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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.

1873.

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1874.



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 25th March 1873.

PRESENT :

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

His Honour the Lieutenant Governor of Bengal.

His Excellency the Commander-in-Chief, G. C. B., G. C. S. I.

The Hon'ble Sir Richard Temple, K. C. S. I.

The Hon'ble B. H. Ellis.

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

The Hon'ble A. Hobhouse, Q. C.

The Hon'ble E. C. Bayley, C. S. I.

The Hon'ble F. S. Chapman.

The Hon'ble R. Stewart.

The Hon'ble J. R. Bullen-Smith.

The Hon'ble R. E. Egerton.

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

The Hon'ble J. F. D. Inglis.

The Hon'ble R. A. Dalzell.

The Hon'ble Rájā Ramán'th Thákur.

NORTH-WESTERN PROVINCES AND OUDH MUNICIPAL BILL.

The Hon'ble MR. HOBHOUSE introduced the Bill to provide for the appointment of Municipal Committees in the North-Western Provinces and Oudh, and moved that it be referred to a Select Committee with instructions to report in six weeks. He said that he had so recently explained the principles of a very similar Bill, that, perhaps, it was almost superfluous for him to state to the Council the general position of the municipal law in these provinces. But it might be convenient that he should do so in a few very brief words. As regards the North-Western Provinces, there was at present a permanent Act at work, namely, Act VI of 1868. It had been at work now for nearly five years, and as regards the North-Western Provinces alone, it might be said there was no necessity to ask the Council to pass any law for those provinces. As regards Oudh, the case was

different. It was in the same position as he had explained to the Council the other day to be the position of the Central Provinces. When the Panjáb Act of 1867 was passed, it was provided that the Government might extend the provisions of that Act to the towns in Oudh, and such extension was to be for a term of five years. A considerable number of such extensions had been made, but the terms of five years were all subject to expiration, and therefore, in a short time unless we passed a new Act, Oudh might be left without any municipal law at all. Under these circumstances, it was necessary to legislate, and, having regard to the geographical proximity of Oudh to the North-Western Provinces, it had been thought more convenient to take the Act which existed for the North Western Provinces as the basis for legislation in Oudh, and to extend that Act with such amendments as were thought proper, to Oudh. The opportunity, therefore, was taken to consider whether we could not amend the Act for the North Western Provinces also. And hence the form of the Bill he had to introduce.

It would be observed by anybody who had read the Bill, that the main outlines were the same as those which were provided for the Panjáb. His hon'ble friend Mr. Chapman, was quite right in the speech he had delivered a fortnight ago in which he said that the Bill about to be introduced for the North-Western Provinces was to follow the same principles as those contained in the Bill introduced for the Central Provinces which was then under consideration. MR. HOBHOUSE might say, with regard to his hon'ble friend's speech, which of course applied to the present subject as much as to the subject then before the Council, that it seemed to him to contain a great deal of excellent doctrine. But he could not quite agree in the particular counsel given, because MR. HOBHOUSE thought the principles his hon'ble friend enunciated were rather principles to be adopted in the future, than indicating anything which could be done at present. To show our position, he would borrow an illustration from his hon'ble friend's speech Mr. Chapman bade us compare what we were doing with regard to the law for the assessment of the revenue, and what we were doing in regard to municipal legislation, and he said we were dealing with a great multiplicity of details in the one case, and with the other we dealt in a very meagre and very summary manner. That arose from the different state of our knowledge in the two cases. With regard to the subject of the revenue, it had occupied, the attention of Indian officials ever since we acquired dominion in the country. A great number of the ablest men who had served in India had devoted their attention to the subject, and in the course of time we had learned a great deal about it, and as law succeeded law, we legislated with greater confidence. So, when we learned more of the subject

of municipal taxation, we could legislate with greater confidence and go more into details. But at present we did not know enough to legislate with confidence on details. Therefore, we followed the more prudent course of legislating, as it were, experimentally, and leaving the details of the subject more or less to be moulded by the executive authorities. We had abundant evidence from the Panjab and the Central Provinces, particularly that afforded by His Honour the Lieutenant-Governor in his retrospect of the operation of the Act in force in the Central Provinces, of the great care and attention with which the large powers vested in the controlling authority had been worked, and worked successfully hitherto. We therefore proposed to follow the same main principles in the Bill which he now introduced.

It would be observed that the Bill differed in some respects from the Act which stood in the Statute-book as Act VI of 1868. The principal difference was in those clauses which provided for the issue of notice of the intention of the authorities to introduce the Act and to impose taxes, and providing opportunities for making objections. It was justly enough pointed out by the Lieutenant-Governor that these checks were moral checks. In a certain sense that was quite true. They were no more than moral checks, that was to say, in the sense that the same authority which made the original proposal might, if it chose, carry that proposal into effect, notwithstanding any objections that might be offered. But it was not important to provide a definite course of procedure which ensured the adoption of more caution and circumspection; which compelled the authorities to give publicity to their intentions; which made it clear to every body that he might, if he had any objection, put it forward in due course of business; and which compelled the authorities to attend to that objection. So far the checks were legal checks; for a legal course of action was provided which ensured that all that should be done. They were moral checks, because they did not interfere with the ultimate decision that might be arrived at. But even a moral check was not without great value. No doubt all authorities might err; whether they were Municipal Committees or Local Governments, or Supreme Governments, they all were liable to err. But according to Mr. HOBHOUSE'S experience, both in his own country and in this, authorities did not err from any wilfulness. They took great pains to be right; and when they erred, it was because they had not sufficient information on the subject, or because they were unable to view the subject, which might be a many-sided one, from all points of view. Well, then, every arrangement which ensured a greater amount of publicity and a greater amount of discussion, was a help to the authorities in arriving at that right conclusion

which they were all most anxious to attain. Therefore, in sections 4 and 14 of the Bill, we had inserted provisions with respect to the extension of the Act, and with respect to the imposition of taxes, similar to those provisions which were inserted in the Bills for the Panjab and the Central Provinces. In section 14, also we had provided that the working of the Committees which were to take the initiative in imposing taxation should be subject to general rules or special orders which the Governor General in Council might from time to time make in that behalf. No doubt the criticism upon that was perfectly fair, that the Governor General in Council, like the Local Government, was only the Executive, and of course was just as fallible as the Local Government was. But the two together were not so fallible as either standing alone. You got the principle that two heads were better than one, and this was a case in which the saying was eminently likely to prove true, because the two heads contemplated the subject from two different points of view. One brought to the subject its knowledge of local needs, of local resources, and of the feelings and sentiments of the people; and the other had better means of comparing what was proposed or what was wanted, with other things proposed or wanted in other parts of India, on the same subject; and by correlating the whole together, might gradually provide improvements in the system. Those were the checks that were provided by the Bill, and it seemed to MR. HOBHOUSE that we could not do more at present. And he hoped there were good grounds for saying that, as we knew more on the subject, we should be able, though perhaps a great many years hence, to provide for these matters in some more systematic way such as that foreshadowed by his hon'ble friend Mr. Chapman.

The only other important clause MR. HOBHOUSE thought, was clause 15 which contained a list of the taxes that might be imposed in municipalities under this Bill. In the other Bills we had before us, there was no such list; but there was a general power given to impose taxes on proper subjects of taxation. The reason for enacting such a clause was simply this: that it was in existence in the Act for the North-Western Provinces. The authorities said that the Act worked well there under its present form, and there seemed no reason for intererung with it, although, in point of law, he thought the effect of clause 15, coupled with section 16, which would empower further taxation with the consent of the Supreme Government, was about the same; one Act definitely provided certain subjects of taxation, giving the Government power to authorize the imposition of any other tax if it thought fit to do so; while, in the other Act, we did not point out the subjects of taxation, but empowered taxation in general terms.

He did not know if there was any other matter to which he need call the attention of the Council. He dared say proposals for improvement in matters of detail would be made by hon'ble members having experience who would serve on the Select Committee; and no doubt his hon'ble friend, General Norman, who had been particularly vigilant in matters of local taxation, and who, he had no doubt, would do us the favor of serving in the Committee, would preserve municipalities from improper taxation, and would take care that the specified objects of expenditure were such as were really proper objects of municipal taxation.

The Hon'ble MR. DALYELL had no wish to re-open the question of the principle which should govern legislation in regard to municipal taxation, as it has been more than once fully discussed, and the Council had recently had a full explanation of the views of the Executive Government from the several members of the Government, and again to-day from the hon'ble member who introduced the Bill. But he did hope that, before this Bill was passed, the Council would have some more detailed information as to the amount of municipal taxation in Oudh, and as to the constitution of Municipal Committees, and also some detailed particulars as to the results which had followed the creation of these bodies in that province. He also hoped that before the Bill which conferred similar powers on the administration of the Central Provinces was passed into law, the Council might be placed in possession of the same information in regard to that part of the country. He need hardly remind the Council that the Act under which Municipalities in Oudh and the North-Western Provinces had their present existence was passed in 1867, and not without considerable discussion. It was distinctly understood at that time that the Act was tentative, and was to operate for only five years. He did think, therefore, that the Council owed it to their predecessors not to allow that Act, even in a modified form, to take a permanent place in the Statute-book without being satisfied that the experimental legislation had been really successful in every respect. It was true that, as regards the Central Provinces, the Council had had a general assurance from hon'ble members who had occupied distinguished positions in those Provinces that municipal institutions had been successful. But to arrive at a proper conclusion on the subject, he thought the Council required the more detailed information to which he had referred, and which he had no doubt had been from time to time placed before the Executive Government. Possibly the papers which His Lordship had placed in the hands of the Council would contain much, though not all, the information desired, but he could not speak positively, as they had only been circulated the

previous evening. He desired, however, to take this the first and earliest opportunity of expressing his great satisfaction as to two of the conclusions at which His Lordship's Government had arrived in the Resolution on those papers. He need hardly say that he referred to the declaration that no further local taxation was necessary, and that it was desirable, in order fully to develop the plan of decentralization, to give the Local Governments a more substantial interest in some of the branches of revenue which were under their administration. When he mentioned to the Council that the Budget of the Presidency to which he belonged showed that the proceeds of the educational house-tax for the present year would amount to only one lakh of rupees, and that it was estimated that from twenty to thirty lakhs would be required to complete the system of primary education, the Council would understand what a large measure of relief from prospective taxation was conveyed in His Lordship's assurance. He felt quite satisfied that, if the Local Governments were given a substantial interest in their receipts, a movement would be given to the development of the revenues of the empire at least equal to the economy shown in the expenditure of those branches of revenue which had been left at the disposal of the Local Governments. He felt almost certain that a perusal of these papers would confirm the very general impression abroad that the decentralization scheme of 1870, though no doubt it had proved in many respects most beneficial to the general administration of the empire, had had the effect of giving a great impetus to local taxation of all descriptions, and that this had resulted in some cases in considerably increasing the burdens on the poorer classes of the people. That being so, he thought it was the special duty of every member of the Council to examine most critically any measure of local taxation which might be brought forward, whether for an increase, or for the purpose, as in the Bill now before the Council, of merely continuing, existing imposts.

The Hon'ble Mr. CHAPMAN said that within the last few days he had read with much interest, in the Administration Report for the North-West, an account of the working of the municipalities in those provinces. And he felt bound to state that, in his humble opinion, nothing could be more satisfactory and thorough than the supervision exercised by the Executive Government over this important branch of the administration. He would not have ventured to make this criticism, had it not been for the remarks he had recently made. He felt, under the circumstances, that it was only right and fair in him to state that, in his judgment, no law which the Council could prepare, however minute and stringent, could secure more thorough and effectual supervision than that now exercised by the North-West Government. He thought it right to say this much, but he begged

to adhere to his opinion that the duties and responsibilities of municipal bodies ought to be clearly and precisely defined by law ; and that their fulfilment should not depend upon the action of the Executive, however vigorous and excellent that action might be.

HIS HONOUR THE LIEUTENANT GOVERNOR said, before this Bill went into Committee, he should like to submit a few observations in order to show in what respect he thought the Bill was a good one, and in what respect the Bill might with advantage be amended. And he should like to lay before the Council a few figures which he had prepared, illustrating the effect of the various forms of municipal administration with respect to the burden of taxation. He quite admitted what the hon'ble member in charge of the Legislative Department had justly said that the experience of this Council in regard to municipal administration was somewhat limited ; and HIS HONOUR thought the hon'ble member had rightly and in a good spirit said, that we might hope to advance from one Bill to another towards that degree of perfection which his hon'ble friend Mr. Chapman, had foreshadowed. HIS HONOUR thought that the Bill recently passed for the Panjáb was an improvement upon the old Panjáb Act ; and this Bill was an improvement upon the Panjáb Bill. And his own impression was that it was possible to improve it still further. It was true that the experience of this Council in regard to municipal legislation was somewhat limited. But the experience of the Local Councils was not so limited ; and if this Council should avail itself of the experience of the Local Councils, they would probably obtain some little wrinkles that would tend to improve the legislation of this imperial house. The hon'ble member in charge of the Bill had noticed one or two points in respect of which the Bill differed from its predecessor. Perhaps HIS HONOUR might be allowed to enter into a comparison of some salient points in which the Bill differed from the Bill recently passed for the Panjáb. The present Bill for the North-Western Provinces limited the number of Official Commissioners to one-third of the whole body ; in the Panjáb Bill, the number of such Commissioners was limited to three-fifths. He must say, he thought that was a great blot in the Panjáb Bill. He did not venture to bring this matter forward at the time, but he was in hopes that some other hon'ble member would have noticed it. It seemed a great blot in the Bill that we should leave it in the power of the Government to nominate the majority of the Commissioners from among official men. But not content with even that, it was provided that, by special permission of the Governor General in Council, more than three-fifths of the Commissioners might be composed of officials. And more again than that, an objectionably independent two-fifths of non-official Commissioners were

liable to be removed at any time at the pleasure of the Government. It was another improvement in the present Bill that the power of removal was limited to the case of the misconduct of a Commissioner. In that respect this Bill, in providing that two-thirds of the Commissioners should be non-official, and giving them a certain amount of stability, did give to the North-Western Provinces Municipal Committees a much greater independence than the Municipal Commissioners in the Panjáb could possess, and so far the Bill was a great improvement. Here he might also make bold to express his opinion that the fifteenth clause of the Bill, providing for taxation, did very materially differ from the Panjáb Bill, and that, so far again, the Bill was an improvement on the Panjáb Bill. The fifteenth clause laid down a moderate number of reasonable taxes any of which might be imposed at the choice of the Commissioners. It was true that clause 16 somewhat widely opened the door to the introduction of other taxes, but they could only be imposed with the previous sanction of the Government of India. That seemed to him a very different provision from the provision of the Panjáb law, which enabled the Local Government to impose any tax which was not specially prohibited by the Government of India. In that respect, it appeared to HIS HONOUR that the Bill was an improvement upon the Panjáb law. He also found that, by the Bill, the house-rate which municipalities were empowered to impose was limited by a maximum, and so far also he thought this Bill an improvement. When he came to state to the Council the figures which he had prepared, he should show the effect of that form of taxation in regard to the amount of the burdens upon the people. These were the most salient differences which he had noted in the present Bill, as compared to the Bill recently passed for the Panjáb. He also wished to submit to the Council and to the Select Committee to whom the Bill would be referred, that, in his opinion in one or two other respects, the Bill might be materially improved. He had said that, according to the Bill, a maximum was fixed for the house-rate. But there was no schedule of maximum rates in respect of the tax on trades and professions, or in respect of the tax on carriages and animals, or in respect to tolls, or in respect of octroi-duties. It seemed to him very desirable that, following the example of many Acts of the Local Governments, a maximum schedule should be prescribed within which the several taxes and tolls authorized to be imposed might be levied. He was aware that great difficulties had been raised in respect to the limitations to be imposed on the levy of octroi-duties. In his opinion some limitation was desirable. It was true that it was difficult to lay down a schedule of duties which should meet every case; but it seemed to him that some general provisions classifying articles as articles of consumption and articles of commerce, and drawing the

main lines within which articles might be classed and taxed within certain maxima, should be laid down in the Bill. He also thought that definitions of the nuisances that might be prohibited might with advantage be prescribed, as had been done in Bengal and Madras. As respects Bengal, he would explain again what the system followed in this respect was. There was no schedule of nuisances applicable to all municipalities. But a schedule of nuisances was drawn up, any one or more of which might be extended according to the circumstances and needs of particular localities. The result was that the schedule of nuisances was scrutinized by the Legislative Council, and they took care that nothing was put down in the schedule which, under no circumstances, ought to be treated as a nuisance. But the schedule, or any part of the schedule, was only applied to particular towns and localities according to the needs of each place. He had found that the members of a Legislative Council scrutinized a schedule of this kind with great care and intelligence, and took care that things which were not properly nuisances should not be treated as nuisances. Such a plan had worked well and had not led to any serious inconveniences.

Then, when we came to the general question of comparing the Bill which was now introduced with such a Bill as his hon'ble friend, Mr. Chapman, recommended, HIS HONOUR thought it was somewhat a mistake to suppose, as had been done by some members of the Council, that it was proposed that one general Bill should be passed for all parts of the country. That, HIS HONOUR believed, was not the intention and meaning of his hon'ble friend Mr. Chapman. HIS HONOUR believed that Mr. Chapman's meaning was to propose a Bill for each province, which should contain particular limitations and maxima of taxation and other provisions suited to the wants and conditions of that particular province. He thought that a Bill of that kind would contain a reasonable and not excessive amount of particulars. It should lay down certain general rules, but it was not necessary that it should condescend into too minute details. Then the hon'ble member on his left (Mr. Bayley), when he came to criticise the opinions of the hon'ble Mr. Chapman, carried us away by his powerful and fervid oratory. HIS HONOUR need not remind his hon'ble friend that oratory was a dangerous talent, and it might on occasions be said to make the worse appear the better cause; and such a power therefore should be used with great caution. Carried away by his eloquence, his hon'ble friend had committed himself to one or two arguments which HIS HONOUR might be allowed to say would not hold water. His hon'ble friend, Mr. Bayley, had told us that, if the restrictions which Mr. Chapman had shadowed forth were imposed by law, it would make all municipal government absolutely impossible.

But such restrictions had been imposed in Bengal and in Madras, and such restrictions had not been found impossible, and had worked without difficulty. So far, his hon'ble friend was carried away by his eloquence into saying too much. Then Mr. Bayley went on to urge, that the people were much more likely to be alarmed and irritated if the taxes, which might at the option of Municipal Committees, be imposed were expressed in the law, than if a general power was given to the Government to impose any tax whatever. HIS HONOUR ventured entirely to differ from that declaration of his hon'ble friend. Men in this country were not such absolute children as was supposed. It might be that, before the people became acquainted with the provisions of the law, they might cry out and not understand an arrangement of that kind. But if the Bill for the Panjab had contained a certain number of reasonable taxes, set forth as taxes, any of which might be imposed or not imposed at the option of municipalities, HIS HONOUR never could believe that, when the people came to understand it, they would be more alarmed than if an unlimited power was given to impose any taxes whatever. He should presently show by figures that the effect of a limitation of this kind had been very much opposed to what his hon'ble friend had assumed, and to the remark of His Excellency the President that, when a maximum of taxation was prescribed, it might be looked upon as an indication to work up to that maximum. The people of Bengal were subject to municipal laws, under which maxima of taxation were prescribed; and the figures which had been prepared showed that, so far from taking the maximum, our municipalities very seldom worked up to the maximum. There were very few municipalities in Bengal which imposed the maximum of taxation authorized by law: the great majority did not go near the maximum. He ventured to think that, in that respect, the argument of the hon'ble member was not unassailable.

Then HIS HONOUR came to the comparative statement he had prepared for submission to the Council, and he would venture to correct His Excellency the President in regard to an error he inadvertently fell into, in supposing that the hon'ble Mr. Chapman's experience of municipalities was under a system different from that which prevailed in the Panjáb; that the Bill under which the Bombay Municipalities worked was a Bill descending into detailed particulars; and that Mr. Chapman had no experience of the character of the Panjáb municipal law. So far from that being the case, HIS HONOUR would remark that Act XXVI of 1850, under which the Bombay Municipalities were constituted, was an Act of the very widest and most general character. On looking over that Act,

the reflection occurred to him that there was nothing new under the sun; that the old municipal law was as like as possible to the Panjáb Bill. It was, he might say, identical with the Panjáb Bill, with one exception, that Act XXVI of 1850 required that the Local Government should be satisfied that the people wished for a municipal constitution, a requirement which it would appear from his hon'ble friend, Mr. Chapman's statement, the Bombay authorities had treated as a sham. If that were so, if the requirement that the wishes of the inhabitants should be respected, was treated as a sham, the result was that the Bombay system was almost precisely identical (HIS HONOUR spoke within very narrow limits) with the Panjáb Bill passed by this Council. The figures which he had collated would show the amount of municipal taxation—the amount of the gross burden on the people—which had resulted from those various forms of Municipal Bills and municipal administration. He had taken the figures from the papers which the Government had laid before the Council. It was necessary to sift the figures a little. As upon a former occasion, he had assumed that the Council would agree to leave out of consideration the figures relating to the Presidency towns, Calcutta, Madras and Bombay. He had compared the towns in the interior, omitting these Presidency towns. He had also omitted the town of Karáčí which was somewhat highly taxed, and which partook of the elements of a European and commercial community, like the Presidency towns. He had had some difficulty in sifting the figures, because he found that, in some municipalities, the municipal income proper was supplemented by certain sources of revenue which were not properly municipal taxation, such as fees, fines, ferry-tolls and things of that kind. In some municipalities, these sources of income appeared, whilst in others they did not. He had thought it the best way to take out of the totals these extra items which were not municipal taxation at all. In respect of Bengal only, these items had not been expunged, the Government having exhibited, not only taxation proper, but the proceeds of fees, fines, pounds and ferry-tolls being added thereto. But he had separately sifted these figures for Bengal, and he was able to state the incidence of municipal taxation in Bengal from taxation proper, as well as the gross income from all sources. On a former occasion, he submitted to the Council certain figures showing the actual amount of municipal taxation in the various provinces of India. It had been since observed, on more than one occasion, that nothing was proved by that statement of figures; it had been said that it only showed that fewer towns in Bengal were taxed, and not that the incidence of taxation was lighter. It certainly was the case that, in some provinces, not only was the taxation heavier, but also that taxation was thrown on a larger number of small towns, than in Bengal and some other provinces, especially Madras. Therefore he had not only taken the total incidence of all towns taxed

but had adopted the fairest standard of all— a standard that was prescribed by the Government of India in regard to the information called for from the Local Governments, namely, the dividing of municipalities into towns containing over 10,000 inhabitants and those containing less than that number of people. Municipalities containing under 10,000 inhabitants were of various characters. In some provinces, the net of taxation was spread very wide : in others, it was more restricted. But with regard to towns containing over 10,000 inhabitants, the comparison was more uniform, and municipal taxation in these municipalities admitted of fair comparison between different provinces. When he took the incidence of taxation as falling on each head of the population in towns, he found that, taking great and small towns together, the incidence of taxation in Bengal, exclusive of miscellaneous sources of income, was at the rate of five annas and nine pies per head of the population, omitting from the calculation Calcutta and the suburbs. If we included other sources of income that were not taxation proper, the incidence was at the rate of seven annas and five pies per head. In respect of all other provinces, he had taken out all items which did not seem to be real taxation, in the figures to which he would now refer. Whilst, in Bengal, under one view of taxation proper, the incidence was five annas and nine pies ; and in another view, including other sources of income, it was seven annas and five pies ; in the North-Western Provinces, the incidence of taxation proper was eight annas and five pies ; in Oudh, it was eight annas and ten pies ; and in Madras, it was twelve annas. In the Panjáb, the incidence of taxation similarly viewed, was eleven annas and five pies ; in the Central Provinces, it was thirteen annas and five pies ; and in Bombay (exclusive of the towns of Bombay and Káráchí), it was thirteen annas and three pies. But, as he had said, he thought the comparison was more properly taken in regard to taxation proper in towns having a population of above 10,000 inhabitants. When he came to compare the rate of taxation proper per head in towns of this class in the various provinces, he found that, in Bengal, it was six annas ; in the North-Western Provinces, eleven annas and three pies ; in Oudh, nine annas and three pies ; in Madras, eleven annas and eleven pies ; in the Panjáb, fifteen annas and seven pies ; in the Central Provinces, fourteen annas and two pies ; and in Bombay, sixteen annas and eight pies. So that, turning the figures into English money, in Bengal the rate per head was 9*d.*, in the North-Western Provinces, Oudh and Madras, 17*d.*, 14*d.*, and 18*d.*, respectively; and in the Panjab, the Central Provinces and Bombay 23½*d.*, 21*d.*, and 25*d.*, respectively. He also found that the following figures showed the proportion of the total population subject to municipal taxation, from which it resulted that, in some provinces, the net of taxation was much more widely spread than in others. Of the total population of Bengal 3¼ per cent.

were now subject to municipal taxation ; in the North-Western Provinces, eleven per cent. ; in Oudh, five per cent. ; in Madras, three per cent. ; in the Panjab, twelve per cent. ; in the Central Provinces, eight per cent. ; and in Bombay, ten and a half per cent. It appeared, then, that, if we compared Bengal under the strictly limited municipal system established there with the other Governments—with the North-Western Provinces, Oudh and Madras in the one category, and with the Panjáb, the Central Provinces and Bombay in another—the result was that the taxation of Bengal was little more than one-half that which was in existence in the North-Western Provinces and Madras, and was not very much more than one-third of that which existed in Bombay and the Panjab.

The moral which he would draw from these figures was this : It seemed to him that, omitting the minor provinces, we might class the municipal systems of India into three categories.

In the first category, which stood alone, was Bengal, in which we had a very minute and particular system ; where the taxation was limited ; where the powers of the Government as to the subjects of taxation were limited. In the second category, which included the North-Western Provinces and Madras, there was a moderate limit to taxation, the subjects of taxation were in a loose way prescribed, and certain maxima of taxation were laid down. There, the incidence of taxation was more moderate than in the third group, consisting of the Panjáb, the Central Provinces and Bombay, where the municipal laws were altogether of a loose character ; where there were no limits, and no maxima of taxation, and where taxation was left very much to the discretion of the Executive Government. HIS HONOUR had had a good deal to do with the municipal administration of Oudh, and he was glad to see that the province of Oudh came out as not being heavily burdened with municipal taxation. But he was grieved to find that, notwithstanding the very particular efforts of himself and others to keep down municipal taxation in the Central Provinces, it showed a somewhat heavy rate of taxation. The moral which he would draw from these statistics was simply this, that, wherever you had a law very loosely drawn ; wherever you did not impose checks on the power of the Government ; wherever you had no maxima of taxation, there municipal taxation was the highest : that where you imposed a moderate limit to taxation ; where you imposed some moderate checks on the power of the Government, municipal taxation was more moderate ; and where, as in Bengal, you imposed strict limits by law, there municipal taxation was by far the most moderate of all. If the Select Committee desired to be influenced by that moral, they would somewhat more particularly define the subjects of taxation, and the maximum rate of taxation.

The following is the Statement to which His Honour THE LIEUTENANT GOVERNOR referred :—

Comparative Statement showing incidence of municipal taxation in the different Provinces of India.

PROVINCE.	Percentage of total population included in Municipalities.	Rate of annual taxation per head of total municipal population.		RATE PER HEAD IN TOWNS EXCEEDING 10,000 POPULATION.		REMARKS.	
				Indian money.	English money.		
		As.	Pie.	As.	Pie.	d.	
<i>Class I.</i>							
Bengal, exclusive of Calcutta and Suburbs	3½	7	5	7	8		Including income other than municipal taxation proper.
		5	9	6	0	9	Municipal taxation only.
<i>Class II.</i>							
N. W. Provinces	11	8	5	11	3	17	} Municipal taxation only.
Oudh	5	8	10	9	3	14	
Madras, exclusive of Town of Madras.	3	12	0	11	11	18	
<i>Class III.</i>							
Panjáb	12	11	5	15	7	23½	} Municipal taxation only.
Central Provinces	8	13	5	14	2	21	
Bombay, exclusive of Towns of Bombay and Karáchl.	10½	13	3	16	8	25	

Class I.—Forms and maxima of taxation strictly prescribed by law—the taxation is least.

Class II.—Forms and maxima of taxation loosely prescribed by law—the taxation is moderate.

Class III.—Forms and maxima of taxation not prescribed by law—the taxation is heaviest.

The Hon'ble MR. BAYLEY had not intended to trouble the Council with any remarks at this stage of the Bill; but as His Honour the Lieutenant Governor had alluded personally to him, he trusted that he might be permitted to say a few words in explanation of what he had said on a former occasion. He did not think he had assumed that the hon'ble Mr. Chapman had proposed one universal Bill for the whole of India. Nor did MR. BAYLEY say that the Bill then before the Council was the best possible one that could be devised. What he did say—and he still thought he was right—was that the policy which the Bill enunciated was the best, certainly for the present, and he thought also for the future, which the Government or the Council could adopt. What he meant at least to say was,

that he thought a law which laid down certain broad outlines, and left an option in details to the Local Governments, was the best suited certainly to the present circumstances of the country, and he thought, generally, to the circumstances of municipalities for all time to come. Moreover, he distinctly did not say that any more rigid form of Bill than that then before the Council would make municipal government impossible. But he did say, and he thought so still, that the rules which the hon'ble Mr. Chapman shadowed forth would make of working of municipalities quite impracticable. He would take, for example, the hon'ble member's proposal to confine one class of municipalities to cities of a certain size, and another class of municipalities to smaller towns, and to make the application of each class of municipality depend solely on the question of population, a mere question of counting of houses ; that towns with a population of 2,000 inhabitants should have one kind of municipality, and towns having 2,001 inhabitants another kind of municipality. MR. BAYLEY, thought that he had shown that it would be impossible to lay down any rigid rule of that kind, and that some small towns were better prepared for municipal self-Government than other larger towns were. He thought also that any strict limit of the rate of taxation was injudicious. And for this reason that, if too high a rate was fixed, it would unavoidably in some places operate as a temptation to extravagance ; that this would be the effect he had no doubt, in spite of the attempt of the Lieutenant-Governor to show the contrary from the working of municipalities in Bengal. He also thought that, on the other hand, if you imposed a low limit by law, you would prevent many large towns from making improvements which were necessary, not only for the comfort but for the health and almost for the existence, of their inhabitants. He therefore thought it was better in this respect to give an option to the Local Government than to lay down rigid rules by law. As regards the list of taxes and penalties, he had said that he thought it very unwise to restrict taxation to certain prescribed forms. He could give examples of many forms of taxation which would never have suggested themselves to the Council, but which would be selected by the people in preference to any others. They might suit local circumstances of which this Council could have no sort of knowledge. And he still thought it would be far better to allow an option to the Local Governments to give to the people such taxation as might really best suit them, rather than to confine them to a list of taxes none of which might suit the peculiar wants choosing.

Then, with regard to what he had called the terrifying effect of putting a long list of taxes and offences into the Bill, he still maintained the opinion he then

expressed. It was a question very much of personal experience and opinion. To go into small matters, he might give an instance in regard to an offence which he thought no member of this Council would think it wise to put into a general Bill. Not many years ago, a Bill was passed for the Calcutta Municipality. There was one special nuisance prohibited in that Bill from which probably no man suffered more than himself. He dwelt then near one of the largest thoroughfares of the town, through which daily long strings of hackeries passed, and he had his rest in the early hours of the morning broken by the creaking of the cart-wheels. By the Bill to which he had referred, it was made an offence to drive a hackery with ungreased wheels—a provision which, he must acknowledge, contributed materially to his own comfort, and, he believed, to that of the society of Calcutta. He would ask, however, of what use it would be to put a provision of that description in a general Municipal Bill? If it was really wanted in Calcutta, why should it be omitted from the law? If it was merely introduced, on the other hand, in order to meet a want in Calcutta, there was every chance of some very particular person of influence getting it introduced in some little municipality where it could be of no use whatever, except, perhaps, to that one person. Then, again, as to the terrifying effect of such long lists of taxes or penalties, he would purposely avoid recent instances, but would take an older one. A barrister in large practice met a client in a railway carriage, and asked him what he thought of the Penal Code which had then lately been passed. He replied that it created some two hundred offences about twenty of which every Hindu was in the habit of committing almost every day. Those were the kinds of offences which it was proposed should be introduced into a general Municipal Bill, and this was exactly the effect such a proceeding would produce. Without attempting to seek perfection or to lay down one Procrustean limit within which every attempt at local self-government was to be brought, MR. BAYLEY thought it was far better to lay down certain broad general laws, and leave a discretion as to details to those best fitted by experience to deal with them. The present Bill might be an improvement upon its predecessors; and another generation might be wiser and might acquire larger experience which would fit them for a wider system of municipal government and enable them to devise a far more perfect Bill. He did not object to any improvement in the details of this Bill. All that he did object to was, as he said before, a Procrustean limit which laid everything down by a hard and fast rule, and did not leave any discretion to the Government whose duty it was to administer these local municipalities and who were responsible for their success.

The Hon'ble Mr. ELLIS did not propose to enter into a criticism of the details of the Bill before the Council, because the proper time to do so was when the Bill was being considered in Select Committee, and in Council after the presentation of the Committee's report. But he would now say, generally, that his opinion as to the benefit of leaving a discretion to the Executive Government in matters of detail was unchanged, and he thought that that principle was suitable, not only for the present, but for all time to come. He thought those matters were better dealt with by the Executive Government. He might mention, as an instance of the evil effect of attempting too much detail, that one of the measures for municipal government referred to by His Honour the Lieutenant Governor as a model for their imitation had been amended so often that there were no less than fifteen Acts to be studied by any one who wanted to know what was the municipal law in Calcutta ; and after studying them all, it was very doubtful whether the student would understand what the law really was.

Then, Mr. ELLIS would briefly advert to the moral which His Honour the Lieutenant Governor drew from the figures he had laid before the Council. He had not had the advantage of analysing those figures, nor had he even seen them. But taking those figures as they had been stated, he would draw from them a very different conclusion. He would say that the figures were very much an indication of the progress of civilisation in the towns to which they referred. He would ask the Lieutenant Governor whether he would not admit that the municipalities of Bengal were far behind the towns in the Panjab, Bombay and the Central Provinces, to which His Honour pointed as bearing a heavy burden of taxation. MR. ELLIS would not go farther than the suburbs of Calcutta. He would ask any one to take a short ride amongst the huts and hovels of the suburbs, and ask him if the people inhabiting them were likely to bear so heavy a taxation as the people resident in the substantially-built towns of Lahore, Puna, Amritsar or Ahmadábád and he would ask whether they were so likely to desire improvements in the way of sanitation and civilization as the inhabitants of those other towns. There was, thus, another moral to be drawn from the figures stated by the Lieutenant Governor, very different from that deduced by His Honour. It was probable that taxation was not so heavy in Bengal, because the wants of the people were fewer. He would reserve his further remarks to the time when the Council came to consider the details of the Bill.

The Hon'ble SIR RICHARD TEMPLE had just one remark to make with reference to his hon'ble friend Mr. Dalzell's observation that the Provincial Services Resolution of December 1870 gave a great impetus to local taxation throughout

India. Without at all entering into a topic which might be somewhat controversial, he would ask his hon'ble friend, with regard to that part of India which he so excellently represented, whether the measures of local taxation so recently introduced were not introduced before that Resolution was framed or even thought of. As regards what had fallen from His Honour the Lieutenant Governor, SIR RICHARD TEMPLE would rather infer, that the fact of Bengal being so lightly taxed in respect of municipal institutions, as compared with the rest of India, did not arise so much from any peculiar moderation on the part of the authorities in Bengal, but rather from the fact that the urban population of Bengal was much smaller than that in any other Indian province. The habits of the people did not induce them to congregate in towns. There were not only fewer towns, but fewer municipal centres, and fewer large villages, than in any other parts of the country. That might or might not be advantageous to the interests of the province. But that being the case, we should expect to find that the ratio of municipal taxation would be much smaller than in any other part of India. He made that remark with reference to the figures adduced by His Honour, which shewed that only $3\frac{3}{4}$ per cent. of the population were subject to municipal taxation. For the rest, he begged to declare that he entirely concurred with what had fallen from his hon'ble colleague, Mr. Ellis. SIR RICHARD TEMPLE heard his hon'ble friend's remarks with great satisfaction, because it vindicated the proceedings in two or three provinces of India in the administration of which SIR RICHARD TEMPLE had had a considerable share. In concurrence with his hon'ble friend, he regarded the figures which had been adduced as not at all tending to show that Bengal was the most advanced province in India, but rather as showing that the Panjáb, the Central Provinces and Bombay were, in respect of municipal civilization, far more advanced than the province of Bengal.

The Hon'ble MR. HOBHOUSE said that, in the few words he would say in reply, he would not deal with the general topics which His Honour the Lieutenant Governor had touched upon. He would make a few remarks on the detailed suggestions of His Honour. It was a very useful practice, and one which gave great assistance to Select Committees, that members who had an opinion about important details of Bills introduced should express it at this stage. Well, then, His Honour said that our present Bill was a falling off from the Act which was passed for the Panjáb in this particular respect, that the Committees might be more flooded with Government officers in the North-Western Provinces and Oudh, than in the other province.

[His Honour THE LIEUTENANT GOVERNOR observed that his remark was just the other way.]

The Hon'ble MR. HOBHOUSE accepted the correction and continued—In the Panjáb Act, it was provided that not less than two-fifths of persons other than salaried officers of Government should be Commissioners. In this Bill, it was provided only that the number of *ex officio* Commissioners should not be more than one-third of the total number. That would not be an improvement in the opinion of those who thought it desirable to have a minority of Government officers. He wanted to point out that the two clauses had a different range and subject-matter. In the case of the Panjáb, a limit was put on those persons who were salaried officers of Government; they might or might not be *ex officio* Commissioners. It was not the *ex officio* appointment which determined the character on which the limit was put in the Panjáb Act; it was the being an officer of Government. In the Bill for the North-Western Provinces, the limit was put on the appointment of *ex officio* Commissioners, but there was no limit on the appointment of salaried officers of the Government. He supposed it was because he was aware of the legal distinction between the two things that he took the meaning of the Lieutenant Governor to be that the Bill was not so good as the Panjáb Act. MR. HOBHOUSE wanted to point out what the real difference between the two was, and not to offer any objection to the opinion of the Lieutenant Governor. He wished the Council to understand how the matter stood. The point mooted by the Lieutenant Governor was well worth consideration in Committee.

There were two other things which the Lieutenant Governor had mentioned as matters of improvement. They were the list of taxes and the provision as to the removal of the members of the Committee. As to these His Honour made no objection, and MR. HOBHOUSE would make no observation.

Then the Lieutenant Governor suggested certain matters in which he thought the Bill might be improved, the most important of which was the fixing of maximum rates of taxation. One common objection to that—and it was one that had been made in the course of recent discussion—was that a maximum rate had a tendency to become a minimum. For the purpose of proving that there was no fear of that tendency, the Lieutenant Governor referred to his experience of taxation in Bengal and it was, MR. HOBHOUSE supposed, with reference to that argument that His Honour had given us a very interesting account of municipal taxation in various parts of India. MR. HOBHOUSE was not in a position to examine the Lieutenant Governor's figures, though they, like all other figures,

required examination. But he would remark that statistics were not a very good foundation to build upon, without taking all the circumstances of the case into consideration. They had not been inaptly compared by a great philosopher to an endeavour to catch water in a net; he said that, however beautifully your net was made, there were interstices through which the water escaped. We had a great many other circumstances to look to—the wealth of the people, their history, their habits, the wants they felt, the arrangements to which they had been accustomed. And when we took all those circumstances into consideration he was afraid that the Council would find some rents in the beautiful tissue which had been presented to us through which all the water might escape. Therefore, as at present advised, he thought the undoubted frequent tendency of a maximum to become a minimum had not been gainsaid. This also must be recollected that, in fixing a maximum of taxation on any particular subject, you involve the necessity of taxation on other subjects. If you could not collect all your money from one source, you must collect it from other sources. That was one of the things we objected to do in those parts of the country where we did not see our way to define local taxation. It was one of those things which, if we attempted to fix, it might shackle the freedom of the Local Governments; a course which the large majority of the Council agreed to be inexpedient to attempt now and which some thought it would never be expedient to attempt. Therefore, although that matter might be most fairly and properly considered in Select Committee, he did not think we were in a position to express agreement with the Lieutenant Governor.

Mr. HOBHOUSE thought the only other matter which he need notice was in respect to nuisances; and perhaps that was one of those things to which he ought to have drawn the attention of the Council, because it was one in which he should propose an alteration in the present law. He had thought it a matter of too much detail to require notice at this stage; but he would now mention what the alteration was. The present section 16 of Act VI of 1868 ran thus:

“The Committee may, at a special meeting, make bye-laws for defining, prohibiting and removing nuisances which are not public or common nuisances under the Indian Penal Code or under Act No. V of 1861 (*for the regulation of Police*), and for the securing of a proper registration of births, marriages and deaths, and for carrying out all or any of the purposes of this Act.”

He did not know any distinction in nuisances, except between public and private nuisances. So far as he had ever come across nuisances, those two classes exhausted the whole list of nuisances. He thought it was a very odd thing that

a Municipal Committee should have power to interfere with private nuisances, because that was a matter which ought to be left for settlement between the parties concerned.' If a nuisance affected a great number of people, if it affected that indefinite number of people which we call the public, it was a public nuisance. But if it affected only one or two individuals, it was a private nuisance. Therefore, in drawing this Bill, it occurred to him that it was more proper to provide that it should be in the power of Municipal Committees to make bye-laws for the regulation of public nuisances. That was one of the points to which the Select Committee would have to pay attention, and, as Mr. HOBHOUSE thought, so as to make it clear that Municipal Committees were not to interfere with private nuisances, in regard to which any one person might have a quarrel with another. It was also a matter to be attended to, whether we should give in the Bill a list of nuisances, or whether we should leave the determination of nuisances to rest on the well-known rules of law which defined what was and what was not a public nuisance, which latter course Mr. HOBHOUSE was inclined at present to think the best for the Council to adopt.

The Hon'ble RAJA RAMANATH THAKUR said, that if he was not out of order, he wished to say one word; and, in doing so, he would not detain the Council more than was absolutely necessary. He did not see any objection to a Bill which the people of the North-Western Provinces and Oudh thought suitable to them, because he found from the draft of the Bill in his hands that the taxes and municipal rules and regulations for conservancy were left subject to the approval of the Local Government. If that were the case, he was convinced that the Committee, if they were inclined to do any mischief, would not be able to do it, because the Government, who was the protector of the lives and property of the people, would prevent the Committee from doing any mischief.

With regard to the incidence of taxation in Bengal, he had just heard from His Honour the Lieutenant Governor that the tax in Bengal was somewhat light; that the people were not heavily burdened with taxation. RAJA RAMANATH THAKUR's impression was otherwise. He did not wish to contradict His Honour but it was well known that municipal taxation in Calcutta was very oppressive. The people were required to pay to the extent of from twenty-two to twenty-three per cent. on their income; so burdened had they been that he regretted very much to state that the value of landed property and everything else in Calcutta had been very much reduced. If the example of the town of Calcutta was one which was approved, he did not know what would be the case in the Mofussil,

where there was no check and nothing to prevent abuses on the part of municipalities.

His Highness THE MAHARAJA OF VIZIANAGRAM said :—" MY LORD, In this stage of the Council it is not my intention to detain the Council, but I may be permitted to make the following remarks. I have always taken much interest in the subject of municipal committees, and in entirely giving my humble concurrence to all that has been stated by His Honour the Lieutenant Governor and the Hon'ble Members of the Council, who have entered so fully into the subject ; but I do think that, wherever the municipal committees have been formed, they have been the means of doing much good, as I can say from my own experience, in my own country, in Northern Circars, Benares, Madras and other places. Now, for instance, in Benares, the features of that city are formed in such a way that it is indeed one of the most difficult places to introduce municipal committees, and to make those useful and healthy rules and reforms for the benefit of that city. For the last many years, or, I should say, ever since the municipality has been introduced in Benares, the Local Government has exerted in a praiseworthy manner ; but in most of the other places in India, the features of the country do not require any amount of such extra labour for establishing municipalities. Now, My Lord, generally speaking, the Natives of India have shown, and still show to a great extent, antipathy, great antipathy to innovation, let that innovation be however healthy and beneficial to the places where such municipalities are proposed to be established, and where such municipalities have been established ; but, as mentioned by my hon'ble friend, the hon'ble Mr. Hobhouse, that it is a matter of time to make the people in the mofussil understand the kind and generous intentions of your Lordship's Government, which is desirous to introduce and establish municipalities for the benefit of the people throughout the length and breadth of the Indian Empire. But I do sincerely hope that the time is not far that India will be blessed by Your Lordship's auspicious Government, that these municipalities will work with that great efficiency at which, My Lord, the Council now aims."

His Excellency THE PRESIDENT said, " I think the discussion of to-day has been very satisfactory, for it has shown that Members of Council who are on the Select Committee, as well as those who are not, will direct their attention to this Bill with a view of considering how every proper check can be put upon any unnecessary increase of municipal taxation in those parts of India to which this Bill applies.

“ In respect to the information which my hon’ble friend, Mr. Dalryell, has just asked for, I will take care, if there is any information to be supplied with respect to municipal taxation in the North-Western Provinces, Oudh and the Central Provinces which is not contained in the papers which have already been circulated, it shall be given to Members of Council.

“ His Honour the Lieutenant Governor—to whom, I must remark in passing, I am much indebted for pointing out that I was mistaken in supposing that the law under which municipalities in Bombay are constituted and governed contains more detailed provisions than the law in force in the Panjáb, and I therefore admit the competency of the hon’ble Mr. Chapman to speak from experience of the working of an elastic municipal law—has given us some interesting statistics upon the subject of municipal taxation in Bengal and other parts of India.

“ With respect to those statistics, I have little to add to what has fallen from other hon’ble members in the course of their remarks. There is nothing more difficult than to produce statistics upon any subject to which universal assent will be given. Upon this particular subject of municipal taxation, I myself tried very hard to arrive at something like reliable statistics, but up to the present time I have not been successful. I am sorry to say that from some parts of India statistical returns have not been sent to the Government in a complete and satisfactory form, and that a good deal is required to complete them. To give the Council an idea of the difficulty of arriving at a conclusion in the matter, I may say that I desired some returns to be worked out for me for the purpose of comparing the incidence of municipal taxation in Bengal and the North-Western Provinces, and these returns show that, in Bengal, the municipal taxation in the municipalities constituted under Act III of 1864—25 in number—after everything not properly a tax was deducted, produced an average rate of ten annas and two and a half pie per head of the population, while the municipal taxation making the same deductions, in sixty-two towns of the North-Western Provinces under Act VI of 1868, was at the rate of ten annas and five pies per head. The Council will see that my figures differ considerably from those given by His Honour the Lieutenant Governor.

“ In the one case, there appears to be a very slight difference in the rate of municipal taxation in the North-Western Provinces and Bengal. His Honour’s calculation shows a very considerably less amount of taxation in Bengal, as compared with the other province.

“ I do not mean to ask His Honour the Lieutenant Governor to agree to the comparison which I have given, neither am I in a position at present to say that His Honour's figures would be accepted by the authorities in other parts of India. Such being the state of the case with respect to these calculations, and it being necessary, if possible, that we should have reliable statistics, I sometime back directed the Financial Department to prepare comparative tables showing the municipal taxation for different parts of India, and when these tables are prepared, they will be circulated to the Members of Council.

“ At present the returns are incomplete, and I very much doubt if anything reliable can be presented to the Council at an early date. It is obvious however, that many other conclusions might be drawn from the comparison of the incidence of municipal taxation which His Honour had made than that which he has drawn from it. His Honour, having compared the incidence of municipal taxation in different parts of India, satisfied himself that it is the lowest in Bengal, where the municipal law is most carefully defined; the next lowest where they are not so complete, but still certain precautions enacted by law, and the highest where the regulations are the most loose.

“ And from this he draws the conclusion that the weight of taxation depends upon the stringency or otherwise of the legislation which controls it; but there are other circumstances which require to be taken into consideration. There is, as pointed out by my hon'ble friend, Mr. Ellis, a great difference in the circumstances of the different municipalities in different parts of the country; for example, I believe, if you were to go across the river and ride from Howrah to Serampore, you would pass through a series of municipalities, although no part of the district has any of the ordinary features of a town.

“ It would be difficult to draw any comparison between the incidence of taxation in such municipalities and that in real towns.

“ Another element of consideration, and a very important one, is the different forms of taxation which exist in different parts of India. It is everywhere easier to levy indirect than direct taxation, and it is natural that a higher rate of taxation per head should be produced where there is a system of octroi than where the taxation is direct. I mention these points merely for the purpose of indicating the elements of uncertainty which must exist in conclusion based only upon statistics of municipal taxation. At the same time I think that the publication of such statistics will be of use in order to direct the attention of Government to those parts of India where a high rate of municipal taxation may be found to exist, in order, if possible, to alleviate the pressure upon the people. For I

do not agree with those who think that, because municipal taxation may be high in one province, therefore other parts of India should be called upon to bear similar burdens."

His Honour THE LIEUTENANT GOVERNOR wished to offer an explanation. He wished to say that the statistics which His Excellency the President had quoted were in no degree in disaccord with those which he had himself placed before the Council. The figures were the same, but were compared from different points of view. His Lordship had compared the figures under one Bengal Act of a limited character, applied to a few of the highest taxed towns with those in the North-Western Provinces under a very different Act of a general character. His Lordship was so far right in his figures; but His HONOUR had taken them into comparison from the point of view prescribed by His Lordship in Council, namely, as to towns containing over and under 10,000 inhabitants, which seemed to him the fair and just way of putting it.

His Excellency THE PRESIDENT observed that it was curious that figures that were admitted to be correct should produce such different results.

The Motion was put and agreed to.

BURMA TIMBER DUTIES BILL.

The Hon'ble MR. HOBHOUSE also presented the report of the Select Committee on the Bill to amend the law relating to timber floated down the rivers of British Burma.

CALCUTTA CARGO-BOATS LICENSING BILL.

The Hon'ble MR. HOBHOUSE asked leave to postpone the presentation of the report of the Select Committee on the Bill to amend the law relating to the grant of licenses to cargo-boats plying for hire within the Port of Calcutta.

Leave was granted.

VILLAGE POLICE (N. W. P.) BILL.

The Hon'ble MR. INGLIS presented the report of the Select Committee on the Bill to consolidate and amend the law relating to Village Police in the North-Western Provinces.

FINANCES OF INDIA.

His Excellency THE PRESIDENT said :—" It will probably be convenient to Members of Council to know, as soon as possible, the course which the Government proposes to take with respect to the Budget.

“ The condition of the Finances has been lately under our consideration, and we have determined not to ask this Council to pass a law for the purpose of re-imposing the Income-Tax, which ceases to be leviable on the 31st of the month.

“ We have no other measure relating to taxation to propose to the Council.

“ This condition of things involves a change of practice with respect to the annual Financial Statement.

“ It is laid down in the nineteenth section of the Indian Councils' Act of 1861 that ‘ no business shall be transacted at any meeting of this Council ’ (with the exception of the amendments of the Rules for the Conduct of Business) ‘ other than the consideration and enactment of measures introduced into the Council for the purpose of such enactment.’

“ The annual Financial Statements have hitherto been made upon the introduction of some measure consequent upon the Budget of the year. This year we have no such measure to propose, and, therefore, in our opinion, the Financial Statement cannot be made and discussed in this Council without contravening the law by which our proceedings are governed.

“ This is not a mere technical or formal difficulty, for not only are the words of the Act in themselves explicit, but in order to prevent any possible misconception, it was explained by the Secretary of State, in the Despatch No. 14 of the 9th of August 1861, with which the Act was transmitted to India, that one object of the nineteenth section of that Act was that this Council should not ‘ interfere with the functions of the Executive Government, and occupy its time with matters which are not directly and immediately connected with the special duties assigned to it ’—that is to say, the consideration and enactment of Laws and Regulations.

“ Although the Financial Statement cannot this year be made in this Council we desire to keep the public as completely informed as usual upon the financial condition and prospects of the country, for we believe complete publicity to be an essential element of sound finance.

“ The accounts and estimates, together with the customary explanatory Financial Statement of my hon'ble friend in charge of the Financial Department of Government, will, therefore, be immediately published for general information in the *Gazette of India*.”

The following Select Committee was named :—

On the Bill to provide for the appointment of Municipal Committees in the North-Western Provinces and Oudh—The Hon'ble Mr. Ellis, Major General the Hon'ble H. W. Norman, the Hon'ble Messrs. Bayley and Inglis and the Mover.

The Council then adjourned to Tuesday, the 8th April 1873.

CALCUTTA ;
The 25th March 1873.

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WHITLEY STOKES,
Secretary to the Government of India,
Legislative Dept.