

(April 25th, 1938)

India's Industries and the Empire

BY SIR ALFRED D. PICKFORD.

CHAIRMAN T. D'ARCY LEONARD:—Gentlemen, this is the 41st annual meeting of the Canadian Club of Toronto. Before introducing Sir Alfred Pickford there are other matters to be disposed of. The first item is the reading of the minutes of the annual meeting held on April 26, 1937.

I move they be taken as read.

I second that.

CHAIRMAN:—Is that your pleasure, Gentlemen? . . . Carried. In the absence of Professor Mackenzie, Mr. A. R. Courtice will read the report of the Honorary Secretary.

Mr. A. R. Courtice reads:

The report will be found on pp 317 of the present volume.

I move the adoption of the report.

I second that.

Motion Carried.

CHAIRMAN:—The next item is the report of the Honorary Treasurer, Mr. H. R. Jackman.

Mr. Jackman reads:

It will appear on pp 318 followed by the Report of the Auditors'.

I move the report be adopted.

I second that.

Motion carried.

CHAIRMAN:—The next item is the election of the new president and officers of the Club for the coming year. The report of the nominating committee will be submitted by Mr. J. A. Cooper.

MR. COOPER:—Mr. Chairman and fellow members, your nominating committee begs leave to submit the following recommendations: see pp VII.

I move the adoption of this list of officers.

MR. K. C. WOOD:—I second the adoption of the report.

Motion Carried.

CHAIRMAN:—Before presenting to you your new president, may I on retiring from office, say a few words of appreciation to some of those who have contributed to another successful year. You have heard that in the past three years there has been an increase in the Club's membership of more than four hundred. This is due, in a large measure to the cooperation of the members of the club themselves, and particularly to Mr. Gowdy, chairman of the Membership Committee. May I also pay tribute to Professor Mackenzie, whose work has been invaluable, to Mr. Jackman as Honorary Treasurer, and, above all to the able services rendered by the permanent secretary, Mr. J. R. Philp.

For my own part I can only thank you for the opportunity you have given me to enjoy some very pleasant responsibilities during the past year. In your choice of a new president you have made a very fortunate one, and in congratulating him, may I pay a tribute to the very successful career in business Mr. Victor Smith has had. Mr. Smith's interests are very wide and I am sure that he will have the Club's interests very closely at heart. In securing him for the presidency the Club has done a very good thing for itself. Gentlemen, Mr. Victor Smith.

MR. SMITH:—Mr. President and Gentlemen: It is a great honor to be president of the Canadian Club of Toronto, and I thank you most sincerely and heartily for electing me to this high office today, and you, sir, (addressing the Chairman) for the more than kind words you have used, in introducing me to the members. It is also a great responsibility, doubly so when you realize that one has to follow the very excellent work done by the outgoing president, and his executive. May I pay my compliments to him for the

very successful results of this year's work and for the smooth operation of the club during the current year?

For myself I can only pledge to you the best efforts of myself and the new executive in furthering the interests of the Toronto Canadian Club. Thank you very much.

MR. COOPER:—To show our appreciation of the work that has been done by Mr. Leonard, I suggest that we all rise for a moment. That will show him, better than any words of mine how much we value his services.

The members stood and applauded.

CHAIRMAN:—Thank you very much. After that unseemly interruption we will get on with the business of the meeting. We welcome today a very distinguished visitor from England in the person of Sir Alfred Pickford, who is probably best known to us through his connection with the Boy Scouts. He has been described as the right hand man of the famous Baden Powell. He has been and is connected with one of the greatest industries of the world, and from his experiences will speak today on India's Industries and the Empire. Sir Alfred Pickford.

SIR ALFRED D. PICKFORD:—Mr. President and gentlemen: There was once an early Christian, who, having been thrown to the lions, and, the cage having been set open, the lions having dashed out roaring after their prey, whispered a few words into the ear of the leading lion. On hearing them the animal tucked his tail into the crevice that nature has provided for that purpose and slunk off. That Christian subsequently explained to an indignant emperor that all that he had whispered to the lion was, "You will be expected to speak a few words after dinner."

That is my unhappy position at present. I have already discovered that your president practices at law, and I wonder if you have ever heard the story of the Judge and the recalcitrant witness. The Judge said to him.

"Witness, you are showing contempt for the Court."

"On the contrary," retorted the witness, "I am endeavouring to conceal it."

Gentlemen, I feel greatly the honor that has been done me in allowing me to address you today. I should be more alarmed than I am were it not that 12 years ago on a delight-

ful visit of three months to this Dominion, when I made a great many speeches on the Boy Scout movement, I learnt the extremely tolerant attitude of Canadian Audiences.

This was the more remarkable because on those occasions my absurd form was encased in the shorts and other habiliments proper to the Boy Scout movement.

I should like to tell you that any ability or right that I may have to address you was summed up in a Sidney, Australia, paper which declared that the nonsense I had been talking in that country was due to my thinking in short pants.

During my previous visit to Canada I was a little younger, and I visited certain groups of Boy Scouts and taught them what I think were one or two new games. One of the local newspapers, I really forget which, put it into an eight-column-headline in one inch letters "Picky Puts Pep into Playtime."

It is particularly a pleasure to be in Canada because of its associations with that great man Lord Willingdon. He was a marvellous governor of Bombay and a marvellous governor of Madras, and later he made one of the greatest Vice-roys that India has ever known.

Now as to the subject of my talk: Empire industries, whether in Canada or in the far away Orient, have their ups and downs, and in 1930, and 1931, we, as well as you, had one of the worst "downs" in our industrial experience, and it seemed to me therefore that it might be of interest to you to hear the steps that have been taken by one of the great industries of the Empire to ride the storm of depression which began to make itself felt in 1931.

I felt that this might be particularly the case in Toronto, for not only are you one of the greatest centres of commerce in the Empire, but you have also the greatest permanent Exhibition in the Empire, an exhibition, in which I am glad to say, India shows her products.

The industry with which I am particularly concerned is that of tea. Now I have been drinking tea all my life. Though there was a period of course when my only diet was milk. But generally my most important beverage has been tea, and I am sure you will agree with me that it has not stunted my growth at all.

Now, are you in any doubt that the tea industry is a great imperial industry? I do not think you are, but if there is any chance that a doubt exists let me recall—I am not going to bother you with many statistics—that in India and Ceylon, no less than a hundred million pounds sterling of British capital is engaged in that industry, and that two millions of our Indian and Ceylonese fellow-subjects are employed in it. Under present conditions the industry produces about 650 million pounds of tea each year, which means about 130 thousand million cups. What an amazing packet of happiness that suggests!

Tea is a beverage that we claim, though of course you may consider us a little biased, has sustained and is sustaining alike the pioneer and the soldier, while maintaining itself as one of the common and characteristic bonds of the British stock whether here in Canada, or in the Old Country, in Australia, New Zealand, Africa or the far East.

Now tea—in common with almost every great primary industry in the British Empire, including Canada—faced in 1931 a situation of the greatest peril, as a result of the inability of the world's markets to absorb our product. Now we are a controlled industry, and I feel sure that we shall be able to look back, when we have stopped licking our wounds, and find that there were certain compensations about our troubles.

We were jerked violently out of the rut of ordinary mercantile trafficking, and made to study the history of our industry anew, and in it we found an immense well of romance. I feel I must refer to some of the incidents in that history, of which I think we have good reason to be proud, even if that statement does sound a little boastful.

Take the case of Ceylon for example. Ceylon, as probably you know, is not part of India, and I can therefore speak of it in more glowing terms because I have no personal connection with that beautiful Island. It is an Island with its own history and romance and a distinctive beauty and individuality of its own.

In 1875 Ceylon had an enormous coffee industry, but the plant was stricken by a fell disease, and all who were engaged in the industry faced ruin. But not for one moment did these sturdy colonists admit defeat. They planted tea

and in the sixty years that have elapsed, the Pearl of the Orient, as Ceylon is called, has brought up its production to about 250 million pounds annually—a great example of what my Scout Chief, Lord Baden Powell, has picturesquely called, "Stick-at-it-ness."

The history of tea in India is much older, but not very old, for it is only four years since we celebrated the first centenary of the start of the industry. Tea plants and tea gardeners were originally imported from China, where tea had been known and venerated for thousands of years. Its preparation and service were, and indeed are a solemn but enjoyable ritual.

In our matter of fact age, the wise people, who drink it, regard tea merely as a pleasant and stimulating beverage and much as I love it I cannot rise to the descriptive heights of the Chinese Poet, who 1500 years ago, wrote:

"Tea tempers the spirits, harmonizes the mind, dispels lassitude and relieves fatigue, awakens thoughts and dispels drowsiness, lightens and refreshes the body and clears the perceptive faculties."

I hope that will give you an even greater respect for the beverage than you already have. Nowadays we cannot rise to such phrases. Indeed the best that a modern poet could do was.

"I thank thee, fortune, for my daily bread,
My books, my friends, the roof above my head,
But most of all I render thanks to thee,
For this, my early morning cup of tea."

It is interesting, however to note the varied literary notabilities who have made mention of tea—appreciative mention, of course, for otherwise we should not mention it. Thackeray, Pepys, John Wesley, Dr. Johnson, Colley Gibber and Thomas de Quincey.

Still in the realm of romance there is the history of the famous Tea Clippers. These raced to England with their cargoes of China tea, partly, no doubt, for the prize of anything from 10/- to £1 a ton that the winner got, but surely, also, in a spirit of sport.

Perhaps the most notable of all these contests was that in which three Clyde Clippers crossed the bar in the Min River at the same moment. For about a hundred days they

never saw each other, but at about half past one on the morning of September 5, 1865, the Ariel sighted the Taiping, off the south west corner of England, while the third vessel, the Serica, was arriving on the other side of the English Channel at about the same time. The two first named docked at London within twenty minutes of each other, and the third about an hour and a half later. The recent Grand National had nothing on this race.

I might continue indefinitely on this question of romance, but I promised to describe to you how the industry has ridden the storm of over-production and depression that nearly ruined it in 1931.

I will describe as briefly as I can just how this was done, and I want to explain, in the first place, that while the Tea industry is a controlled industry, the control machinery is in no sense a marketing board. Since it began to operate, the control machinery has not sold a single pound of tea.

In 1931 the position of affairs was this: so much surplus tea was coming on the market that prices had fallen so far below the cost of production, that hardly a garden was not faced with ruin. Obviously it was necessary in some way to limit the quantities of tea that were exported so that the immediate crisis might be relieved and the price of tea restored to an economic level. So the tea growers of India, Ceylon, and the Dutch East Indies got together and tried a voluntary scheme. These three countries, I should tell you, supply between them about 80% of the world's tea.

As I say, we tried a voluntary scheme, but, like every voluntary scheme of control this one broke down hopelessly, and it became perfectly clear that some sort of compulsion was necessary. The result was that we tea growers went to the Governments of these three countries and asked for help. With great hesitation, but realizing that the continued existence of the tea industry was necessary to the welfare of their peoples they agreed to legislate. They passed laws which limited exports from the three countries. And in this matter, I think, perhaps there is some little distinction between our scheme and the usual form of Government control. They agreed to legislate on the principle, but beyond that they would not go. They made it perfectly clear, that

the organization of the tea industry was none of their business, and that it was up to the industry itself to decide, what was the limit that should be set. They decided that the conduct of the industry was something they knew nothing about, and therefore declined to take over the industry in any sense. It is true they kept the power of the final veto on anything, that the industry might decide, but that veto has never been exercised.

Now, having arrived at the stage where a limit was to be set we had built the first part of our structure, but that was not enough. Someone had to decide just what that limit should be. There was formed, therefore the International Tea Committee, representative of the Governments concerned, and also of the tea industry.

The task of this committee is a most difficult one. With all the facts before them they have to decide far ahead what the export quota should be, and that quota has to satisfy two essential conditions. It must provide a reasonable profit, for the producer, and a fairly stable price, that is not excessive, to the consumer.

Now, as I have no personal connection with this body I can speak more freely of it. The International Tea Committee has done its work so well, during the five years in which the scheme has existed, that there has been a stability in the price of tea, which the industry had never known before, and I am quite certain, that you will appreciate, what that means to any industry.

The scheme, as I say, has been in operation for five years, and so well has it worked, that it has quite dissolved our natural dislike of artificial control, because we believe there is no single factor, of such value to merchant, producer and customer alike, as stability of price. Price stability largely eliminates the speculator, and forms the best basis on which an industry can expand.

The original control scheme was for five years which have just elapsed, and with the agreements of the growers and the governments concerned, it has been extended for another five years. It is my firm belief, that when that period expires, it will again be extended with equal unanimity.

There is always a fear, that in control schemes of this sort, the surplus may be held up and stored in huge quantities, which, at a fatal moment may be thrown on the market, and injure everyone connected with the trade. That, fortunately, cannot happen with regard to tea, because the stuff simply will not keep.

But control of production and export was only one side of the picture. The patient's life had undoubtedly been saved, but further measures had to be taken to restore him to full health. In this case it was necessary to bridge the gap, by increasing the consumption of tea, between possible production and actual consumption. Indeed the governments concerned would not so readily have agreed to assist the industry by control of exports if the industry had not been prepared to take some such steps itself to restore its own health.

Thus the Tea Market Expansion Board came into being. For my sins in a previous life and the present one: I am sure I could not have committed enough in this to merit the reward—I was appointed its chairman, and if, when I die, there is any suggestion that I should be sent below I shall consider it a very grave miscarriage of justice indeed. Our job is to try to increase the consumption of tea, or maintain it in whatever country seems to offer the most promise. We are working in Australia, the United States, New Zealand, the British Isles, Europe, and, of course, Canada, and I hope Mr. Gourlay has left you in no doubt in Toronto of the value of tea as a beverage. There is too? work going on in countries of production themselves—India, Ceylon and Java, Sumatra.

To pay for this the three governments again agreed to use their machinery, this time by imposing a tax on all tea exported, and the proceeds, about two million dollars a year are handed over to the Board to carry out its work.

I believe you in Canada have a somewhat similar scheme for wheat and other products. All I would say in that connection is that from our own experience, it is our firm belief that in these days of fierce competitive advertising for other products an industry like tea will never again be able to stand on its own intrinsic merits, if it is to hold

or expand its markets, and we are already beginning to reap the rewards of our efforts, for our market expansion work is already beginning to show results wherever it has been undertaken.

References to these far away countries may perhaps have excited your curiosity with regard to the political developments in India and Ceylon, concerning which a great deal has been said and written of late. I can only speak of India, and that with the greatest diffidence, for I have been a merchant, and only a politician by force of circumstance.

I once told an Englishman that I had been 29 years in India, and he said "Then you must know all about it."

I explained to him that it was only people who had been there about three weeks who knew that and the answer to all the problems. The fact is that when you have spent as long as I have in that great and intriguing country the problems become more complex and difficult, not less so.

Sometimes I have wondered how Britain conducts the affairs of these far away countries even so skilfully as she does. The man I have told you of was a senior man of great wisdom and experience, and that was all he knew about India. I once met an elector of one of the constituencies in the East End of London who asked me about, "all these rows and fighting" he had read so much about. I told him that they had been greatly exaggerated, and his answer was: "Well I suppose they will blame it all on Buddha." That seems to be the way in which the electorate thinks our work is conducted.

There is no country in the world where the picture has been changing more swiftly in recent years than in India, and it is still changing. In the long years of my personal experience in India I have seen some of those changes. I have lived in the palatial residences of Calcutta with electric fans, electric lights and every other possible facility for tempering heat. I have lived in a mud bungalow with oil lamps on the banks of the Ganges, where, apparently, the only route for the monsoon rains to reach the river was through that same bungalow. Amid it all Ancient India still sticks through. One can imagine no more incongruous sight than that in the wide and modern thoroughfares of

Calcutta of a sacred Brahmini bull lying at ease in the middle of the road and dividing traffic as efficiently as any traffic cop. When that happens there is nothing that can be done about it for he is sacred and cannot be touched, even by the shopkeepers to prevent him from sampling the goods they have on display. I saw that only four years ago, but I must add that that particular bull had been deprived of the business end of his tail. I suppose some rascally Christian had done it, though that did not seem to disturb the bull in the least.

I have been speaking of India—just one word, only five letters, but those letters convey a totally wrong impression. One might just as well speak of Canada in terms of Alberta, or any other single province. In India you must imagine a vast concourse of peoples of different races languages and thought. There is a tremendous difference between the Mohanmedan and the Hindu. The Hindus themselves are split into innumerable caste grades, and even the Mohammedans are divided into two bitterly opposed sects. You could not imagine a greater difference in appearance than that between the tall, dignified, bearded Sikh on the one hand, and the diminutive but extremely blood-thirsty Gurkha from Nepal on the other.

Yet again there are differences in the forms of Government such as the independent state of Nepal, Native states under suzerainty to the Crown, presidencies under Governors, and so on. The same is true of the climate and scenery—the Majestic Himalayas, the hot dry plains of the north, and in the south hot and humid forest.

One day India may become a nation, but it is not so yet, she is too diverse. The same is true of individuals. Look at Gandhi. No one knows what history will say of that curious man. Here is a man who has consistently fought against the law and who has encouraged others to do the same, and yet, at times of crisis Gandhi has come down on the right side and helped us through our troubles. A man of very curious and complex character indeed.

For what it is worth I will give you my creed with regard to India, and I may say it is a creed that got me into infinite trouble in my early days in the Country. It is

absurd, and I am sure you will agree with me, to suppose that natives, many of them people of outstanding education and ability, and most of them with an instinctive shrewdness, can be kept forever in a state of inferiority to others, however helpful and sympathetic the latter may be, and, I might say, mostly are.

I should make it clear that the "reactionary British" are not the ones who offer the greatest hostility to any change in the old ways. I remember one native gentleman, a magnificent fellow, a colonel who had fought in every British war for the last fifty years. He was in London and there had been a discussion on Indian affairs. He had expressed himself to the effect that the British should not give way one inch. Somebody said: "We must make you Viceroy for a year and let you settle the question."—"A year" he said "One week." I wonder what the condition of India would have been after that week.

But to go back to my creed. If the principle I have put forward is accepted, it surely follows that the proper course to pursue is to give progressively increasing power and status to Indians of the necessary qualifications and—I think this is important—the rate of progress should be so regulated as never to have the character of a grudging concession to political agitation. Unfortunately, I am afraid, that is what seems to have happened. But be that as it may, if we have been too slow in the past things have now come on with a rush, and we have now embarked on what I suppose is the greatest constitutional experiment the world has ever seen. I am not going to prophesy, but the hopeful thing about the scheme that has been started is that it has been launched and is being carried out with the utmost goodwill of the British Parliament, the active cooperation of the permanent government officials of British race, and the genuine support—and this is rather surprising—of British commerce and industry, which has many hundreds of millions of capital invested in the country.

On the other hand there are many dangers which are inherent in the religious, racial and social differences in India itself, to which I have already referred. And to all

these is now added the spectre of Communism, which has already raised its ugly and malevolent head.

I am hopeful, gentlemen, but I would not have you think that my long residence in India gives my opinion any value beyond that of the ordinary man who has spent the most happy years of his life in that country, who loves India, and who numbers among his closest friends a very considerable number of members of the Indian race.