M.R.O.—1—39,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1327 Press Mis.

78-79

Dated 1—6—1866 N.

Not to be folded or roughly handled

No. 78. Read the following letter from the Secretary to the Board of Revenue, to the Secretary to Government, Revenue Department, Fort Saint George, dated Madras, 5th May 1866, No. 3,183 :—

1. Referring to Government Order, dated 9th October 1865, No. 2,434, Revenue Department, I am directed by the Board to submit, for the consideration of Government, the accompanying file of replies from the Collectors on the subject of the sale of Waste Lands Rules, with the following remarks.

2. It will be seen from the Collectors' Reports that except on the Animallay Hills, and in the Ganjam District, the rules have been inoperative, and the Board are of opinion that, except in order to decide between competing applications, the system of sale of waste in freehold should be abandoned, and that all such land applied for should be regularly assessed at the rate prevailing in the District for similar land, every facility being given for redeeming the assessment at any time, and on more favorable terms than are allowed by the rules for the redemption of the existing revenue demand on occupied land now paying assessment.

3. The Board would also advocate the grant of "Cowle" for reclamation of virgin waste.

4. The alternative system of sale in freehold might perhaps, with advantage be retained for the exceptional cases of unassessed hill tracts, such as the Animallays and Pulnis, where the soil is good, and the climate such as to attract European settlers; while, from the circumstances of the tract, the ordinary rates of the District are unsuitable, and the system of freehold tenure has special attractions for, the most desirable class of settlers, namely, men of enterprise, energy, and moderate capital.

5. In the case of land bearing an assessment such as the Neilgherries, the Shevaroys, and the Wynaad, the Board altogether deprecate the system of sale by auction except for determinating competing claims. The system has practically become almost inoperative, little being realized in the majority of cases beyond the cost of demarcation and survey, which may equally be recovered as a condition of a grant; and, further, if, as is generally allowed, the assessment represents the Government claim on the land, the price (if anything) realized by the sale is not properly a Government due, while it is so much abstracted from the capital of the purchaser, the whole of which had far better be employed in the reclamation and development of the grant.

6. As regards the suggested reservation by Government of a right to minerals, the Board are decidedly opposed to any such restriction on the rights of property conveyed by the grant of land.

7. They are convinced that it is inexpedient and impolitic.

8. It is not to be believed that prejudice can long oppose, to the owner's detriment, the working of valuable minerals, and it is certainly only in the case of decidedly valuable ore that Government could desire to interfere; while on the other hand, the reservation must unquestionably lessen the value of property, and introduce an element of uncertainty into landed tenure, which it is most desirable to avoid.

Proceedings of the Madras Government, Revenue Department, 1st June 1866.

9. The reservation of a light royalty on the net profits of superior mineral workings appears to be unobjectionable.

No. 79. ORDER THEREON, 1st June 1866, No. 1,327.

Land Revenue. Ordered that the following letter be despatched:—

(Here enter No. 1,327A, dated 1st June 1866.)

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

Exd. S. T. Augustin.

MEMORANDUM BY THE SECRETARY, DATED THE 20TH JUNE 1865.

1. The Honorable Mr. Grey desires, it may be considered "whether, in disposing of waste "lands generally, it is expedient to reserve the right of the State to minerals that may subse- "quently be discovered; in other words, to sell a limited right of property, instead of, as now, "an absolute right."

2. This question, Mr. Grey goes on to observe, is cognate to that recently discussed, viz., the right of Government to assess mines, or reserve the right of assessing mines to be discovered hereafter, in making a permanent settlement of lands already occupied.

3. The difference lies in the fact that the entire property of mines, in the case of waste lands, is certainly before the lands are granted vested in Government; and it is, therefore, quite competent to Government to reserve either the entire property in such mines, or the right to receive any royalty on the amount of ore raised, or any share of the produce, or of the profits realized as revenue.

4. In fact, the only point for consideration seems to be, whether it is expedient to make the reservation; and if so, what form it should take when the lands are sold, in order to protect the rights of Government.

5. The first difficulty which lies on the threshold of the case is the nature and definition of the things to which such a reservation should extend.

6. This difficulty is touched upon in the Honorable Mr. Muir's Minute on the reservation of mineral rights under the permanent settlement; but he does not fully, I think, appreciate the extent of it.

7. Broadly he seems to lay down, that all metals and coal which do not lie on the surface, should be held to belong to Government.

8. But do no valuable minerals lie on the surface? What is a metal? Or rather, what constitutes an ore of metal? Again, is nothing below the surface, which is not either coal or metal, a valuable mineral such as to be deserving of the notice of Government in a question of reserving the right to mines?

9. A Rule, or even an Act of the legislature, which adopted such a definition as Mr. Muir seems to propose, would go a very short way, and would virtually leave to litigation the settlement of some of the most important points which could be raised on this subject.

10. As a matter of fact, some of the most valuable of all mineral products are surface-products. All the diamonds, all the tin, nine-tenths of the gold, many of the sapphires and topazes, much of the iron, and even some of the copper, much of the salt, and all the borax annually produced, are obtained from surface deposits.

11. The diamond mines of India and Bengal; the tin of Cornwall and Malacca; most of the gold of California, Australia, Oregon and New Zealand; the sapphires and topazes of Brazil and Ceylon; some of the iron of India and Siberia are found on the surface or in alluvial deposits only a few feet thick; and the copper of Lake Superior and Australia occurs in huge masses on surface of the ground; so also the borax and salt of Thibet, and the salt of Central India are found floating at the edges or on the surface of lakes.

12. Again, what is an ore of metal? Much of the iron of commerce—the bulk indeed of the iron of England, is produced from what, to unpractised eyes could not be distinguished from building stone, or even from common clay. In fact, the line between iron-ore and stone or clay is practically dependant in many cases, merely on the fact, whether it is worth while or not, commercially speaking, to extract the ore; and the commercial result naturally varies with the inventions of processes for extraction, the price of iron, the proximity of markets, &c., &c.

13. Moreover, new metals are coming into daily use, and some of them are even now extracted from mineral products, which certainly would not, ten years ago, have been classed as ores, and yet the metals extracted from them, *e. g.*, aluminum and magnesium may, indeed, probably will, as the means of manipulating the substances in which they exist are better known,* supersede the better known metals for many of the commercial purposes. Aluminum is even now partially superseding tin, and were it equally cheap, as it ought to be if its reduction to the state of metal could be more cheaply effected, and this may very probably soon be the case, it would probably go far to drive both tin and zinc out of use altogether.

14. Again, many articles which are not coal or metals (or which have not been popularly recognized as containing metals, even though some, chemically speaking, do contain metals or metallic bases), are commercially of great value and use without being reduced to their metallic state, and are found beneath the surface. For example, rock salt,† pottery clay, kaolin—some kinds of sand—baryts, strontian, sulphur, Betroleum, cobalt, are all found ordinarily in mines or quarries; and though, except sand, sulphur, and petroleum, they all contain a metallic base, yet practically they would not be defined as metals, indeed are rarely ever (never, so far as I know, for any mercantile purpose) reduced to a metallic state, and yet their pecuniary value is often great. A fair ore of cobalt, not so rich as some specimens which have been sent Home from India is, when free from certain noxious admixtures, worth £750 per ton.‡ I have been assured that some Indian ores would be worth £1,000 per ton in London if properly worked and prepared.

15. Again, springs and other waters often contain minerals valuable as drugs or for manufacturing purposes. I have seen it said that the waters of the Dead Sea are to be utilized for the bromine they contain, and I know myself a spring in the Himalayas, the waters of which have been pronounced, on analysis, to contain an amount of iodine, which would well repay the cost of its extraction.

16. It may perhaps be thought that these instances press the case to an extreme limit; but they have only been used to show the difficulty of laying down any position, and the expediency of making use of a *negative* definition in securing the reservation of mineral rights by Government.

17. I believe that this reservation should be, of all the products of the land and water not being vegetable (or if need be "animal"), with *such exceptions* only as it might be considered expedient to make in favor of the grantees of kunkur, building stone, &c., which exceptions might easily be laid down in one general rule.

18. Any attempt positively to define the terms "mineral" or "metal" by law or special contract, would, I believe, give rise to endless litigation.

19. The next question to be considered is the degree to which reservation should be made, that is, should it be an absolute reservation of *property* in the mineral products of the soil? Or of the right merely of exacting a royalty upon them? And if the latter, what shape should that royalty assume? Or rather, in what mode and at what stage should it be levied?

20. There are several reasons in favor of reserving absolutely to Government the entire right to all mineral products, and so far as I know, only one consideration against it.

* Magnesium, within a few months of its manufacture for general sale, has fallen to almost one-third of its first selling price from this cause. At present it is extracted for commercial purposes from a mineral imported from the Mediterranean. I have seen it asserted that this mineral exists in the Sonthal Pergunnahs; but if the process can be improved, it may be extracted from any magnesium mineral which are numerous and of very common occurrence, "as Dolomite" or Magnesium Limestone.

The alum minerals are equally common; but for facility of extraction, aluminum is at present produced only from a mineral imported from Danish Greenland (cryolite).

† All these articles, except perhaps "Strontian," are, I believe, known to exist in considerable quantities within the limits of British India.

‡ Or was, till very recently; the price has fallen greatly within the past year.

21. The Government would be enabled to secure the development of mineral resources without the hindrance which private interests might otherwise offer. It would ensure to Government probably a larger or more certain income than from a mere per centage, or legal royalty, on whatever minerals private owners might work. The original selling price of the land would not be affected sensibly by the reservation, and the difference between qualified reservation of a royalty, and entire reservation of the property, would be absolutely, in ordinary cases, *nil* as operating to diminish the market price of the land.

22. In the first place, if the owner of the soil hold also the proprietary right in minerals, whether absolutely or subject only to the payment of a royalty, it lies with him whether they should be worked at all or not; that is to say he has the option of preventing the working of minerals, however necessary to the requirements of the Government, or to the industry and prosperity of the country, and of, at the same time, withholding from Government the revenue which it would derive from any royalty to which it might be entitled.

23. Nor is it to be supposed that it is a question which may be left to settle itself by the force of self-interest. It may very likely be that the owner of the soil has no capital or no energy to work the valuable ores which lie dormant beneath its surface, and may be yet unwilling to allow them to pass into other hands, or that his rights may be doubtful and open to litigation, or that he may be ignorant and incredulous as to the value of the minerals, or otherwise prevented by some personal feeling or unreasoning prejudice from working them or allowing them to be worked.

24. Such causes have a again and again delayed or prevented the opening of mines in England, and it is hardly probable that they will have less effect in India.

25. Again, as may perhaps without difficulty be shown, the reservation of possible metallic products, will, if proper precaution be taken, hardly diminish the selling value of the lands, or the absence of reservation enhance their value, nor will it make any material difference whether the reservation be of a royalty, or of the entire proprietary right.

26. Lands on which no mines are known to exist, will rarely, if ever, be bought on the chance of such being found; they will be taken up for agricultural purposes, or building purposes, and at what they are worth for such objects. Indeed, even in countries in which there is much mineral wealth, the chance of mineral products being found, is comparatively small. It is not perhaps easy to say what the chance may be, but save as to deposits of coal, salt, and iron, mineral deposits, even in the richest mineral regions, occur in but very few and limited spots, and the chance of a deposit of any mineral occurring on any given spot (no indication of it being apparent) are so small, that they are scarcely worth calculation.

27. Taking, for example, the hill tracts of Assam or the Himalayas, or the Central Provinces, it is probable that the chance of finding minerals on any given grant of the maximum amount allowed, is so small that, even under present rules, it may be said without much fear that it does not appreciably affect the market-value of the grant.

28. To withhold, therefore, even absolutely the right to minerals which the present rules give, would probably not affect that marketable value in any sensible degree, and it follows that the qualified reservation of a royalty could scarcely affect it less.

29. It may accordingly perhaps be assumed that, while the Government gain nothing either immediately or prospectively by the sale of waste lands *with* the right to minerals, it sacrifices absolutely, and without any recompense, the chance of future income from such minerals—a chance which, on a large number of grants in a mineral country, is equivalent to an eventual certainty of much value.

30. One objection only exists, so far as I know, against such a reservation, viz., the necessity in any grant of the land, to reserve also a right of entry, if necessary to search for, and to work the reserved minerals.

31. Such a right of entry does not follow as a matter of course from the right to the minerals, such at least has been the decision of English law.*

32. It would indeed probably suffice simply to reserve such a right,† the known rules of law will define it, and prevent any undue conflict with the rights of the proprietor of the soil.

33. Nevertheless, it is very possible that a reservation of this class might operate, however carefully worded, to destroy confidence in the validity of the title to the land, and so affect the sale and the market value of grants.

34. It would not necessarily do so; for, as said before, the chance of any minerals existing in any given grant are extremely small. Still as there is great jealousy of their rights, both amongst European and Native grantees, such a reservation might operate prejudicially.

35. It would be expedient perhaps, therefore, to modify the right of Government by certain conditions.

1*st*.—The owner of the soil might have the option, if he chose, and could satisfy Government (by finding security or otherwise) that he could and was willing to work the minerals—a preferential claim to engage for them on any terms which Government may decide on fixing.

2*ndly*.—If the owner of the soil would not engage, he might have a right to enforce the resumption by Government at any time, within a certain period (say five years) after the commencement of mining operations, at the market value of the day, with all improvements of the grant or such portion of it as may be affected by the Government right of entry, such value to be fixed by arbitration.

3*rdly*.—It might be perhaps expedient also to allow the same option to Government, in case of any dispute or conflict of rights. This would be a clause which would prevent, in many cases, a good deal of collision as to use of water, timber, stone, &c, but it might be also one which would awaken some jealousy.

36. There is one further point, viz., supposing Government to reserve, in every case, the absolute right to minerals, will it be best, when such come to light, to deal with them by sale outright or by license only on a royalty? And if so, what should be the form and extent of such a royalty? As this point will, however, be dealt with in a separate note, it is unnecessary to say any more here.

E. C. B.

Extract from Mr. Broome's Legal Maxims.

Although the general rule, which obtains in the absence of any express covenant or agreement between the parties interested in land, is as above stated, and although it is a presumption of law that the owner of the freehold has a right to the mines and minerals underneath, yet this presumption may be rebutted by showing a distinct title to the surface and to that which is beneath; for mines may form a distinct possession, and different inheritance:‡ and, indeed, it frequently happens, that a person being entitled both to the mines and to the land above, grants away the land, excepting out of the grant, the mines which would otherwise have passed under the conveyance of the land, and also reserving to himself the power of entering upon the surface of the land which he has granted away, in order to do such acts as may be necessary for the purpose of getting the minerals excepted out of the grant, a fair compensation being made to the grantee for so entering and working the mines. In this case one person has the land above, the other has the mines below, with the power of getting the minerals; and the rule is, according to the maxim last considered, that each shall so use his own right of property as not to injure his neighbour; and, therefore, the grantor will be entitled to such mines only as he can work, leaving a reasonable support to the surface. And here we may observe, that the bare exception of the mines and minerals, without a reservation of right of entry, would vest in the grantor the whole of the mines and minerals; but he would have no right to work or get them, except by the consent of the Plaintiff, or by means of access through other shafts and channels, with which the grantee's land had nothing to do; because, in this case, the two properties, viz., in the surface and in the subterranean products, are totally distinct.*

ORDER THEREON, 9th October 1865, No. 2,434.

Forwarded to the Revenue Board for report after communication with the Collectors.

(True Extract.)

(Signed) W. HUDLESTON,
Acting Secretary to Government.

Forwarded to all Collectors for EARLY report.

(True Extracts.)

(Signed) R. A. DALYELL,
Acting Secretary.

(True Copy.)

(Signed) H. M. C. KELLY,
Acting First Assistant.

To all Collectors.

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* An extract on this point, from Mr. Broome's Legal Maxims, is put up at the end of this note.

† Unless indeed it were expedient to reserve also in any particular case the right to use water-power-timber, or other fuel, or any of those minerals, as building-stone or lime, which may have been specially included in the grant to the Zemindar.

In such a case, however, it might perhaps be better, instead of inserting such conditions in the grant, to provide otherwise for altogether resuming the grant on full compensation, as suggested further on.

‡ 1 Crabb, Real Prop., page 93.

* Harris *vs.* Ryding, 5 M. and W. 60, 66, 73.—See Earl of Rosse *vs.* Wainman, 14 M. and W. 859; 1 Crabb, Real Prop., 95.

Exd. R. H. Lee.

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(Signed) W. HUDLESTON,
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† Unless indeed it were expedient to reserve also in any particular case the right to use water-power-timber, or other fuel, or any of those minerals, as building-stone or lime, which may have been specially included in the grant to the Zemindar.

In such a case, however, it might perhaps be better, instead of inserting such conditions in the grant, to provide otherwise for altogether resuming the grant on full compensation, as suggested further on.

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Exd. R. H. Lee.

MISCELLANEOUS CIRCULAR, No. CXLIV.

PROCEEDINGS OF THE BOARD OF REVENUE.

To all Collectors.

Dated 21st October 1865.

Received

Board No. 6,716.

Requesting report as to the expediency of making alterations in the existing rules for the disposal of waste lands.

56

MEMORANDUM BY Mr. J. RHODE.

On the proposition to revise the Rules for the grant of waste lands in the Madras Districts.

Proceedings of the Madras Government, 9th October 1865.

1. Is it for the public good that purchasers should be permitted to pay the price of the grant by distinct instalments?

The danger of granting lands on sale, except for ready money, is that speculators would purchase not for *bona fide* cultivation, but with the view to jobbing. The land jobber takes up the best lands, and excludes the planter; unless he is prepared to pay far more than the Government selling price, he can afford to take a large tract trusting to sales to enable him to pay his instalments and rent. At this moment there is an advantage in purchasing from a private owner in that *immediate possession* is obtained; while under the Government Rules it is uncertain whether the desired estate is procurable at all, and if so, within what period?

I do not consider that in any case the selling price of waste land is an obstacle to the cultivator, the cost of the land rarely amounting to one-hundredth part of the cost of planting it.

With the present high rate of assessment on Neilgherry holdings, I do not suppose that any one would purchase, except with the view to immediate re-sale or occupation; on the other hand, this high rent for lands, that can hardly yield a return for four or five years, precludes ordinary purchasers from giving such prices as would render payment by instalments desirable.

2. Whether in the case of purchase, the land should be granted on a fixed quit-rent, to commence from date of purchase, or from any subsequent date.?

I think it for the interest of Government in a country in which the main source of revenue is from land that the exceptions should be as few as possible; but I do think that in the case, of lands granted for the cultivation of crops, that cannot be reaped for four or five years, the rent of the land should be covered by the purchase money, for, say, the first three years. Coffee will not pay its annual expenses for four years; Chinchona will probably take a longer period; Tea will not pay for three or four years. Indeed, in the case of *waste* lands generally when sold in the first instance, I see no objection to the sale including the first three years' revenue.

3. Whether it is desirable to reserve rights to mineral, &c.?

I think not. In this Presidency at least no occasion for the reservation appears; men will not work the mines for diamonds, &c., when they can do so without payment, and I see no object, except the promotion of disputes and litigation for giving two persons titles which may induce collision; the case may be otherwise in the case of small holdings under which shafts are run at considerable depths. No royalty right should, in my opinion, be reserved in this Presidency.

MISCELLANEOUS CIRCULAR, No. CXLIV.

Board No. 6,716.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 21st October 1865.
Read the following:—

REVENUE DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following Extract from the Proceedings of the Government of India, in the Home Department, (Revenue, under date Simla, the 19th September 1865, No. 2,092:—

Read the Resolution of the Government of India, dated the 17th October 1861; the Despatch from the Secretary of State, dated the 9th July 1862, No. 14; and the correspondence connected herewith, regarding the sale of waste lands in fee simple, and the redemption of existing Land Revenue.

OBSERVATIONS.—Since the promulgation of the Resolution of 17th October 1861, important suggestions have from time to time been made for modifying the Rules for the sale of waste lands.

2. It has appeared also on inquiry that in at least one material point the Resolution of 1861 has in some Provinces been departed from. Neither in Bengal nor in Madras do the local rules follow the terms of paragraph 10 of the Resolution of October 1861.

3. That paragraph read in connexion with paragraphs 27 and 28, admits at the grantee's option that any portion of the price of the grant (not exceeding nine-tenths thereof) may remain unpaid, a fixed annual sum being in that case paid at the rate of ten per cent. on such unpaid portion of the price; while, on the contrary, both the Madras rule and the Bengal rule enforce payment of the entire purchase money within a specified term.

4. The time has come when the opinions of the several Local Governments and Administrations may, with advantage, be asked on the practical working of the rules for the sale of waste land as now in force in each Province; and in requesting a report on the subject, the Governor General in Council would indicate the following as points which seem more especially to deserve careful consideration:—

(1). Whether it should or should not be left entirely optional to persons wishing to acquire lands, whether they will do so by purchasing the fee simple, or by taking the lands on lease on favorable terms, and subject to re-assessment at the end of the term?

(2). Whether, in the case of purchase, the land should or should not be charged with a moderate *fixed* quit-rent, to commence either from the date of purchase, or from any subsequent date, as may be determined, but never to be liable to increase at all, or beyond a certain maximum rate. The quit-rent to be susceptible of redemption at any time on the terms prescribed for the exceptional redemption of land revenue in the concluding sentence of paragraph 75 of the Secretary of State's Despatch, dated 9th July 1862.

(3). Whether, in disposing of waste lands, either by sale or by lease, the Government should or should not reserve a right to minerals that may subsequently be discovered; and if so, to what minerals?

5. With regard to the first of these questions, the main considerations which may seem to point to the expediency of altering the existing rule*, are the general advantage of allowing men to acquire land in the way best suited to their circumstances and inclinations, and the certainty that in some cases a long lease on easy terms is the only condition on which waste land is likely to be sought for. Compulsion to purchase must in fact tend to prevent men of small capital from embarking in agricultural undertakings, and it may be doubted whether in

*The existing rule, it has been said, in Bengal and Madras absolutely requires completion of the purchase; and the rule, even as prescribed by the Resolution of 1861, may be said practically to force the grantee to complete the purchase; for it would generally be more advantageous to do so than to pay ten per cent. on the unpaid portion of the purchase money.

this country such a restriction is expedient. It has been found, in practice, absolutely necessary to modify the rule in some parts of the Lower Provinces of Bengal, there being tracts of waste land in those Provinces in which no speculator would invest, as a preliminary, even two Rupees eight annas an acre, though persons have been found willing to take the same lands on a favorable lease.

6. With regard to the second question it has been urged that the payment of a fixed quit rent would ensure to the Government the receipt of a yearly revenue which may be relied on, in lieu of fitful and precarious payments producing abundant resources at one time, and little or nothing at another, and that a regular and frugal administration of the finances would be promoted thereby.

7. And in the interests of the community, it is argued that while such a rule would save the planters much outlay at a time when their expenses must be heavy and their returns small, it would impose on them merely a moderate annual charge which would be felt as no burden when their business should begin to be productive; while, at the same time, their tenure would be just as perfect for every purpose of security and inducement to improvement, whether the land were held subject to a fixed quit-rent of one or two Rupees an acre, redeemable at the current rate of the four per cent. securities, or without any payment whatever.

8. It is obvious of course that, assuming it to be expedient to derive some yearly income from the land, the proposed plan would effectually secure it, inasmuch as it would be worth the while of very few to redeem a *fixed* quit-rent on the terms abovementioned.

9. The third question may be regarded under two heads,—first, whether there should be an absolute reservation of *property* in the mineral products of the soil; or, secondly, whether the right of exacting royalty merely should be reserved.

10. The reasons which are sometimes urged in favor of reserving absolutely to Government the entire right to mineral products may be stated as follows:—If the owner of the surface hold also the proprietary right in minerals, whether absolutely or subject only to the payment of a royalty, it lies entirely with him whether they shall be worked at all or not, that is to say, he has the power of preventing the working of minerals, however necessary to the requirements of the State, and to the industry and prosperity of the country; and, at the same time, of withholding from Government the revenue which it would derive if entitled to a royalty on mineral products. And it is argued that this is a question which should not be left to settle itself by the mere force of self-interest; because it may very likely happen that the owner of the soil has no capital or no energy to work the valuable ores which lie dormant beneath its surface, and may yet be unwilling to allow them to pass into other hands; or it may be that his right is doubtful and open to litigation; or that he is ignorant and incredulous as to the value of the minerals; or otherwise prevented by some personal feeling or unreasoning prejudice from working them, or allowing them to be worked. A paper by the Secretary to Government in the Home Department on the general question of the expediency of reserving to the State a right to mineral products will accompany this Resolution.

ORDER.—Ordered that the foregoing observations be communicated to the Government of Fort Saint George, with a request that the opinion of the Governor in Council as to the expediency of making alterations in the existing Rules for the disposal of waste lands may be communicated to the Governor General in Council at an early date.

(True Extract.)

(Signed) E. C. BAYLEY,
Secretary to the Government of India.

7 B

From J. W. B. DYKES, Esq., Collector of Nellore, to R. A. DALYELL, Esq., Acting Secretary to the Board of Revenue, dated 26th October 1865, No. 255.

1. I have the honor to acknowledge the receipt of the Board's Proceedings of the 21st, calling for early report on the points mooted in the Proceedings of the Government of India, Home Department, 19th ultimo, No. 2,092.

2. The only disposition shown here to redeem the land tax is for building sites. I would limit redemption of land tax to such and similar cases.

3. I would classify the land once and for all. I would give up all claim to a share of the produce, and adjusting the land tax, with reference to classification and present circumstances, I would refrain from pledging posterity to more than, that future changes should be by a percentage.

4. I would make over the land for agriculture and occupation in the usual acceptation of the term in this country. Where other rights are concerned, whether to minerals or otherwise, the rights involved must be disposed of according to the custom of the country, and, should it be necessary, by recourse to the Courts of Law. All that I conceive it would be necessary now to do is simply intimate authoritatively, that whether the land tax be redeemed, or this lien maintained, no making over of the land, or occupation of the land, carries with it any rights other than the usufruct of the surface for agricultural, or other ordinary purposes.

Exd. R. H. Lee.

From Æ. R. McDONELL, Esq., Collector of Trichinopoly, to R. A. DALYELL, Esq., Acting Secretary to the Board of Revenue, dated 31st October 1865, No. 231.

1. I have had the honor to receive your Miscellaneous Circular, No. CXLIV, dated the 21st instant, requesting a report on the expediency of making alterations in the existing Rules for the disposal of waste lands.

2. There are three points to which attention is called, as those which deserve careful consideration, in connection with the question of the practical working of the present Rules. Regarding the first point, I would certainly leave it optional to persons wishing to acquire lands, whether they will do so by purchasing the fee simple, or by taking the lands on lease on favorable terms, and subject to re-assessment at the end of the term. Like the jungly tract at the base of the Pachamalays in this District, there are large areas of land in unfavorable situations in many parts of this Presidency, which no speculator would ever think of purchasing under the present Rules. No one would find it worth his while to begin by investing money in such localities; and yet in their present condition they are not only lost to the community and the Government, but being feverish and unwholesome are a positive nuisance; whilst if reclaimed they are sure to prove a source of profit in the long run. The present rule requiring absolute purchase may do well for speculators, men of capital and enterprise, and as regards the more valuable tracts; but will never suit small capitalists and the agricultural class, and are not calculated to reach the less valuable and by far the largest proportion of the existing waste. I, therefore, think that the Rule should be so relaxed as to suit the circumstances and inclinations of different classes of applicants.

3. I am not sure that I quite understand the second point indicated in the Proceedings of the Government of India. If the land be sold outright, and the fee simple purchased at public auction for what it is worth, how can any quit-rent or other demand be imposed upon it? It is probably meant that the land is to be sold *subject* to the condition that it is to pay a quit-rent which in each case must necessarily be previously determined and made known to intending purchasers. On this point, I would not alter the present Rule. When once the land is exposed to a public outcry, and is purchased for what it will fetch, I would not interfere any more with the purchaser. It is true that the imposition of a fixed quit-rent would ensure to the Government the receipt of a yearly revenue, which may be relied on in lieu of fitful and precarious payments producing abundant resources at one time, and little or nothing at another; but on the other hand, the determining and fixing of the quit-rent in the first instance which must of course vary according to locality and other circumstances, and its subsequent collection every year, imply a degree of interference which, however guarded and provided against, will not be without its evils. The whole of the existing Land Revenue is in the shape of an annual payment, and the absence of an annually recurring demand, on such of the waste lands as may be taken up under the Rules, is far from likely to affect the resources of the Empire, and I would adhere to the principles of the Rule, as it now stands, if only for the sake of actually trying the merits of a permanent settlement on the fee simple tenure on a limited scale, side by side with those of the present annual settlements.

4. As respects the third point, i. e., whether in disposing of waste lands, either by sale or by lease, the Government should or should not reserve a right to minerals that may subsequently be discovered, I am not clear that it would be expedient to reserve an absolute proprietary right in the mineral products of the soil. Such reservation, involving a right of entry and interference, is calculated, whatever may be said to the contrary, to destroy confidence in the validity of the grant, and it is worthy of consideration, whether it is wise to run this risk in a matter in which the professed object of Government is to impart increased security to property, and to ensure

freedom from the interference of fiscal officers. After all, "even in countries in which there is "much mineral wealth, the chance of mineral "products being found is compartively small." Mr. Bayley's Memorandum, page 26. It is so small indeed that it is "scarcely worth calculation." For this small chance then, I would not run the risk of destroying the confidence of the people in the value of the grants made to them.

5. Besides, where there is any indication apparent of a mineral occurring on any given spot, (and a previous survey is always made of the land) it will of course be open to Government to reserve such land altogether, and when a case does actually arise in which the existence of valuable minerals is discovered subsequent to the grant of any particular land, we may I think, safely rely on the operation of self-interest for its being worked. The owner of the soil may be destitute of capital and energy; he may be ignorant and incredulous; still the force of self-interest is sure to prevail, and the certainty of gain will, through the owner, attract capital and enterprise wherever found. It is hard to believe that a really valuable mine when discovered will be lost to the industry of the country by the apathy or unreasoning prejudice of the proprietor.

6. For these reasons, instead of reserving the entire proprietary right, I think it will be sufficient to reserve to the State the right of levying a royalty.

Exd. R. H. Lee,

From D. F. CARMICHAEL, Esq., Collector of Vizagapatam, to R. A. DALYELL, Esq., Acting Secretary to the Board of Revenue, dated 31st October 1865, No. 897.

1. I have the honor to acknowledge Miscellaneous Circular, No. CXLIV, sending for early report a Resolution of the Government of India, suggesting certain modifications in the Rules for the sale of waste lands.

2. The points calling for consideration are enumerated (1,) (2) and (3) in paragraph 4 of the Resolution.

I should approve of the alteration numbered (2.) I do not think No. (1) would be palatable to intending purchasers: an indefinite re-assessment at the end of a certain term being involved in it.

3. I see no reason to reserve the right of Government to minerals that may be subsequently discovered, which is the object of proposal No. (3). If the landlord has no capital or energy to work the mine, I cannot conceive that he will in any case be prevented by prejudice, or superstition, from parting with his right in the soil; while every proviso against an absolute title will certainly operate to lower competition, and, after all, in this Presidency *cui bono?* The following is from the late Colonel Ouchterlony's evidence before the Colonization Committee. "Question, 5,326: Can you give the Committee any information regarding the mineral resources "of India? Yes: I had an opportunity of investigating the metalliferous deposits of Southern "India some years ago under favorable circumstances. * * * * It would take up too "much of the Committee's time to enter into the particulars of this question; but I may state "briefly that, the result which my actual mining operations and subsequent, pretty extensive, "surface explorations led me to arrive at was, that speaking of Southern India generally, although "indications of metalliferous deposits are widely diffused, nature has not succeeded in eliminat-"ing, or segregating them, from the mass or rocky crust in such a form or abundance as is neces-"sary to render mining operations, undertaken for their development, remunerative or reasonably "promising."

4. If the forests contain minerals, the Government will obtain them; for forests have been specially reserved from the operation of the waste land sales.

Exd. R. H. Lee.

No. 7,531.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 24th November 1865.

Read the following letter from G. L. MORRIS, Esq., Collector of Tanjore, to R. A. DALYELL, Esq., Acting Secretary to the Board of Revenue, dated Vellum, 28th October 1865, No. 347:—

With reference to the Board's Miscellaneous Circular, No. CXLIV., (Board No. 6,716,) dated 21st October 1865, calling for an early report on the practical working of the rules for the sale of waste land as now in force, I have the honor to report that in accordance with the Proceedings of the Madras Government, dated 5th March 1863, No. 476, the Rules in question have not been extended to this District.

Recorded.

(A true Copy and Extract.)

(Signed) R. A. DALYELL,
Acting Secretary.

To G. L. Morris, Esq., Collector of Tanjore.

Exd. J. Wright.

From T. A. N. CHASE, Esq., Acting Collector of the Kistna District, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Masulipatam, 27th December 1865, No. 296.

1. In reply to the Board's Miscellaneous Circular, No. CXLIV., dated 21st October 1865, I have the honor to submit the following report, with copies of letters on the subject, which I have received from Mr. Wilson, the Head Assistant, and Vadlamannati Venkatachellum, the Deputy Collector.

I think it should be left entirely to the option of persons wishing to acquire lands, whether they do so by purchasing the fee simple, or by taking the lands on lease on favorable terms, and subject to re-assessment at the end of the term. The only lands which would be profitable as an investment of capital would be the delta lands, which have been exempted from the Rules for the sale of unassessed waste land. The remaining lands have not been applied for, though the Rules have been in force some time.

2. If lands are sold, I think the best plan would be to charge a moderate fixed quit-rent from the date of purchase, and never liable to increase, but susceptible of redemption at any time, as laid down in the Despatch of the Secretary of State, dated 9th July 1862. The objection to allowing the assessment to commence from a subsequent period is, that the Ryot being free from rent for some time feels or imagines that its imposition, whenever it may be payable, is a heavy burden, and to be deducted from his profits. The great object to be sought is to make the Ryot feel assured of the unchangeability of the assessment on his land, and that it will always bear the same rate until he, as a speculation, choses to redeem it.

3. I think Government should always reserve a right to minerals that may be subsequently discovered. For instance, coal is said to exist in some parts of this District, should it really be discovered under the fields of a Ryot who may be the possessor, by purchase or by any other means, of the locality, and Government had not reserved a right to the mineral found below, the gain would be solely that of the land-holder—a bargin he had never entered into with Government, who, in selling, or putting the land in his possession, surrendered it on the tacit understanding that it was for cultivation, or in some cases for building purposes. The minerals to which Government should reserve a right should be precious stones, coal and iron.

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ENCLOSURE No. 1.

From W. WILSON, Esq., Head Assistant Collector, in charge of Sub-division, Kistna District, to T. A. N. CHASE, Esq., Acting Collector of the Kistna District, dated Guntur, 29th November 1865, No. 185.

1. In reply to your Official Memorandum, No. 96, dated 22nd current, I have the honor to inform you that from personal experience I am unable to offer an opinion on the practical working of the Rules for the sale of waste lands.

2. On the first point indicated for consideration by the Government of India on their observations of the 19th September 1865, I would remark that the Rules, except in particular and limited areas, have not interfered with the general power theretofore vested in the Revenue officers of this Presidency of granting of waste lands on Puttah. A Puttah is not the kind of lease contemplated by the Government of India, but practically, as to returns, is the ultimate form which such lease can assume, the lease will primarily and ultimately be distinguished from the Puttah chiefly by the absence of proprietary rights in the lands held under it. A Puttah makes the Puttahdar the ower of the land; a lease makes him but the tenant.

3. The advantages conferred by the Puttah system are so obvious that the system of lease could never stand side by side with it, so that we e one is determined upon, the other must necessarily be excluded. Where there is competition, the lease system and not the Puttah must be preferred. The former always represents the true market value of the lands, the latter never. The latter should be given up invariably whenever there is competition. The prior right, conceded by Government to certain Ryots to occupy waste lands, which have been applied for by strangers, had never, to my knowledge, been claimed in this District, except under the operation of the Rules of Government in that behalf. Its practical effect is simply to repress the extension of cultivation, and to depress unnaturally the value of land.

4. There can be, I think, no objection to the adoption of the optional course of procedure of selling in freehold or leasing for terms of years. Both systems are in force in America and Australia; but the tenant on favorable terms, has in both these countries, I believe, the right, at the expiry of the lease, when the lands are sold, to retain them in freehold by paying the auction price.

5. On the second point I havto remark that the course proposed has been to a limited extent adopted in this Presidency under the rules in force for these exceptional lands; they are sold not with any upset price, and not on freehold, but subject to payment of free annual assessment. The charge proposed by the Government of India is a moderate fixed quit-rent, incapable of increase but capable to redemption. The practical effect of such a Rulewould be simply to reduce the purchase money by the value of the redemption of the quit-rent. The object of the Rule appears to be to secure an annual Land Revenue from the lands sold under it. In practice, I should think, it would be found that the persons who would purchase would also relieve themselves of the annual charge of quit-rent by immediate redemption. The redemption amount compared with the purchase money would be generally insignificant. I am not sure, therefore, that any practical advantage would be derived from the general adoption of such a Rule.

Second point. The waste lands of India are applied for and granted generally for agricultural or building purposes, and except in rich mineral countries all lands are probably granted for similar purposes. Even in a country abounding in minerals, the chances of "a find" are limited and remote. There is nothing more speculatively hazardous than the search for minerals. A general reservation of a royalty would, I think, sufficient, the caprice of a landlord in refusing to work, or to lease mines on his estate, can operate but seldom, and when it does must be expected in reason to be but limited in time. Self interest will be the best guarantee that any mines worth working will be worked. The reservation spoken of on the part of Government, of power to resume the lands on which valuable minerals are found is in effect to limit and destroy the freehold lands leased present no such difficulty, the proprietary right remains in Government; but in freehold sales it departs and is vested in the freeholder, considering the acknowledged remoteness of the probability of that happening for which it is intended to provide, would it be worth the while of Government to take it into consideration further than by general reservation of royalty whatever should at the time be regarded as a mineral.

(True Copy.)

(Signed) T. DHARMARA ROW MUDALI,
Deputy Collector.

ENCLOSURE No. 2.

From V. VENKATACHELLUM, Deputy Collector, to T. A. N. CHASE, Esq., Acting Collector, Kistna District, dated Guntur, 8th November 1865, No. 16.

1. I have the honor to acknowledge the receipt of the Miscellaneous Circular, No. CXLIV, of the Revenue Board, dated 21st October 1865, requiring a report as to the expediency of making alterations in the existing Rules for the disposal of waste lands.

2. I beg to inform you, that there being no such waste land in the Taluks under my charge as may be sought for under the Rules; the Rules were not in operation in my Division.

Questions 1st and 2nd.

3. It is my humble opinion that allowing persons to purchase the land in fee simple is the best plan for drawing capitalist to invest their money, and reclaim the jungles on the waste lands, and excavate reservoirs of water in places where there is no water. If the applicant prefer taking land on favorable lease it should be acceded to.

Question 3rd.

Hindu Law Manual, Chapter 8th, Text 39th, allows half of the valuable minerals to the king.

4. I think that it is quite sufficient if the Government reserve a right to half of the minerals, consisting of precious stones, and gold and silver, which may be discovered by the purchaser of the land. He may be permitted to reap the full benefit of other products, such as coal, iron, &c. If the purchaser of land neglect or be unable to work the mines within one year from the date of the Government Order requiring him to do so, the Government should have a right to work the mines and give one-tenth of the net produce to the owner of the land.

(True Copy.)

(Signed) T. DHARMARA Row,
Deputy Collector.

Exd. R. H. Lee.

From A. WEDDERBURN, Esq., Collector of Tinnevelly, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated 4th January 1866, No. 5.

With reference to the subject of the expediency of relaxing the Madras Rules for the sale of waste lands in regard to the three questions propounded by the Government of India in the Proceedings of the Madras Government, contained in the Proceedings of the Board of Revenue, dated 21st October 1865, No. 6,716, I have the honor to state that no land has as yet been sold under these Rules in this District; so that a practical opinion cannot well be given thereon.

Query 1.—I consider, however, that the option of purchasing the fee simple, or taking the land on lease on favorable terms, and subject to re-assessment at the end of the term, might be conceded. It has certainly advantages to the speculator, or small capitalist, and makes little difference to Government.

Query 2.—In case of purchase, a fixed quit-rent susceptible of redemption at any period might be accorded.

Query 3.—It would be advisable to reserve the right to minerals in lands so disposed of, with the proviso that reasonable compensation would be granted for all damage occurring in the search for, or in working the same, by Government—the Government having the right of entry for that purpose.

I think it scarcely advisable that the term mineral should be defined or restricted. Possibly building stone and lime might be required for Government purposes from private land; and as compensation would obviously follow the insertion of a clause of right of entry, in order to prevent the proviso from being objectionable there seems no reason to make any exceptions.

Exd. R. H. Lee.

Proceedings of the Madras Government, Revenue Department,
11th January 1866.

No. 172. Read the following letter from the Under Secretary to the Government of India, Home Department, to the Secretary to the Government of Fort Saint George, dated Fort William, the 22nd December 1865, No. 5,338 :—

I am directed to call attention to this Office letter No. 2,092, dated the 19th September last, and to request that the opinion therein called for as to the expediency of making alterations in the existing Rules for the disposal of waste lands, may be communicated to the Government of India in this Department with as little delay as possible.

No. 173. ORDER THEREON, 11th January 1866, No. 89.

Land Revenue.

The Board will expedite the report called for in G. O. of 9th October 1865, No. 2,434, regarding waste lands.

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

To the Board of Revenue.

Exd. S. T. Augustin.

From J. FRASER, Esq., Collector of the Godavery District, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Ramachendrapur, 23rd January 1866, No. 15.

1. In reply to the Board's Miscellaneous Circular, No. CXLIV., Board No. 6,716 of 21st October 1865, I beg to state that except a few patches of unassessed waste lands in the outskirts of Cocanada, which have been sold for building purposes, there have been no sales whatever of waste unassessed lands, such as the Rules referred to contemplate in this District. Nor do I contemplate any of any consequence or to any extent. These lands in this District are all of poor equality, and generally in jungly unhealthy localities.

2. I think that such lands would more probably be disposed of if long leases on favorable terms were granted for them.

3. I do not understand what is meant by charging the land with a moderate fixed quit-rent in the case of *purchase*. Purchase means, I presume, that of the *fee simple*, in which case, of course, a price being paid down for the land it can be liable to no other charge whatever in the way of Revenue to Government.

4. I think Government should, in disposing of waste lands, reserve a right to all minerals, save stone for building purposes, lime, chalk, and gravel.

Exd. R. H. Lee.

From P. GRANT, Esq., Collector of Coimbatore, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated 23rd January 1866, No. 15:—

1. I have received the Board's Miscellaneous Circular, dated the 21st October 1865, No. 6,716, Board No. CXLIV., calling for my opinion on the practical working of the Rules for the sale of waste lands, and certain points indicated by the Government of India for consideration with reference to the proposed changes in those Rules.

2. The waste lands most sought after in this District are on the Neilgherry and Anamallai Hills. On some of the lower mountain ranges, and in the localities at the base of the Neilgherries, waste lands abound, but they are so feverish that they are but little sought after, especially as they are not well suited for tea, coffee, or chinchona cultivation.

3. On the Neilgherry Hills, the waste lands are sold at public auction to the highest bidder subject to an annual assessment of 2 and 1 Rupee for forest and grass land respectively. Most of the waste lands worth holding have been sold within the last three years, and no change in the Rules seems to be called for. It would, in fact, be difficult to Relax the existing Rules with fairness to those who have already purchased lands, as they would thereby be placed at a disadvantage compared with future purchasers, who would enjoy the benefit of more favorable terms.

4. On the Annamallai Hills, lands are sold by public auction on freehold tenure, the upset price per acre being Rupees 5 for forest and Rupees 2-8-0 for grass land.

5. These rates are light and calculated to attract planters. No one has complained of them. In the course of a few years, I expect to see many settlers on these Hills. Any alterations in the Rules is, I consider, uncalled for.

6. With regard to the lands on the low ranges of Hills, and in the low country at the base of the Neilgherries, I think that the grant of land on favorable terms should be had recourse to. The system obtained for many years previous to the introduction of the new waste land Rules, and was acceptable to all parties, European and Native.

7. Parties applying for lands were allowed to hold them for the first five years free of assessment. In the sixth year, quarter; and in the seventh year half of the assessment was charged, and so on until the ninth year, when the full assessment became due. By following this system, people of moderate means were enabled to engage in cultivation, which they could not otherwise have attempted, and feverish parts of the country were thereby cleared. This system is peculiarly adapted to those parts of the country which are unsuited to the European constitution, and which, therefore, can be opened out by natives only.

8. With regard to minerals, I think that it is inexpedient to reserve any right to them on behalf of Government. The free-er trade of every kind in this country is, the better for all parties, as tending not only to develope the resources of the country, but to call forth the industrial habits and energies of the people. The amount of revenue which would accrue to Government by the taxation of the mineral sources of the country would not counterbalance the disadvantages attending the steps.

Exd. R. H. Lee.

From E. G. R. FANE, Esq., Collector of Madras, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Sydapet, 23rd January 1866, No. 28.

1. In reply to the Board's Miscellaneous Circular, dated 21st October 1865, No. CXLIV., Board No. 6,716, requesting report as to the expediency of making alterations in the existing rules for the disposal of waste lands, I have the honor to state, that as the Rules for the disposal of unassessed waste lands in the Madras Presidency passed on the 5th March 1863, No. 476, were expressly made inapplicable to this District, I am unable to express any opinion on the practical working of them.

2. I may state, however, that I am decidedly opposed to their introduction in this District, for the following reasons: in the first place, from the nature of the Mirassi tenure existing in a large portion of the District, I am convinced that such an important innovation would meet with nothing but opposition from the inhabitants, and would without doubt, if carried out, involve the Government in endless litigation. In the next place, even in that part of the District which was transferred from North Arcot, and in which no Mirassi rights exist, I am of opinion that there is no unassessed land which it would be worth the trouble of any person to acquire on freehold tenure, except for the purpose of removing the timber, and thereby denuding the country; a proceeding which has ever been discountenanced by Government.

3. As regards the disposal of assessed lands required for building sites within the limits of Madras town, I believe that the Rules work well, and that many of the inhabitants appreciate the benefits of being able to acquire the fee simple of such lands in perpetuity.

4. On the general expediency of the policy of selling assessed or unassessed lands outright, on the payment of one sum of money, I am of opinion that the present advantages secured are not by any means commensurate with the future certain revenue relinquished, and that such a policy must, if carried to a great extent, tend materially to cripple the resources of Government. I cannot believe that any enterprising capitalist would be induced by the advantages of a freehold tenure to acquire, or be deterred by the obligation to pay a yearly rent from acquiring lands in the cultivation of which he foresaw that his capital might be turned to a profitable account. Thus whilst allowing every facility to the capitalist to acquire land on favorable lease, I would reserve the annual quit-rent, and allow no general power of redemption.

5. I see, moreover, little difficulty in the Government reserving to themselves absolutely the right to all minerals; for though, as pointed out in the Minute of the Secretary to the Government of India, the general confidence in the validity of the title to the land might be affected by such reservation, this objection might be met by a provisionary clause granting at the option of the proprietor a share in the profits of working such minerals on liberal compensation for the capital previously expended on the land.

Exd. R. H. Lee.

From V. H. LEVINGE, Esq., Collector of Madura, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated 25th January 1866, No. 27.

1. In reply to the Board's Miscellaneous Circular, No. CXLIV., dated 21st October last, I have the honor to report that I believe the general feeling is, that Government should not give up its right to levy a tax on waste land brought under cultivation, that being the main source of the Government Revenue, and I believe that the mass of the people have no faith that a future Government would consider itself bound not to collect it, in consequence of the present Government having given it up. Hitherto no natives have come forward to take up waste lands on the Government terms, or to redeem the land tax, except to a small amount on house grounds.

2. I think forest land should be sold at an upset price, and that after a certain number of years it should be made subject to a certain quit-rent; but that Government should not bind itself not to raise that rate at any time hereafter. Good policy would always prevent Government taxing the land to such an extent that the holder would be obliged to throw it waste.

3. I am of opinion forest land should certainly be sold in auction at a good up-set price, if it was merely given over on a low quit-rent there would be the inducement to the holder to cut and sell the trees, and then to throw up the land after it had lost its value, and in an impoverished state it would thus return on Government hands almost unsaleable.

4. Waste grass lands, I think, Government might sell at a low or nominal upset price; but still subject to a low tax to begin after a time, and Government not to bind itself never to raise the rate; at present grass land on the Palanys is sold outright at 5 Rupees an acre, it costs at least 35 or 50 Rupees per acre to prepare that land for sowing before either manure or seed is put in the ground, thus costing not less than 40 Rupees or 4 £. an acre before anything is got out of it. I am of opinion the Government price of such land might be lowered, and that it might be charged with a low land tax after five years' purchase.

5. I think the land tax should not be redeemable except in respect to land occupied by houses, offices, and small gardens and yards round such premises.

6. In selling waste, I do not suppose that the fact of Government not reserving the right to minerals makes any purchaser pay more for the land, and, therefore, I think Government might with advantage reserve its right to minerals, and to enter on the land to search for them; the right to be reserved only in regard to the precious metals and to precious stones.

Exd. R. H. Lee.

From C. W. READE, Esq., Collector of South Arcot, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Cuddalore, 27th January 1866, No. 19 :—

1. In reference to the Board's Miscellaneous Circular, dated 17th October 1862, No. 6,940, communicating the Orders of Government calling for certain information concerning the survey of unassessed waste lands, the cost per acre of such survey, and the standard area of allotment to be fixed, I have the honor to state that the total area in this District as per survey accounts amounts to acres 10,15,916, from which deducting 8,41,303 acres, including the whole extent brought under cultivation up to Fusly 1273, and that which is uncultivable, comprised of sites of tanks, hills, pagodas, &c., the remaining acres 1,74,613 are fit for cultivation, as particularized in the accompanying statement. Of this, however, acres 1,16,696 are situated for the most part either in the midst of, or around existing cultivation, and consist of plots ranging in extent from 1 to 25 acres, and these scattered patches will no doubt gradually be brought under cultivation, agreeably to the ordinary Durkhast Rules prevalent in the District. There still remains 57,947 acres made up of isolated or distinct plots or tracts varying in extent from 25 up to 400 acres, thus making the total of 1,74,643 acres of available land to be brought under the plough.

2. My opinion is that the quantity of land to be fixed as the maximum or standard area of a lot in this District should not at the utmost exceed 25 acres, and even this much in a Ryotwary District circumstanced as South Arcot may be excessive.

3. The total area of waste land in this District has already been surveyed under former Collectors, although with only an approximation to accuracy ; but the demand to take up such land is comparatively limited in extent, there being very few men of wealth, and the Ryots usually apply for very small patches which are granted under the Rules in force.

4. I cannot, therefore, think it either desirable or expedient to make any demarcation and survey in this District, as suggested by the Government of India ; but if a general survey and demarcation were deemed necessary, the approximate cost per acre of carrying it out is estimated at Rupee 0-0-1.

5. I have to apologize for the delay in making this return ; meanwhile the Board's Miscellaneous Circular, No. CXLIV of 21st October 1865 was received, communicating the Resolution of the Government of India, suggesting the expediency of making certain alterations in the existing Rules for the disposal of waste lands, and indicating three points for consideration, (*Vide* paragraph 4.)

6. As far as this District is concerned, past experience and a knowledge of the circumstances of its people enables me to answer these points without difficulty. As a rule, the ryots,

Point 1, paragraph 4.

even the more wealthy of them, are opposed to any outlay of capital in their agricultural pursuits, it is foreign to their feelings and their prejudices, and there has been no instance of the purchase of the fee simple notwithstanding the advantages offered. The plan congenial to their tastes and habits is that of long leases on favorable terms, and subject to re-assessment at the end of a specified period, as noticed in the Government of India's observations. This is, however, little more than an extension of what is ordinarily known as the cowle system, a system peculiarly agreeable to all the cultivating classes in Ryotwary Districts, and I certainly advocate its extension as proposed ; for, while acceptable to the Ryots, it would, in my opinion, serve the interests of Government more surely than any other.

7. Of course what I have stated in answer to the first point is a sufficient answer to the second, because if the people of this District are already disinclined to the purchase of the fee simple, the project of a moderate quit-rent on such purchase would clearly operate as a virtual prohibition to the scheme at all.

Second point.

8. On the third point to which attention is called, I have only to express my concurrence in the views set forth in the elaborate and able Minute of the Secretary to Government, appended to the Proceedings of the Government of India under acknowledgment, and my opinion is decided that the right to all minerals should be absolutely reserved to Government in all grants of land, and as well a right of entry on such lands to search for and to work the reserved minerals. Any specification, however, is beyond my power; but this and all other points connected with the question seem fully exhausted in the paper of the Secretary. The reservation in my judgment would never really affect the sale of lands, while its relinquishment by Government might be attended with the sacrifice, as pointed out in paragraph 29 of the Minute. But after the foregoing remarks it will be seen that subject of this third point is one having little practical applicability to this District.

ENCLOSURE No. 1.

Statement showing the total extent of unassessed waste land as per Pymash account, the extent brought under cultivation up to Fusly 1273, the extent unfit for cultivation, and the extent available for cultivation defining the area allotments in the District of South Arcot.

Number.	Taluk.	Total area as per Survey account.	Deduct.			Net waste fit for cultivation.	Particulars for Column 6.		
			Land brought under cultivation up to Fusly 1273.	Land unfit for cultivation consequent on the extent having been covered by tanks, hills, pagoda, &c.	Total deduction.		Extent lying waste in several plots under 25 acres.	Extent of waste ranging from 25 acres up to 400 acres.	
								No. of lots.	Extent
	1	2	3	4	5	6	7	8	9
		AC.	AC.	AC.	AC.	AC.	AC.	AC.	AC.
1	Tindivanum	2,13,819	23,690	1,52,373	1,76,063	37,756	25,850	171	11,906
2	Tirunamalay	1,96,930	9,353	1,51,462	1,60,815	36,115	23,171	229	12,944
3	Villupuram	1,50,739	25,416	92,522	1,17,938	32,801	23,234	141	9,567
4	Cuddalore	1,06,464	24,890	65,525	90,415	16,049	6,245	119	9,804
5	Yellavanasur	1,16,065	15,858	70,670	86,528	29,537	22,281	178	7,256
6	Kullakurchy	96,626	10,323	78,635	88,958	7,668	5,929	43	1,739
7	Virdachellum	91,835	11,417	67,854	79,271	12,564	8,617	33	3,947
8	Chellumbrum	43,468	11,200	30,115	41,315	2,153	1,369	13	784
	Total	10,15,946	1,32,147	7,09,156	8,41,303	1,74,643	1,16,696	927	57,947

CUDDALORE,
27th January 1866.

(Signed) C. W. READE,
Collector.

Exd. R. H. Lee.

10 15 946
1 32 147
8 83 799

From W. M. CADELL, Esq., Collector of South Canara, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Mangalore, 27th January 1863, No. 23:—

1. I have the honor to reply to the Board's Miscellaneous Circular,* No. CXLIV of 1865, and to state that so far as my experience enables me to offer an opinion on the subject of the sale of waste lands.

* Board No. 6,716, dated 21st October 1865.

I consider *First*, that it should be left entirely optional to persons wishing to acquire waste lands either to purchase the lands on fee simple, or on a lease. As remarked by the Madras Government in their Proceedings of the 4th July 1863, No. 1,195, the people in this country do not yet appreciate freehold tenure, and for the most part, I may almost say universally, parties who are applicants for lands would prefer taking up the same on lease, or on a moderate fixed assessment.

Second.—If lands are put up for sale and, realise the full upset price or upwards, they should in future be held altogether free of quit-rent or other assessment, except as regards local cesses, such as for roads, &c. If, however, the lands do not realize this price, they should be liable to re-sale subject to a small quit-rent or moderate rate of assessment.

Third.—That both on the sale and lease of lands, Government should reserve to itself an absolute right to the mineral products of the soil. In the exercise of this right, Government would, I presume, make to the purchaser or holder of the lands such compensation as might be just and equitable should they consider it politic or expedient to resume such lands; but in practice this right would not, I conceive, be often put in force.

2. I have to apologise for the delay which has taken place in submitting this report, and regret that my limited acquaintance with the subject does not enable me to offer a more satisfactory opinion thereon.

Exd. R. H. Lee.

From J. D. ROBINSON, Esq., Collector of North Arcot, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Gudiattum, 29th January 1863, No. 19.

1. I have the honor, with reference to the Circular of the Board of Revenue, dated 21st October 1855, embodying extracts from the Proceedings of Government of India regarding the sale of waste lands in fee simple, and the redemption of the existing land revenue, to submit the following remarks. The points to which attention is now particularly called are three:—

Question I.

"Whether it should or should not be left "entirely optional to persons wishing to acquire "lands, whether they will do so by purchasing "the fee simple, or by taking the lands on lease "on favorable terms, and subject to re-assessment "at the end of the term?"

2. It should, in my opinion, be left entirely optional to persons wishing to acquire lands, whether they will do so by purchasing the fee simple, or by taking the land on lease on favorable terms subject to re-assessment at the end of the term. I have had my doubts about the advisability of attaching any condition to the latter tenure, (lease) but think that on the whole; it might stand. If it be desirable to promote the outright sale of waste land, we should, by reserving such right to re-assess on the expiration of the lease, exercise just that degree of pressure on the lessee which might be necessary to determine him, in the event of his speculation turning out fairly remunerative during the earlier years of its currency, to purchase the fee simple before, the land became subject to re-classification. Under any other aspect of the question I would classify the land once and for ever.

3. The whole extent of unassessed waste and Porumboke in this District was, as returned in Fusly 1271, some 12,10,000 Acres. The assessed waste unoccupied was at the same time set down at nearly 3,82,000 Acres. The statistics then compiled do not enable me to distinguish between current and immemorial; waste but I may state generally that in a District like this, where there are very few, if any, capitalists among the agricultural classes, and where the vicissitudes of season are so great, there will always be a large fluctuating area under the former (current waste) head. Waste land of this description will, for obvious reasons, generally have the first call, and in proof of this, and that the freehold Rules have no present attraction, I may state that up to this time not a single acre of unassessed waste has been sold under them for agricultural purposes.

Question II.

"Whether, in the case of purchase, the "land should or should not be charged with a "moderate fixed quit-rent, to commence either "from the date of purchase, or from any subsequent date as may be determined, but never "to be liable to increase at all, or beyond a "certain maximum rate. The quit-rent to be "susceptible of redemption at any time on the "terms prescribed for the exceptional redemption of land revenue in the concluding sentence "of paragraph 75 of the Secretary of State's "Despatch, dated 9th July 1862."

4. In answer to this, I should say that the liability to quit-rent, however moderate and fixed would wholly neutralize the object of a first purchase in fee simple. The Rule, if not attractive enough in its present form to produce practical results, would be absolutely nugatory if the negociation were to be trammelled with a further lump payment before the land could be possessed in freehold. I would, therefore, maintain the principles of the Rule as it now stands, if only to test in such Districts as may have scope for its practical illustration. the comparative merits of a permanent settlement in fee simple with the present system of an annual Jummahbundy.

Question III.

"Whether, in disposing of waste lands, "either by sale or by lease, the Government "should, or should not reserve a right to mineral that may subsequently be discovered, "and if so, to what minerals."?

5. So far as I have been able to ascertain, none of the precious stones have at any time been found in this District. In the Taluks of Chendragherri, Palmanair, Gudiattum and Polur iron is found in more or less abundance on the surface, and in the detritus and alluvial deposits in the beds of hill torrents and ravines. This is worked up in small quantities for local consumption; but no mining operations in the most limited sense of the term have, so far as I can learn, ever been attempted. The point, therefore, of reserving the right of the State to minerals need not embarrass the general question so far as this District is concerned, nor would I, even had it been otherwise been disposed to advocate a reservation which would tend to destroy confidence, and facilitate vexatious interference. I cannot think that such a lien is at all necessary when the law already gives Government the power to take up land for purposes of public advantage and convenience.

Act VI. of 1857.

Exd. R. H. Lee.

From G. A. BALLARD, Esq., Collector of Malabar, to the Secretary to the Board of Revenue, dated Calicut, 23rd February 1866, No. 65.

Board's Miscellaneous Circular, No. CXLIV, dated 21st October 1865, covering Memorandum by the Secretary, dated 20th June 1865, and Extracts from Broome's legal maxims.

1. Adverting to the papers noted, I have the honor to submit the following remarks on the subject of the sale of waste lands.

(1.) Whether it should or should not be left entirely optional to persons wishing to acquire lands, whether they will do so by purchasing the fee-simple, or by taking the lands on lease on favorable terms, and subject to re-assessment at the end of the term?

2. With regard to the first question put in paragraph 4 of the Proceedings of the Government of India, I think that, under a few broad rules approved by the different Governments, with reference to the local circumstances of the Districts under them, it should be left to the local Revenue Officers, and intending purchasers, to settle whether particular lands should be sold in fee-simple, or leased on favorable terms for a period, subject to relinquishment of the land, or partial or complete revision of the terms of conveyance, at the expiry of the period of the lease.

3. It is difficult to see how, when the conditions of land through vast territories are infinitely various by nature, a rigid rule for the treatment of all alike can be expected to work. Where the capabilities of land are well known, a Government being the landlord, sales, as a general rule, are far preferable to leases.

But where the capabilities of land, and, perhaps, the chances of a new cultivation have to be tested, men may often be found willing to speculate with a tentative lease, when an arbitrary rule requiring purchase would be absolutely prohibitive.

But this point seems sufficiently noticed in paragraph 5 of the Proceedings of the Government of India.

(2.) Whether, in the case of purchase, the land should or should not be charged with a moderate fixed quit-rent, to commence either from the date of purchase or from any subsequent date, as may be determined, but never to be liable to increase at all, or beyond a certain maximum rate. The quit-rent to be susceptible of redemption at any time on the terms prescribed for the exceptional redemption of land revenue in the concluding sentence of paragraph 75 of the Secretary of State's Despatch, dated 9th July 1862.

4. With regard to the second question, I think that when the fee-simple is sold the land should remain charged or chargeable with a suitable tax; in other words that such land, in common with any other property of a subject, should be liable to taxation by the State.

5. And here I would ask why the State should debar, or limit, by extraordinary restrictions, its inherent right to raise means for its support, or, for a present consideration, formally and irrevocably alienate its rights for the future? The fee-simple being sold, the question as to whether the future demand is rent or tax fortunately cannot be raised. Government, by its sale of the fee-simple, divests itself altogether of its character as landlord, and any demand it thenceforth makes is clearly a tax. When Government sells its land, the sale should convey the most absolute proprietary right to the purchaser, but should it do more? Should it put the purchaser, so far as the subject purchased is concerned in respect to the State in a different position to that in which he stands so far as his other property is concerned? Need the purchase of land from Government differ as regards the principle now contended for, from the purchase of other property? When a man purchases a house, or a carriage, he does not require a previous guarantee

+ Because inter alia one uncertainty is better than two - Better a fixed land tax & an uncertain Export duty & than both uncertain -

that a house-tax or carriage-tax, if one obtains, shall never be raised: or, if one does not obtain, shall never be introduced.

But Europeans, unaccustomed to a direct land tax, view it with a morbid suspicion, and seem to think that Government must be unnaturally restricted with regard to taxation of land, apparently overlooking the fact that, supposing Government to be necessitated, or determined to raise increased supplies, it may do so by other* demands that may press more heavily on their probable staples, than a moderate increase in the land tax would be likely to do.

* E. G. The present tax on coffee cultivation in Wynad is Rupees 2 per acre.
It will be within all our memories that in March last, an export duty on coffee was imposed.
The export duty was three per cent. on a tariff value which may be quoted at Rupees 25 per cwt.
An acre may be taken as producing on the average eight cwt.
Here then was a tax which may be roughly stated as being equivalent to tripling the land tax at a stroke! Men trust to the discretion of Government, tempered by public opinion, in the one case: why should they not do so in the other?
† And why should the State enter into an irrevocable agreement never to alter the tax on land whilst it is free to levy export duties, transit duties, or any others?

6. But if it is necessary to bind Government never to increase the tax on land sold by it, it is all the more necessary to see that the rights of the State are not otherwise sacrificed.

The utmost care should be taken to fix a fair demand, a demand which, allowing for peculiar circumstances, shall yet be somewhat proportionate to that which prevails on other land already under occupancy and taxation.

More especially should this be the case if redemption of the land tax is allowed.

7. The bases of the demand should be what, in my humble opinion, is the only sound basis for the introduction of any permanent settlement in the cultivated country, viz., that such fixed proportion as may be determined on of some staple or staples most suitable to the soil be taken as the permanent standard of demand; and that the commutation price only of this permanent standard be revisable, under a few simple and well-defined conditions, at periods of, say, twenty to thirty years.

8. With a permanent demand so fixed, it may be desirable to allow redemption thereof, at twenty-five years' purchase, of the commutation price of the period. To fix a lower rate of redemption appears to me unduly to sacrifice the interests of the State, and open a way for an inequality in the incidence of the State burdens to arise, which must be productive of grave consequences hereafter.

(3) Whether, in disposing of waste lands, either by sale or by lease, the Government should or should not reserve a right to minerals that may subsequently be discovered; and if so, to what minerals?

9. With regard to the third question, I think that when disposing of waste lands by lease, it may well be left to be settled at the the time, whether right to minerals shall remain with Government, or (subject to the conditions hereafter noted in the case of sales of land) appertain to the lessee.

10. But, in disposing of lands in fee-simple, I conceive Government should retain only the right of exacting a due, of the nature of a royalty, in the case of gold, silver; and, perhaps, one or two other specified mineral products, and that all mineral products whatsoever, besides the specified exceptions, should appertain to the proprietor.

* Vide Form of Deed A, with the Rules for the sale of waste land, dated 5th March 1863, No. 476.

11. The sale of waste lands under the present rules in the Madras Presidency expressly conveys* the right to "all products both above and below the surface."

The main objection raised to this, in the papers under notice, seems to be a fear, that from poverty, ignorance, prejudice or perverseness, proprietors may refuse to develope the mineral resources of their lands so as seriously to affect the prosperity of the country.

Under the permanent settlement of Bengal with *quasi*-sovereign Zemindars holding great estates, with undefined and conflicting interests between landlord and tenant, there may, perhaps, be ground to apprehend obstructions of this nature; but, with freeholds such as those created by sales of Government land, the interest of the proprietors will be an ample, as it will be the most natural and best, safeguard for the due discovery and development of the mineral resources.

12. If the proprietor's interest is engaged in ninety cases out of a hundred he will be anxious to discover and develope the resources of his land.

If he has nothing to gain by the discovery of mineral wealth, he will certainly leave it to Government to search for it, and naturally be inclined to throw obstacles in the way of any discovery that, however profitable to the State, will lead to little, as far as he is concerned, interference and trouble.

13. The reservation of right to the mineral resources would indeed leave a partial and imperfect property in the soil for conveyance to the purchaser; and would, assuredly, if the true bearings of the question are considered, deter purchasers to a far greater extent, than a simple liability of the land to taxation. I would, therefore, in common with other property, strongly deprecate such general reservation.

14. But the uncertain chance of finding mineral produce of value will not, in the great majority of cases, affect the price paid for the land; and it seems right that, where no extra consideration is given, Government should retain a right to share in exceptional returns uncalculated upon at the time of sale by either party.

I would, therefore, advocate, as above said, that the right to a royalty, but in certain specified minerals only, should be retained; the working being left entirely discretionary with the proprietor.

The amount of the royalty might be fixed at a stated per centage of the net proceeds of the products; the demand thus bearing some analogy to that on the vegetable products or, in other words, the land assessment.

Ex. J. Wright.

From A. HATHAWAY, Esq., Collector of Bellary, to the Secretary to the Board of Revenue, dated Camp Royelchervu, 2nd March 1866, No. 49:—

1. With reference to the Proceedings of the Board of Revenue, No. 6,716, dated 21st October 1865, requesting me to report as to the expediency of making alterations in the existing Rules for the disposal of waste lands, I have the honor to inform you that as there are no unassessed waste lands in this District, with the exception of Poramboke lands, rendered unfit through their physical configuration for cultivation, and for which no one would apply, (vide letter from this office, No. 69, dated 25th April 1863, recorded in Board's Proceedings, No. 2,845, dated 13th May 1863,) I do not consider it necessary to suggest any alterations in the existing Rules for the disposal of waste lands in this District.

2. I am, however, of opinion that, as regards this Presidency, generally, the most expedient alterative would be to leave it opitional with parties desirous of obtaining lands either to purchase the fee simple, or to take the land on lease on favorable terms, and subject to re-assessment at the end of the term; the latter plan resembling the present tenure on Kowle or progressive lease.

3. I would also recommend that in the case of purchase the land should be charged with a moderate fixed quit-rent to commence from the date of purchase; the quit-rent to be susceptible of redemption at any time on the terms alluded to in Clause 2, paragraph 4, of the Extract Proceedings of the Government of India, Home Department, 19th September 1865, No. 2,092, and embodied in the Proceedings of the Board of Revenue, alluded to above.

4. As regards the question of reserving the rights of the State to minerals which may be subsequently discovered on waste lands thus disposed of, I think it would be advisable for Government to reserve a right to all minerals, such as coal, sulphur, &c., with which the natives of India are not ordinarily familiar, and which it might be important to work to meet the requirements of the country, and for foreign export.

5. In conclusion, I have to express my regret that heavy press of business has prevented my sending in an earlier reply; my office has been out on Settlement duty since the 14th November last, and, as the Board are aware, the work of the General Deputy Collector, who was removed in August last, devolved upon me.

Exd. R. H. Lee.

From G. S. FORBES, Esq., Collector of Ganjam, to the Secretary to the Board of Revenue, dated Chetterpore, 6th March 1866, No. 171.

1. With reference to the Board's Miscellaneous Circular, No. CXLIV, (Board No. 6,716,) of the 21st October last, calling for a report on the working of the rules for the sale of unassessed waste lands, I have the honor to state that under the rules now in force, several persons have obtained possession of large tracts, which would not have otherwise been reclaimed at least for some years to come, but which have been, or are now being brought under cultivation.

2. I am of opinion, however, that it is desirable to enforce payment of the whole of the purchase money within a reasonable specified term, in order to prevent men of no capital from purchasing lands on an extraordinary credit for speculative objects.

3. With regard to the first question raised in the Extract from the Proceedings of the Government of India, communicated with the Circular now under reply, I beg to observe, that it seems to me desirable, that it should be at the option of those who acquire lands, either to purchase or take them on lease on favorable terms, to be subjected to re-assessment on the expiry of the original term. The Board are aware that in this District, the lands are in some cases sold under the new rules, and in others given on Cowle, so as to suit the circumstances of different classes of applicants.

4. I am decidedly opposed to altering the character of the title to be acquired by the purchaser by imposing any land rent whatever; neither do I think it an object to reserve to Government the right to any minerals that may be subsequently discovered in lands sold or granted on leases. I would leave to the purchaser, the chance of enriching or impoverishing himself by working mines, if so disposed.

Exd. J. Wright.

From J. L. MINCHIN, Esq., Collector of Kurnool, to the Secretary to the Board of Revenue, dated 19th March 1866, No. 42.

1. I have the honor to reply to the Board's Miscellaneous Circular, No. CXLIV, Board No. 6,716, dated 21st October last, on the expediency of altering the Rules for the sale of waste lands.

2. Although these Rules have been inoperative in this District, and my remarks have no reference to their practical working, it would appear that an opinion is required on the points raised for consideration by the Government of India.

3. On the first point, I have no doubt that waste lands would be taken up in this District on favorable terms for long periods, which it would not be worth while for parties to purchase outright, though this result might not always be advantageous to the State.

4. The greater portion of the waste lands in this District are situated either on the range of the Nulla Mullas, or in the bamboo jungles along their base. I am not of opinion that the land on those hills is suited for the profitable cultivation of coffee, much less of tea or cinchona. The elevation is not enough for the latter, and I believe that the rain-fall is insufficient for successful coffee cultivation. The locality is, therefore, unsuited for European enterprise, and the failure of the only attempt hitherto made supports the view.

5. A large tract of deserted country on the base of these hills was taken up by the late Captain Nelson on favorable terms, with the exception of the portion previously cultivated, he in fact held the land rent free for a period of ten years.

6. He cleared much jungle, and endeavoured to raise the ordinary country grains, as well as cotton and indigo. He had also a cattle farm, and as he possessed an excellent grazing country, this part of his experiment was tolerably successful; while his attempt at cultivation resulted in complete failure. Owing to the costliness and want of honesty in hired labour, I believe it is impossible for a European to carry on ordinary farming operations in this country at a profit, even if he has the land rent-free. This might not be the case with a native capitalist, and the grant of waste lands on favorable rates for a term of years would probably induce such men to attempt the venture.

7. If in such cases the applicant took up the land for *bona fide* cultivation, the result would be beneficial; but the general object sought is either to fell and sell the timber in the forest, or to hold the land as a grazing farm, in order to collect fees from the Ryots for pasturing their cattle. Such grants should not be given for land on which there is valuable timber, nor where villages possess communal grazing rights.

8. As the waste lands in this District are not saleable at present, it is evident that they could not bear the charge of a fixed quit-rent in addition to their cost price for purchase.

9. With regard to the reservation to the Government of all right to minerals, I do not think that such reservation would tend in any way to prevent persons from taking up waste lands on favorable terms. It is not with a view to mining operations that lands would be taken up, and the reservation of such rights would be viewed with indifference.

10. I would, however, strongly deprecate the absolute reservation of property in the mineral products of the soil, and the right to exact a royalty should alone be retained. Mining operations in this country have never been carried on profitably, and to attempt such undertakings appears to me quite out of the province of Government. Where the possibility of large profits could not induce private individuals to work the mineral products of the land, it cannot be expedient for the Government to undertake so doubtful a speculation, and such risks should clearly be left to private enterprise.

11. In the case adduced by Mr. Bayley of the owner of the soil being without energy and capital, or ignorant and incredulous as to the value of his property, so that the working of a possible mine is delayed or prevented, there can be little doubt that if it were really necessary, or profitable to the Government to work such mines, the fact of such necessity and certainty of profit would induce other parties to purchase the land at a price which the self-interest of the owner could not resist, and the love of gain would certainly bring private enterprise to the task, without any necessity for Government intervention.

12. The only objection to the reservation of a royalty on mineral products, is that it would prevent their being worked, unless the profits were sufficient to pay this demand in addition to a fair profit on the capital employed.

13. It would be unadvisable, therefore, to lay a royalty on useful metals, such as iron and copper, as to do so must to some extent decrease their production.

Exd. R, H, Lee.

From H. G. SMITH, Esq., Collector of Cuddapah, to the Secretary to the Board of Revenue, dated 23rd March 1866, No. 40.

1. With reference to the Proceedings* of the Board of Revenue, requesting Collectors to let them know whether the existing Rules for taking up waste land require revision, I have the honor to inform you that I have visited several localities where large tracts of waste land have been taken up for agricultural purposes within the last eight years, and all of which nearly grow most remunerative crops, particularly where the ryots had dug wells. There is a vast difference now in the value of land to what it was formerly, owing to the opening out the District with roads, and the facility of transport of products to other Districts by the Railway. To give you an example, for instance, of the return of some land that I recollect was waste twenty years ago, and which is now taken up and pays kist of Rupees 4 per acre, the straw alone of this is worth Rupees 7 per bandyload, and there are four loads to the acre. In addition to this a fair crop of Cholum would be one and half candy, which would sell at 40 Rupees per candy, and other crops in similar proportion, so that I don't think there is any cause for thinking the assessment too high.

* Miscellaneous Circular, dated 21st October 1865, No. CXLIV, Board No. 6,716.

2. The considerations raised in Sections 1, 2, and 3 of paragraph 4,† I do not consider applicable to this District, unless any person should wish either to work the forest land, or the diamond mines, the latter of which have not been let for some twenty-five years, and there have been no applications as yet for forest land. I can see no objection, however, to Government reserving to itself certain rights in case of minerals being found at any future time; nor, if anybody should take in a large tract of land for cattle grazing, as they might in the Badwail Taluk jungles, where vast numbers come from Nellore, do I see any objection to a quit-rent for the same. All things then considered, and I have consulted with many people, I would leave the existing Rules as they are with the above exceptions.

† Observations of the Government of India in Proceedings of their Madras Government, dated 9th October 1865, No. 2,434.

Exd. R, H, Lee.

From the Honorable D. ARBUTHNOTT, Collector of Salem, to the Secretary to the Board of Revenue, dated 7th April 1866, No. 48.

With reference to the Board's Miscellaneous Circular, No. CXLIV., (Board No. 6,716.) dated the 21st October last, I have the honor to state that I do not see that the existing rules for the disposal of waste lands need any alteration.

Exd. J. Wright.

Re. 1327. B Pte

Ordered that the
following letter
be despatched

J. D.

1st June 66.

Sir-

I am directed by the Board of Works to transmit herewith for the information of the Government a Return dated 5th May 1866 No. 3183 -

Rec. 1348/66

Ans. 1st June 66 Let 178.

Regarding the Sales of Waste Lands -

Rec'd October 1866

Rev.

1866. Department.

Rev. Proc. of Govt. for June

No. 1348.

From the Secretary to the Board of Revenue,
To the Secretary to Government, R. D.

Dated 5th May 1866.

Despatched 9 June

Received 11

C. 1 file.

No. 3,183.

Submitting with remarks, file of reports from Collectors as to expediency of making alterations in Rules for disposal of waste lands.

No. 27. 1st June

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