### ABSTRACT OF THE PROCEEDINGS

## COUNCIL OF THE GOVERNOR GENERAL OF INDIA

## LAWS AND REGULATIONS.

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# ABSTRACT OF THE PROCEEDINGS

OF THE

# Council of the Governor General of Judia,

ASSEMBLED FOR THE PURPOSE OF MAKING

# LAWS AND REGULATIONS. \*

1875.

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Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Tuesday, the 9th February, 1875.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., presiding.

His Honour the Lieutenant-Governor of Bengal.

The Hon'ble B. H. Ellis.

Major-General the Hon'ble Sir H. W. Norman, K.C.B.

The Hon'ble Arthur Hobhouse, q.c.

The Hon'ble E. C. Bayley, c.s.1.

The Hon'ble Sir W. Muir, k.c.s.i.

The Hon'ble John Inglis, c.s.1.

The Hon'ble R. A. Dalyell.

The Hon'ble H. H. Sutherland.

His Highness the Mahárájá of Vizianagram, K.C.S.I.

The Hon'ble J. R. Bullen Smith.

The Hon'ble Sir Douglas Forsyth, K.C.S.I.

The Hon'ble Ashley Eden, c.s.1.

#### MERCHANT SHIPPING ACT AMENDMENT BILL.

The Hon'ble Mr. Hobhouse moved that the Bill for the further amendment of Act I of 1859 (for the amendment of the law relating to Merchant Seamen) and for other purposes, as amended, be passed. This motion was before the Council on the last occasion when it met, and was postponed on account of a suggestion which fell from His Honour the Lieutenant-Governor that it would be desirable to amend one of the sections of the Bill, and also because a further paper of importance was to be expected from the Government of Bengal. No notice of amendment had been given by his hon'ble friend, but a paper which he held in his hand had been sent in by that Government. In point of form, he supposed that the matter was no longer in the hands of the Select Committee, because their final report was taken into consideration by the Council, and their fleeting existence was thereby terminated. But the gentlemen composing the Committee had been good enough to meet yesterday for the purpose of considering the paper sent in by the Government of Bengal, and the result

of their consideration was that, with one exceedingly trifling exception, the Committee thought on the whole it was not desirable to make any alteration in the Bill. Mr. Hobhouse therefore hoped the matter might be disposed of in the course of that day.

MR. HOBHOUSE trusted his hon'ble friend would not consider that he was hard upon him when he entered a mild protest against the practice of sending in a humber of miscellaneous suggestions for the alteration of a Bill after it had been very frequently before the Select Committee and many months before the public, and was in what ought to be its final stage. All the world knew that his hon'ble friend had been personally engaged in a public business of as much magnitude and importance as had ever been undertaken by an Indian Government, and all the world knew how that work had been performed, and might guess without his saying so that that work, coupled with the other weighty work of the Government of Bengal, had prevented the Lieutenant-Governor giving personal attention to a minute corner of legislative territory, such as this was. But it had recently happened several times that, just when the Council were prepared to pass a Bill, sometimes after the Bill was put into the paper to be passed, fresh papers containing a number of miscellaneous suggestions had come in, as to which there was no apparent reason why they should not have come in long before. That was a matter of considerable inconvenience; he need not enlarge on the reasons why it was inconvenient. Every man of business knew the reasons why a business had better be finished when it had been prepared to be finished, even when it was all in one hand. These reasons were strengthened when the business was conducted by a number of other persons, and still more so when it was conducted by a fluctuating body such as a Select Committee or as this Council. Sometimes of course the thing could not be helped, and we must make the best of it; at other times the new matter was of such importance that it ought to be dealt with even if the Bill was on the very verge of passing into an Act. All Mr. Hobhouse wished to say was that there was an inconvenience about it, and that as a general rule, and only as a general rule subject to exceptions, it was better to pass our Bills when they reached the final stage in which the Committee had put them, than to re-consider them . again with a view to small alterations, and not to alter them unless the changes proposed were matters of considerable importance. When there was a matter of importance in question, it was always competent to any member to have the proposal put into the form of an amendment, and to move it, either upon the consideration of the Report of the Select Committee, or when the Bill was to be passed. Indeed on consideration of the Report he might raise a discussion upon it without moving an amendment.

That brought the point to a definite issue; but when such proposed alterations related to a considerable number of small points, a re-consideration at that stage was likely to result in the introduction of some incongruous matter and not to improve the Bill.

Now, with regard to the matter before the Council, this Bill was introduced in July 1873; it was altered by the Select Committee in July 1874, and was sent to the Local Governments on the 13th July 1874; and the letter from the Government of Bengal came in some three days ago. Besides the point mentioned by the Licutenant-Governor, the letter contained some suggestions for objects which were contained in a former letter of theirs and which were considered but not adopted by the Select Committee, and it contained some suggestions for objects which, on examining the Bill, were found to be already provided for by the Bill, with the exception of one administrative matter which he thought was essentially provided for in the present law.

The letter ushered in an appendix which consisted of sixteen folios of print, and he found, after a careful perusal, that fully fourteen of these pages had nothing whatever to do with the Bill. They referred to proposals for the general amendment and consolidation of the Merchant Shipping Law, which would have been most fittingly sent in if we had undertaken consolidation. But, as he had already explained to the Council, the general consolidation and amendment of this law were not under the consideration of the Council; they had been expressly removed from our consideration, and we were dealing only with the limited subject of courts of enquiry.

The point which was specially mentioned at the last meeting of Council was not the subject of an amendment; but it would be convenient to state what that point was. It was contained in a letter or memorandum of Mr. Marsden sent in to the Bengal Government. Mr. Marsden was speaking of Act I of 1859 and Act XV of 1863: and he said:—

'Neither of the Acts above cited gives any power to the Local Government to' detain any person pending the result of an inquiry held under section C, Act I of 1859, or pending the decision of the Local Government on the report furnished by the officers appointed to hold such inquiry, neither is any power given to the officers holding such inquiry to impound the certificates of persons giving evidence before them till the orders of the Local Government be made known. The result of this is obvious; it enables any witness against whom the evidence in the case may be taking an unfavourable turn, to simply leave India and go outside the local jurisdiction, taking his certificate with him. It will be seen that this might occasion serious failure of justice, as a master whose negligence had caused the total loss of a vessel may simply obtain a certificate of clearance for his vessel on the production of his certificate before the Shipping Master, and leave this port:

but in the event of his not being able to produce such certificate, he is precluded from obtaining such clearance. What I would suggest is, that power should be given to the President of Courts of enquiry held under section C of Act I of 1859, to demand the certificate of any certificated witness produced before him, and to impound such certificate until the orders of the Local Government be known in the case, or until such time as it may seem expedient to the President to return the same to its owner. This would in no way preclude the vessels being sent away in charge of a competent master, but would, I think, effectually preclude guilty persons leaving the jurisdiction pending an investigation.

The Bengal Government enclosed a copy of Mr. Marsden's memorandum, and recommended that a marine Court of enquiry should be distinctly empowered to impound the certificate of any certificated witness in a case until the orders of the Local Government be known, or until such time as it may seem expedient to the Court to return the certificate to its owner.

Mr. Hobhouse must confess that that was a proposal he could not support: on the contrary, if it were made to the Council, he should think it his duty to oppose it. It might be that a guilty person would be precluded from leaving the port under the proposed rule; but then an innocent person might be also precluded. He could not think it right that a person charged with no sort of crime should have his property taken away from him, merely because he happened to be a witness, and merely because he happened to be the holder of a certificate, until the Local Government thought fit to give orders on the subject, and the Court thought fit to restore the certificate. Mr. Hobhouse thought that such a rule would be of tyrannical character, and he could conceive its being used heedlessly and in a very oppressive way. He did not think that such a power ought to be conferred unless material grounds were shown to prove it necessary for the public good. If, indeed, the proposal were confined to a person actually charged with misconduct, that would be different; and when his hon'ble friend mentioned the matter, Mr. Hobhouse did not understand that he was contemplating that every person who appeared as a witness should be subjected to the chance of having his certificate taken away. Mr. Hobnouse supposed that the Lieutenant-Governmor was contemplating only those persons who were charged with misconduct. It seemed to Mr. Hobhouse that there was no necessity, and on the whole that it was not desirable, to introduce a special power such as this. He thought the law as it would now be amended by this Bill would give sufficient power for detaining anybody really wanted. If a man was wanted as a witness—and it was impossible to conceive a person so implicated in the proceedings as to be the subject of a charge of misconduct who would not be wanted as a witness—then he could be detained under section 15. That power was a new and a stringent one; therefore the Committee had thought fit to guard it by some reasonable

limit of time, and had provided that "no person should be detained by virtue of, this section for more than forty-eight hours." It would be very inconsistent if, with that proviso, that no person should be detained for more than forty-eight hours, we were to give the power of indirect detention by indefinitely detaining a document without which the man could not go about his Still, when a person was wanted as a witness he might be detained for forty-eight hours. If you wanted to charge him nothing was easier than to state the grounds, which could probably be done in half an hour, and then he could be summoned under section 10, which provided that the Court might summon any master, mate or engineer to appear, and should give him a full opportunity of making a defence. The Bill had not said that the master, mate or engineer should be bound to attend. The matter was not a criminal proceeding: it was one in which he was charged with misconduct and of course he ought to be able to defend himself: but if he chose he might let judgment go by default; there was no reason why he should be kept to be tried as criminals were tried. Under section 8, the Court had the same power for compelling the attendance and examination of witnesses and for the regulation of the proceedings as if the investigation were a proceeding relating to an offence or cause of complaint upon which the Magistrate had power to convict summarily. It was important to consider what was the practical difficulty we had to deal with or were supposed to be dealing with. He had shown that there were new and stringent powers for the detention of a person for the purpose of evidence, and he might then be charged and the enquiry might go on either in his presence or in his absence. But Mr. Hobhouse wished to know whether any person charged with misconduct before Courts of enquiry of this kind had ever run away. If a person had run away, depend upon it, it was because the case was of so exceedingly serious a nature that no mere detention of his certificate would suffice to detain the man, but to lose the certificate would be a trifle, compared to the other consequences of the proceeding. It was true that it was stated, in the letter from the Government of Bengal, that recent cases had come under notice in which the imperfect state of the present law had had a bad effect; but he had not found the circumstances of any case stated: and seeing that all the suggestions of Mr. Marsden, which were endorsed by the Local Government, referred to witnesses and to witnesses only. Mr. Hobhouse could not help thinking that the meaning of the passage was that some cases might happen in which the inability of the Court to detain witnesses would have a bad effect. That was one of the original reasons for this measure, and the Bill was so framed as to amend the law in that respect. He believed that the difficulty which was apprehended, of a man holding a certificate and running away in order to avoid being present on a charge, was entirely imaginary.

He could not conceive that a person who held a certificate and hoped to retain it would do an act which must be his ruin; for if he ran away the case would certainly go against him by default, and by the act either of the Courts here or of those in England he would lose his certificate.

The result was that in Mr. Hobhouse's opinion we ought not to give these large indirect powers of detention; they would not be a valuable addition to the Bill. If we wanted more detaining power, we ought to give it directly and not indirectly. But before we gave more power, we ought to be very certain that it was wanted. Mr. Hobhouse could not say that such powers were wanted, and therefore his own Judgment was against the alteration suggested.

The only change which occurred to the Committee which sat yesterday was one of a purely verbal, nature—so purely, verbal, that it was almost of a clerical nature, and the Committee did not think it necessary to make a report or prepare an amendment on the subject. Section 8 provided that for the purpose of the investigation, the Court, so far as related to compelling the attendance and examination of witnesses and the regulation of the proceedings, should have the same powers as a Magistrate in criminal cases. The Committee proposed to introduce after the words "examination of witnesses," the words "and the production of documents." In his opinion the clause as it stood would mean the same thing, whether these words were put in or not. But he was told that it was customary to insert them. If His Excellency the President would take this as merely a clerical alteration, perhaps the Council might take it as covered by the Report of the Committee. If it was thought that it was taking too great a liberty to do so, he would prefer that the words should be left cu', rather than that the passing of the Bill should be delayed.

His Excellency THE PRESIDENT observed, in regard to the point of form, that the omission to introduce the words "and the production of documents" did not appear to him to be a mere clerical error. They were inserted for the sake of making the meaning clearer. He would therefore put in question that those words be inserted in section 8 after the words "examination of witnesses."

The Motion was put and agreed to.

His Honour THE LIEUTENANT-GOVERNOR asked whether sections 8 and 15 of the Bill would certainly enable the Magistrate or the investigating officer to detain a defendant pending an enquiry.

The Hon'ble Mr. Hobhouse said he conceived that section 15 gave an absolute power of detention of any person who was wanted as a witness—any

person from whom information was wanted. Enquiries under this Bill were not criminal proceedings, and every person who came before the Court was a witness: it was a public enquiry, and the power of detention of witnesses would include the person charged. Section 8 gave to the Court of enquiry the same power as a Magistrate sitting in a criminal case, whatever that power might be: you could hardly give it more power.

His Honour the Lieutenant-Governor said that, from the explanation just given by his hon'ble friend, it appeared that the Magistrate certainly had the power which His Honour was anxious he should possess. Then, as regards the remarks of the hon'ble member, he entirely agreed to waive any objections that he might have made at the last sitting of the Council, because he now found on consideration that the power he asked for of impounding a certificate was not only fully granted in effect, but more than granted by section 15; because, if you might arrest a witness and detain him for forty-eight hours, it followed that that detention would necessarily detain the certificate: if you could catch the man, you could catch his certificate; if you had the person of the man, we did not very much care about his certificate. Therefore, as he found, and as his hon'ble friend had said, that this stringent power was given to us, His Honour refrained from asking for what appeared to him the very small power he ventured to ask for at the last meeting of the Council. But when his hon'ble friend went on to style HIS HONOUR'S proposition as tyrannical and oppressive. he must simply reply by expressing surprise that his hon'ble friend failed to perceive that, in using those expressions, he had strained at a gnat, while by section 15 he had swallowed a camel. If to detain a person who was before the Court be tyrannical and oppressive, how much more tyrannical and objectionable was it to enter a ship and detain him fourty-eight hours. Therefore, he really must emphatically demur against the application of these phrases to the very harmless proposition he had made. But his hon'ble friend further proceeded to say that this danger was an imaginary one. His Honour could show his hon'ble friend that the danger was not so imaginary a one as was supposed; because, although it was true that a certificated man who was charged, or a witness who absconded, in the face of a tribunal of enquiry. would sooner or later lose his certificate. If he were certificated by the Local Government, his certificate would be cancelled, and if he was certificated by the Board of Trade, we should hope that they would act upon the report submitted to them-yet there were two uncertainties in favour of the man. In the first place, there was always a doubt as to how far the Board of Trade would act upon a report of a Court of enquiry in India; for there had been at least one unfortunate case in which the Board of Trade did not do so. But the main uncertainty in the man's favour was that he might abscond from this port carrying his certificate with him, and proceed to other ports, and under cover of that certificate obtain ships, and if he were a bad man might cause the loss of life and property. The Board of Trade could not ascertain where a man was; how many ports were there to which such a man might resort, and how long would it take before he was found out, and in the meantime how many ships might have been lost through his fault on the high seas. So the danger was not really imaginary, although His Honour admitted that his hon'ble friend was correct in one respect, that sooner or later the man would be caught. It was therefore a real danger, but was obviated by the stringent power given by section 15 of the Bill; because, if a Magistrate had reason to think that a witness was involved in a charge and was likely to abscond, he might arrest him under section 15, send immediate notice to the Government, and the Local Government might frame a charge against him.

#### [ The Hon'ble Mr. Hobhouse—The Court could do it itself. ]

Then the power was quite sufficient; so that taking one thing with another, after the explanation given by his hon'ble friend, he begged entirely on behalf of the Local Government to accept the provisions of the Bill. He could assure the Council that these stringent powers were very necessary to ensure the safety of life and property in this port and in the rivers leading to this port, and upon the high seas. For although in cases of emergency the officers and men of the mercantile marine still showed the fine qualities for which their service was famous, yet, nevertheless, the cases in which ships were lost in a manner quite unaccountable occurred a great deal too frequently, and the most stringent provisions acted up to to the letter by the Executive Government, would be necessary to rigidly and promptly investigate the causes of such losses, and so to ensure the safety of life and property in this port. So, being moved by these considerations, he very cordially and thankfully accepted the very stringent powers conferred by the Bill.

His Honour had only one more remark in reference to the observation by his hon'ble and learned friend Mr. Hobhouse regarding the conduct pursued by the Government of Bengal in this case. Though he was very much obliged for the kind manner in which those observations were conveyed, yet he did regret that the proceedings of any Local Government should be commented upon publicly in this Council; because it was obvious that though he might have something to say on behalf of his own proceedings, yet he did not think that this was the proper place, or that it was at all proper, to enter upon a colloquial discussion on the subject. For all the proceedings he had found it necessary to take,

he could assign valid reasons; and if the had occassion to cause inconvenience to his hon'ble friend, he was sorry. He could not promise that he might not still have occasion to cause further inconvenience, but if he had, he should do so as little as he possibly could. He ventured to say that if he had caused any troule, the trouble was small in comparison to the magnitude of the interests which were involved in the proceedings before this Council, but he was certain that he should have the Council with him when he said that in matters of great importance, certain obstacles raised at the final stages of a Bill-certain delays of a week or a month-were of no importance of whatever as compared with the great importance of having our laws framed, not only on sound principals, but also in good practical detail, so that they could be worked thoroughly well. Further, it would appear from the tenor of his hon'ble friend's remarks, that once a Bill was referred to a Select Committee. examined and sent out, all further proceedings were to stayed; and if, the other members, who had not the good fortune to be on the Committee, had any amendments to make after the report of the Committee had been made, they would be regarded as dealing hardly with the Legislative Department if they should undertake to make exceptions or propose any amendments. His Honour was sure that that could hardly be his hon'ble friend's intention, but so it appeared from the tenor of his remarks, and His HONOUR must, on behalf of the Bengal authorities, claim that when they had any objections in detail to proposals of the Select Committee, they should be at liberty still to propose for the consideration of His Lordship in Council such amendments as they might think necessary. He was certain it would be found that he had never done so except in the case of a Bill relating solely to Bengal. or in which Bengal had a preponderating interest. They had done what they thought to be their duty, and they did so in a manner calculated to give as little trouble as possible, and certainly insignificant, as compared with the importance of the issues at stake.

His Excellency THE PRESIDENT said:—"I am sure that the Council are aware, from the whole course of our proceedings, that no point of form is ever made use of for the purposes of preventing the full discussion of any amendment that may be proposed at any stage of the progress of a Bill.

"If an instance was required, it would be supplied by the course the Council has taken with regard to this Bill, for, in consequence of a suggestion made by my hon'ble friend the Lieutenant-Governor of Bengal, although no official communication had been received from the Government of Bengal on the subject, we at once postponed the passing of the Bill, in order that we might fully discuss the amendment proposed by the Lieutenant-Governor. At the same

time I think that my hon'ble friend, Mr. Hobhouse, was justified in the remarks which he made to the effect that it is very desirable that suggestions with regard to Bills under consideration should, if possible, he made during the early stages of their progress. Our forms and proceedings are well known and exceedingly deliberate, and it cannot but be inconvenient that suggestions and objections which might have been made and taken at the proper time should be deferred till the last stage of a Bill.

"In this particular instance, I must say that there seems to have been very considerable delay in the official communications of the Government of Bengal, and I am sure that my hon'ble friend, the Lieutenant-Governor, will excuse me for suggesting that such delay might, with advantage, be avoided on future occasions. I gather from the paper last circulated, that a circular, on the subject of this Bill was issued by the Government of Bengal on the 24th of August last, and communications appear to have been received by the Bengal Government in reply, some time about the middle of December, and yet the Legislative Council were not put in possession of these papers until within the last few days.

"As regards the particular point under discussion, I am glad that my hon'ble friend the Lieutenant-Governor has expressed himself satisfied with the Bill as it stands. It has, I know, been most carefully considered by the Select Committee."

The Motion that the Bill as amended be passed was then put and agreed to.

### PROBATES AND LETTERS OF ADMINISTRATION BILL.

The Hon'ble Mr. Hobhouse asked leave to postpone the motions that the Report of the Select Committee on the Bill to amend the law relating to Probates and Letters of Administration, be taken into consideration and that the Bill be passed.

Leave was granted.

#### PORT-DUES BILL.

The Hon'ble Mr. Hobhouse also asked leave to postpone the presentation of the Final Report of the Select Committee on the Bill to consolidate and amend the law relating to Ports and Port-dues.

Leave was granted.

## NATIVE SOLDIERS RIGHTS AND LIABILITIES BILL.

Major-General the Hon'ble Sir H. W. Norman moved that the Report of the Select Committee on the Bill to remove doubts as to the rights and liabilities of certain Native Soldiers, be taken into consideration. When he moved for leave to bring in this Bill, he had stated that certain Native Soldiers had not been attested as required by Act V of 1869. It was believed that that omission did not really interfere with the legal obligations of the Soldiers; but to remove all doubt it was determined to introduce this Bill. The Bill had been considered by the Select Committee who had no amendments to suggest and recommended that the Bill be passed.

The Motion was put and agreed to.

Major-General the Hon'ble Sir H. W. Norman also moved that the Bill be passed.

The Motion was put and agreed to.

#### SIR JAMSETJEE JEEJEEBHOY'S LOAN BILL.

The Hon'ble Mr. Ellis introduced the Bill to secure the repayment of a loan by the Government of India to Sir Jamsetjee Jeejeebhoy, Baronet. He said that the Bill, although it appeared to be a long one, was lengthly only owing to its having been deemed advisable to make certain recitals to show the course of previous proceedings. The operative part of the Bill was exceedingly short; it merely provided that the interest of the promissory notes which had been vested in trustees for the benefit of the holder of the title for the time being, should be withheld by the Government in discharged of the loan advanced for the payment of the debts of Sir Jamsetjee Jeejechhoy. The trust consisted not only of a sum of money, but also of an estate. It was not necessary to provide for the mortgage of the estate, because the sum receivable as interest on the promissory notes more than provided for the repayment of the principal and interest within a reasonable period. Accordingly, the Bill simply gave power to take for interest and principal the sum of Rs. 40,000 for seventeen years, unless the sum advanced with interest at five per cent. were sooner repaid. As there was nothing in the Bill which demanded consideration by a Select Committee, Mr. Ellis did not propose to refer it to a Committee, but should on a future occasion proceed with the Bill.

#### MADRAS SALT BILL.

The Hon'ble Mr. Ellis also introduced the Bill to amend the law relating to Salt in the Presidency of Fort St. George, and moved that it be referred to a Select Committee, with instructions to report in three weeks. He said that he had at present little to add to what he had said on a former occasion. The Bill, as he had then explained, did not render it imperative on the Government of India

to carry out at once the measure which it empowered the Government to take, but merely enabled the Government, if on further consideration it should deem fit, to substitute for the present selling-price, an excise-duty at the fixed rate of Re. 1-13-0 per maund or less. The Bill was a short one. It provided that the Governor General in Council should have power to impose a duty not exceeding that amount, and also directed that, if it should be so determined, the selling-price for all salt which the Government of Madras might sell should be so fixed as to produce that duty plus all the charges incurred in the manufacture, storage and transit of salt and from wastage. In the Committee we should have the advantage of the experience of his hon'ble friend Mr. Dalyell in the matter, and we should also give time to the Government of Madras for any suggestions which it might see fit to make in regard to the measure.

The Hon'ble Mr. Dalyell said that, as only one week had elapsed since his hon'ble friend had obtained permission to introduce this Bill, he (Mr. Dalyell) had not had time to receive a reply to a communication which he had thought it his duty to make to the Madras Government, nor had he had an opportunity of consulting the papers in connection with the Bill, which he understood were now in course of printing for circulation to the Council. Consequently, he must defer any comments on the general policy of the Bill, and any explanation of the change of opinion in regard to the Bill on the part of the Madras Government, to which his hon'ble friend (Mr. Ellis) had adverted to some future stage of the measure. Mr. DALYELL would therefore confine himself that day to a few brief observations which had been suggested to him by the remarks which fell from his hon'ble friend last week. His hon'ble friend had then said that the main advantages which he expected to derive from the Bill were three-first, an increase to the salt-revenue; secondly, the equalization of the salt-duty in southern India; thirdly, the opening out of the salttrade to private enterprise. As far as Mr. Dalyell had been able to make out from the consideration he had been able to give to the Bill during the past week, he questioned very much whether his hon'ble friend's expectations would be altogether realized if the Bill was passed in its present shape and if the powers taken under its provisions were put into operation. As to the anticipated increase of revenue, the Bill, if put into force, would require that a duty of Re. 1-13-0 be charged on all salt sold in the Madras Presidency, and that the price should be fixed by adding to that sum such an amount as the Madras Government might determine to be the proper cost of manufacture, sale, storage and wastage of salt. His hon'ble friend last week had told the Council that, of the present price of two rupees charged on salt sold, three annas were taken to represent the cost of transit, manufacture, and sale, and Re. 1-13-0 the duty; but that practically

this assumption was only correct in regard to salt manufactured and said on the Eastern Coast, as the salt sold on the Western Coast actually cost the Government something over seven annas the maund. The actual fact was, that this theory of three annas representing the cost of manufacture and sale was not strictly correct as regards salt sold either on the Eastern or the Western Coast. On the Western Coast salt certainly cost considerably more than double this theoretical price; but his hon'ble friend was not perhaps aware that in no district of the Eastern Coast did the cost amount to quite so much as three annas per maund, and in some districts the cost was very much less. He would probably, however, remember when the Salt Act of last year was passed, it was explained that the actual cost of the manufacture of salt in the Ganjam District was not in excess of two annas per maund; and Mr. DALYELL quite believed that if a careful investigation were made into all the items of charge in the Eastern Districts, as must be done if the Bill were passed into law and put in force, it would be found that the actual average cost of the manufacture and sale of salt in the Eastern Districts, if only charges properly debitable were included, was not in excess of two and a half annas per maund. The result, then of passing the Bill in its present shape would be this, as far as the revenue was concerned—that on the Western Coast there would be an increase of four annas on every maund of salt consumed, but on the Eastern Coast there would be a decrease of half an anna upon every maund sold. Now, speaking roughly, he thought he might say that the sales of salt on the East Coast were just about eight times the sales on the Western Coast; consequently, the increase of revenue obtained on the Western Coast by adding four annas to the cost, would be lost on the Eastern Coast by the deficit of half an anna; and he very much feared that his hon'ble friend's anticipated addition to the imperial exchequer would altogether disappear.

Then, as to the opening out of the salt-trade to private enterprise, no doubt if the Bill were passed the Bombay salt-traders would be able to export salt from Bombay to the West Coast of the Madras Presidency on their own account, instead of on behalf of Government as they did at present. But he questioned whether the Government salt on the East Coast would not be able to undersell them, being carried over by railway, if the full duty of Re. 1-13-0 were charged on all shipments of Bombay salt. Then his hon'ble friend seemed to suppose that this Bill would facilitate the introduction of Cheshire salt into Madras. There was nothing to prevent the introduction of any quantity of that salt at present, except the high price of the article itself; and so long as Cheshire salt cost from twelve to thirteen annas a maund without duty, it was quite futile to suppose that it would ever be able to compete with

Madras salt which cost something like three annas, or Bombay salt which cost about seven annas. It was quite fallacious to suppose that, because the salt-tax Madras was collected under a system of monopoly that therefore the Government was in any way opposed to the introduction of foreign salt. It made no possible difference to the Government whether the duty was collected under a monopoly or by an import-duty; and so far from throwing difficulties in the way of importers, on a recent occasion within Mr. Dalvell's knowledge, when a firm in Madras desired to introduce a shipment of Cheshire salt, they were given peculiar and special advantages, which of course would not be continued if the trade become general. In spite, however, of these special concessions being allowed, and every advantage obtained, the experiment proved a complete failure. The greater quantity of the cargo had to be re-shipped and sent to the Calcutta market, and what remained was sold by auction in Madras, at he believed, something less than the duty which had been paid on it.

The third result which his hon'ble friend predicted for his Bill was that the salt-tax throughout the southern Presidency would be equalized, and this Mr. DALYELL admitted his hon'ble friend might reasonably expect to obtain. If the Bill had gone further than it did-if it had equalized the salt-duty all over India—it would certainly have obtained his (Mr. DALYELL's) unqualified support. But he questioned whether there was any practical advantage in insisting upon this equality throughout the different localities in a small section of the empire, so long as differential rates of duty were permitted to exist in other Provinces. At the same time, he must confess that there was great force in this part of his hon'ble friend's argument, and Mr. DALYELL wished therefore, to defer giving any decided opinion either for or against the Bill, until he had an opportunity of going more fully into the question than he had yet been able to do, until he had considered the papers in connection with it, and until he had heard the other arguments in its favour, which he had no doubt would be brought forward by his hon'ble friend with his usual vivacity in Select Committee.

The Motion was put and agreed to.

#### MAJORITY BILL.

The Hon'ble Mr. Hobhouse moved that the Hon'ble Messrs. Inglis Dalyell and Eden be added to the Select Committee on the Bill to establish a uniform age of majority for persons domiciled in British India.

The Motion was put and agreed to.

The following Select Committee was named :-

On the Bill to amend the law relating to Salt in the Presidency of Fort St. George ——. The Hon'ble Messrs. Hobbouse, Inglis and Dalyell and the Mover. The Council adjourned to Tuesday, the 16th February, 1875.

WHITLEY STOKES,

CALOUTTA;
The 9th February, 1875.

Secretary to the Government of India,

Legislative Department.