

*Friday,  
6th June, 1902*

**ABSTRACT OF THE PROCEEDINGS**

**OF THE**

**Council of the Governor General of India,**

**LAWS AND REGULATIONS**

**Vol. XLI**

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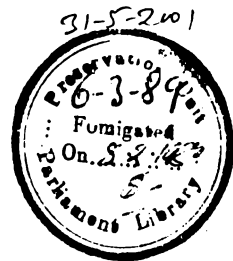
ABSTRACT OF THE PROCEEDINGS  
OF  
THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA:  
ASSEMBLED FOR THE PURPOSE OF MAKING  
LAWS AND REGULATIONS

1902

VOLUME XLI



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*Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., c. 67, and 55 & 56 Vict., c. 14).*

The Council met at the Viceregal Lodge, Simla, on Friday, the 6th June 1902.

P R E S E N T :

His Excellency Baron Curzon, P.C., G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*.

His Honour Sir C. M. Rivaz, K.C.S.I., Lieutenant-Governor of the Punjab.

His Excellency General Sir Arthur Power Palmer, G.C.I.E., K.C.B., Commander-in-Chief in India.

The Hon'ble Mr. T. Raleigh.

The Hon'ble Major-General Sir E. R. Elles, K.C.B.

The Hon'ble Mr. A. T. Arundel, C.S.I.

The Hon'ble Mr. Denzil Ibbetson, C.S.I.

The Hon'ble Mr. J. F. Finlay, C.S.I.

The Hon'ble Sayyid Husain Bilgrami.

The Hon'ble Mr. M. C. Turner.

The Hon'ble Mr. C. L. Tupper, C.S.I.

NEW MEMBER.

The Hon'ble MR. TUPPER took his seat as an Additional Member of Council.

INDIAN TARIFF (AMENDMENT) BILL.

The Hon'ble MR. FINLAY moved that the Bill further to amend the Indian Tariff Act, 1894, be taken into consideration. He said :—"It may be convenient that I should announce the rates of additional duty which will be imposed in the exercise of the powers conferred. These are :—

on German sugar, Rs. 2-13-9 per cwt., and

on Austro-Hungarian sugar, Rs. 3-3-9 per cwt.

"It is not proposed for the present to impose additional duties on sugar from other countries, as it is only the bounties created by the cartels of the above-mentioned countries which are not already countervailed."

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The Hon'ble MR. TURNER said:—"The Bill introduced on 23rd May last by the Hon'ble Member in charge of the Financial Department is the logical outcome of Act XIV of 1899, which was designed to countervail certain Government bounties on beet-sugar imported into India, chiefly from Austria and Germany. The Hon'ble Mr. Finlay explained very clearly when introducing the Bill the causes which have made it imperative for Your Excellency's Government to pass a short Act legalising further countervailing duties to meet the operation of what we may call disguised bounties which have come into existence under the cartel system, or what we may reasonably call a great combine of the producers of raw sugar and the refiners, of whom in Germany alone there are about 53 of the latter and 400 of the former. This system could never have been possible but for the extremely heavy surtax sanctioned by the respective Governments, so that the benefit of the cartel is really an indirect Government bounty. It is also worth noting the widespread effect this cartel system has had. It has, as we know, enabled the refiners in Austria and Germany to flood the Indian (and I believe Japanese) market with their surplus production at a rate which in India is gradually causing the ruination of sugar-factories and a great drop in the price of native-grown raw sugar. It has also enabled the refiners to sell their beet-sugar in England, India and elsewhere at a price which is 50 per cent. cheaper than the same article sold for home consumption. In other words, whereas the consumer in Germany pays 4*d.* per lb. for his sugar, the consumer in England and India pays half that price. The effect of this anomaly was well illustrated by Dr. Wiemer in a debate on this question in the Imperial German Parliament on 4th May last. He stated that millions of German tax-payers had to contribute to the cost of the bounties while the people were debarred from obtaining an adequate supply of one of the necessaries of life; that, while in America the consumption of sugar per head of the population was 29 kilos and in England 37, it was only 13 in Germany.

"The remarks that I have made apply equally to Austria.

"Happily the time appears to have arrived when the system bounties of on sugar, direct and indirect, will come to an end. But we must remember that Conferences in connection with the abolition of sugar bounties were held in 1863 and 1864, 1872 and 1873, 1875, 1877, 1887-88; all which practically failed to fulfil the object of their inception, *vis.*, to come to an agreement, whereby the high contracting parties should engage to take such measures as would constitute an absolute and complete guarantee that no open or disguised bounty should be granted on the manufacture or exportation of sugar. It is therefore to my mind extremely doubtful if the provisions of the Brussels

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Conference will be ratified by the various Governments whose representatives have subscribed to the terms of the Convention. The object of the present Bill is to provide for the interval which must elapse before the terms of the Brussels Convention can come into force, *viz.*, 1st September 1903. But, my Lord, I think it would have been more prudent had the date of this Bill, as appears in sub-section (2) of section 1, been made 31st December 1903, or had the date not been specified. I do not intend to move an amendment on this point, but would emphasise the fact that it is open to the refiners, both in Austria and Germany, to accumulate stocks (bounty-fed by Government and by the cartel) which might be imported into India after 31st August 1903, without paying this special countervailing duty. This is a possible danger against which the Government of India must carefully guard.

“ I have not referred to certain other indirect bounties which are said to exist in connection with the import of beet-sugar, *viz.*, preferential rates in the matter of sea and rail carriage. Those are points on which I am unable to speak accurately, but which require attention and on which I would ask that careful enquiry should be made.”

The motion was put and agreed to.

The Hon'ble MR. TURNER moved that in section 8B, sub-section (1), proposed to be added, by clause 2 of the Bill, to the Indian Tariff Act, 1894, as amended by the Indian Tariff Amendment Act, 1899, the words “ one moiety of ” be omitted. He said :—“ My Lord, I would now deal with the provision of section 8B, which provides for special import-duty on sugar in certain cases ; in other words, defines the amount of duty to be levied under the terms of this amending Bill. The Hon'ble Mr. Finlay stated when introducing the Bill that in fixing the amount of countervailing duties the formula adopted by the recent Brussels Conference had been adhered to. So that, in the first place, no notice would be taken of the six francs per 100 kilos which had been agreed to as a necessary protective import-duty in the case of refined sugar. It is difficult to understand why the representatives of Great Britain, or rather why His Majesty's Government, agreed to a deduction of six francs per 100 kilos. But, this being so, there is no reason apparently why any such allowance should be made by Your Excellency's Government before the Convention terms have been finally agreed to and become operative. I contend, my Lord, that this allowance of six francs per 100 kilos should not be made. But if it is decided that the proposed Convention terms must be adhered to up to this point, then I would ask that the intention to levy a countervailing duty equal to

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a moiety of the excess surtax (*i.e.*, excess of six francs per 100 kilos) be reconsidered. I am advised that, so far as this can be measured without definite figures before us, the moiety of half the surtax in excess of six francs per 100 kilos is quite insufficient to place the indigenous sugar on a fair competing basis with the imported beet-sugar. Perhaps the Hon'ble Member will inform us on what figures he bases his calculation. In some quarters we are told that the whole surtax is 20 francs per 100 kilos, which, after deducting six francs per 100 kilos, leaves only 14 francs per 100 kilos. Dividing this by half, the result is seven francs per 100 kilos, or Rs. 1-8-8 per maund. I shall be glad to know if the Hon'ble Member has any other figures than those I have quoted. There seems some uncertainty as to the exact amount of surtax to be countervailed, and, until this is definitely and clearly ascertained, I contend that Government should reserve to itself the right of increasing the special countervailing duty as may be necessary. I therefore beg to move as an amendment that in clause 8B, sub-section (1), the words 'one moiety of' be omitted, so that the final paragraph of the sub-section will read 'a special duty not exceeding such excess.'

"I would desire to emphasise, my Lord, the fact that those whom I now represent do not desire the introduction of a prohibitive duty on imported beet-sugar. Such a measure would be impolitic and undesirable. What we do ask for is that an equalising countervailing duty be imposed which will allow of indigenous sugar in India and foreign-made beet-sugar competing on equal terms with each for the great Indian market. The refiners in India merely ask for fair play, and I am confident, my Lord, they will get it at your hands. In their name I thank you for the prompt manner in which this urgent and important matter has been dealt with.

"I may add that the views I have endeavoured to lay before you today represent those held by the Chambers of Commerce of Bengal and of Madras and of all the sugar-refiners in India. The Madras Chamber of Commerce has requested me to urge most strongly upon Your Excellency their conviction that the proposed extra duties on the basis of the Bill as it now stands are quite insufficient. I have also received telegrams from various agents and managers of sugar-refineries in India which I shall not read but simply lay upon the table."

The Hon'ble MR. FINLAY said :—"I think that the Government may be fairly congratulated on the reception which this Bill has met. Their decision to impose duties to countervail the bounties created by the cartels has been universally approved and welcomed.

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“The main criticisms on our proposals have been to the effect that they do not go far enough, that the duties authorised are insufficient. I am grateful to the Hon'ble Mr. Turner for having undertaken a long and trying journey in order to be present today, and to give the Council the benefit of his advice as a representative of the commercial interests of India. He has told the Council that he takes the view I have just mentioned. The Madras Chamber of Commerce has sent a telegram to the same effect, and it is right that I should read that telegram. It runs:—

‘Having considered the Sugar Duties Bill, this Chamber submits that countervailing duties on lines of Brussels Convention are very inadequate. Even six francs surtax represents a protective duty of thirty pence a cwt. as compared with ten pence in America where it is designed to be highly protective. Moreover, countervailing only half the surtax in excess of six francs encourages the maintenance of the existing surtax or even adding to it. The Bill makes no reference to the freight bounties or Canal dues rebates, and this Chamber suggests that the question of countervailing these also ought to be raised. Some protection being better than none, this Chamber is gratified at the proposed Bill so far as it goes, but urges that whole surtax be countervailed in excess of two francs which is ample to protect continental countries from any legitimate competition.’

“I may first clear up a misapprehension with regard to the freight bounties and Suez Canal rebates. Under the existing Act of 1899 we have power to impose duties to countervail any subsidies, reductions of freight, or refunds of Canal dues granted by any Government which are held to constitute indirect bounties on the export of sugar. We should not hesitate to impose such duties on being satisfied that indirect bounties of this nature exist and that the rate can be calculated. But further legislation is not required for the purpose, and it was not necessary to include these items in the Bill which is now under consideration.

“The Hon'ble Mr. Turner pointed out that inconvenience and danger may arise from the operation of the clause of the Bill limiting its operation to the end of August 1903. With reference to that point, it is fairly certain that, when the date for the commencement of the Brussels Convention draws near, it will be necessary for the Government to revise the legislation concerning the countervailing duties; the nature of the revision will depend on the question whether or not the Convention has been ratified; and the Government of India, when the time comes, will be prepared to take such action as the circumstances may then require.

“With reference to my Hon'ble friend's remarks and inquiries regarding the calculations of the duties to be imposed under the Bill, I have to say that

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we have ascertained from His Majesty's Secretary of State for India that the surtax is 25 francs per 100 kilogrammes in Germany, and 27½ francs in Austria-Hungary. The 6 francs being deducted from those rates, francs being converted into rupees (a franc is approximately 10 annas) and kilogrammes being converted into cwt. (100 kilogrammes are approximately 2 cwt.), the rates which I have announced result.

“So far I have dealt with side or minor points. I now come to the main criticism on the Bill, namely, that in regard to our action in excluding 6 francs of the surtax and half of the excess over that sum from the amounts of the duty to be imposed.

“The Government of India has never proposed or contemplated giving to the sugar-industry of India protection against the fair and ordinary competition of foreign sugar: the protection has been restricted to that against the unfair competition of bounty-fed sugar: and the countervailing duties have been limited to the amount of the bounties. The Act of 1899 enabled us to counter-vail all Government bounties, direct or indirect. Now that it is known that there are other bounties, we ask for power to counter-vail them also. But we do not depart from the principle that protective duties in the ordinary sense of that term are undesirable: and we do not wish to impose duties higher than the bounties which are created by the cartels. The Council have heard from Mr. Turner that he takes up the same position, and only desires that the duties shall not be lower than the bounties. The only point for discussion with him is accordingly the calculation of the amount of the cartel bounties.

“It is difficult to estimate that amount with accuracy. The highest which anyone would propose for the estimate would be the full amount of the surtax, the whole difference between the customs and excise duties of the countries where the cartels exist. But it is admitted by all who have studied the matter with care that the bounties must in actual practice fall considerably short of the full amount of the surtax. The difficulty is to determine how great the deduction from the full surtax should be. The Brussels Conference, after exhaustive inquiry and full consideration, arrived at the conclusion that the formula embodied in the Convention and followed in the Bill now under consideration was a fair estimate of the bounty created by the cartels. Apart from the high authority of the Conference, the following consideration affords fairly convincing proof that the formula which we have adopted does not err in the direction of underestimating the bounty. Other methods of calculating the amount were laid before the Conference by experts. These take into



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account the home and export market prices, the production, the home consumption, and the exports of sugar. From these data the total cartel bounty fund is calculated. To arrive at the rate of the bounty, one of these methods distributes the total over the exports only, but the other method distributes the total over the whole production, both the home consumption and the exports. The latter is undoubtedly the more correct. That method, on the latest data available when the calculations were made, gives the amounts of the cartel bounty as Rs. 2-7-1 per cwt. for Germany and Rs. 2-4-9 for Austria-Hungary. The rates resulting from the formula adopted in the Bill are, as I have already said, Rs. 2-13-9 and Rs. 3-3-9. These amounts are in both cases higher than the results of the most accurate scientific method known to us. On this comparison the rates we propose would appear to require justification from the charge of being too high rather than from that of being too low. To that charge a reference to the authority of the Conference will be a sufficient reply. The charge that our rates are too low is the charge with which I am at present concerned. And I hope that what I have said answers it. We could not impose higher duties on the information at present available without departing from our principle of refusing ordinary protection, and restricting our duties to the amount of the bounties to be countervailed.

“There are also distinct advantages, on broad considerations of policy, in making our legislation conform closely to the proposals of the Brussels Convention.

“For these reasons the Government of India have, after careful consideration and with reluctance, felt bound to oppose the Hon'ble Mr. Turner's amendment. We believe that the Convention formula will prove sufficient to countervail the bounties created by the cartels, and, on our present information, we should not be justified in taking powers to impose higher duties. If proof should be hereafter forthcoming that the bounties are higher, it will be open to the Government to amend the law.”

The motion was put and negatived.

The Hon'ble MR. FINLAY moved that the Bill be passed.

His Excellency THE PRESIDENT said :—“Before I had held my present office for three months, I was engaged in defending and in passing into law in this Council a Bill for imposing countervailing duties upon bounty-fed sugar imported into India. I remember saying that our legislation might have a far-reaching significance—as indeed has proved to be the case ; but I personally defended it on the

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ground of its necessity for the protection of Indian industrial interests. It is on precisely the same grounds that the Government of India have introduced, and that I am now supporting, the present Bill, which, as Mr. Turner has justly said, is the logical complement of its predecessor.

“ It has been clearly explained how the necessity for this fresh legislation has arisen. In 1899 we legislated against State bounties; and for that purpose our Act was adequate. But we did not legislate against private trade bounties, because their existence was not fully suspected or known. Since the Brussels Conference, we have become thoroughly acquainted with their gravity; and it is to prevent the Indian markets, during the next year and a half, before the Convention, if it be ratified, comes into operation, from being swamped with foreign sugar, which the exporters are enabled by the aid of these indirect bounties to put down in our ports at prices said to be lower even than the cost of production, that we are now legislating again.

“ There are only two points upon which I desire to add to what has fallen from the Hon'ble Finance Member. I have said that what I am chiefly concerned with are the interests of the producer and the refiner in this country. Their interests are not exactly identical, though they are connected. Our means of ascertaining to what extent these classes have benefited by our former Act are not as complete or scientific as I should like, and any calculations that we may frame as to its effect upon the Indian sugar industry have necessarily been disturbed by the large importations of foreign sugar that have occurred under the cartels since 1899. The total imports of refined sugar into British India in 1898-99 were 188,000 tons. In 1899, directly after our Bill, the total fell to 147,000 tons. But in 1900 it rose to 242,000 tons, and in 1901 to 271,000 tons, of which Austria-Hungary contributed no less than  $\frac{1}{3}$ ths. We did not anticipate such a rise when we were debating the matter in 1899; for, as I have said, we were not cognizant of the artificial system in Europe that rendered it possible; nor were we aware of the degree to which over-production on the Continent had been pushed. On the other hand, I certainly never said, and I am not aware that any Member of the Government said at that time, that our countervailing duties were going to extinguish foreign importation altogether. They were never meant by us to be prohibitive. What we hoped they would do would be to save from extinction our own industry in this country, and to place the Indian refiner in a position in which he could hold his own, and perhaps more than hold his own, against his foreign competitor. And I think we may fairly claim that they have produced this

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result. Had it not been for our duties, India must have been simply overwhelmed. Nevertheless, in spite of these immense imports, and in spite of the fall in prices which has latterly occurred, in response, as it appears, to a corresponding fall at home, and which has of course not been without its prejudicial effect upon the refining industry in India, the latter has held its head above the water. Evidence has reached me that refineries, which but for our legislation would have closed their doors, have kept them open, and that fresh refineries have started into existence. Further, the refineries have been affected by conditions entirely independent of foreign competition. Their output depends largely upon the area under sugarcane cultivation, and this depends upon the seasons. Unquestionably the conditions of drought that have prevailed during the past few years have been reflected in a scarcity of the raw material, and consequently in a diminution of supply. But the general result of my enquiry into the position of the refineries in this country in connection with the present and with past legislation is this. I do not think that they are on a level with the times. I have tried to ascertain what becomes of the imported beet from Germany and Austria. I understand that it is landed at Karachi and Bombay, and that  $\frac{1}{70}$ ths of it supply an area where the growth of sugarcane is relatively insignificant, and where refineries do not exist. No countervailing duties will keep out the beet-sugar from this area so long as there is no competition to satisfy its requirements from elsewhere. It is an ordinary case of demand and supply. But I say to the refiners—When you have the whole of the rest of India at your feet, when you have the finest market in Asia at your doors, can you not profit to a greater degree by this advantage? It constitutes a bounty in itself. Am I to be told that refined sugar cannot be manufactured in India of as good a quality, and that it cannot be sold with the aid of a countervailing duty at equal or lower prices than the article that has come all the way from Hamburg or Trieste? Is it indispensable that India should import, as it has done during the past two years, from 90,000 to 100,000 tons a year of refined sugar from Mauritius, where there are no bounties at all? I feel inclined to say to the sugar refiners here—We legislated to save you from extermination in 1899. We are giving you a fresh lease of life now. Prove yourselves deserving of the favour. Reform your methods, modernise your machinery, improve the manufactured article. It would be a lasting reproach to Indian industry if, while the figures prove conclusively the enormous demand for refined sugar that exists in this country, and while the Government are doing their utmost to prevent the foreign bounty-fed article from competing unfairly with the

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indigenous product, the Indian refiner did not take advantage of the splendid opportunities and the almost unique market that are open to him. If he allows himself to be cut out by Trieste or even by Mauritius, there must, I think, be something deficient in his enterprise or mistaken in his methods.

“ I have tried to estimate the effect of our legislation of 1899, and the probable effect of the legislation that we are now introducing upon the native sugar production in this country. Here we must again distinguish between two very different aspects of the question. The refining or manufacturing industry in India is one thing. Its outcome is the refined sugar, which is consumed by the well-to-do classes. The producing industry is another; and its product is, for the most part, the raw or unrefined sugar, which is consumed in so many and various forms by the poor. There are, of course, points of contact between the two. As a rule, imported beet-sugar competes only with native refined sugar; but where the imported beet is capable of being sold at a very low rate, it may expel from the market even the raw material with which the native is familiar. Thus it may come about that unrestricted importation of refined sugar may prejudicially affect the local production of raw sugar. In another way there is an obvious connection between the two industries. Refineries, as I have pointed out, have to get their material from the cane plantations: and if the number of factories diminishes, the area under cultivation tends to diminish also.

“ As far as I can ascertain, the area under sugarcane has remained almost stationary during the past few years. If anything, it has been slightly decreasing. This, however, has been due neither to foreign competition, nor to any failure of the market supplied by the Indian refineries, but to the conditions of scarcity that have prevailed in so many parts of the country, and that have equally affected every class of agricultural production. But, for my own part, I cannot see why in the future the area of production should not be greatly increased. The outturn of raw sugar a year in India is about 3,000,000 tons, and the imports of refined sugar are less than  $\frac{1}{10}$ th of this total. There is, therefore, at present no real or serious competition between the two classes of sugar, unless the foreign refined material is at the same time so superior and so cheap as to oust the indigenous raw material from its market. If this is to happen, I confess that I think it will be due to the fault of the indigenous article quite as much as to the privilege of the foreigner. I address therefore the owners of the native cane, as well as the refiners. I remind them that they have a market of nearly 300 million persons who, if they consume the raw article, at any rate like it good;

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and I invite them to realise that primitiveness of method can be pushed too far, and that there is scope even in their simple industry for enterprise and reform.

“The only other point that I am concerned to mention is whether the extra countervailing duty that we are about to impose is adequate, or whether it will be too low. The Hon'ble Mr. Turner has given expression to doubts in this respect to which Mr. Finlay has replied. I should be reluctant to express myself with confidence in a matter so technical and so obscure. Our object—and Mr. Turner, on behalf of the mercantile community, has not asked for more—has been so to arrange that our countervailing duty shall, as far as possible, equal the actual bounty conferred. Neither they nor we desire the imposition of a prohibitive or even a protective duty. All we are anxious for is that the cartels shall be fairly countervailed. There is no small difficulty in estimating what the exact value of these bounties is. They have been calculated both by the Convention and by other authorities. The rates that we propose are in accordance with the higher, not with the lower, of these estimates. We consulted the Secretary of State on the matter, and he strongly advised us to adhere for the present to the Convention formula, which is the basis of the rate that we have proposed. This is the explanation of our procedure. If it should be demonstrated later on that our basis of calculation has been too modest, and that our legislation is therefore failing of its effect, we can ask the Secretary of State to allow us to amend the law, and to secure to our duties the full consequences that we desire. But to justify any such step, a strong case would have to be made out.

“I hope that these remarks will convince Hon'ble Members that in this legislation we have no other object in view than the public interest; but also that, if the Government is to help the sugar industry in this country, it is possible for the latter to do a good deal more than at present to justify the help for which it pleads.”

The motion was put and agreed to.

#### INDIAN PAPER CURRENCY BILL.

The Hon'ble MR. FINLAY moved for leave to introduce a Bill to amend the Indian Paper Currency Act, 1900. He said :—“This is a simple Bill and my explanation will not be long.

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“ Act VIII of 1900 was enacted to remain in force only for two years, and it would expire on the 28th of this month. It is now proposed to repeal the limiting section and to make the operation of the Act permanent.

“ The Act consists in substance of two parts. The first of these permits the issue of currency notes on the security of gold held in London, the gold held there forming part of the Paper Currency Reserve, which otherwise must be entirely held in India. The effect of these provisions is to afford a convenience to trade by enabling the Secretary of State to continue to sell Council Bills and Telegraphic Transfers when the demand has been large enough to exhaust the capacity of our Treasury Balances to meet the payments. These powers were first granted in January 1898 by Act II of that year. The convenience has been much appreciated in commercial circles and its permanent continuance will be approved by all.

“ The second part of the substance of the Act of 1900 authorises the Government to use the gold in the Paper Currency Reserve, whether in England or in India, for the purchase of silver to be coined into rupees, the silver so purchased taking the place of the gold in the reserve, until the coinage is completed and the coined rupees in their turn then take the place of the silver bullion. The object is to facilitate and hasten the coinage of rupees when new coinage is required. If we were compelled, as we were before June 1900, to use our Treasury Balances for the purchase of silver, inconvenience and delay might be caused, as those balances might not be sufficient to enable us to set aside the amount required during the period occupied in the transit and coinage of the silver. The powers conferred by the Act were used with advantage during the heavy coinage of 1900 and 1901, and they will be equally convenient when we have again to undertake coinage. I need hardly say that it is of great importance to complete the coinage of rupees as quickly as possible, once the necessity for further coining has been recognised.

“ In June 1900, though the substance of what I have called the first part of the Act was old and had stood the test of two-and-a-half years' working, the form was new, the terms of the Act of 1898 being then simplified; and both the substance and the form of the second part were new. It was accordingly decided to limit the operation of the Act to two years, in order that we might have further experience to enable us to judge whether any alterations and improvements were desirable before prolonging the Act. The provisions have been found to work well and no alterations have suggested themselves to the

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Government or its advisers. If the Chambers of Commerce or other representatives of banking or trade have any to suggest, we shall give their proposals careful and favourable consideration.

"Of course we cannot beforehand promise to accept the suggestions. It may be necessary to reject some, as it was in June 1900 necessary to reject the proposal made by the Bombay Chamber of Commerce to name a fixed or maximum price for the Bills or Telegraphic Transfers of the Secretary of State. I would ask the Chambers to bear in mind that the Paper Currency Reserve is not inexhaustible any more than the Treasury Balances."

The motion was put and agreed to.

The Hon'ble MR. FINLAY introduced the Bill.

The Hon'ble MR. FINLAY moved that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in English in the Gazette of India and in the local official Gazettes.

The motion was put and agreed to.

The Council adjourned to Friday, the 27th June 1902.

SIMLA ;  
The 7th June 1902. }

J. M. MACPHERSON,  
*Secretary to the Government of India,*  
*Legislative Department.*