

Saturday, 19th May, 1860

PROCEEDINGS

OF THE

**LEGISLATIVE COUNCIL OF
INDIA**

Vol. VI

(1860)

degree restricted the consumption of that article.

With the permission of the Council, he begged to propose that the President in Council be requested to furnish this Council with the following Returns :—

“ A Statement of the goods imported and exported by sea, through the Calcutta Custom House, for the years 1856-57, 1858-59, and 1859-60, together with the quantity or value of each article ; the rate of Duty leviable, and the Duty levied thereon for each of the three years.

“ Similar statements with respect to other ports in India at which Customs Duties are levied.

“ A statement of the salt delivered or entered for consumption during the years 1858-59 and 1859-60, in each of the Presidencies and Lieutenant-Governorships, showing also the Duty levied thereon, and distinguishing the charges incidental to the manufacture of any portion of the total deliveries that was manufactured in India.

“ A statement of the average retail price of salt per maund of 80 tolahs to the seer in the month of April of the years 1859 and 1860 at the principal town or station of the several districts subject to each Presidency and Lieutenant-Governorship.”

Mr. WILSON said, there would be no objection whatever to furnishing the Returns asked for. As to the average retail price of salt, however, he did not know how the Government could furnish such a Return, as he did not think that the retail price was fixed by Government.

Mr. SCONCE said, he was satisfied that the average retail prices of salt were easily ascertainable in Bengal, and no difficulty would be found in preparing the Returns.

Mr. FORBES said, there would be no difficulty in the Southern part of India to furnish the information in question, as the retail price of salt and other commodities was always kept by the Collectors.

The Motion was put and carried.

Mr. SCONCE then moved that Mr. Wilson be requested to take the above Message to the President in Council.

Agreed to.

PORT-DUES (BASSEIN).

Mr. HARRINGTON gave notice that he would on Saturday next move the

third reading of the Bill “ for the levy of Port Dues in the Port of Bassein.”

MARRIAGES (CHURCH OF SCOTLAND).

Mr. SCONCE gave notice that he would on the same day move the third reading of the Bill “ relating to the solemnization of Marriages in India by ordained Ministers of the Church of Scotland.”

ADMINISTRATOR GENERAL.

Mr. FORBES gave notice that he would on the same day move for a Committee of the whole Council on the Bill “ to amend Act VIII of 1855, relating to the office and duties of Administrator General.”

The Council adjourned.

Saturday, May 19, 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. LeGeyt, Esq.,	and A. Sconce, Esq.

INCOME TAX. ✕

THE CLERK presented a Petition of Radkauth Chuckerbutty and others, against the Bill “ for imposing Duties on profits arising from property, professions, trades, and offices.”

Mr. WILSON moved that the Petition be printed.

Agreed to.

MARRIAGES (CHURCH OF SCOTLAND).

Mr. SCONCE moved that the Bill “ relating to the solemnization of Marriages in India by ordained Ministers of the Church of Scotland” be read a third time and passed.

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

PORT-DUES (BASSEIN.)

MR HARINGTON moved that the Bill "for the levy of Port-dues in the Port of Bassein" be read a third time and passed.

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

ABKAREE REVENUE (BENGAL.)

The Order of the Day being read for the adjourned re-committal of the Bill "to amend Act XXI of 1856 (to consolidate and amend the law relating to the Abkaree Revenue in the Presidency of Fort William in Bengal," the Council resolved itself into a Committee for the further consideration of the Bill.

MR. SCONCE said, he was anxious to satisfy the Council of the expediency of adopting the proposition which he submitted to the Council last Saturday as an amendment in the Bill. His object was to permit spirit of wine to be methylated, so that it might be used without duty for the purposes of manufacture and art. Now the first matter which he would submit was that the duty, which had been raised from 1 Rupee to 3 Rupees, was merely intended to apply to the consumption of spirituous liquors, and it seemed to him that it was not desirable to impose the same duty on a preparation of spirits which was not consumed as an article of excise, but which, on the contrary, was used for purposes of manufacture and art. As he had said, the duty had been raised from 1 to 3 Rupees, that is, 200 per cent. had been added to the duty. It therefore seemed to him that, by imposing so heavy a duty on spirit of wine used for varnishes, we should be interfering with those manufactures and arts in which varnishes were used. But there were several other purposes, besides those of varnishes, in which spirit of wine might be employed. It was employed for medicinal purposes, for example, as a solvent in various chemical preparations. It was used also for burning, as well as in the sick room and other domestic purposes; and thus, as spirit of wine was distilled

at 56 or 60 per cent. above proof, while common spirits would pay a duty of 3 Rupees a gallon, for every gallon of spirit of wine used for the common but important objects he had referred to, 5 Rupees duty would be now taken. Was it reasonable—would the Council consent—to allow so heavy a duty being imposed on spirits used for the purposes referred to by him, when it was about to increase the duty for purposes of excise?

Another matter which he asked the Council to consider was this. People had two ways of justifying the imposition of excise duty. Some defended it merely as a source of revenue, others again justified it on the ground of morality, as checking consumption, in like manner as was done with respect to opium. But surely no one desired to check the consumption of spirits used for manufactures and arts, for medicinal purposes, and for every-day domestic convenience.

Another ground he would urge in support of this exemption was that spirit of wine, as Honorable Members were doubtless aware, was largely used in preserving specimens of Natural History. A single jar employed for such a purpose might often contain a gallon of spirits, and certainly he did not think it wise or judicious to take so heavy a duty as 5 Rupees on a jar of spirits used for preserving snakes, fishes, or other objects of a similar nature.

But there was, it seemed to him, a still stronger reason to be adduced. The uneasy ghost of protection having been driven from his old abode in England, like the ancient tempter, might now be attempting stealthily to find its way wit in the limits of this simple-minded realm. There were two kinds of protection. The one kind had reference to manufactures and products of one's own country, and the other to manufactures and products of other countries in which we felt interested. Both were equally bad. The question however which he wished to put was this. He was told that a varnish called methylated finish, which was prepared from methylated alcohol, was an article of commerce now procurable in

England. Well, supposing this methylated finish to be imported to India from England; it was no longer on the footing of a potable spirit, and on its arrival in India it would be charged an *ad valorem* duty of 10 per cent. Now the excise duty on spirit of wine manufactured in the country would be nearly 5 Rupees a gallon, and the prime cost of the spirit to the manufacturer here, exclusive of the duty, amounted to about 2 Rupees 12 annas a gallon; so that upon the prime cost of the article alone, a duty of nearly 100 per cent. would be levied.

Observe, then, that while the English article would be imported at a duty not exceeding 10 per cent. of the value thereof, a similar preparation manufactured in this country from spirit of wine would bear a duty of about 100 per cent. on its prime cost and necessarily the latter could not stand so unequal a competition.

He did not know that he had any other remark to offer, except in reference to a suggestion which fell from the Right Honorable Gentleman last Saturday as to the difficulty of distinguishing between what were and what were not methylated spirits. It was well known, he believed, that the Revenue Authorities would have no difficulty in engaging the services of scientific chemists; and it seemed to him that prepared methylated alcohol might be imported from England and used in the distilleries under securities quite sufficient to protect the public Revenue.

With these remarks he begged to move the insertion of the following new Section after Section II:—

“ It shall be lawful for the Board of Revenue to permit spirit of wine to be removed from any distillery without the payment of duty, for the purpose of being employed in any manufacture or art, subject to such rules as the local Government shall approve for the mixture of the spirit, before removal, with wood naphtha, or methyllo alcohol, or with some other substance, in such manner as to render the spirit of wine so mixed unfit for use as a beverage and incapable of being converted to that purpose.”

Mr. WILSON said, he hoped his Honorable friend would not persevere

in his present Motion. He (Mr. Wilson) had stated last Saturday that he would make enquiries from the Revenue Authorities whether, if it was desirable to introduce into this country the system of spirit mixtures, it was safe at present to do so. He had accordingly made enquiries and had been informed that no machinery whatever was available for the purpose in this country. He had explained to the Council last week, that in England scientific arrangements were made for testing these mixtures, and that the Board of Inland Revenue employed a very efficient chemical establishment for the purpose of detecting any frauds which might be attempted to be practised on the Revenue. If for other reasons we were disposed to grant the concession, that was a sufficient reason why we should not do so. He submitted to the Council that the circumstances under which, as he had stated last Saturday, the exemption had been made in England, and that too at his own instance, did not at all exist here. As stated by his Honorable friend, the duty was a duty on the manufacture for which the spirit was employed, and undoubtedly the duty on the spirit of wine was added to the cost of the varnish. But what he (Mr. Wilson) would submit was that the duty was simply a tax on the consumption of the article. He did not think, when we were about to impose new taxes, some of which might be considered more doubtful in their incidence, that it would be consistent to give up this duty, and that too at a great risk to a much larger Revenue.

His Honorable friend had referred to various other purposes besides those of manufactures and arts for which spirits were used. He had said that they were used for preserving snakes and other reptiles and fishes and for chemical compounds. All this was no doubt very true, but he would ask his Honorable friend if there was no other cheaper article which might not be used for the same purpose, such as wood naphtha, which was extensively used in England for such purposes and paid no duty.

But if it were not so, he would further ask, if there was any thing in the cost of spirits that would possibly induce the Council to endanger a great duty in order to effect an infinitesimal saving in the price of such compounds to the extent of one or two pies for the dram.

His Honorable friend had said that the duty should not be imposed for the purpose of protection to the manufactures of other countries as against the products of this country. He (Mr. Wilson) would suggest a very simple and easy remedy. We had only to raise the import duty on the varnish imported in order to equalize the imported and the home made articles. That was what had been done in England, namely, by means of a countervailing duty.

Then his Honorable friend had adverted to the duty being given up on the ground of its being a raw material, and as such interfering with the manufactures and arts. But he (Mr. Wilson) would ask if, upon such a plea, it was possible to begin with spirit of wine, when we left untouched the duties on Iron, Copper, and metals of all kinds, Timber, and other articles, the very foundation of all industries. For thirty years before the removal of the duty on spirit of wine used for the purposes of manufacture and art in England, we had repealed the duties upon the great bulk of all the important raw materials of trade.

He hoped, therefore, that for the reasons which he (Mr. Wilson) had given, his Honorable friend would not press his amendment.

MR. SCOTCH said, he was not satisfied as to the expediency of withdrawing his amendment. In the first place, he was not satisfied that the Revenue Authorities had not the means of detecting fraud with respect to such mixtures. He spoke generally and without having made an enquiry on the subject. But he was not satisfied that the objection taken by the Revenue Authorities was well founded. Where there was a will there was a way, and he could not doubt that by putting their shoulders to the wheel, his proposal could

Mr. Wilson

be carried out. An Abkarree Officer was now constantly in the habit of attending distilleries, and it seemed to him that this Officer should find no difficulty in superintending the mixture of methylated spirits.

He still entertained a strong opinion as to the expediency of adopting his proposed amendment. Nor could he see that the suggestion which he had made in the matter of protection was sufficiently met by the proposal of the Right Honorable Gentleman to raise the Import Duty on methylated finish. It might be that he (Mr. Scence) had no objection to the raising of the import duty on that or any other article of commerce. But that he thought was a matter for ulterior consideration. What he now objected to was, by anticipation as it were, taking one article out of the class of articles subject to an *ad valorem* duty of 10 per cent. and making it an exception to the general rule.

The Motion was then put and negatived, and the Council having resumed its sitting, the Bill was reported.

STAMP DUTIES.

MR. WILSON moved that 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" be postponed till Saturday next.

Agreed to.

ADMINISTRATOR GENERAL.

MR. FORBES moved that the Council resolve itself into a Committee on the Bill "to amend Act VIII of 1855 (relating to the office and duties of Administrator General.)"

Agreed to.

Section I (empowering the Administrator General in certain cases to sequestrate and distribute the estate and effects of soldiers) was passed as it stood.

Section II provided as follows:—

"If within ^{months} no person claiming to be entitled to a principal share of the effects of the deceased, shall obtain a certificate from the Administrator General under Section XLIII of the said Act, or

letters of administration to the estate and effects of the deceased, the Administrator General, when required so to do by any creditor against the estate, shall apply for, and the Supreme Court may in such cases grant to him, letters of administration to the said estate and effects, or if he omit to take such proceedings, such creditor may apply for, and the Supreme Court may in such cases grant to such creditor, letters of administration to the said estate and effects."

THE CHAIRMAN moved several amendments, which were carried and which made the Section run as follows :—

" If in cases falling within Section XLIII of Act VIII of 1855, no person claiming to be entitled to a principal share of the effects of the deceased shall, within three months, obtain a certificate from the Administrator General under the said Section of the said Act, or letters of administration to the estate and effects of the deceased, the Administrator General may administer the estate without letters of administration, in the same manner as if such letters of administration had been granted to him; and if he shall neglect or refuse to take upon himself the administration of the estate and effects, he shall, upon the application of a creditor, and upon being satisfied of his title, grant a certificate in the same manner as if such creditor were entitled to a principal share of the effects of the deceased, and such certificate shall have the same effect as a certificate granted under the provisions of Section XLIII of the said Act, and shall be subject to all the provisions of the said Act which are applicable to such certificate. Provided that the Administrator General may, before granting such certificate, if he think fit, require the creditor to give reasonable security for the due administration of the estate and effects of the deceased."

Section III provided as follows :—

" Whenever any person holding the office of Administrator General shall obtain leave of absence, it shall be lawful for the Government to appoint some person to officiate as Administrator General, and such person, while so officiating, shall be subject to the same conditions and bound by the same responsibilities as the Administrator General by any law now in force or that may hereafter be enacted."

THE CHAIRMAN moved the addition of the following words to the Section :—

" And he shall be deemed to be Administrator General for the time being under Act VIII of 1855, and shall be liable to give

security under Section VII of the said Act, in like manner as if he had been appointed Administrator General."

The Motion was carried, and the Section, as amended, then passed.

The Preamble and Title were passed as they stood; and the Council having resumed its sitting, the Bill was reported.

ABKAREE REVENUE.

MR. SCONCE moved that the Standing Orders be suspended to enable him to move the third reading of the Bill " to amend Act XXI of 1856 (to consolidate and amend the law relating to the Abkaree Revenue in the Presidency of Fort William in Bengal.)"

MR. FORBES seconded the Motion, which was then agreed to.

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

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

MR. SCONCE moved that Sir Bartle Frere be requested to take the Bill to the President in Council, in order that it might be submitted to the Governor General for his assent.

Agreed to.

MARRIAGES (CHURCH OF SCOTLAND).

MR. SCONCE moved that Sir Bartle Frere be requested to take the Bill " relating to the solemnization of Marriages in India by ordained Ministers of the Church of Scotland" to the President in Council, in order that it might be submitted to the Governor-General for his assent.

Agreed to.

PORT-DUES (BASSEIN).

MR. HARRINGTON moved that Sir Bartle Frere be requested to take the Bill for the levy of Port-dues in the Port of Bassein to the President in Council, in order that it might be submitted to the Governor General for his assent.

Agreed to.

The Council adjourned.