



Bombay Government Gazette.

Published by Authority.

THURSDAY, 19TH DECEMBER 1872.

Separate paging is given to this Part, in order that it may be filed as a separate compilation.

PART V.

PROCEEDINGS OF THE LEGISLATIVE DEPARTMENT, BOMBAY.

The following Extract from the Proceedings of the Governor of Bombay, in the Legislative Department, is published for general information :—

Abstract of the Proceedings of the Council of the Governor of Bombay, assembled for the purpose of making Laws and Regulations, under the provisions of "THE INDIAN COUNCILS' ACT, 1861."

The Council met at Puna on Monday, the 16th September 1872, at noon.

PRESENT:

His Excellency the Honourable SIR PHILIP EDMOND WODEHOUSE, K.C.B., Governor of Bombay, *presiding*.

His Excellency the Honourable SIR AUGUSTUS ALMERIC SPENCER, K.C.B.

The Honourable H. P. St. G. TUCKER.

The Honourable A. ROGERS.

The Honourable the ACTING ADVOCATE-GENERAL.

The Honourable MUNGULDASS NUTHOOBHoy, C.S.I.

The Honourable Colonel M. K. KENNEDY.

The Honourable E. W. RAVENSCROFT.

The Honourable J. A. FORBES.

The Honourable NARAYAN VASUDEVJEE.

The Honourable J. K. BYTHELL.

The Bombay Municipal Bill considered in detail.

The Council proceeded with the consideration of the Bombay Municipal Bill in detail.

Section one hundred became Section ninety-eight.

The Honourable Mr. FORBES—I do not think that this section is complete, and I should like to see something added to it. I object specially to the levying of the house-rate and the occupiers' rates without some power of exemption. I think that the immense amount of what I may call legal confiscation arises from the extreme

Mr. Forbes desired that poor persons should be exempted from house or occupiers' rates.

poverty of a large class of persons who become liable to be charged with these rates, and I

think it cannot be the intention of Government to wring taxes from people who are almost paupers, and for whom some exemption ought to be provided. I would therefore propose the following as a special section:—

“Special exemption from house rates and occupier’s rates may be granted to any person otherwise liable for such rates, provided that within fifteen days from the presentation by the Municipal Commissioner of the bill for such rate or rates, the said applicant for exemption shall by appearing personally before the Municipal Commissioner or by sending in a written statement, declare his inability, on account of poverty, to pay such rate or rates, and shall furnish the Municipal Commissioner with satisfactory proof that such statement or declaration is true and well founded. The names of such applicants shall be immediately submitted to the Town Council, whose confirmation shall be necessary in every case of exemption, and in the event of the Municipal Commissioner refusing to exempt any such applicant, the said applicant may appeal to the Town Council, whose decision shall be final. In the event of any such application being proved to the satisfaction of the Town Council to be groundless, the applicant shall be liable to a penalty not exceeding Rs. 10.”

The Honourable Mr. TUCKER—The whole of the 21,000 owners are likely, on such an invitation as the honourable member proposes, to advance the plea of poverty.

The Honourable Mr. FORBES—To prevent that I have added a penalty.

The Honourable Mr. TUCKER—The section regulating the house rate has already been agreed to and passed, and if it be desired now to prevent any exemption from house rate, an alteration must be made in Section sixty-nine as well as in this section.

His Excellency the PRESIDENT—I think delays would be endless if we were to adopt the Honourable Mr. Forbes’ suggestion. If the Corporation have all the trouble and expense of appointing men to present bills, it would never do to leave it to every man to refuse to pay the collector when he called on him. A minimum rate for occupiers ought to be fixed, and exemption should only be allowed to persons whose contributions will not reach that amount. The Corporation probably gains nothing by the attempt to collect these small sums.

The Honourable Mr. MUNGULDASS NUTHOOBHOY—I intended to move something similar to the amendment now put forward by the Honourable Mr. Forbes. If this be done, we shall be saved the trouble of making eight hundred bills, and the Corporation will lose only a trifling sum of about Rs. 400. I would suggest that all under a gross rental of Rs. 20 per mensem should be exempted from the house and occupiers’ rates. This will relieve the dwellers in miserable huts from those payments which are a severe burden on them. It was from Mr. Peile that I learned the effect of such a change as the one now proposed, and I think that for the sake of Rs. 400 it is absurd to lose the time and labour that are necessary to make out 800 bills.

His Excellency the PRESIDENT—I think that the Honourable Mr. Munguldass’ proposal would practically have operation in one or two of the existing wards. Of houses in which the owners are assessed upon a gross rental of Rs. 20, I find that in Girgaum and Malabar Hill there are only 4; in Oomercarry, Magazon, and Parell, 2; while in Mahim and Camateepoora there are 214.

The Honourable Mr. MUNGULDASS—I believe that before 1857 all such houses were exempted.

The Honourable Mr. RAVENSCROFT—I may mention that in the case of the non-agricultural cess, the executive officers of each district were, under the bye-laws, given full power to exempt persons from payment in individual cases in which it might appear that hardship would be the result of levying the cess. I think something similar should be introduced here, giving the Municipal Commissioner or the Town Council power to make exemptions in cases which in their opinion required them.

The Honourable Mr. BYTHELL—I think that would be much better than exempting a special class, in which a man assessed at Rs. 12 might be in a much worse position than a man assessed at Rs. 20.

The Honourable Mr. FORBES concurred with the Honourable Mr. Ravenscroft.

The Honourable the ACTING ADVOCATE-GENERAL thought any alteration was scarcely necessary, because the Corporation or Town Council would never make the Commissioner throw good money after bad by making him prosecute people who were unable to pay.

The Honourable Mr. NARAYAN understood that under the existing law the process of issuing distress-warrants and selling a person's cooking-pots must be gone through.

The Honourable Mr. RAVENSCROFT mentioned that as regards the house-tax in municipalities in the Mofussil, power is given to remit the tax in ascertained cases of poverty.

The Honourable Mr. TUCKER considered that where the levy of a tax had been directed by law some attempt must be made by the Municipal Commissioner to impose it. He did not object to give a power to exempt in cases in which the sums were so small that it would be no benefit to collect them.

The Honourable the ACTING ADVOCATE-GENERAL believed that to declare that certain people shall not be assessed was wrong, because he understood that one of the objects of the Bill was to bring the whole of the property in Bombay upon the assessment book.

His Excellency the PRESIDENT suggested the following amendment: "and it shall be lawful for the Municipal Commissioner with the approval of the Town Council to remit the rates for the year or any instalments thereof in any case in which they shall be satisfied that the payment of the same would subject the person liable to undue hardship."

The Honourable Mr. FORBES said His Excellency's suggestion entirely met his views.

His Excellency the PRESIDENT said that it was only a sort of general authority that was wanted, much always having to be left to the discretion of the Commissioner. He believed the words he had read would carry out this view.

The Honourable the ACTING ADVOCATE-GENERAL was of opinion that they would only express what the present Commissioner had power to do already.

The Honourable Colonel KENNEDY would prefer to see the limits of the discretionary power more clearly defined.

The Honourable Mr. TUCKER thought that the words "subject the person liable to undue hardship" were vague and too wide. He could not therefore support the amendment as it stood, but he was quite willing to give the Municipal Commissioner power to remit the collection of the rate in cases in which he considered that it was not for the interest of the Corporation to issue process for the recovery of such small items. This would get rid of the issuing of bills and distress-warrants for petty sums which were not worth the trouble of collecting.

The Honourable Mr. FORBES said the Council should endeavour to show that they did not mean to ruin the labouring rate-payers, and that it should be a rule to exempt the poorest classes from direct taxation.

The Council divided on His Excellency the President's amendment:—

Ayes—6.

His Excellency the PRESIDENT.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. A. FORBES.
The Honourable NARAYAN VASUDEVJEE.
The Honourable J. K. BYTHELL.

Noes—5.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. ST. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable Colonel M. K. KENNEDY.

The amendment was carried and the section as amended stands part of the Bill.

Sections 101 and 102 became 99 and 100. They were agreed to and stand part of the Bill.

Section 103 became 101. The prefix "sub" was taken out before all the words "sub-let" entered in this section, on the suggestion of the Honourable Mr. Tucker.

The Honourable Mr. NARAYAN VASUDEVJEE moved that the words "when any house, building or land is unoccupied or" in lines one and two be omitted. It seemed to him very hard that, even though there were vacancies in a house, occupiers' rates should be paid by the owner. Already the house-tax had been remitted, and the principle involved in this section was precisely the same.

Exemptions claimed from the payment of occupiers' rates on vacant houses.

The Honourable Mr. BYTHELL said that many people had kept and were still keeping their houses unlet chiefly because they would not accept a fair rental. It should not be forgotten that during all the time the houses were thus standing empty, they were getting the benefit of municipal protection.

The Honourable Mr. NARAYAN supposed the case of a man who had fifty apartments in a chawl, who if he got only one tenant had to pay rates for the remaining forty-nine apartments. He quoted the opinion of Government officers on the subject, and stated that General Marriott's Committee in their report had said that the recovery of occupiers' rates from owners during a term of non-vacancy seemed to them indefensible. The Bill as it stood at present was quite different from what it was formerly, and there appeared to be no reason for this.

The Honourable Mr. BYTHELL mentioned that he was looking for a house in Malabar Hill some time ago, and he found that some houses into which he went, and which were marked outside "to let," had one room furnished, and on his asking the "mallee" the reason of this, he was told that the landlord, who lived in the native town, used to spend his Sundays in the room. Now, these houses could not be said to be standing empty.

The Honourable Mr. MUNGULDASS NUTHOOBHOY regretted that these rates were imposed upon vacant properties, and said that the house-owners were so burdened that it would be better for them to pay a lump rate of 20 per cent. at once than to meet all the demands that were now made upon them.

The Honourable Mr. NARAYAN said that an occupiers' rate should be made recoverable from the occupier only and it certainly seemed hard that where a man had no tenant, he had to pay occupiers' rates. All these rates that were put upon the owner seemed to him to be of the nature of an income or property tax, and it would be better to consolidate them and call them by that name at once.

The Honourable Mr. MUNGULDASS NUTHOOBHOY said the house rate was already passed with the exemption now claimed, and he asked that there should not be two principles in the Bill.

The Honourable Mr. NARAYAN concurred with the Honourable Mr. Munguldass.

The Honourable the ACTING ADVOCATE-GENERAL said that the house-rate might be designated as in the nature of an income-tax on capital invested in houses, but the occupiers' rates were clearly of quite a different character. These rates were contributed in return for advantages given to the owner, and were payments for the preservation of property by affording it the benefits of lighting and the protection of the police and fire brigade. These benefits were neither more nor less whether a house was vacant or full or partly so, and he therefore could see no justice in the argument that because the house-rate had been remitted this rate also must be remitted. He certainly should vote against any such proposition.

The Honourable Mr. TUCKER—We have recognized the same principle here as we were willing to do with respect to Government buildings—namely, that these rates are virtually payments for services rendered.

The Honourable Colonel KENNEDY also thought there was a great distinction between the two rates.

His Excellency the PRESIDENT said that as the law stood at present, if a house were unoccupied the owner only paid police or lighting rate, and it appeared to him that by the present amendment it was sought to obtain an exemption from something which did not at present exist.

The Honourable Mr. MUNGULDASS—Supposing the population of the city were suddenly to fall off one-half, would it be fair to levy the whole of the occupiers' rates from the owners of the empty properties?

The Honourable the ACTING ADVOCATE-GENERAL—If that were ever to happen, the Council of His Excellency could sit and alter the law.

The Honourable Mr. FORBES—But it is the same principle, only the Honourable Mr. Munguldass has placed it before the Council in a stronger light.

The Council divided on the Honourable Mr. NARAYAN's amendment:—

Ayes—3.

The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable J. A. FORBES.
The Honourable NARAYAN VASUDEVJEE.

Noes—7.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. K. BYTHELL.

The amendment was therefore lost.

The section was agreed to and as amended stands part of the Bill.

Section 104 became 102.

The Honourable Mr. MUNGULDASS proposed that the old section should be followed instead of this new one, under which the landlord was made to recover from the occupier in the Small Causes Court at considerable trouble. He desired more facilities for the landlord recovering his rent and he objected to his being compelled to furnish the Commissioner with a list of tenants, and being made liable if he did not do so. He begged to move that in the section the words "thereof shall" should be omitted, and that there should be added in the place of the deleted part of the section, "and shall furnish the Municipal Commissioner," &c., as in Section 102 of the Bill as referred to the Select Committee.

The Honourable Mr. TUCKER said that this section would assist the landlords in recovering occupiers' rates from their tenants, and that he considered its retention necessary.

The Council divided on the Honourable Mr. MUNGULDASS NUTHOOBHOY's amendment :—

Ayes—3.

The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable J. A. FORBES.
The Honourable NARAYAN VASUDEVJEE.

Noes—7.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. ST. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable COLONEL M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. K. BYTHELL.

The amendment was therefore lost.

His Excellency the PRESIDENT proposed that, as the Council were dealing only with rates, the words "or tax" in the fourth line should be omitted.

The amendment was agreed to, and the section as amended stands part of the Bill.

Section 105 became Section 103.

The Honourable Mr. TUCKER proposed that in the 25th line "police and lighting" should be substituted for "occupiers." This was agreed to.

The Honourable Mr. NARAYAN withdrew the amendment of which he had given notice, viz., that the words "by Government or" should be omitted in the twentieth line, because of the Advocate-General's previously expressed opinion and the promise of His Excellency the President that the contributions would continue to be paid.

The Honourable Mr. TUCKER said that it had already been announced that in this matter the Council could do nothing by legislation, and that Government had agreed to contribute to the Municipal Fund the equivalent of these rates upon buildings.

The Honourable Mr. NARAYAN—Government are already bound to pay police and lighting rates upon all their lands, and already the returns of all such property have been prepared and are in the Commissioner's Office. There was the opinion of the Advocate-General, the Honourable Mr. Scoble, upon this point.

The Honourable Mr. TUCKER—The honourable member is right so far in saying that the Municipal Commissioner is seeking to recover these rates upon Government lands under the present Act, but Government do not admit that they are under any legal obligation to pay, and the success of any attempt to establish such an obligation seems very improbable.

The section, with the alteration proposed by the Honourable Mr. Tucker, was then agreed to and stands part of the Bill.

Section 106 became 104.

The Honourable Mr. NARAYAN mentioned that a petition was some time ago submitted to the Bench of Justices by the owners of bullock hackeries in Mahim, stating that they felt that Rs. 7-8 was too great an imposition upon their hackeries, which could only be used for a certain season of the year, the bullocks having to be employed for agricultural purposes during the monsoon. He thought that some reduction might be made.

The Honourable Mr. TUCKER considered that this description of vehicle could afford to bear the tax imposed upon it.

The Honourable Mr. NARAYAN thought there was too great a difference between the tax of Rs. 4 for labour carts and the tax of Rs. 7-8 for native hackeries.

His Excellency the PRESIDENT wished to know by what calculation hackeries were taxed more than carriages.

The Honourable Mr. TUCKER said it was because in the case of the carriages the horses were taxed separately, while in the case of the hackeries the bullocks were included in the tax on the hackeries.

The Honourable Mr. BYTHELL noticed that no tax was laid on bleestie bullocks.

The Honourable Mr. TUCKER remarked that the time had hardly arrived for such a measure.

The Honourable Mr. NARAYAN suggested that the rate on hackeries might be reduced from Rs. 7-8 to Rs. 5.

The Honourable Mr. TUCKER said it was not desirable to encourage the multiplication of these vehicles.

Section 104 was then passed and stands part of the Bill.

Section 107 became 105.

The Honourable Mr. FORBES objected that under this section a man who owned a horse only for a single day would be liable for the tax.

In the third line "for use" was placed after "kept," and in the fifth line "exceeding seven days" was inserted after "quarter."

Section 105 was agreed to as amended and stands part of the Bill.

Sections 108 to 111 became 106 to 109. They were agreed to and stand part of the Bill.

Section 112 became 110.

The Honourable Mr. TUCKER said this section would be useful, because practically a good number of people who possessed vehicles or animals liable to taxation evaded payment of this impost. The effect of this section would be to considerably increase the Municipal revenue derived from this tax.

The Honourable Mr. BYTHELL—The only difficulty that occurs to me is that when a stranger comes to Bombay he will not know of this regulation.

The Honourable Mr. TUCKER—When the Act has been passed the Commissioner will take care that the provisions of this section are widely published, and the Magistrates will exercise discretion in the administration of the law.

The Honourable Mr. BYTHELL—I intended to move that this section be omitted, but if we could devise some notice which would be given in the English and Vernacular newspapers, I would vote for its being retained.

The Honourable Mr. NARAYAN thought a penalty was necessary, because he had known instances of parties escaping payment for a whole year.

The Honourable Mr. TUCKER concurred with the Honourable Mr. Narayan, and mentioned that he was cognizant of instances in which the tax was evaded. No great hardship would be inflicted by this regulation, which was requisite to secure the full collection of the tax.

The Honourable Mr. FORBES could not see that the penalty was necessary, and was inclined to move that it should be withdrawn. If it were enforced it would lead to great hardship, and if it were to be a dead letter, he could not see the good of introducing such provision.

The Honourable Mr. MUNGULDASS was in favour of the whole clause, because a horse was not like a house that could not be hidden.

The Honourable Mr. FORBES said that on a man who owned a horse even for a single day the section would operate most oppressively. If a man were to come down to Bombay and buy a horse, he would be immediately liable, and he did not consider that this was reasonable.

His Excellency the PRESIDENT concurred with Mr. Forbes' interpretation of the section.

The Honourable Mr. BYTHELL thought that if additional revenue were to be made out of the section, the section out to be made public. He would therefore move that to the section the following words should be added:—"Provided that the Municipal Commissioner shall advertise this section once monthly in at least one English and one Vernacular newspaper in Bombay."

The Honourable the ACTING ADVOCATE-GENERAL thought it was entirely unnecessary to legislate upon such a small point as this, because the Commissioner would surely have discretion to give notice if he thought that course to be necessary.

His Excellency the Commander-in-Chief thought the whole section should be omitted, because it looked dangerous.

The Honourable Mr. FORBES had no objections to this.

The Honourable Mr. TUCKER pointed out that the alterations which had been made in Section 105 would save the persons whom the Honourable Mr. Forbes wished to protect from the consequences to which they would have been liable if the former section had remained as it originally stood.

The Honourable Mr. FORBES withdrew his objection.

The Council divided on the amendment of the Honourable Mr. BYTHELL:—

Ayes—3.

The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. K. BYTHELL.

Noes—7.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable J. A. FORBES.
The Honourable NARAYAN VASUDEVJEE.

The amendment was therefore lost.

Section 113 became Section 111. "106" in line ten was altered to "104." The section was amended and agreed to, and stands part of the Bill.

Section 114 became Section 112. It was agreed to and stands part of the Bill.

Section 115 became Section 113.

The Honourable Mr. TUCKER—The carts mentioned in this section come in from Salsette with loads and then ply about the city or return with passengers, &c. They do as much damage to the roads of the island as do carts that belong to the city, and they have hitherto escaped taxation. The toll we propose to levy is a very moderate one, considering that these carts for the most come into Bombay and ply about all day, and return after making a profitable use of the opportunities for hire which they obtain in the island.

The Honourable Mr. NARAYAN thought some provision should be made for the Municipal Commissioner making such arrangements as he might choose for the levying of this toll. He would have to keep up an expensive establishment that would be avoided if he had power to farm the tolls. This difficulty had been practically felt under the old Bill.

The Honourable the ACTING ADVOCATE-GENERAL was astonished to hear that under the extensive powers of making contracts possessed by the Commissioner through the old Act, he had not this power of farming tolls.

The Honourable Mr. TUCKER said that under the section electing Municipal officers to be public servants, there was a clear indication that the Legislature intended that the Commissioner should have power to farm out taxes and tolls.

His Excellency the PRESIDENT—Supposing the owner of a cart sees that a man has got a written authority for the Corporation under the contract section of this Bill to collect the toll, how can he refuse to pay the toll to a person so appointed?

The Honourable Mr. RAVENSCROFT—The person liable for the toll might say to the former that he was not legally authorized to take the toll from him, and force his way through, and if the Commissioner has no authority to farm the toll, the person so acting could not be punished.

The Honourable Mr. TUCKER said that although in the Bill there was no express declaration of the power of the Commissioner to farm out the collection of any rate, tax, or toll, yet under the general power given to him to make contracts, and the distinct reference in Section 51 to "contractors or their agents to whom the levy of any rate, toll, tax or other impost shall be entrusted by or on behalf of the Corporation," it could be held that the Legislature had given him a general power to farm out any rate, tax, toll, or other impost. He (the speaker) did not feel sure that it was expedient that the Commissioner should have the power of farming out all rates, taxes and duties, as such a

system might lead to a considerable amount of oppression and annoyance to the inhabitants in this respect. He was therefore willing to give express powers to farm out the particular taxes with reference to which the Council thought that such authority might properly be given. In the case of the toll mentioned in the section now under discussion, there could be no objection to the grant of this power. He would therefore support the Honourable Mr. Narayan's proposal, and he proposed to move an alteration to Section 51 at the third reading.

The Honourable Mr. NARAYAN proposed that between "levied" and "on" at the end of the second line and the beginning of the first, the words "by the person authorized by the Municipal Commissioner" should be inserted; and that after "city" in the eleventh line, the following words should be inserted, "and it shall be lawful for the Municipal Commissioner, with the sanction of the Town Council, to farm out this toll."

The alterations were agreed to, and the section as amended stands part of the Bill.

Section 114 became Section 112.

The Honourable the ACTING ADVOCATE-GENERAL—Sir,—I beg to move that "It shall be lawful for the Corporation to levy duties on such articles imported from any place into the City of Bombay as shall from time to time be determined upon by the Corporation. The said duties shall be called Town Duties and shall be

The Acting Advocate-General moves that special articles should be exempted from town duties.

leviable in addition to any Customs Duties prescribed by law, provided that the rates according to which such duties shall be levied shall be subject to the revision of the Government. Provided also that no duties shall be leviable in respect of the articles mentioned in the Schedule B annexed to this Act. Schedule B "Grain of all sorts; gold and silver, iron and steel; railway sleepers; and Government stores; arms and ammunition." I propose first of all to ask the Council to affirm this proposition, that the Corporation alone shall have the power of saying what are the articles upon which duties shall be levied. In the next place, I would ask the Council to consider the claims which the articles mentioned in Schedule B have to exemption. I think that the first part of what I ask is a matter that may safely be entrusted to the Corporation as a public body. No one can deny that the sixty-four members of the Corporation will compose a body much more fitted than this Council to decide upon the articles which shall be taxed, because they will almost all be traders as well as householders, and will possess most of the wealth and property of the city, and therefore will be well qualified to revise, it may be from year to year, the duties they impose, and regulate them according to their experience, so that no burden would be allowed to remain unduly long upon any one class. It seems to me that Schedule B which is attached to this Bill places the burden of taxation upon what is certainly the lowest stratum of society in Bombay, the poorest poor who have to provide themselves with grain as a necessary means of existence. But I shall not discuss just now what articles should be exempted from duty. All I ask is that the Council shall alone have the power to determine what articles shall be taxed, and therefore I propose that the section I have read be substituted for Section 114 of this Bill.

The Honourable Mr. TUCKER—Do I understand the honourable gentleman to propose that the Corporation shall be allowed the power to select the articles which shall be taxed, but that Government are to confirm or disapprove of the rates?

The Honourable the ACTING ADVOCATE-GENERAL replied affirmatively.

The Honourable Mr. TUCKER—Then I am opposed to the honourable member's proposition, because I think it will be much better to leave this clause as it stands. There seems to me to be as much importance in the selection of the articles to be taxed as there is in the fixing of the rates, and I certainly think that Government alone should have the power of saying what articles shall or shall not be taxed. One of the recognized principles of taxation upon commodities is not that every commodity shall be taxed, but that duties shall be placed on a few selected articles in general use and limited to an amount which will press but lightly on the individual consumers of the articles taxed. This is the principle on which all tariffs are now regulated, and we have endeavoured to adhere to it in fixing the articles and rates entered in Schedule B referred to in this section. No duty specified in the schedule can be held to fall on the poorer classes save the duty upon grain, and though as a general rule it is desirable to tax luxuries and not necessities of life, yet there are special circumstances in connection with the City of Bombay which justify the imposition of this rate. In India, where the lower classes consume so few articles which may be considered luxuries, it is requisite, if indirect taxation is to reach the bulk of the population, to place it on an article the consumption of which

is general, and for this purpose we are compelled to have recourse to an article of food. The rate in this instance has been fixed so low that it affects the price of the commodity to the consumer in a degree so infinitesimally small that the imposition of this duty can give no reasonable cause of complaint. I cannot concur with the learned Advocate-General that the Corporation to be constituted by this Bill will be a better body than this Council to select the articles to be taxed, and the power we have given them to make alterations in the schedule both with respect to articles and rates subject to the confirmation of Government is all that seems necessary or desirable. I shall vote for the section as it stands.

The Honourable Mr. ROGERS—I think that, as the Corporation will be entirely new and unaccustomed to decide in matters of this kind, the Honourable the Acting Advocate-General's proposition would be inexpedient, and therefore I would rather see the present section allowed to stand.

The Honourable Colonel KENNEDY thought that before the Honourable the Acting Advocate-General's amendment could be accepted, it would first need to be decided what articles should and should not be taxed.

The Honourable Mr. FORBES—I am disposed to think that it would be better to limit the articles to be taxed because otherwise duties may be imposed which may be a serious hindrance to trade. In fact, I think that town duties under any form are extremely objectionable, and though in this case they may be necessary, it is nevertheless advisable to restrict the damage that they are capable of doing. I may mention with reference to the statement that the tax on grain falls heavily upon the poorer classes, that in a former discussion on this subject it was mentioned that every coolie required about a candy and a half of grain in the course of the year, so that the total annual amount of the tax for a labourer will only amount to about 6 annas a year. This is not very severe taxation so far as grain is concerned.

The Honourable Mr. TUCKER—Since the tax was instituted, the price of grain has gone down 30 per cent. This fact, which I have learned on the authority of the Honourable Mr. Munguldass, shows that the grain tax has not operated to prevent a fall in prices.

The Honourable Mr. BYTHELL—I certainly prefer that this Council should fix the articles to be taxed, and that the Corporation should only be allowed to vary the rates within the limits of the schedule. I do not think that it is the province of any municipal corporation in India to fix articles for taxation.

The Honourable Mr. RAVENSCROFT said he was not in favour of the Corporation selecting the articles to be taxed.

The Honourable the ACTING ADVOCATE-GENERAL—I should have been very glad if this Council had given an indication that they were willing to trust the Corporation with this power. Already they are to be charged with the management of the city, they are to have full powers to spend the revenues, and they are to have full powers also to collect rates and taxes; and therefore I cannot see why upon principle they should not also have the power to say upon what articles of trade that enter the city duties should be levied. I have not heard any honourable member except the Honourable Mr. Rogers advance any real objection to what I ask, and all that this honourable member could say was that a new body of men like the Corporation would not be accustomed to deal with such matters, and that therefore they would not be able to decide, at least for a considerable time, what should be the articles upon which to levy duties. It seems to me much more consistent with practical government to give the Corporation powers, but to restrict them within certain limits. I certainly hoped that members who upon former occasions signified their desire that larger power should be given to the Corporation, would have given me their support in this matter. Of course if the Council do not agree to my first principle, there is no use going on to consider the new schedule I would propose.

The Honourable Mr. MUNGULDASS agreed with a great deal of what had been said by the Honourable the Acting Advocate-General, and therefore he would support his proposal.

The Honourable Mr. NARAYAN said that he also would vote for the proposal, because the Corporation, having power in matters of expenditure, should have power in the matter of income also.

The Honourable Mr. BYTHELL would be afraid to trust the Corporation with this power, because it might be influenced regarding one particular article, and the result would be an unfair distribution of taxes.

The Council divided on the Honourable the Acting Advocate-General's amendment:—

Ayes—3.

The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable NARAYAN VASUDEVJEE.

Noes—7.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. ST. G. TUCKER.
The Honourable A. ROGERS.
The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. A. FORBES.
The Honourable J. K. BYTHELL.

The amendment was therefore lost.

The Honourable Mr. BYTHELL—I wish to move that in the tenth line the words “list of articles and” should be deleted. I think that the Legislative Council ought to decide upon the principle whether transit dues should be allowed to be imposed or not. I

Objections taken to the levying of duties of the nature of transit duties.

stated on a previous occasion that this question had been discussed by this Council on several occasions during the last six years, and that on each of these occasions it had been decided that transit dues should not be allowed. I think consequently that this Council should now decide whether articles on which town duties shall be levied should include articles in transit or be limited to articles consumed in the place. I make this motion now with the view afterwards of moving that all articles that are articles of transit should be expunged from Schedule B.

The Honourable Mr. TUCKER—The honourable member's amendment would come in more properly on the discussion on Section 172, where refunds are provided for.

The Honourable the ACTING ADVOCATE-GENERAL—I think that the amendment now suggested is made altogether under a mistake.

The Honourable Mr. TUCKER—I think so also. As this Bill stands, there are no transit dues made leviable, and under Section 120 as it now stands refunds are allowed on exportation on all articles, including cotton. I shall propose an alteration of that section, but until that alteration is correct, the honourable member's objections are premature.

The Honourable Mr. BYTHELL—I make this motion with the view I have already stated, and because leaving the section as it stands might imply that we approved of transit duties without a vote being taken.

The Honourable Mr. RAVENSCROFT—I object to certain articles being fixed for taxation for ever.

The Honourable Mr. BYTHELL—It has been decided on every occasion when the question of transit dues has been brought up in this Council that they shall not be imposed, and to leave this section alone just now would be to empower the Corporation to levy transit dues.

The Honourable Mr. RAVENSCROFT—Still, I object to it being laid down that certain articles shall always escape taxation, and you are now trying to get it affirmed that the Corporation never shall lay dues upon articles supposed to be in transit.

The Honourable Mr. TUCKER—The Honourable Mr. Bythell appears to wish to effect two things, (1) to restrict the power of the Corporation to select new commodities for taxation, and (2) to prevent the imposition of any transit duty. For the first purpose it is competent to him to move an amendment of this clause, but for the second the proper time for his proposal will be when we come to consider the section which directs refunds. At present, I must repeat, there is no transit duty sanctioned by the Bill, as a refund on exportation is authorized on all articles on which duties are levied. The section as it stands includes cotton, and the omission to alter it was an oversight of the Select Committee.

The Honourable Colonel KENNEDY—I agreed with the Honourable Mr. Bythell as to the principle of no transit dues, but it seems to me that if this amendment were made the Corporation would be paralyzed in another direction—that is, it would be deprived of power to levy taxes upon articles which are not in transit.

The Honourable Mr. ROGERS concurred with the Honourable Colonel Kennedy.

The Honourable Mr. BYTHELL—As owners of house property are evidently desirous of transferring their burdens from themselves to the shoulders of the trade of the place, and as householders are sure to be well represented in the new Corporation, I think that even at this stage the Legislative Council should object to giving the Corporation power to do

anything of the kind, and affirm to itself the right of saying what articles shall be taxed. Supposing that the owners of house property should mainly compose this Corporation, it is not in the least improbable that they would lower the police-rates, the house-rates, and the lighting-rates, and impose the difference upon transit articles—a power which ought not to be permitted.

The Honourable Mr. MUNGULDASS—The so-called transit duties could be imposed only with the consent of Government.

The Honourable Mr. NARAYAN—And the honourable gentleman seems to forget that minimums have been fixed for the rates he has mentioned.

The Council divided on the Honourable Mr. Bythell's amendment:—

Ayes—1.

The Honourable J. K. BYTHELL.

Noes—9.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.

The Honourable H. P. St. G. TUCKER.

The Honourable A. ROGERS.

The Honourable the ACTING ADVOCATE-GENERAL.

The Honourable MUNGULDASS NUTHOOBHOY.

The Honourable Colonel M. K. KENNEDY.

The Honourable E. W. RAVENSCROFT.

The Honourable J. A. FORBES.

The Honourable NARAYAN VASUDEVIJEE.

The amendment was lost.

The Council then proceeded to the consideration of Schedule B.

The Honourable the ACTING ADVOCATE-GENERAL—The first duty here mentioned is “grain of all sorts, per candy, Rs. 0-4-0.” I move that this be struck out altogether. This duty on grain is the most odious tax there is in the city of Bombay. I need not

It is moved that grain should be struck out of the list of articles upon which it is proposed to levy town duties.

make any comments upon the principle of modern legislation upon these matters, because it will be well enough known to the members of this Honourable Council that taxation upon the poorest people is condemned, and that the first object of good Governments now is to provide food for the poor at as cheap a rate as possible. Although a duty has been raised from grain for sometime past, yet there are many other commodities coming into the City of Bombay which are much more legitimate objects of taxation, and I certainly feel bound to oppose this article remaining any longer in the schedule for purposes of taxation. One of the reasons why I was desirous of giving the Corporation the power of saying what articles should be taxed, was that I had faith that sixty-four gentlemen connected with the city would decide correctly upon such an important matter as this. If the Corporation come to the conclusion that there must be a tax upon grain well and good; but I do not think they would do anything of the kind. This Council has no positive information before it, and I think it will be a very wrong measure indeed if this Council pass this schedule as it stands, and do not declare that the municipal tax-gatherer's hands shall not be again laid upon grain. I shall be very glad to see this Council strike this commodity out of the list, and, if there shall be a consequent deficiency in the municipal revenues, the Corporation should have additional powers to raise money either upon property or upon some commodity other than grain which may enter the city. I repeat that for twenty-five years it has been the established principle in English legislation that the poor shall get their food at the cheapest possible rate.

The Honourable Mr. NARAYAN mentioned that in 1871 a sum of 1,34,000 rupees was raised from the grain tax.

The Honourable Mr. RAVENSCROFT—Apparently, if the Corporation agreed to levy this tax, the Honourable the Advocate-General would have no objections.

The Honourable the ACTING ADVOCATE-GENERAL—I have already expressed my belief that a body composed of sixty-four persons would come to a sounder conclusion than this Council upon the point whether this grain tax is a right one.

The Honourable Mr. RAVENSCROFT—Under Act IV. of 1869, the previous Act which authorized the levy of town duties, the Corporation of Justices, if they disapproved of the tax on grain, had the power to reduce it; but the Justices, who were well acquainted with the state of the city, knew that as a fact this four annas' rate upon a candy of grain was per-

fectly inappreciable, while at the same time it realized a very fair revenue yearly. The Justices therefore made no alteration, and I see no sufficient reason for the Honourable the Advocate-General's amendment.

His Excellency the PRESIDENT—Assuming that this tax does fall upon the poor, such as coolies, do they pay in any other way towards the municipal revenues?

The Honourable Mr. TUCKER—The other taxes do not reach them, and they are benefited in many ways, especially in the supply of water, for which they pay nothing.

His Excellency the PRESIDENT—And yet they get the advantage of protection by the police, of lights, and of the higher wages consequent upon living in a centre of labour like Bombay. In what possible form can they be made to contribute to the income of the Municipality if this tax is abandoned? I think there can be no doubt that if the grain tax is done away with, a large portion of the population will contribute nothing for the advantages which they receive.

The Honourable Mr. TUCKER—The Honourable the Advocate-General is right in stating that it is against the canons of political economy to tax the necessaries of life, but there are exceptional circumstances in which taxes on such articles are permissible, but my learned friend is wrong in stating that in England articles of food escape taxation. I need only mention beer and tea, which are articles of consumption among the poorer classes in England. In fact, the desideratum of a free breakfast table has not yet been attained. I do not say that the articles I have mentioned do not partake of the character of luxuries as well as of necessaries, but grain itself becomes a luxury when consumed in larger quantities than are requisite for the maintenance of life. In a country in which we cannot reach the masses of the people in any other way, it is justifiable to place a light impost on a necessary of life, if care be taken that the rate is not too high so as to cause a material increase in the price of the article. One public writer in Bombay has stated that this insignificant duty does not touch the consumer at all; in this declaration I am not prepared to agree, but I think it affects him so slightly that he is well able to bear this trifling drain upon his pocket in exchange for the advantages he gets. I may remark that though the price of all cereals has greatly diminished since the first imposition of this duty, wages have not proportionately decreased, so that the state of the labouring classes in Bombay is far better than in other parts of the Presidency, and there can be no doubt that their material condition has in no appreciable way been injured by this duty. Under these circumstances, it would be very unwise of us to throw away a legitimate source of income for considerations which are founded more on sentiment than on actualities. On these grounds I hope that the Council will not entertain the proposal which my learned friend in his laudable anxiety to relieve the poor has thought it necessary to make.

The Honourable Mr. ROGERS—Grain is used by more than the poorer classes, and the larger portion of this tax is, I apprehend, paid by the richer and well-to-do classes of Bombay. Before we can provide for the wants of the city, it is necessary that we should have a tax which will reach every person, of whatever degree. I also am opposed to the amendment.

The Honourable Mr. MUNGULDASS—If our Municipality had been in prosperous circumstances, I should have supported the Honourable the Advocate-General's amendment, but practically I do not think that this small tax has much influence on the price of grain or affects the poor. I believe that the whole tax comes out of the profits of trade, and not from the pockets of the consumer, because the tax is so small that the merchant feels that he cannot charge any increased price to his customers.

The Honourable the ACTING ADVOCATE-GENERAL—By the use of the word "food" in my remarks, I undoubtedly laid myself open to the criticisms of the Honourable Mr. Tucker, and I certainly should have used the word "grain," because it was to those fiscal principles which in England have caused the abolition of the corn laws that I more especially alluded. There are articles in the schedule which correspond to the articles beer and tea mentioned by my honourable friend. Ghee is an instance, and sugar is another, and these are consumed by natives much in the same way as tea and beer are consumed by Europeans. For this reason they should be lightly dealt with, and although the honourable gentleman may think my objections merely theoretical, I can find nothing in the debates in this Council in 1865 to substantiate his opinion. It should not be forgotten that this four annas, which is considered to be so little, would be sufficient to supply some of the poorest poor with food for a week. I consider that in this community as in others the lowest stratum of the community should get the benefit of remissions of taxation if possible. After what His Excellency the President and other members have said, I do

not anticipate that my motion will be carried, but I still regret that the power of levying taxes on grain and other articles has not been left to the discretion of the members of the Corporation.

The Council divided on the Honourable the Acting Advocate-General's amendment:—

Ayes—1.

The Honourable the ACTING ADVOCATE GENERAL.

Noes—9.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. ST. G. TUCKER.
The Honourable A. ROGERS.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. A. FORBES.
The Honourable NARAYAN VASUDEVJEE.
The Honourable J. K. BYTHELL.

The amendment was lost.

The Honourable Mr. NARAYAN thought that the next item—“metals, except gold and silver, iron and steel, $\frac{1}{2}$ per cent. on tariff value”—should be altered. He begged to propose that “1 per cent.” should be substituted for “ $\frac{1}{2}$ per cent.” This alteration, he calculated, would yield about Rs. 26,000.

The Honourable Mr. FORBES objected to the increase.

The Honourable Mr. TUCKER mentioned that Messrs. Nicol & Co. had written complaining that the present impost on timber of $2\frac{1}{2}$ per cent. was too heavy, and thought that the rate on timber might be diminished and refunds abolished. One reason which they advanced for lessening the duty on timber was that a large quantity of timber left Bombay in a changed shape, so that it was almost impossible to get a refund. The honourable gentleman said he understood that Messrs. Nicol & Co. had large dealings in timber, so that they naturally would like to see a reduction of that particular duty. Their remarks were however entitled to careful consideration. General Marriott's Committee recommended that the duty on metals and timber should be equally one per cent.

The Honourable Mr. FORBES thought similar reasons could be advanced in favour of a reduction of duty on copper as well as on timber.

The Honourable Mr. BYTHELL said he was afraid any addition to the rate upon copper would create much dissatisfaction, while the increased income would be very small.

The Council divided on the Honourable Mr. Narayan's amendment:—

Ayes—6.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable the Acting ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable NARAYAN VASUDEVJEE.

Noes—2.

The Honourable J. A. FORBES.
The Honourable J. K. BYTHELL.

The amendment was therefore carried.

The Honourable Messrs. TUCKER and ROGERS declined to vote.

The Honourable Mr. MUNGULDASS NUTHOOBHOY—The next item is—“wines and spirits, per gallon, Rs. 2.” I think that higher duties could be levied on these liquors, because however necessary they may be in a cold climate like England, they are not necessary in this country and are doing a great deal of harm here.

His Excellency the PRESIDENT wished to know whether the honourable gentleman's objection was founded on moral or financial considerations.

The Honourable Mr. MUNGULDASS said his objections were founded on both considerations; but chiefly because the consumption of liquors was doing much harm among the poorer people of Bombay.

The Honourable Mr. RAVENSCROFT remarked that there were two kinds of spirits—one imported and of European manufacture and another made in the country, and he asked whether it was not the former which did most harm.

The Honourable Mr. FORBES—I object to the increase of duty both on the moral ground and the financial ground, because if we tax the wines and spirits imported from Europe, we drive the classes whom the honourable gentleman now accuse of using too much liquor to cheap native liquor, which is worse in its effects.

The Honourable Mr. NARAYAN—But the duty will be the same on both kinds.

The Honourable Mr. FORBES—At present Bombay has to compete, under great difficulties, with Calcutta and Kurrachee for the trade in the interior of India, and no doubt the importation of wines and liquors forms a considerable part of that trade. The provisions for refund are practically inoperative. If, therefore, we were to increase the duty, Bombay would find it very difficult to keep a forward place in the competition for internal Indian trade.

The Honourable Mr. BYTHELL would prefer to see taxes on such articles increased, to taxes being levied on any article in transit.

The item was allowed to stand unaltered.

His Excellency the PRESIDENT—The next item is “beer per gallon 0-0-6,” upon which the income is only about Rs. 8,900.

The item was allowed to stand unaltered.

The Honourable Mr. BYTHELL—On the next item, “sugar, including molasses, jagri and goor, the duty is 1 per cent. on tariff value,” I have to propose that the duty be increased by a half per cent., making the whole duty $1\frac{1}{2}$ per cent. on tariff value.

The Honourable Mr. TUCKER—The present Municipal Commissioner thinks that there ought to be some increase upon this commodity. He complains of the want of elasticity of the municipal revenues, and considers, as the Honourable Mr. Bythell does, that sugar is one of the articles which may bear an increase of duty.

The Honourable Mr. BYTHELL—The increase will affect only the wealthier classes of Bombay, and will not be much felt.

The Honourable Mr. MUNGULDASS—Sugar is a necessary of life, and I would oppose any further taxation upon it.

The Honourable Mr. FORBES thought that with customs duties, sugar had already as great a burden as it could bear, and therefore he would oppose the motion.

The Honourable Mr. NARAYAN mentioned that half a lakh of revenue would be raised from the proposed increase of a half per cent.

The Council divided on the Honourable Mr. Bythell’s amendment :—

Ayes—6.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.

The Honourable H. P. ST. G. TUCKER.

The Honourable A. ROGERS.

The Honourable Colonel M. K. KENNEDY.

The Honourable NARAYAN VASUDEVJEE.

The Honourable J. K. BYTHELL.

Noes—4.

The Honourable the ACTING ADVOCATE-GENERAL.

The Honourable MUNGULDASS NUTHOOBHOY.

The Honourable E. W. RAVENSCROFT.

The Honourable J. A. FORBES.

The amendment was therefore carried

Enhancement of the duty upon ghee. The next item for consideration was “ghee, per Bombay maund, Rs. 0-8-0.”

The Honourable Mr. MUNGULDASS hoped there would be no additional taxation upon ghee. Medical men could tell the Council that ghee was absolutely necessary to the healthy existence of the portion of the Hindoo community who were vegetarians, and he considered that any further imposition of duty upon this article would lead to great hardship being inflicted upon a very large class of Her Majesty’s subjects.

The Honourable Mr. TUCKER—The honourable gentleman did not object to the duty on beer, an article of consumption to another important section of Her Majesty’s subjects, and against taxing which the same arguments might be urged.

The Honourable Mr. MUNGULDASS—But the difference is that ghee is not a luxury and beer is.

His Excellency the PRESIDENT—Does the honourable gentleman consider that beer and wines and spirits are luxuries only?

The Honourable Mr. MUNGULDASS—Yes, in this country they are.

The Honourable Mr. RAVENSCROFT—I looked upon the matter from the opposite point of view.

His Excellency the PRESIDENT—I also cannot agree with the Honourable Mr. Munguldass.

The Honourable Mr. BYTHELL—I beg to propose that the duty on ghee be increased from 6 to 8 annas per Bombay maund. I have been informed by several native gentlemen that the increase which I propose will fall almost entirely upon the better part of the community, and I do not think the Council can agree with the opinion expressed by the Honourable Mr. Munguldass, that if we assent to this trifling increase we shall be open to a charge of “class legislation.” If we admit this plea, we should at once, as the Honourable Mr. Tucker suggested, have to abolish taxes upon beer and spirits, which I presume are not drunk by the vegetarians represented by the Honourable Mr. Munguldass.

The Honourable Mr. NARAYAN said he would not oppose the amendment.

The Council divided on the Honourable Mr. Bythell’s amendment:—

Ayes—7.

Noes—3.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.

The Honourable H. P. ST. G. TUCKER.

The Honourable A. ROGERS.

The Honourable Colonel M. K. KENNEDY.

The Honourable E. W. RAVENSCROFT.

The Honourable NARAYAN VASUDEVJEE.

The Honourable J. K. BYTHELL.

The Honourable the ACTING ADVOCATE-GENERAL.

The Honourable MUNGULDASS NUTHOBBHOY.

The Honourable J. A. FORBES.

The amendment was therefore carried.

The next item in the schedule was “timber, excluding railway sleepers, 2½ per cent, on market value.”

The Honourable the ACTING ADVOCATE-GENERAL thought that since the duty on other articles had been increased, timber should not be allowed to escape.

The Honourable Mr. TUCKER said that he had before mentioned that there were complaints of the oppressive character of the present duty on this very useful article, and he would oppose any increase.

The existing duty was passed unaltered.

The next item was the duty on cotton of four annas per candy.

The Honourable Mr. BYTHELL—Sir,—I beg to propose that this duty be expunged

from the schedule. Before making any remarks of my own, because such a duty would amount to a transit tax. I shall read to you the following letter from the Bombay Chamber of Commerce upon the subject of taxing cotton:—

“To the Acting Chief Secretary to Government, Bombay.

SIR,—The attention of the Committee of the Chamber has been called to the New Municipal Bill printed as Part V. of the *Government Gazette*, dated 30th ultimo, with the report thereon of the Select Committee of the Council of His Excellency the Governor of Bombay for making Laws and Regulations, in Schedule B of which Bill cotton is noted as one of the articles on which a town or octroi duty of 4 annas per candy might be levied.

It is not the intention of the Committee to discuss the question of the imposition of town duties on the present occasion, but I am instructed to draw the attention of His Excellency in Council to the point that in the opinion of the Committee, the levy of any rate on cotton brought to Bombay for export would be, not a town or octroi duty, but a transit duty.

This being the view taken by the Committee, I am further instructed respectfully to inquire whether it is competent for the Council of the Governor of Bombay for making Laws and Regulations, to legislate for the imposition of transit duties in any form without the consent of the Government of India.

The Committee are far from believing it to be the intention of His Excellency in Council to agree to the imposition of a rate of any kind on the export of cotton, but they consider it to be their duty to call special attention to the matter when they see that a

Select Committee of His Excellency's Council for making Laws and Regulations have placed cotton in a schedule of articles on which they consider town duties should be levied.

I am to request you will be good enough to place this letter before His Excellency with the least possible delay.—I have, &c.,

JAMES TAYLOR, Secretary."

I see that the increase which we have just made in the town duties on other articles will amount to a lakh and Rs. 14,000, and as this is nearly equivalent to the amount which might be expected from the transit duty of 4 annas per candy upon cotton, I trust that this Council will see its way to agree to my suggestion. I do sincerely hope that this Legislative Assembly will not adopt such a hazardous and retrograde policy as will be implied by the imposition of this duty. Although cotton may fluctuate in price like other articles of commerce, yet I would point out that year by year the average price realised for the Indian cotton crop is becoming less. Low-class Indian cotton has been found to be completely unsaleable lately almost at any price in England and in the chief Continental markets. The reason of this is that America is fast regaining her old supremacy in the cotton trade, and if India is to be expected to compete with her, she must be allowed to work very cheaply indeed. Instead of adding to the burdens that already exist, you ought therefore to relieve this Indian cotton trade as much as possible. I have already spoken at considerable length upon this point on the motion for the second reading of this Bill, and I have already drawn attention to the fact that this tax of 17d. per ton will actually put Bombay in an unfavourable position, considering Liverpool charges, and also to the fact that this Council has always steadily refused to allow transit duties to be levied in any shape. I therefore will not repeat my arguments, but I trust that this Council will agree to this amendment.

The Honourable Colonel KENNEDY—I agree with the Honourable Mr. Bythell as to the inexpediency of maintaining cotton among the list of town duties in this schedule, not only upon the general grounds of the objectionableness of transit dues, but upon the important ground of Bombay's difficulties in competing with America in the home markets.

His Excellency the PRESIDENT understood the Select Committee to recommend that this duty should be levied on cotton exported to Europe as well as cotton consumed in Bombay. But as refunds were allowed, they would be obtained in the case of the exported cotton.

The Honourable Mr. TUCKER—It was not intended by the Committee that there should be any refund allowed on cotton. The omission to alter the section relating to refunds was an oversight.

The Honourable Mr. RAVENSCROFT could see no reason why cotton should not be made to pay a contribution to the municipal revenues, because it had the benefit of municipal protection and the traffic in it destroyed the roads of Bombay more than anything else did. Though this duty partook of the character of a transit duty, he still thought it ought to be imposed, because the burden would be almost inappreciable, and would be fully compensated for by the services rendered to the trade.

The Honourable Mr. ROGERS thought that this could hardly be called a transit duty at all, because it would be merely a payment for services rendered and would in no way affect the price of the article. The price at home depended on an entirely different set of considerations, and was regulated chiefly by the demand and the supply from America. In this country, owing to the establishment of telegraphic communication, every up-country ryot knew from day to day the price at home, and would take very good care to regulate his bargains accordingly without reference to any intermediate payments the staple might be subjected to. The tax would in fact fall on the middlemen, up-country on the Wukharias or storekeepers, and in Bombay on the merchants or commission agents and as the latter were benefitted in the place in which they resided by it he thought cotton should make some return to assist the municipal expenditure.

The Honourable Mr. FORBES—I have very considerable objections to seeing any tax put upon an article which I think you must continue to regard as the mainstay of Bombay trade. I find that the late Governor of this Presidency, while speaking in the Legislative Council on the 18th February 1869, on the subject of a proposal to include cotton under the new town duties, used these words:—"Now the objection he (the President) had to the tax might be sufficiently stated in this way that, whether it was paid in any respect by the grower or was partly a burden on the grower and partly on the consumer, it would never-

theless be a burden; but he thought it would be a burden on the consumer only, and therefore it was perfectly clear that it would not be a tax upon any one in Bombay, but a tax paid solely by people residing away from the city for the benefit of the people of Bombay. The Honourable Mr. Ellis had said that cotton enjoyed all the benefits which were given by the municipality just as the residents did. He (His Excellency) supposed the honourable gentleman meant by that that cotton had the benefit of being watched and having roads to be carried over: but cotton must belong to somebody in Bombay, and that person in Bombay already paid for those things and contributed to the funds of the Municipality, to the water rates, the police and lighting rates, and so on. That was a tax upon the owners of cotton, and as long as the article was in Bombay, it was a legitimate reduction on his profits. The tax on cotton would be a legitimate tax if it came out of the profits of a resident in Bombay, but as proposed it would fall on the consumer. The argument used by the Honourable Mr. Ellis that the tax was so light, seemed to him not to be a good one. One of the objections which he first stated and which was one which he strongly entertained against the adoption of the system of town duties, was that when the schedule was settled, in the event of any need arising, however slight, what was perhaps at first an insignificant tax would be increased till it became a burdensome one. He thought above all that cotton was an article that ought not to be included, for it was a tax that would not fall on the resident in Bombay, but would become simply and solely in its most naked form a transit duty paid by the consumer abroad." Besides this very definite expression of opinion by the former Governor of Bombay, I find in support of the Honourable Mr. Bythell's proposal a Resolution published by the Government of India on the 14th November 1868 on the subject of municipal taxation. The minute is very clear and interesting, and among other things it specified articles upon which town duties or cess under any name should not be levied by any municipal body. Cotton is specified among the articles which should be so excluded, and I may mention that you have just imposed duties upon articles which the Government of India considered ought to be left free. I suppose that the Chamber of Commerce had this minute in view when it addressed to this Council the letter which has just been read, and particularly that it is owing to it that they have pointed the fact that transit duties are supposed to have been prohibited by the Government of India.

The Honourable Mr. TUCKER—There is no legal restriction to our legislating on the point, though undoubtedly we must show good reasons to induce the Government of India to assent to a proposal which is undoubtedly at variance with opinions they have expressed.

The Honourable Mr. FORBES—At any rate, certain rules have been laid down by that Government for the guidance of Bombay as well as other Presidencies in municipal matters.

His Excellency the PRESIDENT—I do not consider that this Council would act illegally in placing this duty in the schedule, but there is no use in disguising the fact that if such a duty be carried in this Council, it is not improbable that it may be disallowed by the Viceroy, as we are aware that the views of the Government of India are not in accordance with those of the Select Committee.

The Honourable Mr. FORBES—In looking over the Resolution of the Government of India to which I have before referred, it appears that its objection to such duties and its approval of these rules were so strong, that it uses the following words:—"It will be for local Governments and administrations to review the whole question of municipal taxation and expenditure, and the Government of India will be prepared to consider any well founded claims for assistance from the imperial revenues in bearing the charges for town police, when it can be shown that the observances of the principles laid down in this Resolution renders it proper to revise the existing adjustment of the shares of those charges between the Government and the Municipality." I think that if a majority of this Council decide against the amendment, an appeal will be made to the Government of India, and when that appeal comes up for consideration, the result will be that the tax will not be permitted, and the Bill including it will be returned.

His Excellency the PRESIDENT asked how much the Corporation were likely to gain from all the little increases of duties which the Council had just agreed to.

The Honourable Mr. BYTHELL replied that the total would be Rs. 1,14,000, and all that was wanted from cotton was a lakh and a quarter.

The Honourable Mr. FORBES pointed out that doubling the duties did not necessarily mean that the income would be doubled.

The Honourable Mr. MUNGULDASS concurred with the Honourable Mr. Forbes, and pointed out that house rents were going down very rapidly.

The Honourable the ACTING ADVOCATE-GENERAL—I can hardly think that the Honourable Mr. Bythell is in earnest when he says that this insignificant duty will tend to effect the ruin of the cotton trade in Bombay. When we were proposing a tax upon grain he said nothing about the destruction of the grain trade—indeed, he spoke in quite a different strain, and said that this tax of 4 annas upon a candy of grain was quite inappreciable and would not fall with any force upon the poor consumer; but, the moment that we propose to lay 4 annas upon a candy of cotton, an article which is mostly dealt in by wealthy people, he exclaims: “O! this will be such an extravagant impost that the cotton trade of Bombay will be well nigh ruined; we shall not be able to compete with America, and the trade will be destroyed in the course of a few years.” I can hardly think that the honourable member means to advance these arguments seriously.

The Honourable Mr. BYTHELL—Certainly I do.

The Honourable the ACTING ADVOCATE-GENERAL—I could not think you did. The honourable gentleman says that this duty assumes the character of a transit duty; so be it, but I consider that the objections of the Government of India to a series of inland transit duties will scarcely apply to a small market due levied at the chief emporium of the trade. Cotton does not merely come to Bombay and pass on to Europe, China, or elsewhere. It remains a long time in the city and is protected and the dealers in it are supplied with many conveniences. It changes hands and in every operation connected with it yields profitable occupation to a large class of persons—a duty on it cannot therefore be classed as an ordinary transit duty. It is a commodity which appears to me may as properly be taxed as any other description of merchandize mentioned in the schedule, and certainly with better reason than articles which are necessaries of life. Why should dealers in articles on which large profits are realized not contribute something to the revenues of the city in which they receive so many advantages? The tax is too small to have any effect on the future prospects of the trade, and I am unable to see any objection to its imposition which might not be made to a duty on any article of trade whatsoever. I cannot agree with the Honourable Mr. Forbes when he says that he is certain the Government of India will not agree to this tax upon cotton if this Council decides upon imposing it. The Government of India must have at heart the interests of all classes of the community, and not simply of one or more sections, and it will surprise me if, when looking over this schedule, it shall prefer to strike out cotton and leave grain to stand as an object of taxation. Supposing that the cotton merchants of Bombay do go up to the Governor-General and petition him to expunge this tax on cotton from the schedule, what is likely to ensue? The Viceroy will see before him on one side a body of men rolling in wealth, who stay in handsome houses, who possess fine properties, asking that cotton should be relieved. On the other side the picture will show myriads of poor people, with hardly any clothes upon their backs, and having the appearance of starvation, and these will implore that grain should be set free so that their bellies may be filled. And which of these representations will a wise and beneficent ruler incline to? I hope to heaven that the representatives of the ratepayers will stir themselves to get up a kindred petition from the poor inhabitants of Bombay and present it to the Viceroy, who will then consider whether or not there is justice in taxing grain. If the present Governor-General, with the liberal antecedents that he has displayed elsewhere, shall listen to this petition to remit the tax on cotton while he ignores the claims of the poor consumers of grain, I shall be greatly surprised. If I am to vote upon the present question, I cannot vote for expunging cotton while I see that grain is kept in the schedule.

The Honourable Mr. MUNGULDASS—I should have hesitated to express my opinion upon this question after hearing such strong opinions against the taxation of cotton from my honourable friends Mr. Forbes and Mr. Bythell. But I cannot forget that a few years ago, when this same subject was being discussed, though the Honourable Mr. Brown, a mercantile gentleman, was against the impost, yet we had the Honourable Mr. Campbell in favour of it; and in 1856, when the Committee of the Bench of Justices was appointed to settle what articles should be taxed, Mr. J. Graham, Mr. J. Parsons, Mr. John Fleming, and others were in favour of a slight tax being placed on cotton. A report was published expressing these views, and was signed by these gentlemen and many others; and I cannot help thinking that the opinion of these gentlemen is just as likely to be correct as the opinions just expressed by the Honourable Mr. Forbes and the Honourable Mr. Bythell. Again in 1868, when the question was submitted to the Bench of Justices, a slight tax upon cotton was preferred to any impost upon grain by an overwhelming majority; and I believe that to this day the native merchants are in favour of a slight tax on cotton. They consider a slight tax upon cotton so unobjectionable that they, in selling

cotton, always put so much per candy aside for charitable purposes. Thus they give 4 annas per candy for the support of pinjrapoles, they give half an anna per candy for the feeding of pigeons, and they had formerly to give a quarter per cent. under the Cotton Frauds Act, which payment has now been reduced to half the amount I have stated by Government.

The Honourable Mr. BYTHELL—It was not a quarter per cent., but 4 annas per bale of 492 pounds, irrespective of value, that was levied.

The Honourable Mr. MUNGULDASS admitted the correction, but said that the principle that a charge of some kind was made was the same.

The Honourable Mr. BYTHELL—Those charges to which the Honourable Mr. Munguldass has referred are unwillingly paid. I have been told this by the men themselves.

The Honourable Colonel KENNEDY—As to the services rendered that have been spoken about, I think that this is hardly a fair plea on which to tax cotton, because wheel tax has to be paid very largely for its carriage through the city.

The Honourable Mr. TUCKER—At the utmost you can only say that the municipal rates are contributed to indirectly by the dealers in cotton, through the medium of the tax on carts.

The Honourable Colonel KENNEDY—The use of the roads seems to be the only service rendered to cotton.

The Honourable Mr. TUCKER—Sir,—When moving the second reading of this Bill

I mentioned the reasons which induced me to support the imposition of an infinitesimal duty upon cotton, and to advocate the retention in the schedule of the item which the Honourable Mr. Bythell now desires to expunge. I then admitted that the subject was one of great importance to the city of Bombay, and that it was a question on which a considerable difference of opinion might reasonably exist. I agree in what the honourable gentleman has said with respect to the critical position in which our great staple trade is now placed, in consequence of the gradual increase of the American supply and the present inability of India to produce an article which can successfully compete with the best descriptions of American cotton. I am also as sensible as he is of the importance of the cotton trade to the material progress of the city of Bombay, and to the mischief which will ensue if there should be any sudden or serious contraction of that trade. I trust that the evils to which I have referred may be averted, or at any rate greatly mitigated, by the opening of new markets in the continent of Europe—which can now be supplied directly from Bombay in consequence of the opening of the Suez Canal, without the necessity of a previous voyage to Liverpool—and by progressive improvement in the growth and preparation of the Indian commodity. It is only because I am of opinion that the trifling duty which we propose to levy will have no appreciable effect on the fate of the trade, and will in no way accelerate the approach of that evil day which must come if the new trade springing up between Bombay and the countries bordering on the Mediterranean and the Black Seas, does not serve to counterbalance the falling off of the trade with England on account of the increase of the American supply, that I advocate the retention of this item in the schedule. When I last addressed the Council on this point, I endeavoured to shew that the imposition of this duty would not affect the price of the commodity at Liverpool, inasmuch as the market value there depended solely on the American supply, and not on the cost of production and of the distribution of the article in India. The truth of this assertion is borne out by the statements made by my honourable friend Mr. Munguldass, who has told us that oriental ingenuity has discovered a way of making this trade contribute to the support of Hindoo charitable institutions and to supply the means of maintenance for asylums for useless and decaying animals, and for the preservation of vermin and the feeding of pigeons. Now it appears to me far better that this trade should contribute its quota to municipal revenues in return for the numerous advantages which it receives, which I have enumerated on a former occasion, than that it should be subjected to irregular exactions of this kind, which, when not paid voluntarily, are enforced by the power of combination which Hindoo traders know so well how to exercise. If on the contraction of the trade the time should come when the cost of the production and of the distribution of cotton in India will have the natural effect upon price which it now has not, these caste-imposed contributions will leave a margin for saving which must needs be exhausted before the duty proposed by this Bill will operate in the enhancement of price. One of the good effects of the duty may therefore possibly be to cause the extinction of these exceptional levies. I stated before that under the orders of the Govern-

ment of India all inland transit duties on cotton have been done away with, and that now the only places at which duties are taken are the ports of Kurrachee, Gogo, Carwar, and Coompta, and the duty of two annas per bale levied under the Cotton Frauds Suppression Act at Bombay. The municipal duties collected at the four ports I have named are of a light character. The duty sanctioned at Kurrachee is the highest. It is four annas per bale. The others are much less, only small fractions of that sum. The Honourable Mr. Forbes has read to us a Resolution of the Government of India on the subject of municipal taxation generally, and on the objections to transit duties as a mode of raising municipal revenues. In much of the reasoning put forth on that order I concur, but I think it somewhat too absolute in the denunciation of transit duties. In my opinion there are circumstances in which duties on articles not consumed in the place where a tax is levied may be legitimately imposed. These are (1st) when advantages and services are rendered to the trade which more than counterbalance the payments exacted; and (2nd) when the amount of duty is so small that it will be no check to the growth or development of the trade. Both these conditions exist with relation to the cotton trade in Bombay, and in my judgment justify the imposition of this tax. I may mention that we have received an expression of the views of the Government of India on this important point of more recent date than the Resolution which has been read and commented upon by the Honourable Mr. Forbes. In reporting the abolition of all Inland Transit Duties throughout this Presidency, we made the suggestion that a duty of four annas per bale might be legitimately imposed at Bombay for the benefit of the Municipality. To this remark we have received a reply that though the effect of the duty would probably be inappreciable, yet that the Government of India thought it would be better not to impose such a duty. There is some foundation, therefore, for the honourable member's supposition, that the inclusion of this duty in the schedule may not meet with the approbation of the Viceroy when the Bill goes up to him. If I had seen this reply before the insertion of this duty was carried in the Select Committee, I should not have felt myself at liberty to support the proposal, but as the measure had been decided upon in Select Committee before we were aware of the opinion of the Government of India, it appears to me that it was the proper course to allow the matter to be fully discussed and considered in this Council, and if there should be a majority in favour of the duty, to let it remain in the Bill, leaving it to superior authority ultimately to decide whether in the interests of the entire community it is desirable that the duty should be confirmed or disallowed. There is another objection which it seems to me probable may be taken to the measure by the Government of India, which I think has not been prominently brought forward in the course of our debates on this question, viz., that the duty, if it reaches the producer, will place a tax more or less on the whole of the Bombay Presidency, and on the inhabitants of Native States and of other parts of British India not included in the Bombay Presidency, for the exclusive benefit of the city of Bombay. The answer to this is that Bombay being the central mart for the cotton trade in India, and the principal port of embarkation, is entitled in return for the protection and facilities which it affords to the trade to claim a small contribution from the territories from which cotton is brought to it for consumption and for ultimate exportation. As my honourable and learned friend the Advocate-General has pointed out, the bulk of the cotton remains some time in the city before it is sent away, and if the duty should come out of the pockets of the producers or of the middlemen who distribute the commodity, either class receives an ample return in the improvement in the means of transit and the additional ease and security with which they can carry on their operations. On the other hand, if the tax should fall on the consumer of raw material in Europe, the other parts of India beyond the limits of the city will have no cause of complaint. I trust that these considerations may have weight with this Council and with the Government of India. The Honourable Mr. Bythell is alarmed lest the insertion of cotton in the schedule should prove to be an introduction of the thin end of the wedge and be merely a preliminary step to the further augmentation of duties upon cotton. As the Corporation will have no power to increase the rate fixed by this Bill without the confirmation of Government, which will not be lightly given to any proposal in this direction, I think the honourable gentleman may feel assured that no such progressive augmentation of the duty as he anticipates will take place. I may state that personally I would strongly oppose any increase of the duty unless the state of the cotton trade should greatly alter, and the demand for Indian cotton in Europe become as stable and permanent as it is now fluctuating and precarious. I have no fear that the Government of Bombay will not always be alive to the necessity of protecting the trade in its staple commodity from the pressure of burdens which may be injurious to it or prevent its expansion, and it is only because I am satisfied that the

light duty now proposed will have no such effect, that I shall vote against the honourable member's amendment, and with reference to this item shall give my voice in favour of the schedule as it stands.

His Excellency the PRESIDENT—In dealing with this question I do not think we ought

His Excellency the President approves of the duty on cotton.

to lose sight of the fact that we are proposing to touch a commodity in which the mercantile community of Bombay is largely engaged. The persons interested in this trade are well represented and are certain to make themselves heard, while those who will be affected by the duties on ghee, grain, and other articles of taxation, which the honourable gentlemen who are now opposed to the tax on cotton assisted to raise, cannot have similar opportunities. I really cannot see how any one can equitably propose that cotton alone should be totally exempted from taxation—and left out of this schedule, and that the Council should prefer to raise a revenue from articles of domestic consumption and the necessaries of life, such as grain, ghee, sugar, &c. On these grounds I think we should adhere to our present position and reject the amendment.

The Honourable Mr. BYTHELL—Looking at the position in which Bombay is placed,

Mr. Bythell argues that cotton practically already pays for services rendered.

I think it would be much better for the interests of all concerned, whether householders or traders in Bombay, to have taxes levied upon articles consumed in the city rather than upon the cotton which simply passes through it in transit.

If taxes are placed upon ghee and grain and sugar, the burden falls upon the local consumer, but if taxes are placed upon cotton they do not fall upon Bombay, but must either fall upon the produce or the purchaser at home. Although it may be possible that this tax if levied in Bombay, would not at first affect the price in Liverpool, where the prices will be regulated by supply and demand, yet nevertheless Bombay will be greatly influenced by the incidence of the duty. Indian produce is already taxed heavily for carriage, and it has to bear many other expenses; and the net amount left in the hands of the ryot after all these charges have been met will decide the question whether the Bombay trade in cotton is to increase or decrease. It will be seen that not only a low average price in Liverpool, but an addition to the expense of transit, will help to bring about the time when the ryot will find out that the production of cotton does not pay him, and therefore will not grow it. When that day comes, it will be a bad day for Bombay. Whatever the house-owners may say about the burdens they have to bear, there can be no doubt of the fact that no other article of Indian produce will leave behind the same amount of money in Bombay that cotton does. It requires a great deal of preparation; it has to pay the labour of doing this; it requires great care in its selection, and highly-paid men have to be entrusted with its management; buildings for its accommodation have to be provided; and there are other matters which go to prove that if the cotton trade fall off in Bombay, no trade that you can substitute will be as beneficial for the city. The history of Bombay shows how valuable cotton has been to it. The moment cotton became the one great article of Bombay trade, the value of property went up immensely and even now you will find that the value of immoveable property has not fallen to the point at which it was before the share mania, being still higher than it was before the American war. The Honourable Mr. Mayhew has made a sensational reply to remarks which I never made. I never said that this tax would ruin Bombay. I merely said that, considering the position of trade in Bombay, it should be the object of house owners to lessen taxes and charges on cotton because there can be no doubt that cotton in India is already at a considerable disadvantage with its American competitor, and if we go on adding burdens the trade, though it may not be exactly ruined, will be considerably injured. I differ with the Honourable Mr. Tucker that this will be an infinitesimal tax, and I think on this point I have already shown this Council how a small increase upon the duties on trade in Bristol made all the difference between the comparative ruin and the prosperity of that port. These four annas per candy make 17*d.* per ton, and I do not think anybody can be justified in calling that sum infinitesimal duty, especially when numerous instances can be adduced to show that smaller taxes even have had material influence in destroying trade in certain ports. As to the remarks made by the Honourable Mr. Ravenscroft, to the effect that cotton carts cut up the roads while cotton hitherto has paid nothing to the support of the municipality, I would merely repeat that every ton of cotton passing through the city employs people of almost every description, from the coolie to the banker and Government servant, and thus makes money circulate freely, and directly benefits the city greatly. If cotton pays nothing, I should just like to know where Bombay derives its wealth. She has no agriculture, no mineral mines, no special manufacture; she is but a strip of barren rock running

out into the sea; and it is simply because it has this great trade in cotton and other articles that the city is what it is. We have heard a great deal about the miserable state which householders are in at the present moment, but if we look at the rents they receive and the accommodation they give, it must be evident that the cry of distress raised by this section of the community is without justification, and that they owe much of their good fortune to this cotton which it is now proposed to tax is a fact beyond dispute.

The Honourable Mr. RAVENSCROFT asked what effect upon the whole Bill it would have if the Government of India refused to assent to the tax on cotton.

The Honourable Mr. TUCKER—If the Viceroy do not approve of this portion of the Bill, he will refuse to give his assent to the measure, and it will be sent back to us with a statement of the objection taken, and it will remain with the Council to alter it, if it pleases, so as to make it conform to the view expressed in the communication made to us by the order of the Viceroy.

The Honourable Mr. FORBES remarked that he was so confident that the Government of India would object to the proposal to tax cotton, that he would be almost disposed to vote against the Honourable Mr. Bythell's proposition just that the Bill might be thrown back upon the Council.

The Council divided on the Honourable Mr. Bythell's amendment:—

Ayes—3.

The Honourable Colonel M. K. KENNEDY.
The Honourable J. A. FORBES.
The Honourable J. K. BYTHELL.

Noes—7.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable E. W. RAVENSCROFT.
The Honourable NARAYAN VASUDEVJEE.

The amendment was therefore lost.

The amended schedule of town duties. Schedule B., after being amended, stands as follows:—

		Rates.
		Rs. a. p.
Grain of all sorts	per candy	0 4 0
Metals, except gold and silver, iron and steel.	1 per cent. on tariff value.	
Wines and spirits.....	per gallon	0 2 0
Beer	per gallon	0 0 6
Sugar, including molasses, jagree, and goor.	1½ per cent. on tariff value	
Ghee	per Bombay maund	0 8 0
Timber, excluding railway sleepers	2½ per cent. on market value.	
Cotton	per candy	0 4 0

Section 114, including the amended schedule, was agreed to and stands part of the Bill.

His Excellency the PRESIDENT then adjourned the Council.

By order of His Excellency the Governor in Council,

JOHN NUGENT,

Acting Under-Secretary to Government.

Puna, 16th September 1872.

The following Extract from the Proceedings of the Governor of Bombay, in the Legislative Department, is published for general information:—

Abstract of the Proceedings of the Council of the Governor of Bombay, assembled for the purpose of making Laws and Regulations under the provisions of "THE INDIAN COUNCILS' ACT, 1861."

The Council met at Puna on Thursday, the 12th September 1872, at noon.

P R E S E N T :

His Excellency the Honourable Sir PHILIP EDMOND WODEHOUSE, K.C.B., Governor of Bombay, *presiding*.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER, K.C.B.

The Honourable H. P. ST. G. TUCKER.

The Honourable A. ROGERS.

The Honourable the ACTING ADVOCATE-GENERAL.

The Honourable MUNGULDASS NUTHOOBHOY, C.S.I.

The Honourable Colonel M. K. KENNEDY.

The Honourable E. W. RAVENSCROFT.

The Honourable J. A. FORBES.

The Honourable NARAYAN VASUDEVJEE.

The Honourable J. K. BYTHELL.

The Bombay Municipal Bill considered in detail.

The Council proceeded with the consideration of the Bombay Municipal Bill in detail.

No alteration was made in Sections 117 to 119 of the Bill.

Section 120 became Section 118. The fifth and sixth lines were altered to read as follows:—"time to time be paid into the Bank which is now or may hereafter be." The section was passed as amended.

Section 121 became 119. It was passed and stands part of the Bill.

Section 122 became Section 120.

The Honourable the ACTING ADVOCATE-GENERAL moved that in line one, the word "goods" should be omitted, and that in its stead the words "articles except cotton" should be adopted; also that in lines four and nine the word "re-exported" be made "exported."

The Honourable Mr. TUCKER said that the amendment proposed by his learned friend should have been made in the Select Committee, but it was overlooked. It was intended, when cotton was added to the schedule of town duties, that the duty should be paid by all cotton that came within Municipal limits, whether intended for local consumption or exportation. A tax confined to the cotton used in Bombay would not give sufficient to make it worth while to impose it. It was curious that at the time when the Bill was subjected to much hostile criticism for imposing a transit duty on cotton, it did not really impose such a duty, inasmuch as under this section refunds on cotton were permitted as well as on other articles. This fact indicated that an actual study of the provisions of the Bill did not always precede the utterance of these adverse opinions.

His Excellency the PRESIDENT could not see the use of this section. He understood that there was so much difficulty in obtaining refunds that practically no one but large dealers in the articles taxed ever thought of applying for a refund.

The Honourable Mr. RAVENSCROFT thought that the section might be omitted with advantage.

The Honourable Mr. TUCKER—Such a step would convert all the duties into transit duties and the Bill would be more at variance than ever with the supposed views of the Government of India. He thought that there should be a power to obtain refunds on all the articles subjected to town duties with the exception of cotton, and he therefore should oppose the removal of the section altogether. If persons did not largely avail themselves of the power to obtain refunds, it showed that the duties were not heavy, and that it was better to put up with them than to take the necessary steps to get the duty refunded.

His Excellency the PRESIDENT said that practically only the large dealers benefitted by this section, and that it did not seem of much use to keep up this system for the advantage of this class alone.

The Honourable Mr. NARAYAN VASUDEVJEE remarked that last year Rs. 5,28,000 were collected as town duties, and refunds to the amount of Rs. 42,000, or 8 per centum on the collections, were made. This was not a small sum, and it was important to traders and others to be able to obtain this return of duty.

The Honourable Mr. TUCKER concurred with the last speaker.

The Honourable Mr. FORBES thought this refund must employ clerks and give a good deal of trouble, and that the advantages to trade must be inappreciable.

The Honourable Mr. MUNGULDASS thought the amendment of which he had given notice, viz., in line one the words "which having not broken bulk" be inserted between the words "goods" and "upon," would meet the views of the Government of India, and would also secure a sufficient income from cotton.

His Excellency the PRESIDENT did not see any sufficient reason for treating cotton differently to other articles in the schedule.

The Honourable Mr. TUCKER said that if refunds were allowed upon all cotton exported, there would be but little realized under the new duty, and the trade would be exposed to much inconvenience and trouble without any corresponding advantage to the Municipality. If cotton were not excepted from this refund section, it would be better to give up the duty altogether, and he did not see any reason for disallowing the refunds which had hitherto been permitted with respect to other articles because it was considered expedient to treat cotton in an exceptional manner.

The Honourable Mr. BYTHELL—Many hundred thousand bales come in by rail, and many of those bales never are put upon a bullock cart, but are shipped right off from the Elphinstone Bunder. The Municipality should have no claim upon these bales, and how can you say that services are rendered to them?

The Honourable Mr. FORBES said he was sure this section would involve the rejection of the Bill by the Government of India, because it would appear perfectly inconsistent that a transit duty should be imposed upon cotton, while other articles, which were certainly much more of the nature of luxuries, should be allowed to pass through the town without any transit duties being recovered from them. He proposed that the whole section be omitted.

The Honourable Mr. BYTHELL—I shall vote on principle both against the amendment of the Honourable Mr. Forbes and the alteration proposed by the Honourable the Acting Advocate-General, and I must say that I hope that on consideration the Council will decline to allow this new system of taxation to be commenced. It has been suggested that I have been inconsistent because I voted for the octroi duties and yet am opposed to transit duty being laid on cotton. But I hold that I have been quite consistent—in fact, I have just adopted the policy pursued by this Council three years ago. The Council as a body, including the then president, objected very strongly to the levying of town duties; but when it was explained that money must be raised, and that there was no other source of revenue available than these town duties, they agreed that octroi duties should be levied upon articles consumed in Bombay, but they nevertheless steadfastly refused to have transit duties imposed. I have endeavoured to induce this Council to affirm the same principle, and I think that, unless it can be clearly shown that transit dues cannot be avoided, this Council ought not to depart from the wise policy previously carried out. Some remark has also been made about my having moved that the duty on ghee and sugar should be increased, but the increases will fall, I believe, principally upon the wealthy, and I have good authority for this belief. Before I came up to Puna I was talking this matter over with the Honourable Mr. Narayan, and I explained to him that if we possibly could raise an income from other sources than cotton, it would be the best thing for the Municipality to do. He suggested to me that ghee and sugar might fairly be subjected to increased taxation, his own knowledge leading him to believe that the burden would fall only upon the wealthy classes, and especially upon a class which, comparatively, pay at present very little indeed to the Municipality, because, though possessing considerable riches, they live in small houses, and spend very little one way or another. Therefore, in the course I took, I was simply adopting the Honourable Mr. Narayan's suggestion, and I respectfully submit that this native gentleman should be a tolerable judge of the propriety of the increase

which this Council has agreed to. I hope that as a lakh and a quarter have been raised by these increases, this attempt to put a transit duty upon cotton will be foregone.

His Excellency the President—I am afraid that the honourable member is now reverting to what has been already said, and I would merely remind the Council that the motion before it is practically whether there shall or shall not be a refund upon cotton.

The Honourable Mr. BYTHELL—I was merely trying to influence, if possible, the vote, this being a question of transit against simple octroi duty.

The proposal to omit the whole section rejected.

The Council divided on the Honourable Mr. FORBES' amendment:—

Ayes—3.

The Honourable E. W. RAVENSCROFT.
The Honourable J. A. FORBES.
The Honourable NARAYAN VASUDEVJEE.

Noes—7.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable Colonel M. K. KENNEDY.
The Honourable J. K. BYTHELL.

The amendment was therefore lost.

The Honourable the Acting Advocate-General's amendment was then taken up by the Council.

The Honourable Mr. BYTHELL—I consider it very unfair that traders in the staple article of the port, cotton, should be denied a privilege given to traders in all other articles.

The Honourable Mr. RAVENSCROFT—Any invidious distinction in this section is, I think, objectionable, and I shall vote against the proposition to except cotton.

The Honourable the ACTING ADVOCATE-GENERAL—I consider that the alteration I have made is simply verbal, and designed to carry out the principle decided upon in Section 114. The alteration should have been effected in the Select Committee, and the omission to make it was a mere oversight in drafting the Bill. What I propose is only what is requisite, because one of the rules of this Council is that where a principle has been decided upon in one section of a Bill, the verbal alterations necessary in other sections shall be made without discussing the principle over again.

The Honourable Mr. TUCKER agreed with the Honourable the Acting Advocate-General.

The Honourable Mr. RAVENSCROFT—My belief is that every one of these articles should pay duty whether exported or not. I object altogether to the whole system of refunds.

The Honourable Mr. TUCKER—Then does the honourable gentleman wish all the commodities in the schedule to pay transit duties?

The Honourable Mr. RAVENSCROFT—Certainly; they are all equally benefitted by improved Municipal arrangements, and therefore they ought all to pay transit duties.

The Honourable Mr. BYTHELL—With regard to what the Honourable the Acting Advocate-General has told us, that we should alter this section without discussion, so as to carry out the principle decided upon in a previous section, I would remark that if this view of his is correct, it was also irregular for this Council to vote upon the question whether the whole section should be expunged or not.

The proposal to exempt cotton from the operation of the refund clause carried.

The Council divided on the Honourable the Acting Advocate-General's amendment:—

Ayes—6.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable NARAYAN VASUDEVJEE.

Noes—4.

The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. A. FORBES.
The Honourable J. K. BYTHELL.

—Carried.

Section 120, as amended, was agreed to and stands part of the Bill.

Section 123 became Section 121, and was agreed to and stands part of the Bill.

The Honourable Mr. TUCKER proposed that the following new sections should be added to the Bill, and become Sections 122, 123, and 124 respectively. He said that he thought that these companies ought to contribute to the Municipal Fund, from which a fire brigade establishment was kept, and he found that under the recent arrangements for the protection of the city of London from fire these companies did contribute. The new sections had been drawn up by his learned friend the Acting Advocate-General, who considered that there should be a maximum and minimum rate to be fixed by the Corporation and that any company might avoid an enquiry into its affairs by paying the maximum rate.

Section 122.—Every Insurance Company carrying on business in Bombay or having an agency for such purpose and which ensures from fire any property in the City of Bombay, shall pay annually to the Corporation by way of contribution towards the protection of the city from fire, a sum of not less than five hundred rupees, and not exceeding one thousand rupees, to be determined by the Town Council. The said payments should be made half-yearly in advance, and every amount due from an Insurance Company to the Corporation in pursuance of this Act shall be deemed to be a speciality debt due from the Company to the Corporation and to be recovered accordingly.

Section 123.—Every Insurance Company insuring property from fire in the City of Bombay shall on the 1st day of January in every year make a return to the Municipal Commissioner in such form as he may require of the gross amount insured by it in respect of property in the city. There shall be annexed to the return so made a declaration made by the Secretary or other officer performing the duties of Secretary of the Company by whom it is made, stating that he has examined the return with the books of the Company, and that to the best of his knowledge, information, and belief, it contains a true and faithful account of the gross amount of the sums insured by the Company to which he belongs in respect of property in the City of Bombay. The return so made shall be the basis upon which the Town Council shall determine the amount to be paid by each company for the then current year within the minimum limit of five hundred rupees and the maximum limit of one thousand rupees as aforesaid.

Section 124.—If any Insurance Company makes default in making such return to the Municipal Commissioner as required by this Act, it shall be lawful for the Town Council to determine the amount to be paid by any such Company for the then current year at the maximum rate authorized by this Act.

The Honourable Mr. BYTHELL thought that the assessment should be in proportion to the incomes or amount of premiums paid to an Insurance Office. The minimum of Rs. 500 might sweep away the whole of the premiums in one office in Bombay, while another would scarcely feel it.

The Honourable Mr. FORBES' idea was that a simple license tax of Rs. 100 would be the most satisfactory plan to adopt. He thought the system of examining the books would be exceedingly troublesome, and many of the Insurance Companies would consider it most distasteful. He did not think that the basis on which the charges were to be made would work at all, because one office might be charging at half the rate of another, and if the amount of tax were to be determined by the amount of business done, it ought to be according to the premiums collected and not according to the amount of property insured.

The Honourable Mr. TUCKER remarked that there were eighteen Insurance Companies in Bombay, and if each contributed the maximum rate of Rs. 1,000, the collections would be Rs. 18,000, and if one-half paid the minimum rate and one-half the maximum, the sum realized would be Rs. 13,500. Either of these amounts would be an assistance to the Municipality.

The Honourable the ACTING ADVOCATE GENERAL said that the sections were prepared according to the principles laid down in the English Metropolitan Fire Brigades Act, which placed contributions upon the amount of the sums insured and not upon the amount of incomes; but probably the reason of this was that in England insurance rates were uniform, and there was thus no necessity for looking at the actual premiums received.

The Honourable Mr. BYTHELL said that he would rather see the tax made Rs. 7 on every lakh insured, because this would meet all cases fairly. It certainly seemed to him very unfair that a company doing a large business should be assessed at the same rate as a company doing no business at all.

The Honourable the ACTING ADVOCATE-GENERAL thought that looking into the books of companies should be avoided if possible.

The Honourable Mr. MUNGULDASS thought it would be a very good thing to have two classes—one at Rs. 1,000 and another at Rs. 500, because it would not be fair to tax equally all companies whether rich or poor.

The Honourable Mr. FORBES thought if any tax were to be imposed, he would prefer to see a uniform rate of Rs. 500.

The Honourable Mr. TUCKER thought that a uniform rate would not be equitable, as there would be a great difference in the positions of the different companies. The old established companies might escape any inquisition by paying the highest rate.

The Honourable the ACTING ADVOCATE-GENERAL was not altogether satisfied of the expediency of this new tax. In London, where almost every building was insured, a similar tax produced only £11,000, and considering the amount of property that would be insured in Bombay, the utmost likely to be realized by this impost would be Rs. 10,000.

The Honourable Mr. RAVENSCROFT thought that the amount that would be received from the tax would be so small, and the opposition that it might create so great, that he considered it hardly worth while to add to the Bill the clauses proposed by the Honourable Mr. Tucker.

The Honourable Mr. FORBES concurred with the last speaker.

His Excellency the President expressed a similar opinion. However, he would put the proposal to the vote whether there should be a tax placed upon Insurance Companies of not less than Rs. 500 nor more than Rs. 1,000.

The section containing this provision was accordingly put to the vote, and was carried by 6 votes to 4:—

Ayes—6.

The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOBBHOY.
The Honourable NARAYAN VASUDEVJEE.
The Honourable J. K. BYTHELL.

Noes—4.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable Colonel M. K. Kennedy.
The Honourable J. A. FORBES.
The Honourable E. W. RAVENSCROFT.

Sections 122, 123, and 124 were agreed to, and stand part of the Bill. They having retrospective effect the following new line was added to Section 66:—“(7.) A tax on Insurance Companies.”

Section 124 became Section 125.

The Honourable Mr. FORBES thought that the bill which the Commissioner had to present to persons liable for payment of rates or taxes should, besides containing a notice of the time within which an appeal against such rate or tax may be preferred, also contain the addition made to Section 100, which stated that it would be lawful for the Commissioner, with the consent of the Town Council, to make exemptions in certain cases.

His Excellency the PRESIDENT thought that to agree to this suggestion would be im politic, because it would be equivalent to inviting people to claim exemptions.

The Honourable Mr. FORBES asked how a man was to know that he could, under certain circumstances, claim exemptions.

The Honourable Mr. TUCKER—Thought that the power given to grant exemptions would soon be widely known, and that it was not necessary to invite people to claim them.

Section 125 was agreed to and stands part of the Bill.

Section 125 became Section 126, and, together with Schedules C and D therein mentioned, was agreed to and stands part of the Bill, “such” in line 6 being struck out.

Section 126 became Section 127, and was agreed to and stands part of the Bill.

Section 127 became Section 128. In line 13, the words “receipt by” were struck out and the words “presentation to” inserted after the word “the.”

Section 128 became Section 129. It was agreed to and stands part of the Bill.

Section 129 became Section 130. In line 2, "a" was substituted for "the," and the section as amended was agreed to and stands part of the Bill.

Section 130 became Section 131.

The Honourable Mr. NARAYAN considered the fees upon distress warrants to be much too high, and he therefore moved that the fees referred to in the section and set forth in Schedule F be reduced by one-half.

Distrait fees reduced.

The Honourable Mr. TUCKER was in favour of the amendment, because the fees were high, and when a man was about to be distrained was not the time to put a heavy fee upon him. He had written to Mr. Peile asking whether these fees could not be reduced, and the answer was that they might with propriety be diminished to the extent proposed.

The amendment was agreed to, Schedule F standing now as follows :—

Sum distrained for.		Fee.
Under 5 Rupees	Rs. a.	
Under 5 Rupees	0 4	
Rupees 5 and under 10 Rupees	0 8	
„ 10 „ 15	0 12	
„ 15 „ 20	1 0	
„ 20 „ 25	1 4	
„ 25 „ 30	1 8	
„ 30 „ 35	1 12	
„ 35 „ 40	2 0	
„ 40 „ 45	2 4	
„ 45 „ 50	2 8	
„ 50 „ 60	3 0	
„ 60 „ 80	3 12	
„ 80 „ 100	4 8	
Above 100	5 0	

The above charge includes all expenses except when peons are kept in charge of property distrained, in which case four annas must be paid daily for each man.

Section 131 was passed as amended and stands part of the Bill.

No alterations were made in Sections 131 and 132.

Section 133 became Section 134.

The Honourable Mr. MUNGULDASS mentioned that many owners of property resided in the Mofussil, where the Commissioner had no jurisdiction.

The Honourable Mr. TUCKER pointed out that the section met this case, inasmuch as the rate due from an owner might be recovered from the occupier, and deducted by him from his rent.

His Excellency the PRESIDENT asked if it would be fair to charge a person for arrears of rates incurred before he became an occupier. As the section stood, it was quite possible to make an occupier pay for any period under a twelve-month whether he had been an occupant during that time or not.

The Honourable Mr. BYTHELL concurred with His Excellency and considered that "time being" should be struck out of line 8.

The Honourable the ACTING ADVOCATE-GENERAL thought the section as it stood was unobjectionable.

The Honourable Mr. TUCKER thought that an occupier could only properly be called upon to pay arrears that might have accrued due from the owner during the time the occupier was in occupation. To make him liable for more might put him in the position of being called upon to pay more on account of the owner than the sums due by him as rent to the owner would cover. This would not be equitable, and it would seem that the section required alteration. The proper course would be to add to the proviso that an occupant would not be liable for any period during which he had not been in occupation.

The Honourable the ACTING ADVOCATE-GENERAL said the principle was that though a house might be empty it was never to be free of occupiers' rates, and the Municipal Commissioner should have a right to recover these from a tenant, who, before taking possession of a property, ought to ascertain whether there were any arrears of rates upon it. If it did happen that at the end of a six months' possession the Commissioner presented his bill

for twelve months' rates, the tenant could still recover from the owner in respect of "the next and following payments of his rent."

The Honourable Mr. NARAYAN—You choose six months as an illustration, but a tenant in possession of a house for one month might actually be called upon to pay a year's rates. Monthly tenants are not uncommon, and a person may be called upon to pay rates amounting to more than the rent due.

His Excellency the PRESIDENT considered that another objectionable part of the section was that an occupier's goods and chattels might be seized and sold for rates with which he had nothing to do. Was it absolutely necessary to have this power of recovery against an occupant who might have unfortunately taken a house on which rates were due by the landlord?

The Honourable Mr. TUCKER—The section is intended to meet the case of occupiers who will not disclose their landlord's name or address. It saves the necessity of the Commissioner having to send up-country to sue an absentee landlord. I propose that the proviso should read thus:—"Provided that no arrear of rate which has remained due from the owner of any house, building, or land for more than one year, or for any term for which he has not been in occupation, shall be so recovered from the occupier thereof." Thus no injustice will be done to an occupier who may have been less than a year in possession of a house. This clause was suggested by Mr. Hope, and, so far as I can remember, he never intended that any tenant should be made to pay for rates which had accrued due during a time when he was not a tenant. Therefore this amendment will, I think, carry out the intention with which the section was framed.

The motion having been put to the vote the Council divided:—

Ayes—8.

The Honourable Sir AUGUSTUS ALMERIC SPENCER.

The Honourable H. P. St. G. TUCKER.

The Honourable A. ROGERS.

The Honourable MUNGULDASS NUTHOOBHOY.

The Honourable E. W. RAVENSCROFT.

The Honourable J. A. FORBES.

The Honourable NARAYAN VASUDEVJEE.

The Honourable J. K. BYTHELL.

Noes—2.

The Honourable COLONEL M. K. KENNEDY.
The Honourable the "ACTING ADVOCATE-GENERAL.

So the motion was carried.

Section 134 was agreed to as amended and stands part of the Bill.

Section 134 became Section 135, and was agreed to and stands part of the Bill.

Section 135 became Section 136.

His Excellency the PRESIDENT thought that "shall" in the fifth line was too imperative, and the Council agreed that "shall be applicable" should be substituted for "shall be applied."

Section 136 was agreed to as amended and stands part of the Bill.

Section 136 became Section 137.

His Excellency the PRESIDENT reminded the Council that the clauses in this section were permissive.

The Honourable Mr. TUCKER—Yes, and the question arises whether the payment for the police, which is not permissive, should not be removed altogether from this section—that is to say, can we include a duty which is compulsory among a number of other things which are compulsory? If the police is allowed to remain in this section, possibly an argument that it is permissive may be founded hereafter on the circumstance; but I think the difficulty will be obviated if we confine this section to matters which are permitted but not commanded to be done, and if we mention the things ordered to be done specifically in the other sections which refer to them.

The Honourable Mr. FORBES—There has been great difficulty experienced in getting sufficient money to meet the absolute requirements of Bombay for purposes of health, &c., &c., and I therefore think it desirable to restrict these permissive clauses as much as possible.

The Honourable Mr. TUCKER—The honourable member is again afraid to trust the Corporation.

The Honourable Mr. FORBES—There is no limit to the possible taxation that may be imposed under these clauses, and we may in the end be burdened with such imperial duties as providing lunatic asylums.

The Honourable Mr. TUCKER—In England, not only are Lunatic Asylums supported by Local Funds, but so also are Jails. It is a well recognised principle at home that every county must support its own lunatics.

The Honourable Mr. FORBES—I should like to see several of the objects here mentioned struck out, because I do not think that Bombay will ever be able to provide funds for them unless necessary objects like the securing of a good supply of water are to be sacrificed. As to the Lunatic Asylum, I believe that most of the lunatics in Bombay come from the Mofussil, and why should the citizens of Bombay have to build asylums for these lunatics?

His Excellency the President—That question does not arise here, because, at any rate, Bombay must provide proper accommodation for its own lunatics.

The Honourable Mr. TUCKER—It is already the intention of Government to build an asylum for the Mofussil lunatics, and there is no intention to make Bombay pay for the detention of lunatics that do not belong to it.

The Honourable Mr. FORBES—In clause one of "Public health," I move that the words "the total cost of construction and maintenance of Hospitals, Dispensaries, and Lunatic Asylums and of," be struck out.

The Honourable Mr. NARAYAN—It will be entirely in the discretion of the Corporation to vote money for these purposes.

The Honourable Mr. TUCKER—Does the honourable gentleman distrust the economical tendencies of the rate-payers and their nominees? Surely this is greater distrust than has been displayed by Government.

The Honourable Mr. FORBES—I do not think that there is any use in giving the Corporation powers to do things which it is clear they will never have means to undertake.

The Council divided on the Honourable Mr. Forbes' amendment:—

Ayes—1.

The Honourable J. A. FORBES.

Noes—9.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.

The Honourable H. P. St. G. TUCKER.

The Honourable A. ROGERS.

The Honourable the ACTING ADVOCATE-GENERAL.

The Honourable MUNGULDASS NUTHOOBHOY.

The Honourable Colonel M. K. KENNEDY.

The Honourable E. W. RAVENSCROFT.

The Honourable NARAYAN VASUDEVJEE.

The Honourable J. K. BYTHELL.

The motion was lost.

The Honourable Mr. FORBES—It would seem that the people of Bombay are to be made to supply funds for education, but they have no call to do so and I think that those who are so anxious to see education carried out should arrange especially when the children proposed to be educated do not belong to Bombay, to get funds somewhere else than from the Municipal Funds.

The Honourable Mr. NARAYAN—The Director of Public Instruction pointed out some time ago that he was spending money for primary education in Bombay from the Mofussil Fee Fund. It is hardly fair that the children of the people of Bombay should be educated at the expense of the inhabitants of the Mofussil.

Proposal to omit the clauses relating to "Public Instruction."

The Honourable Mr. FORBES—I propose that the whole of the first clauses relating to "Public Instruction," should be omitted.

The Honourable Mr. TUCKER—Then, according to the view of the honourable member, the City of Bombay should do nothing for the education of its poorer inhabitants.

The amendment was put to the vote and lost by 1 to 9:—

Ayes—1.

The Honourable J. A. FORBES.

Noes—9.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable NARAYAN VASUDEVJEE.
The Honourable J. K. BYTHELL.

Mr. Forbes objects to the Municipality erecting public libraries and museums.

The Honourable Mr. FORBES—I move that the second paragraph of the "Public Instruction" clause, relating to the erection and maintenance of public libraries and museums, should be omitted.

The motion having been put to the vote the Council divided:—

Ayes—3.

The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable J. A. FORBES.
The Honourable J. K. BYTHELL.

Noes—7.

His Excellency Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable NARAYAN VASUDEVJEE.

The amendment was therefore lost.

Mr. Forbes objects to the Municipality erecting public halls.

The Honourable Mr. FORBES—I object to the Municipality having to erect and maintain public halls, and I propose an amendment to this effect.

The Honourable Mr. TUCKER—Might not the Municipality with propriety build itself a guild hall if it should prosper and be in a position to do so? At present the Town Hall in Bombay belongs to Government, and the use of a portion of it is ordinarily lent to the Municipality. The time may come when this arrangement cannot be conveniently continued, and when a better place for assembling may be desired by the Corporation. If the honourable gentleman is afraid that useless buildings will be erected under this section, he might introduce words confining the permission to buildings of public utility.

The Council divided on the Honourable Mr. FORBES' amendment:—

Ayes—2.

The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable J. A. FORBES.

Noes—8.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable NARAYAN VASUDEVJEE.
The Honourable J. K. BYTHELL.

Section 137, with its various clauses, was then agreed to and stands part of the Bill. Section 137 became Section 138.

The Honourable Mr. TUCKER—The matters mentioned in this section are to be compulsory on the Corporation, and it will be necessary to mention the maintenance of the police among them. This is one of the sections which must be specified in the so-called bludgeon clause.

The question of the Corporation having to enter into an extensive drainage scheme.

The Honourable Mr. NARAYAN wished to know whether the Government or the Municipality were to decide the question as regards the funds necessary for drainage.

The Honourable Mr. TUCKER replied that Government would have that power.

The Honourable Mr. FORBES—A man may be starving, but nevertheless he may not be in a position to get food, and in the same way the Corporation may be unable to carry out this section in its integrity. If Government were to insist upon the Municipality carrying out a certain idea of "adequate and suitable provision for draining" and "maintaining, a proper and sufficient water supply," the result will be that the present enormous rate of taxation will be doubled.

The Honourable Mr. NARAYAN—If we were to light the whole of Bombay thoroughly, it would involve the enormous expenditure of four lakhs and a half.

The Honourable Mr. MUNGULDASS objected to the section.

The Honourable Mr. RAVENSCROFT thought that the Corporation might remain satisfied that Government would never expect them to carry out works for which they would never be able to pay.

The Honourable Mr. MUNGULDASS thought that Government might trust the Corporation to do its duty. If Government could not trust the Corporation thus far, it would be far better for Government to take over and conduct the affairs of the Municipality as a Government department. Up to the present time Government never possessed this compulsory power, and he should like to know why it should be thought necessary now.

The Honourable Mr. TUCKER—The Honourable Mr. FORBES has given this Council an illustration of the necessity for the existence of this power, for did he not mention the case of an unfortunate resident in a back street which was neither lighted or kept in order, and who received nothing in return for the rates which he paid.

The Honourable Colonel KENNEDY—In the event of any accident happening to the Vehar dams, I have heard the Honourable Mr. Munguldass say he would not think it necessary to repair them, or at any rate he would object to the expenditure. Now I think if we were likely to have in the Corporation many men holding similar opinions to the Honourable Mr. Munguldass, a compulsory section would be found very useful.

The Honourable Mr. MUNGULDASS—I never said anything of the kind, and I think the Honourable Colonel KENNEDY must have misunderstood me.

The Honourable Colonel KENNEDY—If the honourable gentleman does not hold these views, I have nothing more to say. I certainly understood him to express such views more than once in the Select Committee.

The Honourable Mr. MUNGULDASS—Nothing could be further from my intentions than to refuse to sanction expenditure necessary for the safety of life.

The Honourable Mr. NARAYAN considered that the Corporation should be vested with discretionary power in the matters referred to in this section, the wording of which was so wide that there would be nothing to prevent the Government from insisting that an expenditure of five or six lakhs should be incurred for lighting Mahim and all the suburbs of the city.

The Honourable Colonel KENNEDY—It would be as reasonable to suppose that Government would call upon the Corporation to light the Byculla Flats.

The Honourable Mr. RAVENSCROFT thought that the distrust shown of Government was extraordinary.

The Honourable Mr. NARAYAN thought that Government might be satisfied if it retained compulsory power simply with reference to matters concerning public health and safety. He could not understand why Government should distrust the Corporation in every thing.

The Honourable Mr. MUNGULDASS repeated that if this section were carried out in its integrity there would be no use whatever in creating the Corporation. Government already possessed ample powers, and if it wanted more it might as well conduct the whole concern.

The Honourable Mr. TUCKER—The Honourable Mr. Munguldass has already shown the amount of confidence which he has in the Corporation, by his vote on the question of giving them a discretionary power to contribute to the establishment of libraries, museums, and other useful institutions. The charge of distrust on the part of Government which he has now so often repeated, does not come with the best grace from him.

The Honourable Mr. MUNGULDASS thought there was a great difference, because he distrusted the Corporation lest it might become extravagant, while Government distrusted it lest it might be economical.

The Honourable the ACTING ADVOCATE-GENERAL—I propose to omit from the 7th line the words “and lighting,” and that in lines 8 and 9 the words “and for maintaining the public streets and roads” should also be omitted. I expressed a doubt in Select Committee as to whether this clause should include the maintenance of a proper water supply, but I feel now that that doubt was not well founded. I think that draining and the water supply ought to be rendered compulsory on the Corporation as well as providing for the police, because these are the essential requirements of every town. Of course, if a city had been newly formed, lighting and maintaining the public streets would also be an actual necessity; but, Bombay is already a very well lighted city and it possesses very few of what may be called dark holes and corners, and although I live in one of these myself, yet I must say that at present I do not see any disposition on the part of the Municipality to deprive the city of lights or allow the roads to fall into disrepair. As Bombay has fulfilled its duty in times past to the satisfaction of Government in respect of lighting the city and maintaining the roads, I do not see that there is any practical necessity for including these services in a compulsory clause like this.

The Honourable Colonel KENNEDY—I shall oppose these amendments, because I consider that lighting is as essential for police purposes as the police itself, for unless the city is properly lighted, it is impossible for the police to do their duty thoroughly.

The Honourable Mr. NARAYAN mentioned that the Municipality had a contract regarding lighting which would last for another five years.

His Excellency the PRESIDENT—And this Bill can only run for three years, so that there is no great necessity for Government action in this matter.

The Honourable Colonel KENNEDY—But I think the repairing of the roads is also essential to the well-being of the city, and we know that already many places in Bombay are in a most disgraceful state.

The Honourable Mr. TUCKER—It need not be anticipated that the Corporation will for some time at least neglect to keep the roads and the lighting of the city in a proper condition, but after a time carelessness and indifference may be exhibited in this respect, and the necessary extensions and improvements may not be made, from false notions of economy, so that it would be unwise of us not to provide against such possibilities. It is one of the first duties of a Local Board of Administration to maintain the roads in good order and to see that all the inhabited parts of the island are properly lighted at night, and there is still much to be done in this respect. If the Municipality do their duty, the powers given to Government under Sections 40 and 41 and this clause will never be called into action. With regard to drainage, it is imperatively necessary that some means for the removal of sewage and other similar matters should be provided, and the Corporation should not be permitted to be inert on so important a subject. I am quite aware of the difficulties which surround the whole question, but they must be faced at one time or another and I think we might fairly trust the Executive Government not to attempt to force on the city extravagant or ill-considered schemes, nor to require them to do what is impossible. I shall object to any alterations of this section.

His Excellency the PRESIDENT observed that caution would be advisable, because Captain Tulloch's very heavy drainage scheme was looming in the not far-distant future, and it would be possible for Government to use the “bludgeon clause” regarding it and order its being carried out.

The Honourable Mr. TUCKER—There can be no doubt that some better method than exists at present for the removal of excrementitious matter must be provided, but I cannot suppose that Government will ask the Municipality to meet this want without the utmost caution and deliberation, and assisting them in borrowing the necessary funds.

The Honourable Colonel KENNEDY—I think we should simply speak of “surface drainage.”

The Honourable Mr. TUCKER—The great problem to be solved is to get rid of and utilize the sewage of the city, and it is right that Government should have power to put pressure on the Corporation to effect this much-needed object. Government is fully alive to the difficulties which beset the subject, and the necessity for great caution in taking any line of action. I do not see, therefore, why you should suppose it will not be discreet in using its power, or anticipate that it will step in where there is no absolute necessity for doing so.

His Excellency the PRESIDENT—The Municipality can scarcely neglect the matter, because it is already very hard pressed, and we see them with a law suit on their hands
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on account of imperfect arrangements regarding the outflow of the sewage at one side of the island, while Government is pressing them to abate the existing nuisance at the Carnac Bunder. Certainly these things cannot be shirked, and it is necessary to devise some new method of meeting the difficulty.

The Honourable Mr. TUCKER—And knowing this, it would be foolish if Government were not to retain a power of compulsion in its own hands, especially when it is remembered that in matters of public health delay is always caused by local differences of opinion, and the disposition to inaction in difficult matters evinced by all boards of administration.

The Honourable Mr. RAVENSCROFT thought the matters mentioned in the section might be left to be carried out by the Commissioner, "subject to the approval of the town Council."

The Honourable Mr. TUCKER—If the Council takes out the part relating to draining, which is the most important item in the section, I think that it might as well throw out the whole section. I repeat that something must soon be done for the drainage of Bombay—a settlement of this difficult question one way or another must be come to ere long.

The Honourable Mr. BYTHELL—If under the old Act Government had no such power as this, I should wish to know why it has thought it necessary to take the power now.

The Honourable Mr. TUCKER—Because, while there is no doubt that the Municipality is subject to the common law relating to nuisances, yet we know that this is not sufficient to compel them to perform the obligations which they are under to the whole community in this respect, and it is necessary to provide against the growth of an evil of alarming magnitude.

The Honourable Mr. FORBES—I think that this is a section upon which the whole principle of the Bill seems to turn, as it virtually decides the question whether Government is to be responsible for the administration of the Municipality, or whether the responsibility belongs to the Corporation. As the section now stands, Government will assume the responsibility, and I therefore do not see what use the Corporation will be in looking after its own affairs. Any power of considering whether the carrying out of any work will be compatible with the means at the disposal of the Corporation will be taken away from that body, which will be made merely an instrument to carry out certain Government instructions. I think it is a generally-accepted rule that people must cut their coats according to their cloth, and if the Corporation should find out that the people of Bombay are unable to meet the expenditure necessary to carry out certain works, I think it ought to have the power of saying that these works should not be carried out. Clearly by this section the Corporation have no powers left to them except in the most petty things.

The Honourable Mr. TUCKER—Then all the other matters in the permissive clause go for naught?

The Honourable Mr. FORBES—Practically they will be a dead letter, because the carrying out of either a large scheme of drainage or of water supply will give ample opportunities to Government to make the Corporation spend all the revenue that could be collected in Bombay for the next twenty years.

The Honourable Mr. TUCKER—But there is no reason why the expense of a large drainage scheme or project to supply water should not be borne by posterity as well as the present generation, or why money should not be raised by loans for the execution of these necessary sanitary works.

His Excellency the PRESIDENT—I think it would be better to make Section 40 apply only to the police and the water supply, because if the Municipality do not do their duty for the removal of nuisances, Government has always the power of proceeding against them before judicial tribunals, and by this means can compel them to do what is right. Moreover, any individual who sustains, or considers he sustains, damage from the fault of the Municipality in allowing the continuance of nuisances, could bring an action against them and Government could always come to the aid of such a person, and by thus accepting the responsibility on behalf of the public, it would have all the power that is necessary.

The Honourable Mr. MUNGULDASS would be quite satisfied if His Excellency the President's suggestion were carried.

His Excellency the PRESIDENT—I must confess that I am speaking quite as much in the interests of Government as in those of the Municipality, because I do not like this unlimited and somewhat indefinite power of interference with the Corporation being vested in Government.

The Honourable Mr. TUCKER intimated that he would support the clause as it stands, as he considered it essential for the future well-being of the general public.

The Honourable Mr. BYTHELL said he would support His Excellency the President's proposition.

The motion having been put to the vote the Council divided :—

Ayes—6.

The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. A. FORBES.
The Honourable NARAYAN VASUDEVIJEE.
The Honourable J. K. BYTHELL.

Noes—4.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable Colonel M. K. KENNEDY

—*Carried.*

The Honourable Mr. NARAYAN—I now propose that we put before “draining” in the seventh line the word “surface.”

The Honourable Mr. FORBES—I am opposed to this, because I think the word “draining” should come out altogether. It seems to me that it was admitted just now that the Corporation may be entrusted with the care of the roads and streets, and this duty must include what the Honourable Colonel Kennedy thinks “surface drainage” would be. I propose that the word “drainage” be omitted.

The Honourable the ACTING ADVOCATE-GENERAL—The practical working of this section seems to me to be this, that the Government would have the right to say to the Corporation, have you under your consideration any scheme for the better draining of the city? If the Corporation say that they have, Government will naturally ask them to submit their scheme to it for consideration. Then the Government will place its own engineers in communication with the engineers of the Corporation, and the result will be that the two sets of engineers will bring forward the drainage scheme suitable for the city. Should, however, the Corporation answer that they have no scheme, and decline to submit one, saying that they do not see the necessity of draining the town, are all the inhabitants of the city to be left without a system of drainage? Surely, then, it is only in the event of any such absurd position being taken up, that Government will use its power under this section, and send its own engineers to carry out a scheme at the Corporation's expense. This section seems to me to be a mere power for Government to ask the Corporation if they are prepared to submit a scheme for drainage which must be carried out sooner or later; and, in the event of a negative reply, to say that the town cannot be left without a drainage scheme, and therefore its own engineers will undertake the work.

The Honourable Mr. NARAYAN—I believe that there must be some grave misapprehensions regarding the expense of carrying out a drainage scheme. My own idea is that for a city with such low levels as Bombay, it will be impossible to perfect a drainage system worthy of the name under a million of money. I know that Sir Bartle Frere's Government positively committed the Municipality to a system which would have cost us quite that amount, and it was only on the interposition of the late Government that Bombay was saved from this enormous liability. If this Council now agree to this section as it stands, we may have a scheme fastened upon us which will require our whole fiscal system to be altered, and certainly double the amount of our present taxes will not enable us to meet the charge.

The Honourable Mr. MUNGULDASS—Besides, it has not yet been agreed amongst medical men whether an under-ground system of drainage would be advantageous to a city like Bombay.

The Honourable Mr. TUCKER—The probability is that under the most favourable circumstances it will be years before any drainage scheme for Bombay will be matured, much less decided upon.

The Honourable Colonel KENNEDY remembered that it was only by the merest chance that Sir Seymour FitzGerald stopped the previous drainage scheme from being commenced.

The Honourable Mr. NARAYAN—And at that time several gentlemen professed great indignation because the scheme was stopped.

The Honourable Mr. FORBES—I believe that another scheme equally or more expensive is being hatched just now in England.

The Honourable Mr. TUCKER—If Government surrender this power, and leave it entirely to the Corporation to decide whether there shall be a proper drainage system carried out, nothing will ever be done, because naturally the Corporation will have a great dislike to enter upon any expensive reform of the present defective system. It will, however, be most injurious to the inhabitants of the city, if this measure, so necessary for the future health and comfort of the town, be indefinitely postponed, and the Council will expose itself to the charge of indifference to the best interests of the citizens if it leaves the matter in the unsatisfactory state proposed. It is not to be supposed that Government will try to force the Corporation into hasty or ill-considered action on a point of this kind.

The Honourable Mr. NARAYAN—But supposing Government *should* want us to carry out an enormous scheme—that is what we fear.

The Honourable Mr. TUCKER—Government will never ask the Corporation to do anything without fully considering the ways and means.

His Excellency the PRESIDENT—We might, perhaps, put some limitation upon the cost of any work which Government may desire the Corporation to carry out.

The Honourable Mr. TUCKER objected to any arbitrary limitation of the kind suggested.

The Honourable Colonel KENNEDY repeated that he thought the use of the term “surface draining” would sufficiently protect the Municipality.

The Honourable Mr. FORBES considered such an alteration as that proposed by the Honourable Mr. Narayan quite unnecessary, because the Corporation might be entrusted to carry out any work of that kind. He thought his amendment, to omit the words “and draining” altogether, would best serve the interests of the Municipality.

The Council divided on the amendment of the Honourable Mr. FORBES :—

Ayes—3.

The Honourable MUNGULDASS NUTHOOBHOY.

The Honourable J. A. FORBES.

The Honourable NARAYAN VASUDEVJEE.

Noes—7.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.

The Honourable H. P. St. G. TUCKER.

The Honourable A. ROGERS.

The Honourable the ACTING ADVOCATE-GENERAL.

The Honourable Colonel M. K. KENNEDY.

The Honourable E. W. RAVENSCROFT.

The Honourable J. K. BYTHELL.

The amendment was therefore lost.

The Honourable the ACTING ADVOCATE-GENERAL—Before the Honourable Mr. NARAYAN'S motion is put to the vote, I should like to ask some body to define what “surface draining” is, because the expression is manifestly vague. Drains or open sewers could not be touched by this, I apprehend.

His Excellency the PRESIDENT considered that “surface draining” would not meet the case of the Carnac Bunder nuisance. The alteration appeared to him to give to Government nothing but the right to supervise the sweeping of the streets of Bombay and the removal of filth from the black boxes.

The Honourable Colonel KENNEDY said the expression meant only the removal of pools and accumulations of water, and would not apply to any underground system of draining.

The vote was taken upon the amendment, and Council having been equally divided, the Honourable Mr. Tucker remarked that the responsibility now rested with His Excellency of deciding whether Bombay was ever to have a proper system of drainage or not.

The Council decide that the Municipality may be compelled to carry out “surface draining only.”

His Excellency the PRESIDENT said he was not a believer in the great shortcomings of the Municipality, and he would therefore vote for the amendment :—

Ayes—6.

His Excellency the PRESIDENT.

The Honourable MUNGULDASS NUTHOOBHOY.

The Honourable Colonel M. K. KENNEDY.

The Honourable J. A. FORBES.

The Honourable NARAYAN VASUDEVJEE.

The Honourable J. K. BYTHELL.

Noes—5.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.

The Honourable H. P. St. G. TUCKER.

The Honourable A. ROGERS.

The Honourable the ACTING ADVOCATE-GENERAL.

The Honourable E. W. RAVENSCROFT.

The motion was carried.

The Honourable Mr. FORBES thought there was something very vague about the words "proper and sufficient water-supply." It was considered by many people "that a proper and sufficient water-supply" meant double what the city had at present, and others again thought the present supply was quite sufficient.

His Excellency the PRESIDENT thought it might be fairly considered that Government would not require the Corporation to double the existing water supply.

The Honourable Mr. FORBES nevertheless was afraid of the wording of the section, because it was still an open question what a sufficient supply of water for Bombay was. Why should the section not merely say that the water-supply is to be maintained as it is at present?

The Honourable Mr. TUCKER suggested that after "necessary for" might be inserted "the maintenance of the police and the protection of the city from fire and for the."

The alteration was agreed to, and the section as amended stands thus:—"It shall be the duty of the Corporation, and they are hereby required to provide such funds as may be necessary for the maintenance of the police and the protection of the city from fire, and for the purpose of making adequate and suitable provision for the cleaning and surface draining of the city, and for maintaining a proper and sufficient water-supply."

Section 138 was passed as amended and stands part of the Bill.

Section 138 became Section 139. In line 5, "of Bombay or such other Bank as" was omitted, and "which is now or" inserted after "Bank."

The Honourable Mr. NARAYAN moved that the words "or Municipal debentures" should be inserted after the word "securities" in line 9. It would be a great advantage, he said, if his amendment were agreed to, because the Government securities brought only 4 per cent., while the Municipality had to pay 6 per cent. interest on their debentures, and by buying in these debentures, 2 per cent. would be the net saving.

The Honourable the ACTING ADVOCATE-GENERAL said he would take the legality of such a provision into consideration.

This amendment accordingly stood over.

No alterations were made in Sections 139 to 142.

Section 143 became Section 144.

The Honourable Mr. TUCKER read the following remarks of Dr. Hewlett regarding this section:—"I notice that no provision has been made for the enclosure or proper conservancy of the gathering ground of the water-supply of the city. At present it is fouled by the droppings of cattle, and large quantities of dead vegetable matter must be washed into the lake at the commencement of each monsoon, whilst the margins and sides of the lake, left exposed as the water recedes, are covered with offensive mud which the Commissioner ought to be compelled by law to remove." The Honourable Mr. Tucker added that doubtless what the Health Officer said was very desirable, but inasmuch as all the gathering ground of the lake did not belong to the city or Government, his suggestion was scarcely practicable. Means might be devised of enclosing the lake and confining the income of water to particular channels and openings, and subjecting it to purification before entrance; but those would be costly measures and could not be made compulsory on the Corporation. The preceding section gave great powers to the Commissioner, and the Corporation would doubtless attend to any reasonable suggestions of the Health Officer to prevent the fouling of the water of the lake.

The Honourable Mr. BYTHELL said the only feasible plan to get over the difficulty was to filter the water before distribution.

The Honourable Mr. TUCKER—Dr. Hewlett also says "sand filtration before distribution must also be rendered imperative." This however may, I think, be left to the good sense of the Corporation.

Sections 144 and 145 became Sections 145 and 146. They were agreed to and stand part of the Bill.

Section 146 became Section 147.

The Honourable Mr. MUNGULDASS moved that the words "the Corporation and" be inserted between the words "of" and "Government" in line 11, Section 147.

The Honourable Mr. TUCKER suggested "Town Council."

The Honourable Mr. MUNGULDASS agreed to this suggestion.

The section was amended as proposed, and stands part of the Bill.

Section 147 became Section 148, and was agreed to and stands part of the Bill.

Section 148 became Section 149.

The Honourable Mr. MUNGULDASS moved that the word "all" in line 7 be omitted, and the words "several of" be inserted in its stead, and that the words from the beginning of line 11 to the end of line 12 be omitted, and that the words "the actual rent he realizes from persons actually residing on the property" be inserted. At present, if a person occupied a room or an office, he had only to pay according to the water he used, but under this section, the water tax was put upon the rental of the whole house. Take the case of one of the large houses in Elphinstone Circle. Only a part of it might be occupied, but unless the tenant or the owner agreed to pay the occupiers' water rate upon the whole property, the tenant would have no right to get water.

The Honourable Mr. NARAYAN suggested the use of water meters, each tenant to be charged according to the quantity of water he used.

The Honourable Mr. TUCKER thought that the Commissioner had already powers to sell the water in this way if he chooses. In the case of the single tenant mentioned by the Honourable Mr. Munguldass, it would scarcely do to make a water connection on the application of a single tenant, which could be used by the occupants of the whole house, though the rate was paid on a portion of it only.

The Honourable Mr. NARAYAN thought that the Commissioner's object under this section was to prevent fraud, so that one tenant might not supply from his tap all the other tenants in a house.

The Honourable Mr. MUNGULDASS withdrew his first amendment, and proposed that after "tenant" in line 6 should be added "to take water by metre measurement."

The Honourable Mr. TUCKER observed that if the Commissioner saw it to be to his advantage he would be only too happy to supply water by measurement, and there was no need for any alteration.

The Council divided on the Honourable Mr. MUNGULDASS' amendment :—

Ayes—3.

The Honourable MUNGULDASS NUTHOOBHOY.
The Honourable J. A. FORBES.
The Honourable NARAYAN VASUDEVJEE.

Noes—7.

His Excellency the Honourable Sir AUGUSTUS ALMERIC SPENCER.
The Honourable H. P. St. G. TUCKER.
The Honourable A. ROGERS.
The Honourable the ACTING ADVOCATE-GENERAL.
The Honourable Colonel M. K. KENNEDY.
The Honourable E. W. RAVENSCROFT.
The Honourable J. K. BYTHELL.

The amendment was therefore lost.

The section was agreed to and stands part of the Bill.

Section 149 became Section 150, and was agreed to and stands part of the Bill.

Section 150 became Section 151. In lines 1, 7, and 9 "may" was substituted for "shall."

The Honourable Mr. TUCKER read the following remarks of Dr. Hewlett, who was of opinion that the section would be inoperative:—"This section is impracticable, as the Commissioner cannot fulfil the obligations laid down in it, as he does not possess the means. It always, I fear, will remain a dead letter."

The section was passed and stands part of the Bill.

Section 151 became Section 152, and was agreed to and stands part of the Bill.

Section 152 became Section 153, and was agreed to and stands part of the Bill.

His Excellency the PRESIDENT then adjourned the Council.

By order of His Excellency the Governor in Council,

JOHN NUGENT,

Acting Under-Secretary to Government.

Puna, 17th September 1872.