for the earnest consideration of this Deputation.

(I) **Registration of Marriages between Hindus.** The highest Courts of the land have already expressed in no unmistakable manner the almost insurmountable difficulties in recognising Hindu Marriages, and cases after cases have been dismissed because of the impracticability of proving the validity of any Hindu Marriage. As the law stands at present, there is little or no chance of success for any case involving strict proof of a Hindu Marriage.

A draft bill was drawn up by the Government but it did not go any further. The present Controller of Labour is keenly alive to the situation. And yet, no legislation has been introduced to tide over the difficulty. It is highly important that there should be some simple method by which marriages between Hindus celebrated abroad may be recognised in Malaya. It is also essential to introduce into the Colony some easy method of compulsory registration of marriages between Hindus celebrated locally.

To allow the present state of affairs to continue is to display the grossest indifference to the vital needs of the people.

(II) **Creation of Volunteer units.** Here is yet another case where there is an unnecessary and invidious distinction between Indians and other British subjects in Malaya. Whereas the British, the Chinese, the Malays, and the Eurasians have volunteering companies in all the Settlements, Indians are not allowed to enlist as regular volunteers anywhere in the Colony. They may no doubt become signallers or stretcher-bearers. We consider it derogatory to withhold this privilege from us. We have as much right as any other community to be enlisted in the defence forces of the Crown. Many a time representations have been made for the creation of Indian units but all such demands have hitherto been shelved for no reason, and without any attempt at justification.

(III) **Indian Agency.** We take this opportunity of placing on record our deep appreciation of the great work done by successive Agents of the Government of India in the past, and of the strong and sincere advocacy of our cause by the present popular incumbent of that invaluable office. It is our plea to confer on the Indian Agency in Malaya even greater importance than is at present given to it. In the opinion of quite a large number of Indians in Malaya it is necessary in the peculiar circumstances of this country and of the questions that may eventually crop up in the future to have, as

in South Africa, an Indian public man (from South India) having the necessary experience appointed to this position with an official as his Secretary. The powers of the Agent may be usefully widened to embrace all subjects and departments affecting Indians in Malaya, and arrangements should be made with the local Governments to have all communications between the Government here and the Indian Government transmitted solely through the Agency.

(IV) **Commercial Relations.** Malaya is bound to become one of the most important markets for Indian produce and manufactured goods in the future. At present, countries outside the Empire have practically captured a large portion of our trade. In spite of our nearness to India she has not been able to secure for herself her share of the Malayan market. The comparatively high freight charged by steamship lines between India and Malaya is no doubt a severe handicap on Indian trade. This we hope will be looked into. India on the other hand does not advertise in Malaya at all, and very few traders here realise the wide possibilities that may be opened up in our trade with India. An Indian Commercial Museum under the aegis and supervision of the Indian Agency situate either at Kuala Lumpur or Singapore is an urgent need and a useful step in the right direction.

CONCLUSION.

In conclusion we appeal to the Government of India and to the leaders of public opinion at home to take greater interest than at present in the needs and aspirations, in the condition and progress of the Indian settler and colonist abroad. Problems and politics at home, we admit, engage most of the time and energy of the public man and the public servant in any country. But modern Indian colonisation is as yet in its infancy, and the vast majority of Indians who emigrate abroad hardly realise the enormity of the forces that are at work—forces which they cannot even suspect, much less understand. We look to India for inspiration and guidance. We require every assistance from home in the present stage of our development here. At no time in our history have we stood in greater need of good will, sympathy and a statesman-like outlook from our Government here. We are particularly anxious to preserve and promote none but the most cordial relations with the other communities that inhabit this land—communities, united to us by the indissoluble ties of common ideals and common aspirations.