

Saturday, 21st April, 1860

PROCEEDINGS

OF THE

LEGISLATIVE COUNCIL OF INDIA

Vol. VI

(1860)

Saturday, April 21st, 1860.

PRESENT :

The Hon'ble Sir Bartle Frere, *Senior Member of the Council of the Governor-General, in the chair.*

Right Hon'ble James Wilson,	H. Forbes, Esq.,
P. W. LeGeyt, Esq.,	Hon'ble Sir C. R. M. Jackson,
H. B. Harington, Esq.,	A. Sconce, Esq.,

The following Message from the President in Council was read:—

Message No. 208.

“With reference to the Message from the Legislative Council No. 132, dated the 31st December 1859, the President in Council has the honor to transmit to the Legislative Council the accompanying copy of a Despatch in the Legislative Department, from the Secretary of State, No. 4 of 1860, dated the 15th March, together with the draft Act therewith received, for setting apart certain property for the support of the Baronetcy conferred on Sir Jamsetjee Jejeebhoy.

By order of the Hon'ble the President in Council.

W. GREY,

Secy. Government of India.”

Fort William, }
19th April 1860. }

The Despatch from the Secretary of State above referred to was read by the Clerk as follows:—

INDIA OFFICE,

London, 15th March 1860.

My Lord,—I herewith transmit to you the draft Act for setting apart certain property for the support of the Baronetcy conferred on Sir Jamsetjee Jejeebhoy (forwarded with your letter of the 5th January, No 1, 1860), which has received the sanction of the Crown, signified under the Royal sign manual of Her Majesty, countersigned by the Secretary of State for India.

I have, &c., &c.,

C. WOOD.

To His Excellency the
Right Hon'ble the
Governor General, &c.

INCOME TAX; AND LICENSING OF ARTS, TRADES, AND PROFESSIONS.

THE CLERK presented to the Council a Petition from the British Indian Association regarding the Bill “for imposing duties on profits arising from property, profession, trades, and offices;” and the Bill “for the Licensing of arts, trades, and profession.”

MR. WILSON moved that the Petition be referred to the Select Committee on the Bills.

Agreed to.

STAMP DUTIES.

THE CLERK presented a Petition from the same Association regarding the Bill to “consolidate and amend the law relating to Stamp duties.”

INDIAN FINANCES.

MR. HARRINGTON said, previously to the Council proceeding to the regular business of the day, as sketched forth in the paper which the Honorable President held in his hands, there were two questions which, in reference to what had fallen on different occasions from the Right Honorable Gentleman opposite, on the subject of the present and probable deficit for some time to come in the income of this country as compared with its expenditure, he wished to ask the Right Honorable Gentleman, before the Select Committee on the Income Tax Bill met; and it would perhaps be more convenient for him to put those questions now than at a later hour of the day. The questions were as follows:—

1st.—How far the expected deficiency of the next year of 6½ millions it was contemplated would be met by reduction of expenditure?

2nd.—Seeing that it was proposed to take the Income Tax Bill for the limited period of five years, how it was contemplated, in the interim, to provide ways and means which would enable the Government to dispense with the Tax at the expiration of that period?

MR. WILSON rose and said—

MR. PRESIDENT,—Sir, in replying to the two questions just put to me by

my Honorable friend opposite, it will be necessary, in order to make my reply fully intelligible in respect to the prospective reduction of the Expenditure, that I should trouble the Council with a few remarks as to how far we have recently succeeded in diminishing our establishments, and what we are at this moment doing with that view; and as I had due intimation that these questions would be asked, I am prepared to do so with as much precision as our accounts will permit. I need not remind the Council, that in the last year, that is, the year 1858-59, the deficit in our Indian Exchequer amounted in all to £13,393,137, and that in the current year just about to close, it amounts, as near as can be ascertained, to £9,290,129—that, it will be observed, is a reduction of the deficit in the present year of £4,103,000. When I had the honor, on the 18th of February, to explain the views of the Government, I showed that, by further ameliorations in our financial condition, we had every reason to hope that, in the coming year, taking every thing as it then stood, and of course making no calculations for any new source of income which I was about to propose, the deficit would be reduced to £6,500,000; and I stated to the Council the changes in the estimates of the preceding year by which this reduction was effected. I now hold in my hand a detailed statement of the estimated Income and Expenditure as it was furnished to me. Speaking as I then was, and as I now am, before even the commencement of the year to which this estimate refers, I cannot of course vouch for the precise accuracy of every figure. That would be simply impossible. But experience has latterly abundantly shown that, to whatever extent the results vary from our estimates, it is always that the latter are in excess of the former. But as to the accuracy of these estimates, I can only say that they are made after the most rigid examination by the Financial Secretary and the Accountant General. I have since had that statement again examined, and the result is unchanged. It may indeed be that, in the rigid scrutiny to which we are for the first time subjecting estimates of the coming year, some modifications may be

made in the same way as the original estimates assumed by the Chancellor of the Exchequer in England (when he produces his Budget) may be subjected to some modifications in passing the votes through Committee of Supply. But so far as an estimate of a coming year is concerned, I can only say that I have never seen in England—and I had myself the duty for five years of carrying the estimates through Parliament—so much pains taken to arrive at an accurate result. Well, Sir, by these accounts, it appears that the Income of 1859-60, that is, the years about to expire, is £37,706,209. The Income of next year is estimated at £38,116,208, showing an increase of £410,000. This is attributable mainly to the additional duty upon Salt imposed by this Council last year. Then, again, the expenditure of the present year is £41,770,018, and that of the coming year is estimated at £40,230,000, showing a decrease of £1,540,000. This is made up by a further decrease in Military Charges, over and above the very large reduction which we have made during the last six months, of £1,740,000; but against which is to be placed an increase of interest for the loan of this year to the extent of £200,000, making a net reduction of £1,540,000. If then we deduct our Income of £38,116,208 from our reduced Expenditure of £40,230,018, we shall find a deficit in India of £2,113,810. To this we have two other sums to add—first, the charges in England, which will now assume larger dimensions in consequence of our great increase of English Debt, from £3,894,400 to £26,649,000, since 1857. Independent of the Stores included in our Indian Accounts, these charges are computed at £4,393,000. And here I must say, if there is a point in respect to these estimates about which I am doubtful, it is this. I doubt very much that we have understated this sum, and that in consequence our deficit may turn out larger than we really expected. Then there is the annually increasing sum required for the payment of interest on the guaranteed Railway Capital, a sum which, for the next four or five years, must be expected to show an annual increase.

The lowest amount at which it can be placed in the coming year, after deducting the net receipt of the Railways, was £1,000,000. Our deficit is then composed as follows :—

Deficit in India	...	£2,113,810
Home Charges	...	4,393,020
Railway Interest	...	1,000,000
		<hr/>
Total		£7,506,830

Our total apparent deficit thus is £7,506,000. But then it must be explained that that sum includes £1,000,000 for compensation for losses in the mutiny, which, as I explained on the 18th February, we deducted from our deficit as being a sum which would not recur; and thus our deficit between regular Income and regular Expenditure was reduced to £6,500,000. There are two other items of large expenditure in the present year, and perhaps some similar demand may be made in the coming year. I allude to the redemption of the Tanjore Bonds and the payment of the debts of the Nawab of the Carnatic. Now both those charges are of the character of the payment of debt, which once made will not again recur. They are not therefore included in the deficit of Income and Expenditure of the present year, nor in the estimate of the coming year. As on the one hand we do not place Loans in the category of Income, so neither do we place the repayment of Debt in the category of Expenditure. Both are transactions affecting only the finances of the single year in which they take place, and are exhibited in the Cash Balance Account, but not in the Accounts of Income and Expenditure. This is exactly the course pursued in England.

I repeat, therefore, that the deficits of the present year, and of the next year, are in no respect affected by any of these payments.

Then, Sir, the first question of my Honorable friend relates to the disposal of the deficit of the next year, and what proportion of it we hope to meet by the reduction of Expenditure. I must here beg to remind the Council of what I said on the 18th of February on this subject. I then said, "Now we fully

admit that in our endeavours to restore the equilibrium between Income and Expenditure, our first duty is to use every effort to reduce Expenditure to the lowest point consistent with security and good Government; and I hope, before I sit down, to show that the Government is not unmindful of its duty in this respect. But I submit there is a point below which the interests of the country, in preserving that peace and security which are so essential in order to maintain that prosperity which the country now enjoys, forbid us to carry reductions"; and again I said, "We will do our best to reduce expenditure, and to improve administration: but when that is done, it will not be enough." The first question of my Honorable friend, as I have said, is how far we are enabled to give practical effect to these professions in the coming year. It must be obvious to the Council that that question must not be looked at without reference to what we have done during the last six months, and are still doing in this way. Now I think I may dismiss in a few words the subject of our Civil Expenditure. I have not yet seen any statement from any quarter whatever which professes that our Civil Expenditure can on the whole be reduced. Improved it may be, reduced I do not believe it can be. And this will be more apparent, when I refer to the fact, that although our Income has greatly increased during the last four years, yet that our Civil Expenditure has increased also by more than £500,000 in excess of our increased Income, even including the increased Customs Duties of last year. The additional cost of administering new territories, and the addition of £2,000,000 to the interest of the debt, go far to explain this fact.

Then, again, we must bear in mind in regard to our Civil Expenditure, that during the last two years every thing has been rejected or postponed that possibly could be; that public works have been to a great extent suspended; and that the sums devoted to education have been strictly limited. I may, therefore, dismiss from consideration the prospect of effecting any material reduction in this department of our Finance. No, Sir, the great field for reduction is our

Military Expenditure. Well, let me show you what we recently have done, are doing, and have engaged to do in this respect. Let me ask you to consider what has been the course which this Expenditure has taken. Taking our Military Charges proper, including the Civil Corps, the following has been the expenditure in India in each of the last three years and in the current year :—

MILITARY CHARGES.

1856-57	£11,303,780
1857-58	15,089,391
1858-59	20,258,065
1859-60	16,855,275

Now, then, looking at these figures, we find that, in the present year, I may say almost in the last six months, we have already reduced our Military Expenditure by £3,402,790. But this is altogether independent of the further reductions of £1,740,000, which I named on the 18th of February as being already provided for in the coming year. If we add this sum, then we have a reduction in the two years amounting to no less than £5,142,790, and let me say that, although this large reduction appears divided between the accounts of two years, yet that it will really have been effected in about one year—the latter half of the current year and the first half of the coming year. And yet, Sir, we are charged with effecting no reductions of expenditure! What reply will our assailants make to this fact? Well, but to what amount will that reduce the cost of the Indian Army? Already it stands reduced to £15,142,790, as against £20,258,065 in the last financial year. But here let me impress upon the Council that it is, after all this is provided for, that our deficit stands at £6,500,000. Well, the question of my Honorable friend resolves itself into this—Can we undertake to do more in the coming year? Here I would remark that, immediately following on the heels of such a reduction as I have named, every further £100,000 becomes more and more difficult. Still, notwithstanding that difficulty, if we are only fairly supported by all the Presidencies, I do hope that even during the coming year we may fairly hope to do something more. In order to

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judge of our ground of hope in this respect, let us see what has been done in each Presidency towards reductions. The figures which I have already quoted are thus divided :—

MILITARY EXPENDITURE.

	Bengal.	Madras.	Bombay.	Total.
	£	£	£	£
1856-57	6,247,517	3,005,283	2,050,081	11,303,780
1857-58	8,056,965	3,653,450	2,778,976	15,089,391
1858-59	11,013,022	4,633,774	4,011,269	20,258,065
1859-60	8,346,480	4,303,030	4,208,795	16,855,275

It will thus appear that, up to the present time, almost the whole of the reductions have taken place in the Bengal Presidency, including the North-Western Provinces and the Punjab. But the further reduction of £1,740,000 provided for is divided among the three Presidencies. It is only fair to say in respect to Bombay, that a considerable charge of an accidental character is included in their Military Expenditure of last year—I refer to Troops occupying Central India; and, further, that I believe that Presidency is earnestly endeavoring to reduce expenditure. With regard to Madras, it will be observed that, while the expenditure has been reduced in the Bengal Army this year by about £3,300,000, it has been reduced in Madras only by £300,000, and there must therefore be a large margin in that army for reduction, seeing that, as far back as May last, that Government sent to the Government of India an estimate of Military Expenditure for the current year of £2,782,000, and seeing also, that since then they have been engaged in establishing an efficient *quasi* Military Police. But can it be that that Government has up to this time exhibited little or no reduction, notwithstanding their professions and expectations a year ago, that they have rushed to the conclusion that we have been equally unsuccessful in Northern India, and that they have accordingly charged the Government of India with the grave crime, for such it would be, of deliberately rejecting all efforts to reduce? But I learn that, since the Military Commission visited Madras, a decided change has taken place, and that reductions are now in progress. The latest accounts I have received show that the Officers in that Service are exerting themselves to effect considerable reductions, and we

trust to their well known zeal to go on in that direction. Well, I have shown you that, in the present and coming year, we have provided for reductions to the extent of £5,142,790, and have brought down our Expenditure to £15,101,275 as against £20,258,065 last year. Can we undertake to reduce more in the coming year? Difficult as the task may be, and without wishing to be considered as absolutely committed to the task, yet after full enquiry and examination I may say that I think it possible, if we are only supported, as we have confidence we shall be, by all the Presidencies alike, that we may further reduce the Military Expenditure in the course of next year by a little over £800,000—making the entire reductions of the year upwards of £2,500,000, and of the two years no less than £6,000,000. Well, then, if we shall succeed in this, what will it bring the Indian Army down to? A cost of £14,258,065. Here I may pause to enquire what is the lowest point to which the Military Expenditure can be reduced? No doubt in the present uncertain state of the question with regard to the re-organization of the Indian Army, this is a difficult problem to solve with precision. But whatever else is unsettled, at least this much is settled—that whether we are to have an army of the line only, or an army composed of certain portions of line and local troops, yet at least this much is decided, that we shall no longer rest upon a Native Army, but upon a European Army: we shall no longer follow the fatal policy of keeping a European Army subordinate and supplemental to a Native Army. We shall renounce that policy, and keep a Native Army merely subordinate and supplemental to a sufficiently powerful European Army. But what additional expenditure does that infer, for at least some years to come? What in the shape of pay, of clothing, of barracks, of hospitals, of reliefs from Europe, of increased cost, does this change infer? No doubt, if we radically change the constitution of our Army, which we are rapidly effecting every day, we shall in the aggregate enormously reduce the number of men. But the lowest calculation in the relative cost of the

two descriptions of Troops is that one European is equal to four Natives—some say nearer five. And, therefore, whatever reductions we may make numerically upon our numbers before the mutiny, yet it is certain that the entire cost of the men and more reliable defence will be much greater.

Thus arises the very important question, what is the minimum to which we can hope to reduce the cost of the Indian Army in its new constitution? Last year, referring to this subject, the Earl of Derby, when first Minister, and when Lord Stanley was Secretary of State, expressed an opinion, if I remember right, that the lowest point to which the costs of the Indian Army for the future could be reduced would be about fourteen millions and a half. Well, while we are charged with having done nothing to reduce expenditure, we have already made above the provision to reduce it to about fifteen millions for the coming year, and before the close of the year we propose to reduce it to fourteen millions and a quarter. Sir, I believe that, notwithstanding the heavy charges with which we are assailed, such a result will be highly satisfactory to every right-minded subject of Her Majesty, either in India or in England. Do not let it be understood that we take our stand even at fourteen millions and a quarter. No effort will be spared to make reductions even greater. But it would be merely committing a cruel and heinous deception upon the people of India and the people of England, if we could hold out any hope that we can efficiently hold India with European Troops without a large increase upon the cost of the Native Army prior to 1857. Well, then, admitting that we shall succeed in the additional reduction of £800,000, and reduce our Military Charges to £14,250,000, even then how will our deficit for next year stand? It will be £5,700,000 in place of £6,500,000.

But here I must say one word in reference to the position taken by the Madras Government in criticising the measures of the Government of India. They say they "can assign a fixed measure of the results to be obtained by a reduction of the Military Expenditure. This reduction can, and ought to be carried by the end of next year, or soon

after, to the full extent required to equalize Income and Expenditure." That extent was a deficit of £0,500,000. Well, I have shown that, in arriving at that deficit, we had already reduced Military Expenditure by £5,142,790, and brought the cost of the Army down to £15,101,275. Well, then, what must be the further reduction in order to accomplish what it is proposed to do? The whole deficit of £6,500,000 is to be reduced by the end of next year from a Military Expenditure of £15,001,275, or to a sum of £8,601,275, as the cost of an expensive European Army, the minimum expenditure for which has been calculated at £14,500,600, and while the cost of a chief Native Army in 1856-57 was £11,303,780.

Unfortunately, we are not furnished with a single figure, or with data of any kind, for so marvellous an operation as a reduction in two years of £11,742,000, bringing down the cost of the whole Indian Army, in its altered and improved condition, at once to a sum nearly *three millions* less than the Native Army cost before the mutiny. Sir, I require to say no more to show how utterly groundless and unsubstantial we must regard the vague and unsupported estimates upon which such a result can only be based.

But let me here remark, with regard to the great reductions we are making, and further proposing in the Indian Military Expenditure, that we feel the full weight of the responsibility which rests upon us, not only to re-adjust the finances, but as much to maintain for India ample defences. It may indeed be, and I sincerely believe that it will be so, that as long as we maintain in India an adequate European Force, and as long as we resist every temptation to revive the Native Army which has been dissolved, there is no probability that we shall ever again have a repetition of the events of the last three years; but looking to the altered state of intercourse in the Eastern Seas, looking to the many operations raised in reference to the political importance of Egypt and the Red Sea, and looking to the state of affairs in Europe every day becoming more seriously complicated, it would be impossible that a prudent Government, charged with the preservation of

interests, both public and private, so enormous as are involved in the security of India, could be insensible to the duty of maintaining its Military defences in an efficient state. For certain it is, if ever we are to have another European war, and how long that may be postponed no one will venture to say, yet come when it may, it is certain that, in the altered state of things, we may expect operation in India and against India to form no small element in such a war. Therefore, Sir, while it will be our duty to persevere in the course we have begun of reducing expenditure to the utmost, it will equally be our duty to see that we take every precaution to preserve India, alike secure from internal disturbance and from foreign aggression.

Well, Sir, then if we succeed in making these reductions in the coming year, our deficit will still stand at £5,700,000. How is this to be provided for? We expect a small improvement in Customs. But with regard to the other taxes which we have proposed, under the most favorable circumstances we cannot expect a very large sum to come in course of collection within the next financial year, if we allow the necessary time required to bring them into operation. We shall indeed think ourselves very fortunate, if, in the first year, we realize £2,000,000 from these taxes and if, together with improved Customs, we can reduce our deficit to £3,500,000. The consolidated Stamp Bill will not come into operation till the first of September, but it is very difficult at present to form a precise opinion as to the financial effect it will have. The largest source of Stamp Revenue hitherto has been from Judicial and Criminal proceedings. With regard to Judicial proceedings the admirable Bill passed last year has so much curtailed litigation, that it becomes very doubtful if the loss under this head, and the loss under the head of Stamps upon Criminal proceedings in Bengal, will not go far to neutralize the benefits which might have been expected from this Bill. Well, then, how is this large deficiency still to be supplied? We wish to avoid having recourse again to open loans which have disgraced the financial system of India so long. As I explained

on the 18th of February, we may be able to make good this deficiency from the balances in the Exchequer, which of course would be reduced by that sum. But this is an operation which cannot be repeated. What, then, are we to rely upon in succeeding years? Well, we hope that, after the first year our new taxes may yield more richly; but it will then only be by a continuation of further reductions and of improved systems, that it will be, under the most favorable circumstances, possible to make both ends meet. Sir, the task is a most difficult one, and is surrounded with impediments, the full value of which no man can judge of who has not gone carefully into every part of the subject as it affects the present and the future. I say, Sir, without hesitation, that the re-adjustment of Indian Finance is a task so difficult, that except with the full and hearty concurrence and co-operation of all who are interested in the Queen's Government, I do not believe that it is possible. We cannot hide from ourselves that we have received a severe shock—a shock which will require all the patriotism, self-denial, and zeal of the Public Service to counteract.

But then, Sir, coming to the second question of my Honorable friend—if we have so difficult a task in re-adjusting our taxation, even by the aid of the Income Tax, what are our prospects of being able to dispense with it at the end of five years? Sir, upon this point I am much more hopeful. Our great difficulty will be in the next three years. When we have once laid the foundation of a sound and liberal policy with regard to trade and finances, time then becomes a most important element. In the first place, I have no doubt that when we shall have broken down all the new Levies and Military Police, and the existing Police system of Burkundauzes, and shall have constituted from those experienced aids to the Civil power a well-organized Police Force under European Officers capable of performing all the Civil duties hitherto performed by the Army, that we shall not only effect a very considerable saving, but that we shall also have a much more efficient force for keeping the peace. But to effect this

change will require some considerable time. Again, we are upon the eve of introducing a new Currency system, which will not only give direct profits to the State, but will be productive of great indirect benefits, both to the State and to the Trade of the country. But although we shall be able to introduce the system in the present year in this Presidency Town, and perhaps also in the Presidency Towns of Madras and Bombay to some extent, yet any such development of it as will secure a large profit must be the work of a few years. But still, before the Income Tax expires, we look for some fruit from this source to supply its place. There is another important course to which I hope we may look forward with great confidence in the course of that time. I have already referred to the annually recurring drain upon us for some time to come for the interest of Railway Capital. But we may hope that, by that time, not only will the works in the main be finished and yielding traffic to pay the whole interest, but that the process of re-payment of the accumulated interest in the interim may have been commenced. But far more than this, do we expect that the development of the Commercial policy, which we feel it has been our good fortune to inaugurate; the increased internal traffic promoted by Railways and our Navigable Rivers and Canals; the external trade, both inward and outward, which must be the result; and last, and most importantly, the enormous impulse which all these combined causes must give to the productions and the labors of India, will give such an expansion and growth to all other existing sources of revenue, that we may well by that time be able to dispense with that tax. Moreover, we hope not a little from the administrative reforms which we have already commenced. For the first time in India we have just laid the foundation of an annual budget, proceeding upon estimates under each head of Services for the coming year, followed up by a system of issues strictly confined within the limits of the estimates for each Service, accompanied by concurrent audit and check as the year goes on, and concluded by final audit immediately upon the close of each,

year. In the coming year, this new system will be but imperfectly carried out, but in the following year it will be in full operation, and we hope will be productive, both of increased efficiency and of great economy. These, Sir, are the means by which we feel confidence in our ability, if we only receive that willing and hearty support which we are entitled to expect, to meet the great difficulties which now stand in our way—to place the Finances of India upon a permanent and creditable footing, to avoid having recourse in times of peace to an habitual system of open loans, and finally, at the end of five years, to dispense with the Income Tax, the great engine by which alone this essential work can be performed.

MR. SCONCE said, possibly it might be irregular for him on this occasion to address the Council, but he did desire to express his sense of the satisfactory explanation given by the Right Honorable Gentleman to the questions proposed by the Honorable Member for the North-Western Provinces. He would not presume to speak on behalf of any other Honorable Member, but for himself he would say that the additional information which the Right Honorable Gentleman had now given us, entitled him and the Government to well-grounded confidence regarding the executive measures of reduction which they had already undertaken, and which, he was satisfied, the Government was still prepared to undertake, so that the Council might be well assured of the wise economy with which those proceedings were regulated. He was somewhat unable to follow the details which the Right Honorable Gentleman had communicated to them. If he was not mistaken, the Military charges of 1856-57 were stated to have been £11,300,000, and the Right Honorable Gentleman observed that, if the Government were enabled to enforce all the reductions they anticipated, the Military charges for the coming year 1860-61 would be £14,200,000. That was ostensibly an increase of three millions sterling for purely Military purposes, over and above the corresponding charges of

1856-57. He apprehended this estimate was not only satisfactory with respect to next year, but it was apparently a small increase on the Military charges of India in comparison with the charges incurred before the mutiny. But possibly the charges for 1856-57, taken at £11,300,000, included almost the whole of the Native Army, as it was embodied in that year. If that be the case, the 11 millions included a considerable portion of a charge which, as the Native Army of Bengal no longer existed, ought to be set down as a portion of the increase. Taking the total charge of 14 millions, in comparison with the charge of 11 millions incurred three years ago, there was apparently a net increase of 3 millions and no more; but if the 11 millions for 1856-57 included the charge for the disbanded Native Army, necessarily the real increase would be considerably more. Having had so much information from the Right Honorable Gentleman, he was very unwilling to ask for more, but he was sure it would be satisfactory to the Council if the Right Honorable Gentleman would print the estimate which he had now recited, so that the whole details of the calculation would be thoroughly intelligible.

Perhaps he might be permitted to say that the Right Honorable Gentleman had too lightly touched upon what was understood to be a source of large expenditure; he meant the various Military and Police levies. He (Mr. Sconce) spoke generally of these matters: he would speak as every body spoke of a charge of which he could not adequately measure the intent or the necessity: common opinion might be right or wrong: but he would say that it appeared to him that those new levies were like the vegetation of those luxurious creepers which ate into and destroyed the tree that bore them. He should be glad therefore if it were possible to include in the statement for which he asked, some account of the strength of these levies, which of late years so largely added to the public charges. The Right Honorable Gentleman had alluded to the reference that had been made from time to time to the

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charges of the year 1856-57 as a standard of financial disbursements. For his own part he attached very great importance to the advantage to be gained from comparing the charges under which they were now laboring, with the more moderate expenditure which sufficed three or four years ago. He need hardly remind the Right Honorable Gentleman of the eloquent reclamations of a great man, to whom he must have often listened—reclamations that required England to fall back upon the charges of 1835; and though those demands failed, he would still hope it was not impossible to them to approach the limits of a much more recent year, with which alone they had to deal.

There was only one other matter of detail regarding which he desired to say a few words. The Right Honorable Gentleman had referred to the provision to be made next year, as he understood, for the Carnatic and Tanjore debts, and proposed that those debts should be paid out of the general balances of the Treasury. Now, he (Mr. Stoece) confessed he did not like this separation of a public charge from the expenditure generally chargeable to the public income, as if the balances of the treasury were a pocket preserve, into which the public should not pry. The treasury balances of this year, which it might be supposed would be carried on to make up the balances of the year now opening, were, he presumed, acquired from two sources, that is from the ordinary revenues and from the extraordinary income furnished by the public creditors. If, for example, there had been no extraordinary income, it was clear that such a charge as the Carnatic debt must have come out of the ordinary income, and therefore it seemed to him that, in whatever year it should fall, the sum payable should be classed with the expenditure of the year, and debited to the entire revenue available for its liquidation. He should like to see the Cash Balance of one year and current receipts, however derived, brought invariably into one account. These were the only remarks he would venture to offer.

Mr. WILSON said, if the Council would allow him, he would proceed to

make a few remarks in reply to the observations of the Honorable Member for Bengal, although his Honorable friend was not quite regular in making them. His Honorable friend in the first place asked whether the eleven millions of Military Expenditure for 1856-57 included the Native Army which was abolished during that time. He (Mr. Wilson) had no doubt that it did, nor did he see why the Honorable Member should think it did not. But his Honorable friend said—though the logic of the conclusion at which his Honorable friend had arrived he (Mr. Wilson) did not understand—that the difference of cost must be included in the increase. Now that was not the case. The cost of the whole Military Force, including the Native Army, in 1856-57, was £11,300,000; since that time the Native Army had been very greatly reduced, while the European Army had been very greatly increased; the increase, as he had said before, of cost being in the proportion of 4 to 1, or, as it was believed by many, in the proportion of 5 to 1, for each man. We had changed the character of our men; we had changed the character of our Force. The real question, therefore, was—what was the cost of maintaining a European Army as compared with the cost of maintaining a Native Army.

With reference to His Honorable friend's remark about the Carnatic and Tanjore debts, the Government had no intention to make a secret of them, though if they had been included in the ordinary expenditure, it would obviously have been a mistake. If you wanted an account which showed the exact proportion of Income to Expenditure, you must reject all extraneous and accidental charges. If his Honorable friend wished, he was quite welcome to have the cash balance account, which would contain all that he required.

Mr. HARRINGTON said, he would not occupy the time of the Council by entering now into the very clear and comprehensive details which they had just heard from the Right Honorable Gentleman opposite, in reply to the two questions which he (Mr. Harrington)

ton) had thought it proper to propose to him, but he must add his acknowledgments to those of the Honorable Member for Bengal for the information which the Right Honorable Gentleman had that day given to the Council.

MR. SCONCE said, he desired to follow the example of the Honorable Member for the North-Western Provinces, by putting a question to the Right Honorable Gentleman.

In the *Bengal Hurkaru* of to-day he found two statements, which had all the appearance of official documents, one of which was headed "English Version of the Oordoo or Hindoostance Exposition of the new Taxes for the information of the Natives of India," and the other "English Version of the Oordoo or Hindoostance Exposition of the new Indian Paper Currency for the information of the Natives of India." It seemed to him important that the Council should be informed whether those statements had gone forth with the authority of the Executive Government. In the first statement, that is, the Exposition relative to the new taxes, it was assumed that every thing yet to be done with the co-operation and assent of this Council had been already done. It was assumed as if the Executive Government itself had power to impose those taxes, and had imposed them. It was said in the 14th paragraph, for example, that "in framing the detailed rules for collecting the Income Tax, the Government has paid due regard to the customs and feelings of the people." It was said, in the 15th paragraph, "therefore it has been ordered that every trader, shop-keeper, and artisan shall take out a license." Again, in the 16th paragraph, it was stated that "it has also been decided that tobacco (a question which had not at all been brought before them) grown in India shall be taxed." Now, it seemed to him that if this exposition had gone forth as an authoritative statement from the Government, it, in a measure, compromised the independence of this Council, and ignored the authority which was vested in it. It was simply his purpose to

refer to the statement and not to enter upon a discussion of it.

In the second place there were one or two mistakes, which he thought it important to notice with a view to their rectification, before the statement went forth as a correct exposition of the intentions of Government. He might mention that, in the description given in the 12th paragraph relating to the mode of calculating the Income Tax on zemindars, it was stated that their income should be calculated at 50 per cent. on their land-tax. Now, he apprehended that, as regards Bengal, that was by no means an accurate description. That description applied only to the North-Western Provinces, and a very few estates in Bengal; whereas, by the Bill, zemindars in Bengal were to be assessed, not upon half the jumma, but upon their net-rents.

He might also allude to one or two other matters that involved not unimportant errors. For instance, the English land-tax was spoken of as settled for a term of years, and it was stated in paragraph 15 that the system of licensing proposed to be introduced into this country was the same as now prevailed in England; whereas, as every body knew, the licenses enforced in England by no means corresponded with the Bill before the Council. So as to the Currency measure, a scheme which he felt was open to much grave remark, and had nevertheless gone forth before it had come before the Council for discussion. Without any further remarks, he would ask the Right Honorable Gentleman whether those statements had been published by the authority of Government?

MR. WILSON said, the documents referred to by the Honorable Member for Bengal were official documents, and the Council would agree with him (Mr. Wilson) that the Government had taken a wise course in preparing them. He did not know how they were published; but any one who knew anything of the people of India must admit that, if you had a new system to introduce into this country, it was necessary that timely precautions should be taken to prepare the minds

of the native community for the character of the new measure. We knew that only last week very great excitement prevailed in Peshawur, which arose from a gross misrepresentation of the intentions of the Government with regard to the proposed taxes; and therefore the Government had thought it necessary to prepare these popular and simple expositions of the new taxes. They were not English translations of Native Circulars. The object of Government in preparing them was to enable their being translated into the various vernacular languages for the purpose of being issued to all the local Officers whenever the measure should pass into law, and they had been forwarded to each local Government for that purpose. He therefore hoped that his Honorable friend would see that the Government had no intention or wish to anticipate the decision of this Council. Their sole object was to prepare for the inauguration of the measure when the proper time arrived. If they delayed to do so, several weeks would be ~~lost~~ in translating them, as would be required to be done, into the various languages of the country. With regard to the precise details of the proposed Circulars, they would be varied, to meet the case of each district, that is, of the permanently settled districts and of those subject to revision. He could only assure the Honorable gentleman that it was no wish of Government to anticipate the decision of this Council, but to afford the public of India a proper exposition of the intentions of Government.

INDEMNITY.

MR. HARRINGTON, in moving the first reading of a Bill "to indemnify Officers of Government and other persons in respect of fines and contributions levied, and acts done by them during the late disturbances," said that a very few remarks would suffice to put the Council in possession of the objects and reasons of this Bill.

The Bill was intended to cover a class of cases which had their origin

in a series of events unprecedented, he supposed, in the history of the world, and as the circumstances out of which the Bill arose, could not possibly have been anticipated, it should be no matter of surprise that, when they did occur, it often happened that in dealing with them the law was found faulty, or rather that there was no law for the guidance and protection of our Officers, who were consequently obliged to act according to their own judgment, and to do the best they could. It was not for him to say how the Officers, who were placed in this extremely difficult position, had acquitted themselves of their duty. The pages of the *Government Gazette*s and other official papers teemed with honorable testimony on the point.

No doubt extraordinary or special laws had been promptly passed by this Council to meet the exigencies of the times, but owing to the destruction of the telegraph, the stoppage of the public dawks, the difficulty of communicating by cossid and other causes, it was often weeks, and in some instances, indeed, months, before these laws reached many places, and when they were received, or the fact of their having been passed became known, it was not always possible to act in strict conformity to their provisions. He mentioned, some time ago, the instance of a very gallant District Officer who, after having had his house burnt down and the whole of his property destroyed, was attacked by a large body of armed villagers and others; he had only a very few mounted Police with him, and he was far away from all succour. Nothing daunted, he boldly charged his assailants, cut down three of them with his own hand, and took some others prisoners. There was no possibility of his being able to hold these men, or to forward them to any place where they might be regularly tried, convicted, and punished, and he had no alternative but to hang them on the first tree. This Officer might have had no Regulation law for what he did, but he acted under a stronger and sterner law, the law of necessity. Other similar cases might doubtless be adduced.

Then the Council must be aware that, wherever our rule was suspended or disturbed, one of the first acts of those who rose in rebellion against us was to destroy the public buildings. The Government of the North-Western Provinces, thinking that it would be unfair to throw upon the country at large the burden of rebuilding these edifices, in order to provide the necessary funds for their reconstruction, imposed fines upon the inhabitants of the towns, cities, and villages in which, or in the immediate neighborhood of which, the property was situated, much in the same manner as was done in England, as regarded the hundred when property was destroyed by a mob or tumultuous assembly of persons. The fines so imposed had, in most cases, been realized, and the amount had been appropriated or was being appropriated to public purposes. Act X of 1858 would doubtless cover some of these cases, but it was feared that that Act would not cover them all. Private property, to a great amount, had also been destroyed in the way of punishment, or for the public convenience, or it had been taken for public use either without express authority of law, or without the observance of the prescribed legal forms. In this manner the very boats were taken, which formed the bridge over which our gallant troops crossed into Oude, first under the lamented Havelock, and afterwards under that gallant General and their Honorable and gallant colleague who, he regretted to find, was prevented by illness from attending the Council to-day. Though superior in rank, he mentioned their Honorable and gallant colleague last, because by an act the most noble, the most chivalrous, and the most self-denying, he assumed the second place when he might have occupied the first, not to escape from responsibility, but simply in order that he might not deprive the brow of his gallant companion in arms, who had already done such excellent service, of a single laurel. He was given to understand that not only was the restoration of these boats now claimed by the so-called owners of them, but that they actually demanded

a large sum as compensation for the loss of their use from the time the boats were taken possession of by our officers. The claim seemed to him a most preposterous one. The boats were seized immediately after our re-occupation of Cawnpore, when the whole country was in a state of open rebellion against us, and formed part of the fleet in which our unfortunate countrymen and countrywomen embarked, when they fell victims to as foul and diabolical an act of treachery as was ever perpetrated. He (Mr. Harrington) could not suppose that any Court would entertain the claim, but he mentioned the case to show the kind of claims which were being brought forward, and against which the Government or its Officers might have to defend themselves. He would not further occupy the time of the Council by entering into the details of other cases. He trusted he had said enough to satisfy the Council of the necessity and propriety of passing a Bill of indemnity to protect the Government and its Officers, and other persons acting under their authority, in respect to all proceedings held or orders passed in connection with acts committed during the period to which he was referring. This was what was done in Ceylon after the rebellion which took place in that Island in the year 1848, and which it was unnecessary for him to say was of a much less formidable character, and threatened much less serious consequences, than the recent revolt in India, and he could not doubt that the Council would consider the Government of this country and its Officers entitled to the same protection and indemnity which were afforded by the Ceylon Legislature to the Government and Officers of that Island, after the suppression of the rebellion there and the restoration of order and tranquillity.

The Bill was not intended to close the door of relief absolutely against any loyal subjects of the Government, who might have suffered loss of property at the hands of the Officers of Government, and others acting under their authority, during the period embraced in the Bill. Such persons, of

Mr. Harrington

there were any, would still be at liberty to prefer their claims to Government, and he thought they might be satisfied that there would be every disposition to consider and deal with them in a fair and liberal spirit. All that the Bill aimed at was to prevent claims of the nature of those to which he had been referring from being made the subject of an action in either the Civil or Criminal Courts, against the Government or its Officers, and looking to the circumstances of the country at the period to which the Bill related, he hoped that the Council would concur with him in thinking that the Government and its Officers were entitled to this consideration or protection, if he might so term it.

The Bill was a short one.

In addition to the Preamble which explained the reasons which rendered the passing of the Bill necessary, it consisted of only two Sections. The first Section provided that—

“ All fines, penalties, assessments, and contributions imposed since the 10th day of May 1857, in respect of the destruction or injury of Government or other property, or on any other account, by any officer of Government, or by any person acting under the authority of an officer of Government, shall be deemed to have been duly imposed and levied, if the same shall have been levied in pursuance of an order of Government, or shall have been, or shall be ratified by the Executive Government; and all officers of Government, and all persons acting under their authority, are hereby indemnified and discharged from liability in respect of any such fines, penalties, assessments, and contributions, and no suit or proceeding shall be commenced or prosecuted in respect thereof.”

The second Section declared that—

“ All acts done since the 10th day of May 1857, in connection with the late disturbances, by officers of Government, or by persons acting under their authority, in pursuance of an order of Government, or which shall have been or shall be ratified by the Executive Government, are hereby confirmed and made valid; and all such officers of Government and persons as aforesaid are hereby indemnified and discharged from liability in respect of such acts.”

For obvious reasons the Bill had been drawn as large and wide as possible.

The Bill was read a first time.

BOUNDARY MARKS (FORT ST. GEORGE.)

MR. FORBES moved the second reading of the Bill “ for the establishment and maintenance of boundary marks, and for facilitating the settlement of boundary disputes in the Presidency of Fort St. George.”

The Motion was carried, and the Bill read a second time.

RELIGIOUS ENDOWMENTS.

SIR BARTLE FRERE postponed the Motion (which stood in the Orders of the Day) for the second reading of the Bill “ to repeal Regulation XIX. 1810 of the Bengal Code, and Regulation VII. 1817 of the Madras Code.”

PORT-DUES.

THE Order of the Day being read for the third reading of the Bill “ to amend Act XXII of 1855 (for the regulation of Ports and Port-dues)”—

MR. FORBES moved that the Bill be recommitted to a Committee of the whole Council, for the purpose of moving the substitution of the words “ British India” for the words “ Her Majesty’s dominions in India” in Section I, and a similar verbal amendment in the Preamble.

Agreed to.

The amendments were severally carried, and the Council having resumed its sitting, the Bill was reported.

MR. FORBES then moved that the Bill be read a third time and passed.

The Motion was carried, and the Bill read a third time.

JAMSETJEE JEJEEBHoy BARONETCY.

The Order of the Day being read for the third reading of the Bill “ for settling Promissory Notes of the Government of India, producing an annual income of one lakh of Rupees, and a Mansion House and Hereditaments called Mazagon Castle, in the Island of Bombay, late the property of Sir Jamsetjee Jejeebhoy, Baronet, deceased, so as to accompany and support the title and dignity of a Baronet lately conferred on him and the heirs male of his

body, by Her present Majesty Queen Victoria, and for other purposes connected therewith"—

MR. LE GEYT said, the Council had heard the sanction of Her Majesty to the Bill sent home in December last, and as no alteration had been made by Her Majesty, nothing now remained for him to do but to move that the Bill be read a third time and passed.

The Motion was carried, and the Bill read a third time.

MR. LE GEYT said, one of the provisions in the Bill was that the present Baronet, Sir Cursetjee Jamsetjee, should now change his name to that of Sir Jamsetjee Jejeebhoy. In fact that was a condition of the grant made by the late Baronet for the support of the Baronetcy. He (Mr. LeGeyt) had been applied to by Sir Cursetjee Jamsetjee for information as to how the change of name should be accomplished, whether by order of the Supreme Council or of the Legislature, or in what other way, so as to render the measure legal. He should feel much obliged if the Honorable President would inform him how to proceed.

SIR BARTLE FRERÉ said, he apprehended that all proceedings with regard to this Bill were now closed, the Bill having been read a third time and passed. With regard to the other question, he thought it was a matter of prerogative, and rested with Her Majesty in England or her Viceroy in India.

SIR CHARLES JACKSON said, if a gentleman changed his name in England, he was required to publish the same in the *Gazette* at his own expense.

MR. HARRINGTON said, he thought that the matter was one which rested rather with the Executive Government than this Council.

SIR CHARLES JACKSON said, Her Majesty had the power to allow any one to change his name. Her Majesty having already given her assent to the Bill, it appeared to him nothing more was required.

MR. WILSON said, probably the better plan and a more regular course would be to address a letter to the Supreme Government, who would refer

it to the Advocate General for his opinion.

STAMP DUTIES.

SIR CHARLES JACKSON said, he had been requested by the Honorable and learned Vice-President, who was prevented by public business from attending this Meeting of the Council, to ask for a postponement till Saturday next, of the Order of the Day for the adjourned Committee of the whole Council on the Bill "to consolidate and amend the law relating to Stamp Duties."

The consideration of the Bill was accordingly postponed.

LITERARY, SCIENTIFIC, AND CHARITABLE SOCIETIES.

SIR CHARLES JACKSON moved that the Council resolve itself into a Committee on the Bill "for the registration of Literary, Scientific, and Charitable Societies;" and that the Committee be instructed to consider the Bill in the amended form in which the Select Committee had recommended it to be passed.

Agreed to.

The Bill passed through Committee after a verbal amendment in Section XX, on the Motion of Sir Charles Jackson; and the Council having resumed its sitting, the Bill was reported.

ABKARRY REVENUE (BENGAL).

MR. SCONCE moved that the Council resolve itself into a Committee on the Bill "to amend Act XXI of 1856 (to consolidate and amend the Law relating to the Abkarry Revenue in the Presidency of Fort William in Bengal)," and that the Committee be instructed to consider the Bill in the amended form in which the Select Committee had recommended it to be passed.

Agreed to.

MR. SCONCE said, since this Bill was reported on by the Select Committee, he had received a communication from the Bengal Government, suggesting a further amendment of Act XXI of

1856. As the Act now stood, spirits exported from this Port to another in the Continent of India, were obliged to pay duty, whereas spirits carried elsewhere were exempt, as drawback was allowed on spirits exported by sea to Foreign Ports. It was therefore proposed to repeal that portion of the Act which provided for the levying of duty here on spirits shipped to home Ports. The Government had suggested that a bond should be taken from the exporter to secure the Government from the loss of the revenue which would be suffered if the spirits were not imported in an Indian Port. But as the distillery duty leviable was remitted by way of drawback on spirits exported to Foreign Ports, it seemed sufficient to place spirits shipped to an Indian Port on the same footing, so that on importation the duty leviable on imported spirits by any Law in force, would be paid. He would therefore now propose the introduction of the following Section before Section I of the Bill:—

“Sections VIII, IX, and XV of Act XXI of 1856 are repealed.”

MR. WILSON said, he doubted if he understood the object of the amendment. If he did, the proposition did not seem to him to be a proper one. The object, as he understood it, was that drawback should be allowed in respect to spirits which had paid excise duty, if exported to another Port in India. If that be the object of the amendment, it appeared to him to be a most objectionable one. He could quite understand the principle of allowing drawback on spirits exported to Foreign Ports. But if you were going to ship an article from one Port to another in India, upon which the Excise Duty had already been paid, there could be no good object in giving a drawback in one Port and re-imposing the duty in another, when the same Exchequer in each case was alone interested. The principle of drawbacks was always objectionable, and should be avoided whenever they could. If goods in bond upon which the duty had not been paid were to be removed from one

Port to another, it was only a fair convenience to the Trader to permit such removal to take place under Bond, but to allow a drawback of duty already paid seemed objectionable. That was the practice in England, where it was quite unheard of to allow drawbacks on articles exported from one Port to another after the payment of duty.

MR. SCONCE said, he was acting entirely in conformity to the wishes of the Executive Government. The object of the proposed amendment was this—that, when spirits distilled in Bengal were exported to and consumed in Bombay for instance, Bombay should be credited with the Excise Duty, and not Bengal. This was the practice already allowed in the case of Salt.

MR. WILSON said, he understood then that, for the purpose of keeping the accounts of each Presidency distinct with regard to a branch of revenue that eventually went into, one Exchequer, we were to run the risk of smuggling. Perhaps his Honorable friend would allow this Bill to stand over till next Saturday. It involved a new and important principle, and he should be glad if he were allowed time to give the question mature consideration. The case of Salt was very different, as you had not the same rate of duty on it everywhere. But it was not so in the case of spirits, on which a uniform rate of duty was levied.

MR. SCONCE having acquiesced, the further consideration of the Bill was accordingly postponed till Saturday next.

CHITTAGONG DISTRICT.

MR. SCONCE moved that the Council resolve itself into a Committee on the Bill “to remove certain tracts on the Eastern Border of the Chittagong District from the jurisdiction of the Tribunals established under the General Regulations and Acts.”

Agreed to.

The Bill passed through Committee without amendment, and the Council having resumed its sitting, was reported.

FINANCES OF INDIA.

MR. LEGEY rose to say that, though he had no specific motion to propose, he would venture, on the indulgence of the Council, to put a question to the Right Honorable Gentleman, concerning the subject matter of which he had received many letters from Bombay and elsewhere. It concerned the imposition of new taxes not yet declared by Government, such as an increase of the Salt tax, a tax on successions, a tax on marriage ceremonies, and perhaps an enhanced Tobacco tax. Had the Executive Government abandoned all idea of imposing these? He thought that much good would come of declaring it to be so, if the Government had. If the Right Honorable Gentleman could, without impropriety, return an answer to the above question, it would tend, in a great measure, to allay the feverish state of anxiety which now prevailed among all classes. It would be well to give some public assurance as to where the Government intended to stop in the matter of imposing taxes.

MR. WILSON said, although his Honorable friend had been unable to give him notice of his question, he (Mr. Wilson) could not have the slightest hesitation in answering it, or in thanking him for the manner in which he had put it. The grounds urged by his Honorable friend for proposing the question appeared to him to be very just and reasonable. The object which the Government of India had in framing their policy was that, once and for all, decisive and ample means should be taken for placing the finances of India on a satisfactory footing, and when he made his statement to this Council, he communicated the whole of the measures which the Government of India had in view to effect that object. He could not therefore have any hesitation in saying that the Government of India had no intention of imposing any other tax in addition to those already proposed. Taxes on marriages, on successions, and on festivities of a variety of descriptions, had all been considered by the Government and rejected by them, if for no other

reason, on the broad principle that all those taxes must have fallen almost exclusively on the Natives of India. The foundation of our policy was that the burden of taxation should fall equally on all our subjects in India, whether they were Europeans or whether they were Natives, whether they were officials or whether they were non-officials. Any principle which was at all opposed to that policy was studiously avoided. He would only once more repeat that the whole of the financial policy of the Government was contained in the Statement of the 18th of February.

BOUNDARY MARKS (FORT ST. GEORGE).

MR. FORBES moved that the Bill "for the establishment and maintenance of boundary marks, and for facilitating the settlement of boundary disputes in the Presidency of Fort St. George," be referred to a Select Committee consisting of Mr. Harington, Mr. Sconce, and the Mover.

Agreed to.

MR. FORBES said, when he moved the first reading of this Bill he stated his intention, if the Council permitted it to be read a second time, to ask that the Standing Orders be so far suspended as to allow the Select Committee which might be appointed, to report upon it after one month; and the ground of this application, he stated, was to avoid the great delay which was now constantly occurring to the Survey and Assessment officers. Under the present law, he had said, it was necessary to give every ryot ten days' notice for the purpose of marking the boundary of his field; and the large establishments of the departments might have nothing to do in the meantime. He therefore begged to move that the Standing Orders be suspended to enable the Select Committee to present their Report after one month.

MR. HARRINGTON seconded the Motion, which was put and carried.

MR. FORBES then said that, the Standing Orders having been suspended, he begged to move that the Com-

mittee be instructed to present their Report after one month.

Agreed to.

JAMSETJEE JEJEEBHOY BARONETCY.

Mr. LEGEYT moved that Sir Bartle Frere be requested to take the Bill "for settling Promissory Notes of the Government of India, producing an annual income of one lakh of Rupees, and a Mansion House and Hereditaments called Mazagon Castle, in the Island of Bombay, late the property of Sir Jamsetjee Jejeebhoy, Baronet, deceased, so as to accompany and support the title and dignity of a Baronet, lately conferred on him and the heirs male of his body, by Her present Majesty Queen Victoria, and for other purposes connected therewith" to the President in Council, in order that it might be transmitted to the Governor-General for his assent.

Agreed to.

PORT-DUES.

Mr. FORBES moved that Sir Bartle Frere be requested to take the Bill "to amend Act XXII of 1855 (for the regulation of Ports and Port-dues)" to the President in Council, in order that it might be transmitted to the Governor-General for his assent.

Agreed to.

INDEMNITY.

Mr. HARRINGTON gave notice that he would, on Saturday next, move the second reading of the Bill "to indemnify Officers of Government and other persons in respect of fines and contributions levied, and acts done by them during the late disturbances."

PAPER CURRENCY.

Mr. WILSON gave notice that he would, on the same day, move the second reading of the Bill "for the introduction of a system of Paper Currency."

The Council adjourned.

Saturday, April 28, 1860.

PRESENT:

The Hon'ble the Chief Justice, *Vice-President*,
in the Chair.

Hon. Sir H. B. E. Frere,	H. B. Harrington, Esq.,
Right Hon. J. Wilson,	H. Forbes, Esq.,
P. W. LeGoyt, Esq.,	and
	A. Sconce, Esq.

INCOME TAX; AND LICENSING OF ARTS, TRADES, AND PROFESSIONS.

THE CLERK presented to the Council a Petition of the Madras Native Association against the Bill "for imposing Duties on Profits arising from Property, Professions, Trades, and Offices," and the Bill "for the licensing of Arts, Trades, and Professions."

MR. WILSON moved that the above Petition be printed.

Agreed to.

PUBLIC CONVEYANCES (PRESIDENCY TOWNS AND STRAITS SETTLEMENT).

MR. LEGEYT postponed the presentation of the Report of the Select Committee on the Bill "for regulating Public Conveyances in the Towns of Calcutta, Madras, and Bombay, and the several stations of the Settlement of Prince of Wales' Island, Singapore, and Malacca."

RELIGIOUS ENDOWMENTS.

SIR BARTLE FRERE moved the second reading of the Bill "to repeal Regulation XIX. 1810 of the Bengal Code, and Regulation VII. 1817 of the Madras Code."

MR. FORBES said, he was very sorry to be obliged to rise to oppose the second reading of this Bill. He was sorry, because he thought it was most desirable that the question to which the Bill related should be finally and definitively settled, and sorry because he feared that in opposing the measure he should lay himself open to much misunderstanding and misrepresentation, and should be accused of wishing to perpetuate a system which he really desired to see at an end, and