

a shortage of assault ships for training purposes, and this was particularly felt in the case of "Landing Ships Infantry."

ADMINISTRATION.

Transportation and Supply.

20. *The General Situation and Future Plans.*

It has been recorded in Part I that early in the period covered by this Despatch it was necessary to recast our long term administrative plans, and that a directive giving data for preparing fresh plans for the future was issued to my Long Term Administrative Planning Committee on the 7th August; also that certain short term improvements on the Assam L of C were urgently considered.

With regard to long term planning, the Committee were able to furnish an administrative review in September 1943 covering the ground indicated to them in my above mentioned directive for plans for 1944-45.

Their general conclusions were disquieting. They showed that limiting factors in India as a whole were likely to exist under all the main headings of movement and transportation, construction of accommodation for stores and personnel, and provision of Indian manpower. They also found that the number and capacity of India's ports (and the railways and roads serving those ports) together with the need to maintain the level of imports and exports so as to meet the requirements of India's production of war material and to maintain India as a secure base for operations, restricted at the present time India's capacity to launch amphibious operations.

They remarked that it would be essential for three and probably four of the divisions, likely to be needed for future operations, to by-pass India. It would also be desirable for subsequent maintenance to be partly by direct shipments from bases outside India.

Action to improve the transportation capacity of ports and roads leading thereto was a matter of urgent and major importance, and the following steps were suggested:—

(a) The provision of additional broad gauge locomotives and wagons.

(b) Development of rail and road approaches to the ports, and action to improve capacity, remove congestion and speed up the turn-round at and in the vicinity of ports.

(c) Improvements designed to increase port capacity—such as provision of additional moorings, port craft and other facilities, these measures to be put on a war time basis so as to give early results, as opposed to long term improvements of permanent post-war value.

(d) The development of small ports likely to be suitable for smaller assault shipping, etc. Also the use of the smaller ports for coastal traffic in order to ease the load on the railways.

(e) An increased use of these smaller ports for civil imports and exports.

Though this last named expedient might not be very desirable from a civil point of view, it would enable the larger ports to deal with a greater flow of military stores and traffic. To achieve results, however, diversion of civil traffic would have to take place well beforehand, as a permanent war-time measure.

21. These conclusions were so far-reaching that an examination of India's capacity to act as a

base for the operations contemplated was necessary. For this an operational background was required with estimates of the forces. I therefore asked for this in a telegram to the Chiefs of Staff on the 14th September and received the required information on the 27th September. It conformed generally to my own estimates.

In the meantime examination of India's potential as a base for the operations of the South East Asia Command was taken in hand on broad lines by the War Projects Co-ordination and Administrative Committee of the Government of India. Here I should mention that although this Committee comprised representatives of all civil as well as military organisations having to do with transportation and supply, it has been my constant concern to keep civil officials of the Government of India, including the Railways, informed and alive as to how their various spheres might be affected by developments. Accordingly, I held meetings with high civil officials from time to time with this end in view.

The War Projects Co-ordination and Administrative Committee, as a result of their examination, advised the Government that, in their view, demands likely to be placed on India in the normal course in order to carry out these long-term plans were probably not only beyond her capacity in the time available, but that the continuance of the strain on India's economy even at the existing level, for another two years, was likely to lead to most serious consequences. They advised certain measures to meet this dangerous situation, and classified them under two headings.

22. Firstly, there were measures designed to counter the menace of inflation and restrict or absorb surplus purchasing power in the country. These were as follows:—

(a) Enough silver should be imported to meet the pay and allowances of the additional United Nations Forces involved.

(b) The amount of pay which personnel of the United States Forces could draw in India, should be restricted as it is for Dominion troops.

(c) Enough canteen stores should be imported to absorb at least 50 per cent. of the purchasing power of the additional Allied troops required.

(d) Importation of certain specifically detailed consumer goods for the civil population—these, as in North Africa, to be demanded as essential on military grounds.

(e) Foodstuffs should be imported for the civil population.

23. The second series of measures recommended were designed to restrict to safety limits further demands on India for services and supplies for war purposes. They were as follows:—

(a) The volume of war production to which India is already committed should not be exceeded.

(b) New products for manufacture, or the expansion of existing production for war purposes, should only be undertaken if production could be achieved by June, 1944.

(c) As regards 1945, His Majesty's Government should be pressed to accept a drastic curtailment of demands on India for war supplies.