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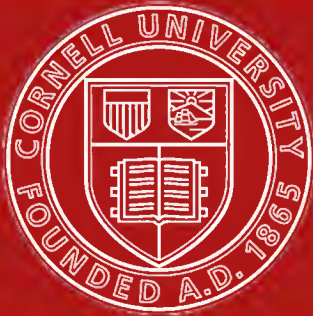
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Correspondence respecting the ruby mines



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BURMAH No. 2 (1887).

CORRESPONDENCE

RESPECTING THE

RUBY MINES OF UPPER BURMAH.

Presented to both Houses of Parliament by Command of Her Majesty.



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CORRESPONDENCE RESPECTING THE RUBY MINES OF
UPPER BURMAH.

No. 1.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated
25th February 1886.

Bernard reports that the Burmah ruby mines paid to Thebaw's Government a rent of Rs. 90,000 to Rs. 1,00,000 per annum, highest sum in one year being Rs. 1,50,000; stones above a certain size went to the King. It is now proposed to give provisional lease to Gillanders Arbuthnot, of Calcutta and Rangoon, on condition of an annual payment of two lacs and free examination by Government of the firm's accounts; the lease to be terminable at the end of any year by Government or lessees on six months' notice. Concession to be limited to the known ruby region and to include only rubies and sapphires. In present state of our information this seems the best arrangement. Gillanders Arbuthnot have had much to do with the ruby trade and present native lessees, and are ready to work through the latter as far as may be necessary, and generally to give satisfactory assurances. Do you approve? Every effort will be made to ascertain the real value of these mines and other mineral wealth in Upper Burmah, but at present we have little information.

No. 2.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 4th March 1886.

Yours 25th. Ruby mines. I have no objection to offer.

No. 3.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated 27th March 1886.

My telegram of the 25th February. Captain Aubrey Patton, representing syndicate which comprises Streeter, offers three lacs per annum for lease of ruby mines. Could you make inquiries and inform me whether the proposals are *bonâ fide*, and the syndicate good for the amount? Early reply desirable.

No. 4.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 3rd April 1886.

Your telegram 27th. Proposals *bonâ fide*. Streeter believed to have sufficient means, but as syndicate is to be formed after concession received, I advise caution lest it might fail and so damage value of property.

No. 5.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated 14th April 1886.

Yours 3rd April. Ruby mines. Local house offers three lacs per annum, and Streeter's agent offers four. Do you consider that latter offer may be accepted?

No. 6.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 14th April 1886.

Yours 14th. Ruby mines. Some obvious advantages in local firm, especially if for short term, but you can best judge whether they are outweighed by extra lac offered by syndicate. Contract should in any case be for short term as possible, and Government should secure full facilities for getting information respecting mines.

No. 7.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 16th April 1886.

Burmah mines. Suggested to me that appointment of Government Mining Inspector would be advantageous, and that firm or company acquiring lease should not afterwards subdivide it amongst numerous smaller companies as in Mysore.

No. 8.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 9th June 1886.

Burmah. Ruby mines. Newspaper telegram says you are about to grant concession to French company against Bernard's recommendation. Please telegraph facts, to enable me to answer if questioned.

No. 9.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated 10th June 1886.

Your telegram of 9th. Burmah ruby mines. Report that concession is about to be granted to French company wholly unfounded. Highest offer for lease within given time was made by Patton on behalf of Streeter, and intention is to accept offer if certain details can be satisfactorily arranged. Representative of Streeter has guaranteed his syndicate shall contain no foreign element. Bernard originally recommended acceptance of offer made by Calcutta firm, Gillanders Arbuthnot, but this was before Patton offered. Concession is delayed by necessity for local inquiry on certain points.

No. 10.

EXTRACT TELEGRAM from SECRETARY OF STATE to VICEROY, dated 18th November 1886.

Ruby Mines. I gather that arrangements not finally concluded. Value of mines and rights of Government should be carefully ascertained before pledging Government. Keep me informed of results of local inquiry and of proposed arrangements, which should have my previous approval. Desirability of retention in hands of the Government well worthy of consideration.

No. 11.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 19th May 1887.

Ruby mines. Question House of Commons alleges that contract on behalf of Government has been signed, and that applications to visit mines have been refused. Please enable me to answer fully.

No. 12.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated 22nd May 1887.

Terms under which the ruby mines are to be worked are still under consideration of Government, but a memorandum has been signed, by Mr. Crosthwaite's order, indicating the terms which he would recommend the Government of India to offer, and this document has been communicated to Streeter. Chief Commissioner expressly states, however, that this document is simply explanatory of his views, and does not bind the Government of India. At the same time Viceroy in Council is of opinion that should ruby mines regulation and terms of the agreement finally decided on prove acceptable to Streeter he is entitled to be granted a lease in consideration of his having sent in the highest tender. Circumstances under which Mr. Unger, the person probably referred to in your telegram, was prevented proceeding to ruby mines can scarcely be explained by telegram, but Bernard can give you a full explanation of incident.

No. 13.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 4th June 1887.

Ruby mines. Unger forwards correspondence, beginning December 1885, that a syndicate with Rothschilds was prepared to offer 400,000L., but was prevented by Government from visiting mines. Please investigate. If found true, must not further dealing with Streeter be stayed? What are the supposed dealings with Streeter? Question in the House of Commons for Monday. What answer is to be given?

No. 14.

From the GOVERNMENT OF INDIA, Revenue and Agricultural Department, to the SECRETARY OF STATE FOR INDIA. No. 2, dated 4th June 1887.

HAVING completed the measures which we propose to adopt for the administration of the ruby mine tracts of Upper Burmah, we enclose with this Despatch for your Lordship's information a copy of the Regulation which we have approved under the Statute 33 Vict. cap. 3, and of the Rules which we have sanctioned under sections 4 and 5 of the Regulation, together with copies of papers which will explain the terms on which we propose to grant certain rights to the firm of Messrs. Streeter for a term of five years from the 1st November 1887. The Regulation and Rules have not yet been made public, and we intend to take no action to bring them into force, until sufficient time has elapsed to permit of the receipt of any observations which your Lordship may think necessary to communicate on these documents or on the terms of the lease. It is desirable that your Lordship's reply should be despatched by telegraph, so that our arrangements may be carried into effect with the least possible delay. We take this opportunity also to furnish to your Lordship a narrative of our proceedings in the matter of the ruby mines since our occupation of Upper Burmah.

2. When his Excellency the Viceroy was at Mandalay in February 1886, his attention was directed to the mineral resources of the new province, and among them to the precious stones which were known to have been a source of revenue to the native dynasty, and which are described in the treaty of October 1867 with the King of Ava as "reserved as royal monopolies." Little, however, had then been learned of the value of the mines, of the system of working them, or of the respective rights of the mining population and of the Government. It has since been ascertained that, although rubies are obtainable at one or two other sites, mining operations are practically confined to the three townships of Mogok, Kyatpyin, and Kathe, situated in an elevated tract on the left bank of the Irrawaddy, about 60 miles east of the river and 90 from

Mandalay. The native population are prosperous and orderly; they have submitted quietly to British rule, and are now carrying on their usual avocations in comfort and peace. Mining for rubies is conducted by 40 or 50 resident natives of substance, who employ the poorer inhabitants as workmen. The tract was last leased by the Government of Thebaw to certain headmen for one year ending in July 1886, at a payment nominally of Rs. 2,50,000, all rubies worth Rs. 2,000 and upwards being reserved for the King. We are informed that King Mindoon obtained about Rs. 90,000 to 1,00,000 yearly by direct management, and that the highest revenue realised in any year by Thebaw was Rs. 1,50,000.

3. Shortly after the intention to follow the precedent of Thebaw's Government in leasing the ruby mines was communicated to and approved by your Lordship's predecessor (February 25th and March 4th), a letter was received from the Chief Commissioner of Burmah, forwarding two applications, the first from Messrs. Gillanders, Arbuthnot, and Co., for a lease of the Ruby Mines near Mandalay, and the second from Captain A. Patton, on behalf of Mr. Edwin William Streeter, of London, for "a concession for working the mines of Upper Burmah, more especially the ruby, sapphire, and precious stones, together with the gold and silver mines." Subsequently a third competitor appeared in Mr. Moritz Unger, who was described by the Chief Commissioner as "the representative of certain unnamed European capitalists." The Chief Commissioner was generally in favour of granting a short lease of five years to the local firm of Messrs. Gillanders, Arbuthnot, and Co., but finally, after somewhat prolonged negotiations, the offer by Captain Patton, on behalf of Mr. Streeter, of four lakhs of rupees per annum for a lease of five years was accepted, after further communication with the Secretary of State, as the highest tender on the day on which it had been decided that the competition should close. The acceptance of the tender was "subject to satisfactory agreement on certain conditions."

4. An important question which then intervened, and which delayed the further progress of the arrangements for several months, was the extent of the rights of the resident natives, the existence of which had been indicated in a letter received from the Chief Commissioner in February. Sir Charles Bernard in May was unable to accept a vague undertaking "to respect local custom as far as possible" as a sufficient protection of the native miners. But his information as to the nature of their rights was not precise, and we decided that the doubts on the subject must be set at rest by inquiry on the spot before the conditions of the concession could be finally determined. The immediate despatch of an expedition was ordered, but an outbreak of sickness caused it to be countermanded, and further movements were shortly rendered impracticable by the setting in of the rains. The advance of the expeditionary force was thus postponed until December, on the 19th of which month the troops moved forward up the mountains, and after encountering some slight opposition, which was not sustained, and surmounting a pass at an elevation of 6,820 feet, on the 27th descended on and occupied Mogok, which was found to be partially deserted. The report of the Deputy Commissioner who accompanied the troops was not written until 17th January, and was received in Calcutta in February. He described the methods pursued by the miners, and the rights and customs which prevailed in the ruby tract. The information supplied as to rights was not very complete, but it appeared that the occupation of the more permanent mining claims known as Hmyawdwins or gullies and Loodwins or excavations was respected by previous lessees. Land not thus occupied was at the disposal of the Government or its lessee. All rubies excavated were brought to the lessee for exercise of his option of purchase. Those which he declined to purchase were sealed up in packets and sent to the Ruby Hall at Mandalay for disposal, after payment of royalty and various other imposts.

5. Meanwhile, correspondence with the Chief Commissioner recommenced early in October as to the general administration of the ruby tracts, and the regulations by which the concession to Mr. Streeter should be safe-guarded. Some additional information was obtained from the lease of the mines of the three townships for the year from July 1885 to July 1886, a copy of which was forwarded to us by Sir Charles Bernard. The lessees were the headmen of the three townships and the two Superintendents of the Ruby Hall at Mandalay. The lease proved that the native dynasty asserted an exclusive right to grant permission to mine for rubies, to regulate their purchase and export, and to levy duties on their sale and transit. The practice as to the lessees' option of purchase, the payment of duty on rubies not purchased by them, the transport of rubies in sealed packets to the Ruby Hall for sale, and the payment of brokerage and other dues, and of export duty to Lower Burmah, corresponds with the information furnished a few months later by the Deputy Commissioner.

On the facts now available a draft regulation was prepared at Simla on the precedent and general lines of the Opium Act of 1878, and forwarded on 4th November to Sir Charles Bernard, with instructions that he should propose the draft to the Governor-General in Council under Section I. of the statute, and at the same time submit a code of rules for consideration and approval.

Sir Charles Bernard finally proposed the regulation in a letter dated January 20th, with which he also forwarded a draft of rules. These were at once taken into consideration. But the letter of the Chief Commissioner which enclosed the report of the Deputy Commissioner written after his arrival at Mogok, did not reach Calcutta until February 8th, and a letter containing fuller information was received on February 23rd. The whole subject of the regulation, rules, and lease was thoroughly reviewed by our honourable colleagues in the Legislative Department and the Department of Revenue and Agriculture in consultation with Mr. Crosthwaite, who visited Calcutta in February on his way to assume charge of the office of Chief Commissioner of Burmah from Sir Charles Bernard. Mr. Crosthwaite proceeded to Burmah with full information as to the policy to be pursued, and a report of his matured conclusions, to be accompanied by a rough draft of the conditions of an agreement to be made with Mr. Streeter, was awaited. In a letter dated April 16th, the Chief Commissioner, after having visited the ruby tract of Mogok, submitted his final draft of a regulation and rules and the rough draft of the agreement which he was prepared to recommend. In a later letter dated the 6th of May he informed us that "Mr. Streeter was anxious to have a document that would show the terms which the Chief Commissioner had recommended the Government of India to accept. For this purpose a copy of the agreement signed provisionally by the Secretary to the Chief Commissioner and Mr. Streeter was given to him. It does not bind the Government of India in any way." The regulation was approved by the Governor-General in Council on May 25th, and the rules have been sanctioned with some slight amendments. The agreement or lease has still to be settled by the law officers of Government, as will be perceived from the enclosures to this Despatch. It is to commence from November 1st, 1887, which was suggested by Mr. Streeter as the earliest convenient date.

6. In the regulation and rules we have preserved, as far as possible, the native traditions as to local rights and as to the exercise of the royal monopoly in regard to precious stones. The regulation, after defining a stone tract as an area in which precious stones are found, secures to Government a control over stone tracts by enacting that no person who is not a native of a stone tract shall reside therein without a permit. Provision is made for the grant of licenses to dig or raise or to possess precious stones in a stone tract, to possess them for purposes of trade beyond the limits of a stone tract, and to buy, sell, transfer, or transport them. To secure the monopoly of purchase or the levy of duty on stones not purchased, it is enacted that a license to dig or raise precious stones may impose on the holder thereof the condition, that he shall, at the option of the Government authority or of some person on whom the right of exercising the option has been conferred by the Government by lease, either sell the stones which he raises at his own valuation to the Government authority or the lessee, or pay on that valuation such duty as Government directs. In a later section power is taken for the grant of the above right by lease.

7. The rules under sections 4 and 5 of the regulation prescribe in detail the arrangements by which we propose to control the working of the mines and dealing in precious stones. Licenses of two kinds will be granted—ordinary and extraordinary. The ordinary license for one year will be granted to natives of the stone tract or persons residing therein under special permit. These licensees will be for the most part the chief men of the stone tract and the present occupants of permanent claims, who can bring some capital to the work and who will employ their poorer countrymen as labourers. The ordinary licensees will be subject to the obligation to sell their stones or pay duty under section 5 of the regulation. Stones which are not purchased at their own valuation will be given into the charge of the Deputy Commissioner at the mines, who will pack and forward them to the Ruby Mart at Mandalay, where they will be sold after payment of duty for the benefit of the owner. In stone tracts no stones will be bought or sold except in pursuance of the Government monopoly of purchase under section 5. Beyond the limits of stone tracts persons will be licensed to buy and sell, and none but these licensees will be permitted to purchase stones at the Ruby Mart. These licensed retailers will be required to keep registers of their transactions, which will be open to inspection.

8. The ordinary license gives permission to mine by the native methods, but not by aid of explosive substances or machinery. The extraordinary license is not limited to time and gives power to mine by any method, but it can be granted only by the Chief Commissioner. Finally, nothing in the regulation or rules applies to cut and set stones worn on the person or possessed solely for the purposes of adornment by unlicensed persons.

9. We have now to explain the nature of our convention with Mr. Streeter. The concession to him is twofold—namely (1) a lease for five years of the right to exercise the option to purchase or receive duty fixed at 30 per cent. on the seller's valuation under section 5; and (2) a grant of the exclusive right for five years to mine under an extraordinary license in any place in the three townships defined in such license. In consideration of these privileges he is to pay annually four lakhs of rupees in quarterly instalments. He is not to interfere with the holders of ordinary licenses by mining within 25 yards of their claims. He is not to sublet or subdivide, except with the written permission of Government, the interests conveyed to him by the lease, but he may form a syndicate, or, with the sanction of Government, a company. He is not to mine for or appropriate minerals other than precious stones. We pass over various subsidiary conditions and will advert only to the last, that if the lease is not renewed, the Government, if direct management is adopted, or the new lessee, if some other obtains the concession, will take over the first lessee's machinery and plant at a fair valuation. We have declined to accede to the request of Mr. Streeter that the term of the lease should be extended to seven years, as his original tender was for five years, and as the limitation of the term for the first lease to as short a period as possible has always been recognised by us as important. Pending the promulgation of the regulation and rules and the execution of the lease, Mr. Streeter is permitted to purchase any rubies offered for sale in the stone tract, on condition that he pays 30 per cent. on the price to Government. The resident Deputy Commissioner has been instructed to order his administration of the mines as far as possible in conformity with the regulation and rules.

10. It is impossible to say at present what may be the result of Mr. Streeter's undertaking, but we are of opinion that a lease of our monopoly rights for a short term was the most convenient and probably the most profitable arrangement open to us. Sir Charles Bernard in November stated his opinion that we could not hope to obtain four lakhs yearly by direct management, and that he doubted our capacity to manage directly, and it seems, for the present at any rate, preferable that the capital required for large dealings in rubies should be forthcoming through a lessee who undertakes the mercantile risks. It will be observed, however, that the grant of a lease is entirely within the discretion of the Government, and that by the terms of the regulation we may exercise our rights either by the levy of duty only, or in any other way in which it may be found most beneficial to control the production and disposal of precious stones.

11. Whatever the result of these arrangements may be, we trust that your Lordship will be satisfied that we have been careful to protect the rights and interests of the native miners. When our force reached Mogok, the headmen, who had organised a brief resistance, were found to have fled from their villages. They were invited by the Deputy Commissioner to return to their posts and resume their duty of collecting the revenue. When the Chief Commissioner visited the ruby mines in April, the headmen had come in, and met him, attended by the Deputy Commissioner and Mr. G. S. Streeter, at Mogok. The draft regulation and rules had been translated into Burmese, and copies had been distributed to the headmen. Mr. Crosthwaite caused the regulation and rules to be read out, section by section, to the headmen, and satisfied himself by questions that they understood the drafts. He informed them of the concessions about to be made to Mr. Streeter, who would purchase their rubies or levy duty. They were assured at the same time that the prescriptive rights of the residents in the ruby tract would be maintained, and that they would be licensed to mine under the rules. The headmen expressed themselves as satisfied and raised no objections. We have no reason, therefore, to anticipate any local opposition. The Chief Commissioner informs us that the native population of the mining tracts is remarkably prosperous, orderly, and respectable, and it is possible that, with the expansion of the ruby trade, Mogok, now a town of 500 houses, may become a thriving centre of industries. The conditions appear to us to be favourable to the introduction of European capital and mechanical skill, but the effect on the native mining population will be carefully observed; and should the present experiment disclose disadvantages

which are not at present foreseen, we shall be prepared to revise the conditions under which we have sanctioned it, or, if necessary, to abandon it in favour of a different system.

We have, &c.
 (Signed) DUFFERIN.
 T. C. HOPE.
 A. COLVIN.
 G. CHESNEY.
 A. R. SCOBLE.
 J. B. PEILE.

Enclosure I in No. 14.

From H. THIRKELL WHITE, Esquire, C.S., Secretary for Upper Burmah to the Chief Commissioner, to the SECRETARY TO THE GOVERNMENT OF INDIA, Revenue and Agricultural Department. No. 219, dated Mandalay, April 16, 1887.

I AM directed to solicit a reference to the letters cited in the margin and to No. 219, dated 20th January 1887. previous correspondence concerning the arrangements No. 348, dated 14th February 1887. for working the ruby mines in Upper Burmah.

2. The Chief Commissioner has visited the ruby mine tracts, and he now desires me to submit to the Government of India the draft regulation and rules which he proposes. He has made a few amendments in the regulation and rules, and he hopes the Government of India will be able to pass them as soon as possible.

3. The Chief Commissioner held a meeting of the headmen employed in the ruby mine industry at Mogók. Mr. Carter, the Deputy Commissioner, and Mr. Streeter, the proposed lessee of the Government rights, were present.

The regulation and rules had been previously translated into Burmese, and copies had been given to the headmen before the meeting took place. Mr. Crosthwaite then had the regulation and rules read out section by section to the headmen in his presence, and, by questioning them through the medium of Mr. Carter and of a very intelligent Burman official who understands English, he satisfied himself that the headmen understood the drafts. The Chief Commissioner informed them that it was the intention of the Government to let the monopoly of the purchase of rubies at the mines to Mr. Streeter, who would be authorised to levy a duty of 30 per cent. on the valuation of the rubies offered to him for sale if he declined to buy them. The customary or prescriptive rights of the residents in the tracts would be preserved, and they would be allowed to mine under the restrictions laid down in the rules. The headmen expressed themselves satisfied with the arrangements proposed and made no objections.

4. During his stay at Mogók and Kathe the Chief Commissioner had good opportunities of ascertaining how the business is carried on. In some of the claims the works are on a considerable scale, and require capital to carry them on. There are, so far as can be ascertained at present, 40 or 50 men of substance in whose hands the business practically is; many of the others dig small holes three or four feet deep all over the place in which they search for rubies; but these men cannot be said to have any rights which the Government is bound to respect. It will be in accordance with the previous custom, as well as with the present conditions of the industry, to restrict the grant of ordinary licenses to the chief men who can bring capital to the work, and who will employ, and who are in the habit of employing, the less wealthy residents as workmen in the mines. They will be restricted by the conditions of their license to the claims worked by them in the past year, or to such new areas as the Deputy Commissioner may allot to them. In all the areas not so occupied or allotted Mr. Streeter will be able to work without interfering with the resident miners.

5. I am desired to enclose a rough draft of the agreement which the Chief Commissioner thinks should be made between the Secretary of State and Mr. Streeter, and Mr. Crosthwaite hopes no radical alteration will be made in the terms which he has proposed without giving him the opportunity of expressing his views. A copy of a letter from Mr. Streeter on the subject of the draft agreement is enclosed. Mr. Streeter is anxious to get the term of the lease extended. The Chief Commissioner consents to making the term five years and a half, so that the lessee may have six months to get out his machinery, &c., and may enjoy for five years the lease at full

working power. Mr. Crosthwaite objects to extend the term any further; he has been greatly struck by the evident prosperity of the residents of the mining tracts; the people are extremely well off, orderly, and respectable. They have now submitted quietly to the British Government, and are carrying on their usual avocations in comfort and peace: it remains to be seen how this condition may be affected by Mr. Streeter's operations. Every precaution has been taken in the rules and in the proposed conditions of the lease to prevent the lessee from interfering with the native rights: it is, however, possible that their profits may be considerably diminished owing to the impulse given to the productive qualities of the mines by the energy, capital, and appliances which will be brought to bear by a European firm. The Chief Commissioner considers that the Government should not tie its hands for a longer term than that proposed; at the end of that term, if it is found that the prosperity of these townships and the comfort and character of the inhabitants have suffered, the Government will no doubt think it advisable not to renew the lease even though a small loss of revenue should be the result. If, on the other hand, the prosperity of the townships is maintained and no mischief has been caused, it will be only fair to give the pioneers of the enterprise the offer of a new lease on such terms as may then be agreed upon. There is no doubt that these hills contain great quantities of stones, and that many of considerable value will be found. It will be unwise to attempt to fix the term of the new lease, if a new lease is given, in the present agreement.

6. The few alterations which have been made in the drafts prepared in Calcutta in consultation with the Government of India do not seem to require any explanation. With regard to the provision in section 4 of the regulation, which requires the previous sanction of the Governor-General in Council to the making, amendment, or cancelment of any rule, the Chief Commissioner ventures to suggest that it might be conveniently omitted from the regulation. The Chief Commissioner thinks it would be sufficient if the Government of India has approved of the rules which it is now proposed to issue. Considering the time that it takes to communicate with the Government of India, and considering the nature of the business which can only be adequately dealt with by the local administration, and is after all not of the very first importance, the despatch of business would be better secured, and the risk of delay in remedying mistakes diminished, if the amendment, addition to, or cancelment of rules, as well as the making of them in future, were left to the local Government.

7. Pending the signing of the agreement or lease, the Chief Commissioner has directed the Deputy Commissioner to allow Mr. Streeter to purchase the rubies offered for sale in the stone tracts on condition that he pays a duty of 30 per cent. on the price to the Government. The Deputy Commissioner has also been authorised to be guided as much as possible in his management of the mines by the regulation and rules in anticipation of their being passed.

In conclusion I am to say that all the forms of licenses, &c. necessary for the working of the rules have been prepared, that Mr. Streeter, junior, has seen them and is satisfied with them. It is believed that Captain Patton, who had an interview with the Chief Commissioner at Mandalay, has returned to India, and is empowered to sign the lease or agreement on behalf of Mr. Streeter.

Enclosure 2 in No. 14.

DRAFT AGREEMENT between HER MAJESTY'S SECRETARY OF STATE FOR INDIA on the one hand and MESSRS. STREETER AND Co., of London, on the other.

It is hereby agreed that, in consideration of the payment of an annual sum of four lakhs of rupees in quarterly instalments, the first of which shall be paid on the date of the signing of the lease, or within 15 days from that date, Her Majesty's Secretary of State for India shall lease to Messrs. Streeter and Co., for the term of five years and six months from the 1st November 1887—

- (1.) The sole right to buy all precious stones raised by holders of ordinary licenses granted in accordance with the rules framed under the Upper Burmah Ruby Regulation within the three townships of Mogòk, Kyapyin, and Kathe in the ruby mines district, which local area has been notified as a stone tract

under section 2 of that Regulation; or to receive from the holders 30 per cent. on their own valuation under section 5 (2), Upper Burmah Ruby Regulation;

- (2.) The sole right to buy all stones confiscated under the Upper Burmah Ruby Regulation at the Government valuation, or to receive 30 per cent. on that valuation from Government;
- (3.) The sole right to mine under an extraordinary license for precious stones in any place within the said three townships.

It is also agreed that the lease shall be given subject to the following conditions:—

- (1.) The lessee shall not mine within 25 yards of any licensed claim;
- (2.) He shall keep accounts of all duties received, and of all stones purchased, raised, or found by him with the values thereof in such form as the local Government may direct, and shall submit those accounts to the inspection of the Deputy Commissioner, Ruby Mines District, whenever called upon so to do;
- (3.) He shall appoint and maintain at Mogôk, or such other place as may be from time to time determined by agreement between him and the local Government, an agent empowered to act in all matters connected with or arising out of his lease;
- (4.) He shall remove his agent and appoint another within three months on being required by the local Government by written orders so to do;
- (5.) He shall submit all disputes or questions arising between him on the one side and any of the ordinary licensees or natives of the stone tract on the other to the decision of the Deputy Commissioner, Ruby Mines district, and abide by his decision, subject to an appeal to the Commissioner of the division;
- (6.) He shall promptly obey, and to the utmost of his power cause to be obeyed by his servants, labourers, or employés, any order issued by the Deputy Commissioner for the purpose of preventing a breach of the peace or disturbance in the said stone tract, or for the preservation of the lives and health of persons working or residing in that tract;
- (7.) He shall not in any way sublet or subdivide the interests conveyed to him by this lease without the written consent of the local Government. But this condition is not intended to preclude the lessee from forming a syndicate to carry out the objects of the lease;
- (8.) In case of any dispute arising regarding the interpretation of this lease, or of any clause or condition in it, he shall be bound by the decision of the local Government.

It is also further agreed—

- (1.) That the local Government, on behalf of the Secretary of State for India, shall allow the lessee to make such watercourses over land belonging to the State, and to take such water as may be necessary for the carrying on of his mining works, provided that the lessee shall not injure or obstruct any public road or path; and that he shall not divert any water necessary for the supply of any town or village;
- (2.) That the local Government shall, subject to the forest regulations and rules, and to the payment of the usual forest dues, allow the lessee to cut such timber as he may require for his own use;
- (3.) That if the said lessee shall find any metals, coal, or other minerals other than precious stones, he shall not be entitled to mine for or appropriate the same; but if the Government shall decide to lease the right to work the metals, coal, &c., so found, the lessee under this agreement shall have the refusal of that lease;
- (4.) That on the expiry of the term of the lease, the lessee shall have the refusal of a new lease for such terms and on such conditions as may then be agreed upon by the parties to the present agreement, in either of two cases, and in no other, that is to say, if the local Government shall determine to lease its rights in the stone tract aforesaid, which the present lessee will acquire

under this agreement, or, if it shall determine to carry on mining for precious stones in that tract by its own officers, agents, or employés. And if, in either of these two cases, the Government does not give the lessee the refusal of a new lease as aforesaid, it shall take over all the mining machinery, plant, &c., which the lessee shall be possessed of within the said stone tract at a fair valuation.

Signed, subject to the approval of the Government of India and to any amendment or alteration, if any, of the terms or conditions which the Government of India may make.

C. H. T. CROSTHWAITE,
Chief Commissioner of Burmah.

Enclosure 3 in No. 14.

From G. SKELTON STREETER, Esq., to the SECRETARY FOR UPPER BURMAH, dated Mandalay, the 11th April 1887.

I have the honour to enclose the copy of the proposed draft agreement given me for perusal, and I would beg to submit the following modifications of same for the Chief Commissioner's approval:--

- (1.) That the term of lease may be increased from five years six months to seven years; and that the first quarter's rent fall due one month after the signing of lease.
- (2.) That in clause 4 the period of three months may be increased to six.
- (3.) That in clause 7, the words "or company" may be inserted after syndicate.
- (4.) That in the last clause of draft the words "mining properties" may be inserted before "mining machinery plant, &c."
- (5.) That the agreement may be signed subject to the approval of the Government of India and to any amendment or alteration of any of the terms or conditions which the Government of India and Messrs. Streeter and Co. may mutually agree.

I would also beg to suggest that a clause be inserted in the agreement fixing a date for the commencement of lease not earlier than 1st November 1887, so that time may be given to prepare the list, as provided for by clause 10 of the rules under the Upper Burmah Ruby Regulation, which list should, as far as possible, define the extent and number of the various ordinary claims, and a copy be affixed to the lease.

I would also ask that written permission may be given me to have the monopoly of buying in the stone tract till the commencement of lease, on the condition that I shall pay 30 to 40 per cent. on the purchase-money of all stones bought or raised by me, as the Chief Commissioner may direct, and that a mining license be granted.

I would also request that, on the execution of the agreement, the Chief Commissioner would grant me permission to sublet to a syndicate or company the rights conferred upon me in the district of Kathe and Kyapyin as distinct from Mogkôk, if it was thought advisable so to do.

I beg to enclose a map of the stone tract for inspection and return, thinking possibly it may be of some assistance in settling more definitely the area of the three townships of Kathe, Kyapyin, and Mogkôk.

Enclosure 4 in No. 14.

From D. M. SMEATON, Esq., M.A., B.C.S., Officiating Secretary to the Chief Commissioner, to the SECRETARY TO THE GOVERNMENT OF INDIA, Foreign Department, No. 148, dated Rangoon, 6th May 1887.

In continuation of my No. 219, dated the 16th April 1887, I am desired to submit a revised draft of agreement which it is proposed to make with Messrs. Streeter and

Co. for a lease of the ruby mines. The revised draft embodies some changes urged by Mr. Streeter.

Firstly.—The words “ or company ” have been added in condition No. (7).

Secondly.—A new condition, No. (8), has been added to provide that the Government shall have a voice in the direction, if a company is formed.

Thirdly.—The words “ and other mining properties ” have been added in clause (4) of the third part of the agreement, in order to cover such property as residences for miners, material used in supporting shafts, and galleries still in use, and the like.

Fourthly.—To the same part of the agreement has been added a new clause (5), by which the Government engages to furnish the lessee with a list of the claims worked under ordinary licenses at the date of the lease. The object of this is to enable the lessee to know the extent of the mining claims. It is not, however, thereby intended that no alteration shall take place in those claims. They will probably vary from year to year.

Mr. Streeter was anxious to have a document that would show the terms which the Chief Commissioner had recommended the Government of India to accept. For this purpose a copy of the agreement, signed provisionally by the Secretary to the Chief Commissioner and Mr. Streeter, was given to him. It does not bind the Government of India in any way.

Enclosure 5 in No. 14.

DRAFT AGREEMENT between HER MAJESTY'S SECRETARY OF STATE FOR INDIA on the one hand and MESSRS. STREETER AND Co. of London, on the other.

It is hereby agreed that, in consideration of the payment of an annual sum of four lakhs of rupees in quarterly instalments, the first of which shall be paid on the date of the signing of the lease or within 15 days from that date, Her Majesty's Secretary of State for India shall lease to Messrs. Streeter and Co., for the term of five years and six months from the 1st November 1887 :—

- (1.) The sole right to buy all precious stones raised, by holders of ordinary licenses granted in accordance with the rules framed under the Upper Burmah Ruby Regulation within the three townships of Mogôk, Kyapyin, and Kathe in the Ruby Mines district, which local area has been notified as a stone tract under section 2 of that Regulation ; or to receive from the holders 30 per cent. on their own valuation under section 5 (2), Upper Burmah Ruby Regulation ;
- (2.) The sole right to buy all stones confiscated under the Upper Burmah Ruby Regulation at the Government valuation, or to receive 30 per cent. on that valuation from Government ;
- (3.) The sole right to mine under an extraordinary license for precious stones in any place within the said three townships.

It is also agreed that the lease shall be given subject to the following conditions :—

- (1.) The lessee shall not mine within 25 yards of any licensed claim ;
- (2.) He shall keep accounts of all duties received, and of all stones purchased, raised, or found by him with the values thereof in such form as the local Government may direct, and shall submit those accounts to the inspection of the Deputy Commissioner, Ruby Mines district, whenever called upon so to do ;
- (3.) He shall appoint and maintain at Mogôk, or such other place as may be from time to time determined by agreement between him and the local Government, an agent empowered to act in all matters connected with or arising out of his lease ;
- (4.) He shall remove his agent and appoint another within three months on being required by the local Government by written order so to do ;
- (5.) He shall submit all disputes or questions arising between him on the one side and any of the ordinary licensees or natives of the stone tract on the other to the decision of the Deputy Commissioner, Ruby Mines district, and abide by his decision, subject to an appeal to the Commissioner of the division ;
- (6.) He shall promptly obey, and to the utmost of his power cause to be obeyed by his servants, labourers, or employés, any order issued by the Deputy Commissioner

for the purpose of preventing a breach of the peace or disturbance in the said stone tract, or for the preservation of the lives and health of persons working or residing in that tract ;

- (7.) He shall not in any way sublet or subdivide the interests conveyed to him by this lease without the written consent of the local Government. But this condition is not intended to preclude the lessee from forming a syndicate or company to carry out the objects of the lease ;
- (8.) If a company is formed one of the directors shall be an officer appointed by Government ;
- (9.) In case of any dispute arising regarding the interpretation of this lease, or of any clause or condition of it, he shall be bound by the decision of the local Government.

It is also further agreed—

- (1.) That the local Government, on behalf of the Secretary of State for India, shall allow the lessee to make such watercourses over land belonging to the State, and to take such water as may be necessary for the carrying on of his mining works, provided that the lessee shall not injure or obstruct any public road or path ; and that he shall not divert any water necessary for the supply of any town or village ;
- (2.) That the local Government shall, subject to the forest regulations and rules, and to the payment of the usual forest dues, allow the lessee to cut such timber as he may require for his own use ;
- (3.) That if the said lessee shall find any metals, coal, or other minerals other than precious stones, he shall not be entitled to mine for or appropriate the same ; but if the Government shall decide to lease the right to work the metals, coal, &c., so found, the lessee under this agreement shall have the refusal of that lease ;
- (4.) That on the expiry of the term of the lease, the lessee shall have the refusal of a new lease for such terms and on such conditions as may then be agreed upon by the parties to the present agreement, in either of two cases, and in no other, that is to say, if the local Government shall determine to lease its rights in the stone tract aforesaid which the present lessee will acquire under this agreement, or, if it shall determine to carry on mining for precious stones in that tract by its own officers, agents, or employés. And if, in either of these two cases, the Government does not give the lessee the refusal of a new lease as aforesaid, it shall take over all the mining machinery, plant, and other mining properties, which the lessee shall be possessed of within the said stone tract at a fair valuation ;
- (5.) That, as soon as may be, the lessee shall be furnished by the Deputy Commissioner, Ruby Mines district, with a list showing the claims worked under ordinary licenses at the date of the lease, together with the names of the headmen and of the men working under each headman and a statement of the extent and position of each claim.

Signed, subject to the approval of the Government of India and to any amendment or alteration, if any, of the terms or conditions which the Government of India may make.

Signed, provisionally, subject to the approval of my principals.

G. SKELTON STREETER.

By order of the Chief Commissioner, subject to the approval of the Government of India.

DONALD SMEATON,
Secretary to Government.

Enclosure 6 in No. 14.

THE UPPER BURMAH RUBY REGULATION, 1887.

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SECTIONS.

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DRAFT of a REGULATION to declare the LAW relating to RUBIES and other PRECIOUS STONES in UPPER BURMAH.

Whereas it is expedient to declare the law relating to rubies and other precious stones in Upper Burmah; it is hereby enacted as follows:—

Title, extent, commencement, and construction.

1.—(1.) This Regulation may be called the Upper Burmah Ruby Regulation, 1887.

(2.) It extends to the whole of Upper Burmah except the Shan States; and

(3.) It shall come into force on such date as the local Government may, by notification in the official Gazette, appoint in this behalf.

(4.) But nothing therein shall be construed to take away or derogate from any right established to the satisfaction of the local Government.

Definitions.

2. In this Regulation, unless there is something repugnant in the subject or context,—

(1.) “Precious stone” or “stone” means ruby, spinel or sapphire, and includes any other stone which the local Government may, by notification in the official Gazette, declare to be a precious stone for the purposes of this Regulation:

(2.) “Stone tract” means a tract which the local Government has, by notification in the official Gazette, declared to be a local area in which precious stones are found:

(3.) “Native,” used with reference to a stone tract, means a person who was born, and during the five years immediately preceding the commencement of this regulation has habitually resided in the stone tract:

(4.) “Transport” means to remove from one place to another within the territory to which this Regulation extends: and

(5.) “Vessel” includes anything made for the conveyance by water of human beings or of property.

Prohibition of digging for or dealing in stones except under rules.

3. Except as permitted by rules under this Regulation, no one shall—

(a.) If he is not a native of a stone tract, reside therein;

(b.) Dig for or raise any precious stone in a stone tract;

(c.) Cut or dress any precious stone;

(d.) Possess any precious stone in a stone tract or, for the purposes of trade, in any place beyond the limits of a stone tract;

(e.) Buy or sell, or be otherwise a party to the transfer of, any precious stone; or

(f.) Transport any precious stone.

4.—(1.) The local Government, with the previous sanction of the Governor-General in Council, may, by notification in the official Gazette, make rules consistent with this Regulation to permit on such conditions and in consideration of such payments, if any, as it thinks fit, and to regulate all or any of the following matters, namely:—

(a.) The residence in a stone tract of persons who are not natives thereof;

(b.) The digging for or raising of precious stones in a stone tract;

- (c.) The cutting or dressing of precious stones ;
- (d.) The possession of precious stones in a stone tract or, for the purposes of trade, in any place beyond the limits of a stone tract ;
- (e.) The purchase or sale of, or other mode of transferring precious stones ; and
- (f.) The transport of precious stones.

(2.) The local Government, with the previous sanction of the Governor-General in Council, may amend, add to, or cancel any rule made under this section.

Supplementary provisions respecting rules. 5.—(1.) Rules under the last foregoing section may provide for the following among other matters, namely :—

- (a.) The grant of licenses to do anything permitted by the rules to be done ;
- (b.) The authority by which the licenses may be granted ;
- (c.) The time and manner at and in which applications for the licenses are to be made ;
- (d.) The authority by which the conditions of the licenses, and the payments, if any, to be made therefor, are to be prescribed ;
- (e.) The powers which may be exercised for the purpose of enforcing any provision of this regulation or the rules or securing the fulfilment of any condition of a license, and the authority by which those powers may be exercised ;
- (f.) The period for which any license is to remain in force ;
- (g.) The authority by which fees may be prescribed for services rendered to licensees and other persons under the rules and the limitation of the amount of those fees ;
- (h.) The authority by which forms may be prescribed for any of the purposes of the rules ;
- (i.) The exemption, absolutely or subject to conditions, of any precious stones from the operation of this regulation or the rules ; and
- (j.) Any other matter for which it is, in the opinion of the local Government, necessary to make rules in the interests of the public or of the public revenue.

(2.) A license to dig for or raise precious stones in a stone tract may impose on the holder thereof the condition that he shall, at the option of the authority granting the license, or of some other authority appointed by the local Government in this behalf or of some person upon whom the right of exercising the option has been conferred by the local Government by lease or other appropriate instrument under this regulation, either—

- (a.) Sell at his own valuation to that authority or person all or any stones which he or any person permitted by the license to work under him finds or raises, or
- (b.) Pay on that valuation to that authority or person such duty in respect of the stones as the local Government directs.

(3.) The local Government may, without the previous sanction of the Governor-General in Council, make rules subsidiary to, and not inconsistent with, rules made under the last foregoing section with such previous sanction, and may by rules under this sub-section prescribe, among other matters, the time and place, and the mode, at and in which the duty referred to in the last foregoing sub-section is to be paid to the authority or person to whom it is payable.

Offences. 6. In either of the following cases, namely :—

- (a) if a person, in contravention of this Regulation or of any rule thereunder, resides within a stone tract, or digs for or raises any precious stone, or cuts or dresses any precious stone, or possesses any precious stone in a stone tract or, for the purposes of trade, in any place beyond the limits of a stone tract, or buys or sells, or is otherwise a party to the transfer of, any precious stone, or transports any precious stone, or
- (b) if a person fails or refuses to comply with any provision of any rule under this Regulation, or commits a breach of any condition of his license,

the person shall, on conviction before a magistrate of the first class, be punished for each such offence with imprisonment for a term which may extend to one month for the first offence and to six months for any subsequent offence, or with fine, or with both.

7. Subject to any rule under this regulation, it shall be presumed in a prosecution under section 6, until the contrary is proved, that any stone for which the accused person is unable to account satisfactorily is a stone in respect of which he has committed an offence under that section.

Presumption in prosecutions.

8.—(1.) Any stone in respect of which an offence under section 6 has been committed shall be liable to confiscation.

Confiscation.

(2.) When the offender is convicted, or when the person charged with an offence in respect of any stone is acquitted, but the magistrate decides that the stone is liable to confiscation, the confiscation may be ordered by the magistrate.

(3.) When an offence under section 6 has been committed, but the offender is not known or cannot be found, the Deputy Commissioner or other officer authorised by the local Government in this behalf either by name or by office, shall inquire into and determine the case, and may order the confiscation of the stone in respect of which the offence was committed :

Provided that the order shall not be made until one month has expired after the date of the seizing of the stone, nor until an opportunity has been given to the persons, if any, claiming any right to the stone of being heard and of producing evidence in support of their claims.

(4.) When a stone not in the possession of any person cannot be satisfactorily accounted for, the Deputy Commissioner or other officer may proceed with respect thereto under sub-section (3) as if it were a stone to which that sub-section applied.

(5.) The magistrate, Deputy Commissioner or other officer may, instead of ordering the confiscation of a stone liable to be confiscated, give the owner of the stone an option to pay, in lieu of confiscation, such sum as the officer thinks fit.

9.—(1.) Any officer authorised by the local Government in this behalf either by name or by office who has reason to believe, from personal knowledge or from information given by any person and taken down in writing, that any stone liable to confiscation under section 8 is to be found in any building, vessel, or enclosed place, may, after sunrise and before sunset,—

(a.) Enter the building, vessel or place ;

(b.) In case of resistance, break open any door and remove any other obstacle to his entry ;

(c.) Search for and seize the stone ; and

(d.) Detain and search, and if he thinks proper arrest, any person whom he has reason to believe to be guilty of any offence relating to the stone.

(2.) Any officer authorised by the Deputy Commissioner in this behalf may—

(a.) Search for and seize, in any open place or in transit, any stone which he has reason to believe to be liable to confiscation under section 8 ;

(b.) Detain and search any person whom he has reason to believe to be guilty of any offence under section 6, and, if that person has any stone in his possession, arrest him and any person in his company.

(3.) The provisions of the Code of Criminal Procedure, X. of 1882, relating to searches under that Code shall, so far as they can in the circumstances for the time being be made applicable, apply to searches under sub-section (1) and sub-section (2).

(4.) In either of the following cases, namely :—

(a) if an officer authorised to act under sub-section (1) enters, without reasonable ground of suspicion, any building, vessel, or place, or

(b) if an officer authorised to act under sub-section (1) or sub-section (2) vexatiously and unnecessarily makes any search or detains or arrests any person,

the officer shall for every such offence be punished with fine which may extend to five hundred rupees.

(5.) Where an officer is sentenced to a fine for an offence under the last foregoing sub-section, the court imposing the fine or confirming the sentence may presume, for the purposes of section 545 of the Code of Criminal Procedure, 1882, that injury has been caused by the offence, and that substantial compensation is recoverable by civil suit in respect of the injury.

10.—(1.) A magistrate may issue his warrant for the arrest of any person whom he has reason to believe to have committed an offence under section 6, or for the search, by day or by night, of any building, vessel, or place in which he has reason to believe any stone liable to confiscation under section 8 to be kept or concealed.

Issue of warrants
by magistrates.

(2.) Warrants issued under this section shall, so far as the circumstances for the time being admit, be executed in accordance with the provisions of the Code of Criminal Procedure, X. of 1882.

11.—(1.) A person arrested or stone seized under section 9 shall be forwarded
 Disposal of persons arrested and stones seized. without delay to the officer in charge of the nearest police station.

(2.) A person arrested or stone seized under section 10 shall be forwarded without delay to the magistrate by whom the warrant under that section was issued.

(3.) The police officer or magistrate, as the case may be, to whom a person or stone is forwarded under sub-section (1) or sub-section (2) shall, with all convenient despatch, take such measures as may be necessary for the disposal according to law of the person or stone.

12. When an officer makes an arrest or seizure under section 9 or section 10 he shall, within forty-eight hours next after the arrest or seizure, make
 Report of arrests and seizures. a full report of all the particulars of the arrest or seizure to his immediate official superior.

13. A police officer, railway servant, carrier of goods for hire, or person in the employ of such a carrier who is aware of the commission of or of
 Obligation to give information of offences. the intention to commit an offence under section 6 shall be legally bound to give immediate information, orally or in writing, of the commission of or intention to commit the offence to a magistrate, or to a police officer above the rank of constable.

14. The local Government may, with the previous sanction of the Governor-General in Council, grant by lease or other appropriate instrument, with
 Power for Government to grant lease. respect to all or any stone tracts, or to any stone tract, the right to exercise the option referred to in section 5, sub-section (2).

15.—(1.) Any fee, duty, or other money due to the Government under any rule or license made or given under this Regulation, and any money
 Recovery of arrears of fees, duties, and rates. due to the Government from a grantee under the last foregoing section, may be recovered from the person from whom the money is due, or from his surety, if any, as if it were an arrear of revenue.

(2.) Nothing in sub-section (1) shall be construed to affect the right of the Government to proceed by suit, in addition to or in lieu of any process authorised by that sub-section, for the recovery of any such money as is mentioned in the sub-section.

16. If, in the opinion of the local Government, the acquisition of any land on behalf of a grantee under section 14 is desirable for the purposes
 Acquisition of land for lessee. of this Regulation, the local Government may, at the request of the grantee, proceed to acquire the land under the provisions of the Upper Burmah Land Acquisition Regulation IX. of 1886, and, on payment by the grantee of the compensation awarded under that Regulation, and of the charges incurred by the Government in connexion with the proceedings, the land shall vest in him, subject to such conditions, if any, as the local Government may in each case prescribe.

DRAFT RULES UNDER THE PROPOSED UPPER BURMAH RUBY REGULATION, 1887.

1. These rules made by the Chief Commissioner of Burmah, with the previous sanction of the Governor-General in Council, for regulating matters specified in sections 4 and 5 of the Upper Burmah Ruby Regulation, 1887, shall come into force at the commencement of that Regulation.

PART I.—DEFINITIONS.

2. In these rules, unless there is something repugnant in the subject or context—

(1.) "The Regulation" means the Upper Burmah Ruby Regulation, 1887:

(2.) "Stone" means a stone as defined in section 2 of the Regulation, and, in any place where the word occurs in these rules, may be declared, by a subsidiary rule under section 5, sub-section (3), of the Regulation, to include for any purpose stated in the rule such a parcel of stones as may be described therein:

(3.) Other expressions defined in section 2 of the Regulation have the meanings assigned to them in that section:

- (4.) "Parts" means a part of these rules :
- (5.) "Deputy Commissioner" used with reference to a stone tract, means the Deputy Commissioner of the district in which the stone tract is situate : and
- (6.) "Claim" means a place in or from which stones are or may be dug for or raised, and includes a hmyaudwin, ludwin, surface hole, and well.

PART II.—RESIDENCE IN STONE TRACTS.

3.—(1.) A person who is not a native of a stone tract may reside therein with the written permission of the Deputy Commissioner.

(2.) The permission shall be subject to such conditions as the Chief Commissioner may prescribe, and may be revoked by the Deputy Commissioner on breach of, or failure to fulfil, any of those conditions.

PART III.—RAISING OF STONES.

4. Stones may be dug for or raised in pursuance of a license granted under this Part.

5.—(1.) Licenses to dig for or raise precious stones shall be either ordinary or extraordinary.

(2.) An ordinary license shall be a license to dig for or raise precious stones by the native methods, and shall not authorise the use of any explosive substance or machinery.

(3.) An extraordinary license shall be a license to dig for or raise precious stones by any method.

6.—(1.) An ordinary license to dig for or raise precious stones in a stone tract may be granted by the Deputy Commissioner to any native of the tract or, with the previous sanction of the Commissioner, to any person who resides in the tract with the written permission of the Deputy Commissioner.

(2.) An extraordinary license to dig for or raise precious stones in a stone tract may, with the previous sanction of the Chief Commissioner, be granted by the Deputy Commissioner to any person.

7.—(1.) An application for an ordinary license must be made in writing to the Deputy Commissioner.

(2.) An application for an extraordinary license must be in writing, and may be made to the Deputy Commissioner or to the Commissioner.

8.—(1.) An ordinary license may be granted for any period not exceeding one year, on application made therefor at such time as may be appointed by the Chief Commissioner in this behalf.

(2.) The form and conditions of the license, and the payments, if any, to be made therefor, shall be such as the Chief Commissioner prescribes.

9. An extraordinary license may be granted at any time for such period, in such form, on such conditions, and in consideration of such payments as the Chief Commissioner in each case directs.

10.—(1.) Before granting ordinary licenses for the digging for or raising of precious stones in a stone tract, the Deputy Commissioner shall cause to be prepared a list of the natives of the tract and a statement of the claims therein and of the number of persons required to work each of those claims.

(2.) The Deputy Commissioner shall appoint for each claim a headman, who must be a person to whom an ordinary license may be given under Rule 6.

(3.) If the headman applies for an ordinary license, he shall state in his application the names of the persons, being natives of the stone tract or persons permitted under these rules to reside therein, who are to work under him in the claim.

(4.) If the license is granted to the headman those persons shall be specified therein by name as persons permitted by the license to work in the claim under him.

(5.) Subject to any rules which the Chief Commissioner may make in this behalf, the Deputy Commissioner, if he sees fit, may during the currency of a license, on application made to him for the purpose, substitute for any person named in the license and ceasing or desirous of ceasing to work thereunder any other person possessing the qualifications required by the foregoing clauses of this rule.

(6.) If the headman does not apply for an ordinary license within the time appointed for that purpose, or, so applying, does not obtain the license by reason of his refusal

or failure to accept the conditions thereof or undertake to make the payments, if any, prescribed therefor, the Deputy Commissioner may appoint another headman for the claim and, subject to the provisions of the foregoing clauses of this rule, grant an ordinary license to him.

(7.) Every ordinary license shall impose on the holder thereof the condition mentioned in section 5, sub-section (2), of the Regulation.

(8.) The headman of a claim shall not permit any person to work therein who is not specified in the license as a person permitted thereby to work in the claim under him.

(9.) The headman of each claim shall keep or cause to be kept a book, in a form to be prescribed by the Chief Commissioner, in which he shall register or cause to be registered every stone found or raised by himself or any person working under him.

(10.) The headman shall produce the book for inspection to the Deputy Commissioner, or to an officer appointed by the Deputy Commissioner in this behalf, at such times and places as the Deputy Commissioner may by written order direct, and shall produce with the book all the stones registered therein which have not been disposed of in manner herein-after in this rule provided.

(11.) When the book and stones have been produced under the last foregoing clause of this rule, the headman shall, on the requisition of the Deputy Commissioner or officer, value each stone for the purposes of the condition mentioned in section 5, sub-section (2), of the Regulation.

(12.) If the authority or person referred to in that sub-section declines to buy a stone at the price for which the headman expresses, in the presence of the Deputy Commissioner or officer, his willingness to sell it, the stone shall be taken charge of by the Deputy Commissioner or officer, and the duty referred to in clause (b) of the sub-section shall become payable to the authority or person.

(13.) On taking charge of the stone the Deputy Commissioner or officer shall cause it to be weighed and placed in a packet which may be sealed or marked by the headman with his own seal, or mark, and shall be placed by the Deputy Commissioner or officer in safe custody in the treasury or such other place as the Deputy Commissioner may appoint.

(14.) The Deputy Commissioner or officer shall also give a receipt to the headman specifying the weight of the stone, the price for which the headman was willing to sell the stone, the duty payable by him, and such other particulars as the Deputy Commissioner prescribes.

(15.) The particulars specified in the receipt given to the headman under the last foregoing clause of this rule shall be noted in the book kept by the headman and be entered in a register to be kept by the Deputy Commissioner or officer.

(16.) For every stone placed in safe custody under clause (13) of this rule there shall be payable such fee, not less than one rupee or more than fifty rupees, as the Chief Commissioner prescribes.

(17.) If the duty is not paid by the headman directly to the authority or person entitled to receive it, it shall be payable in manner herein-after provided.

11.—(1.) If any question arises as to the limits of, or the title to work, any claim in a stone tract, it shall be referred to and decided by the Deputy Commissioner.

(2.) Subject to revision by the Commissioner, the decision of the Deputy Commissioner on the question shall be final.

PART IV.—CUTTING OF STONES.

12.—(1.) No one shall cut or dress stones within the limits of a stone tract, or without a license, beyond the limits of a stone tract.

(2.) A license to cut and dress stones beyond the limits of a stone tract may be granted by the Deputy Commissioner of Mandalay, or such other officer as the Chief Commissioner appoints in this behalf, in such form, on such conditions, and in consideration of such payments as the Chief Commissioner prescribes.

PART V.—PURCHASE AND SALE OF STONES.

13.—(1.) Within the limits of a stone tract stones may be sold under the provisions of Rule 10 by the headman of a claim in the tract to an authority or person having,

with respect to the tract, the right to exercise the option referred to in section 5, subsection (2), of the Regulation.

(2.) Within those limits no other person may either sell or buy stones.

14.—(1.) A license to buy and sell stones beyond the limits of a stone tract may be granted for any period not exceeding one year by the Deputy Commissioner of Mandalay in such form, on such conditions and in consideration of such payments as the Chief Commissioner prescribes.

(2.) The application for the license must be made in writing to the Deputy Commissioner of Mandalay at such time as may be appointed by the Chief Commissioner in this behalf.

(3.) If the Deputy Commissioner of Mandalay so requires, the application must be accompanied by a certificate of the character of the applicant from the Deputy Commissioner of the district in which the applicant resides, and by a bond executed by two sureties, in such sum as may be prescribed by the Deputy Commissioner of Mandalay, guaranteeing the observance by the applicant of the rules under the Regulation and of the conditions of the license.

(4.) If the Deputy Commissioner of Mandalay is satisfied that the applicant is of good character and, where he has required the applicant to give security, that the security is sufficient, he shall, subject to the foregoing clauses of this rule, grant the license.

(5.) A person to whom a license has been granted under this rule shall keep a record, in such form as may be prescribed by the Chief Commissioner, of all stones which he buys or sells, and shall, whenever called upon to do so, present the record and any stones possessed by him for inspection by the Deputy Commissioner of Mandalay or any officer or person appointed by that Deputy Commissioner in this behalf.

(6.) A person applying for a license under this rule must either, if he has no stones in his possession, sign a declaration to that effect and annex it to his application, or, if he possesses stones, annex a list of them to his application and, if so required, present them for inspection by the Deputy Commissioner of Mandalay.

(7.) Any stones which the person may have in his possession when the license is granted to him must be entered in the record kept under clause (5).

(8.) Without the special sanction of the Chief Commissioner a license under this rule shall not be given to a native of a stone tract or to the holder of an extraordinary license to dig for or raise precious stones.

15.—(1.) Stones of which the Deputy Commissioner or officer has taken charge under clause (12) of Rule 10 shall be forwarded at the risk of the owners to such authority at Mandalay as the Chief Commissioner appoints, by such persons, routes, and methods, and at such times as the Deputy Commissioner directs.

(2.) With each stone a copy shall be sent of the entry relating thereto in the register kept by the Deputy Commissioner or officer under clause (15) of Rule 10.

16. The Chief Commissioner shall establish a Ruby Mart at Mandalay, and the Deputy Commissioner of Mandalay, with the approval of the Commissioner, shall appoint a superintendent thereof.

17. All stones forwarded to Mandalay under Rule 15, as well as stones which holders of extraordinary licenses to dig for and raise precious stones, or other lawful holders of stones, may of their own accord send to the authority appointed by the Chief Commissioner under that rule, shall be sold at the Ruby Mart.

18.—(1.) A person licensed under Rule 14 to buy and sell stones beyond the limits of a stone tract may buy stones at the Ruby Mart.

(2.) No one except a person described in clause (1) of this rule may buy stones at the Ruby Mart.

19.—(1.) Save as provided by clauses (2), (3), and (4), of this rule stones sent under Rules 15 and 17 to the authority appointed in Mandalay shall be sold by the superintendent at auctions to be held at the Ruby Mart at such times as may be proclaimed by the Deputy Commissioner in manner prescribed by the Chief Commissioner.

(2.) If, before any such stone has been sold at an auction under clause (1) of this rule, the owner thereof attends the Ruby Mart on any day other than a day proclaimed for an auction under that clause and requests the superintendent to exhibit it in the Mart for private sale, the superintendent shall so exhibit it, and if the owner so requires,

allow it to remain so exhibited till the Mart is closed on the day preceding that on which the next auction is to be held or till the stone is sold, whichever event may first happen.

(3.) While the stone is exhibited under clause (2) of this rule, the owner may sell it to a person licensed under Rule 14.

(4.) If the owner so sells the stone and any duty is payable in respect thereof, the superintendent shall give the owner an order to the Treasury officer at Mandalay to receive the duty and, on production of the Treasury officer's acknowledgment of the receipt thereof, shall deliver the stone to the purchaser and take a receipt therefor from him.

20. There shall be payable to the Government in respect of every stone sold by auction such fee for the sale thereof, not exceeding two per cent. of the purchase-money, as the Chief Commissioner prescribes.

21.—(1.) When a stone has been sold by auction the superintendent shall give the person declared to be the purchaser thereof an order to the Treasury officer at Mandalay to receive the purchase money.

(2.) The order shall be in a form to be prescribed by the Chief Commissioner, and shall state the following among other matters, namely:—

- (a.) The name of the purchaser;
- (b.) Such particulars respecting his license as will facilitate his identification;
- (c.) The name and residence of the owner of the stone;
- (d.) The amount of the purchase money to be paid into the Treasury;
- (e.) The portion, if any, of that amount to be credited as duty;
- (f.) The portion thereof to be credited to the Government as the fee in respect of the sale; and
- (g.) The balance to be paid to the owner of the stone.

(3.) On presentation of the order the Treasury officer shall receive the amount of the purchase money stated therein to be payable into the Treasury, and give a receipt therefor to the purchaser.

(4.) On presentation of the receipt of the Treasury officer, the superintendent shall deliver the stone to the purchaser and take a receipt therefor from him.

(5.) If the person declared to be the purchaser does not pay the purchase money into the Treasury within 24 hours after the order for the payment thereof is ready for delivery to him, the Deputy Commissioner of Mandalay may cancel the license held by that person under Rule 14.

22. The superintendent shall keep a register of private and public sales and other transactions at the Ruby Mart in such form as may be prescribed by the Chief Commissioner.

PART VI.—SUPPLEMENTAL RULES.

23.—(1.) If the holder of any license under these rules other than an extraordinary license granted under Part III. contravenes any rule under the Regulation or commits any breach of, or fails to fulfil, any condition of his license, or fails to make any payment in respect of the license at the time for the making thereof, the Deputy Commissioner may cancel the license.

(2.) The Deputy Commissioner may, in his discretion, instead of cancelling the license, permit the licensee to compound the contravention, breach, or default by payment of such sum as the Deputy Commissioner thinks fit.

(3.) Orders made by the Deputy Commissioner under this rule shall be subject to revision by the Commissioner.

24. If the holder of an extraordinary license granted under Part III. contravenes any rule under the Regulation or commits any breach of, or fails to fulfil, any condition of his license, or fails to make any payment in respect of the license at the time for the making thereof, the Deputy Commissioner shall report the contravention, breach, or default to the Commissioner, and the Commissioner may thereupon, with the previous sanction of the Chief Commissioner, cancel the license or, in his discretion, permit the contravention, breach, or default to be compounded by payment of such sum as he thinks fit.

25. Nothing in the Regulation or in these rules shall apply to cut and set stones worn on the person or possessed solely for the purpose of personal adornment by persons not licensed under Rule 14.

26. All powers conferred by these rules may be exercised from time to time as occasion requires.

Enclosure 7 in No. 14.

From Sir E. C. BUCK, Secretary to the Government of India, to the SOLICITOR TO THE GOVERNMENT OF INDIA, Calcutta (No. 33 M.), dated Simla, May 23, 1887.

I am directed to forward a copy of the papers noted on the margin, and to request that you will be so good as to draw, in communication with the Chief Commissioner of Burmah, an agreement between the Secretary of State in Council on the one hand and Messrs. Streeter & Co. on the other, with respect to the lease of the rights enumerated in clauses (1), (2), and (3) of the first paragraph of the draft accompanying the letter from the Officiating Secretary to the Chief Commissioner, No. 148, dated the 6th May 1887.

Draft of Upper Burmah Ruby Regulation.
 Draft of Rules under that Regulation.
 Copy of letter from the Secretary for Upper Burmah to the Chief Commissioner of Burmah to the address of the Secretary, Government of India, Revenue and Agricultural Department, No. 219, dated the 16th April 1887, with annexed draft of agreement with Messrs. Streeter & Co.
 Copy of letter from the Officiating Secretary to the Chief Commissioner of Burmah to the Secretary, Government of India, Revenue and Agricultural Department, No. 148, dated the 6th May 1887, with annexed draft of revised agreement with Messrs. Streeter & Co.

2. With respect to that draft I am to communicate the following remarks :—

- (1.) In the opinion of the Government of India it should be expressly stated in the instrument that the lease is subject to the provisions of the Upper Burmah Ruby Regulation and the rules from time to time in force under that Regulation.
- (2.) The Government of India has decided that the lease is not to be for a longer period than five years from the 1st November 1887.
- (3.) If there is anything in section 28 of the Indian Contract Act, 1872, as amended by the Specific Relief Act, 1877, which bears on "conditions" (5) and (9) and "further agreement" (4), it will be noticed by you. The further agreement (4) should, in the opinion of the Government of India, provide for a reference to arbitration in case of dispute.
- (4.) The formation of a company under the terms of condition (7) will not be sanctioned until the terms of the lease have been finally settled.
- (5.) As regards condition (8), it appears to the Government of India that there are strong objections to the appointment by the Government of a director of the company which it is apparently proposed to form. The object which the Chief Commissioner has in view would probably be attained by a clause to the effect that the books and proceedings of the company shall be open to the inspection of the local Government or of an officer appointed by it in that behalf.
- (6.) The Government of India attaches particular importance to the further agreement (1). The license to the lessee to take such water as may be necessary for the carrying on of his mining works must not only contain the provisos with respect to injury to and obstruction of public roads and paths and the diversion of the water supply of towns and villages, but must be so expressed as not to leave to the lessee the power of obstructing the watercourses of other persons or of depriving headmen of such water as they may require for the working of their claims. The agreement must not imply any guarantee whatever on the part of the Government that a sufficient or any supply of water shall be forthcoming for the carrying on of the mining works of the lessee.
- (7.) The further agreement (2) must be not only subject to the Upper Burmah Forest Regulation and the rules from time to time in force thereunder, and to the

payment of forest dues, but subject also to the timber to be cut being on land at the disposal of the Government, and to any rights secured by any lease granted or continued by the Government and in force at the time of the execution of the agreement. One Maung Po Myin is understood to have a lease of the ruby mines forests in respect of teak, caoutchouc, and lac.

- (8.) You will, perhaps, find it necessary to communicate with the Chief Commissioner respecting the precise intendment of the further agreement (4). The intention appears to be that Messrs. Streeter & Co. are to have the first refusal of the new lease (a) unless some one else offers a higher sum than Messrs. Streeter & Co. are willing to give, and (b) unless the Government determines to take the mines under its own management. In the former case (a) the new lessee, and in the latter case (b) the Government, is to take over the machinery and plant of Messrs. Streeter & Co. at a valuation to be settled by arbitration.

The expression "all the mining machinery, plant, and other mining properties" appears to the Government of India to be too wide and vague, and there should be substituted for it some words defining in more precise terms the properties which are to be taken over at a valuation. The properties should in any case be useful and in serviceable condition; and, while buildings might be included, galleries would seem to be part of the working of the mines, and not properly subject to compensation.

- (9.) The further agreement (5) appears to be unnecessary, and to be likely to be mischievous in so far as it may in any sense be taken to imply any undertaking on the part of the Government not to increase during the term of the lease either the number of claims or their area. As the Chief Commissioner explains, no such undertaking is intended.

3. I am to request that, when you have drawn the lease in communication with the Chief Commissioner, you will lay it before the Honourable the Advocate-General for settlement, and submit it, as settled by him, for the approval of the Governor-General in Council before it is executed.

4. A copy of this letter is being sent to the Chief Commissioner. Should any question arise in connexion with the preparation of the lease, which, either in your opinion or in that of the Chief Commissioner, should be submitted for the orders of the Government of India, it will of course be stated for the decision of his Excellency in Council.

Enclosure 8 in No. 14.

From Sir E. C. BUCK, Secretary to the Government of India, to the SOLICITOR TO THE GOVERNMENT OF INDIA, Calcutta (No. 40M.), dated Simla, 2nd June 1887.

In continuation of my letter No. 33M of the 23rd ultimo, on the subject of the lease of the Upper Burmah Ruby Mines, I am directed to state for your information and guidance that the Government of India has determined that the words "in any place within the said three townships," in clause (3) of the first paragraph of the draft agreement accompanying the letter from the Officiating Secretary to the Chief Commissioner, No. 148, dated the 6th of May 1887, require limitation, and that the clause should be modified by the addition of the words "as defined in the license." Clause (3) should therefore run as follows:—"The sole right to mine under an extraordinary license for precious stones in any place within the said three townships as defined in the license."

No. 15.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated 5th June 1887.

Your telegram, 4th June. Ruby mines. Unger has never yet made a definite offer. We have no knowledge of a communication from him until March 1886, when he presented himself to the Chief Commissioner of Burmah as the agent of a syndicate in Paris and as mouthpiece of certain unnamed European capitalists. All that he then did was to suggest certain preliminary surveys. Chief Commissioner did not consider his proposals sufficiently serious to justify us in postponing decision in regard to specific offers of two firms which were then before us, especially as when pressed to produce his credentials, Unger has declined to respond to invitation. We find no mention of Messrs. Rothschild and Company, of London, as connected with syndicate of which Unger is agent, in any correspondence before a letter from Unger to the Government of India, dated 10th March 1887. Mention of 400,000*l.* a year for an indefinite term of years in that letter can hardly be a grave proposal. Moreover, the Secretary of State has already expressed his objection, in which we concur, to granting at the outset anything but a very short lease to any one. As to Unger being prevented by Government from visiting mines, Bernard will explain reasons. Dealings of Government with Streeter are as follows:—In April 1886, when Gillanders, Arbutnot, and Company on one side, and Mr. Streeter on the other side, sent in tenders for short leases, Streeter made highest offer within prescribed time, and we informed him that, if general conditions imposed by us met his views, we should be prepared to accept his offer. We see no just grounds for cancelling this arrangement.

No. 16.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 6th June 1887.

Ruby mines. Please act on my former telegrams, and make no arrangement with anyone without sanction from home. Correspondence with Unger has just reached me, and without further information it will be difficult to answer its statements in House of Commons.

No. 17.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 10th June 1887.

Ruby mines. My telegram of November 18 gave orders that no binding agreement should be made without my previous approval. I assume that this has been borne in mind, and request that full information as to all negotiations, value of mines, native rights, and nature of districts and workings may be supplied to me as soon as possible. When I have received this I will send further instructions.

No. 18.

From the GOVERNMENT OF INDIA, Revenue and Agricultural Department, to the SECRETARY OF STATE FOR INDIA (No. 3), dated Simla, 11th June 1887.

As your Lordship may desire to be placed in possession of more complete information as to what passed between our Government and Mr. Unger in regard to the ruby mines of Upper Burmah than that conveyed in our telegraphic messages of the 22nd May and 5th June, we propose in this Despatch to furnish a continuous narrative of our communications with Mr. Unger and to enclose copies of all the correspondence of which we have any cognizance.

2. We informed your Lordship in our Despatch No. 2 of the 4th June, that between February and April 1886, we had under our consideration certain tenders for a lease of the ruby mines at Mogók, and that among other competitors was Mr. Moritz Unger, who was described by the Chief Commissioner as "the representative of

“ certain unnamed European capitalists.” Mr. Unger, however, while announcing himself as a competitor for the concession, did not, like the other applicants, make any specific offer. On March 23rd his lawyers, Messrs. Allen and Van Someren of Rangoon, addressed to the Chief Commissioner a letter in which Mr. Unger was described as “ the mouthpiece of capitalists in Europe,” and in which it was stated that Mr. Unger, in the absence of precise information, deferred making any definite offer. He proposed, therefore, to make geological and other surveys when the country should be sufficiently safe. Sir Charles Bernard, in forwarding this letter under date 5th April, observed that “ the adoption of this proposal would postpone for an indefinite period the commencement of operations by the concessionaire, whoever he might be. The Chief Commissioner is still of opinion that it would be more advantageous to grant a concession for a short term of years to a well-established firm, as proposed in previous letters.” Under date March 25th, a letter of similar purport was addressed to the Viceroy by Messrs. Allen and Van Someren, who said that “ our client for one feels quite unable to say what terms he would agree to in order to obtain the concession,” and “ he cannot now commit himself to make any offer for the mines.” In this letter Mr. Unger was described in the following terms, “ our client is the agent of a very wealthy syndicate in Paris.”

3. At that time two other competitors were making offers of specific sums which gradually rose to four lakhs per annum for a lease of five years. The agent of Mr. Streeter was informed on 15th April that the Government of India was disposed to accept this offer, subject to satisfactory agreement on certain conditions, and this decision was communicated to the only competing firm, that of Messrs. Gillanders, Arbuthnot, and Co. The current lease granted by King Thebaw expired on 1st July, and it was then anticipated that the tenure of the British lessee might commence from that date. In fact, if a question had not arisen as to the rights of the native residents in the ruby tract, the investigation of which was, in the disturbed state of the country, delayed until a military expedition occupied Mogök at the end of the year, our Government would undoubtedly have proceeded, as in a matter clearly within its jurisdiction, to conclude the agreement at once. After the provisional engagement to Mr. Streeter, of which your Lordship’s predecessor was apprised by telegram on 10th June, there was naturally no further communication with any other competitor. With regard to the description of Mr. Unger quoted above, we may remind your Lordship that on 9th June the Secretary of State called attention to a newspaper report that the concession was to be granted to a French company and requested explanation. He was informed in reply that the report was unfounded, and that Mr. Streeter had guaranteed that his syndicate should contain no foreign element. It will be easily understood how, in the above circumstances, Mr. Unger, who produced no credentials, and made no definite offer, was not regarded as a serious competitor. It was entirely open to him to act like the other applicants, but this he did not do.

4. We will complete our remarks on the correspondence with Mr. Unger before adverting to another matter which he appears to make a ground of complaint. In December 1886 Mr. Van Someren addressed a letter to our Secretary, in which he repeated that Mr. Unger was prepared to make an offer for the concession after visiting the mines. He stated that Mr. Unger represented “ a syndicate,” and that he would have to make a report to “ his home friends.” Mr. Unger himself wrote to our Secretary on January 3rd, 1887, asking for permission to visit the mines, and “ undertaking that none but Englishmen shall be interested” in his enterprise. On February 19th, Mr. Unger again addressed a letter to the Chief Commissioner, in which he stated that, understanding that no concession had yet been granted, he was prepared to make an offer more advantageous than any which had yet been made. We then informed him, through the Chief Commissioner, that although no lease of the ruby mines had yet been granted to Mr. Streeter, yet the arrangements were so far advanced that it would be necessary to ascertain whether Mr. Streeter was prepared to accept the terms which the Government of India was able to offer before negotiations could be entered into with any other firm. It was added that if negotiations with Mr. Streeter should be broken off, any proposals which might be made by other persons would be accepted for consideration. Mr. Unger thereupon came to Calcutta, and in a letter to our Secretary dated March 10th, informed us that he had done so in order to make “ a firm offer for the concession of the ruby mines.” He was informed in reply that the first refusal of the concession would be offered to Mr. Streeter, subject to certain rules and regulations, as already decided. He then apparently left India without making any definite tender,

5. In his letter to the Chief Commissioner, dated 19th February, Mr. Unger stated that he had been "requested by Messrs. N. M. Rothschild and Sons of London to study the mines." Adverting to this statement, Sir Charles Bernard informed us that "the Chief Commissioner invited Mr. Unger to show any credentials or authority he possessed from Messrs. Rothschild, but Mr. Unger for some reason did not respond to that invitation." He added that "there is no doubt that Mr. Unger is, as he represents, a Paris dealer in precious stones, and he holds a commendatory letter from a society or guild of jewel merchants in Paris." Mr. Van Someren, with his letter of 24th December, enclosed copy of a letter of general commendation addressed by a Monsieur Achard of Paris to Mr. Unger, and of a letter from the agent of the Chartered Mercantile Bank in Rangoon to Mr. Van Someren, in which he stated that Mr. Unger was the bearer of a letter of credit from Messrs. N. M. Rothschild and Sons for a very considerable amount, and that he "represents a French syndicate of jewellery." In his letter to our secretary, dated March 10th, 1887, Mr. Unger for the first time stated distinctly that the syndicate for which he acted was headed by Messrs. N. M. Rothschild and Sons of London.

6. Your Lordship will bear in mind that from first to last Mr. Unger did not produce any credentials or make any definite offer; that the ruby mines had never produced a revenue exceeding $1\frac{1}{2}$ lakh of rupees under the native dynasty; that Sir Charles Bernard had assured us that no sum approaching to four lakhs per annum would be realised under direct management, and that we had hoped, when an agreement was provisionally made with Mr. Streeter, to place our lessee in possession and begin to receive revenue from 1st July 1886. It should also be observed in what terms Mr. Unger was described to us and that we were entirely opposed to making a concession to a foreign syndicate.

7. The matter of complaint which we have mentioned above is the refusal to allow Mr. Unger to go to Mogòk. It is true that in December 1886 Sir Charles Bernard informed Mr. Van Someren that "so long as there is possibility of warlike operations or of resistance to our troops private European gentlemen cannot be allowed to visit the ruby mines." Mr. Unger, having applied to us direct, was in January referred to the local civil and military authorities. On February 8th, on a renewed application, the Chief Commissioner informed Mr. Unger, with our approval, that the country was not quiet enough for him to visit the ruby mines without a guard, and that Sir Charles Bernard was not then able to supply a guard for his protection. Mr. Unger then asked leave to hire a private guard of Europeans. This was declined, and Mr. Unger was finally informed by the Chief Commissioner that he could not under present circumstances give him permission to visit the ruby mines and that he warned him against proceeding thither. Mr. Unger was not placed under any restraint, and it is apparent that when he was made to understand that a provisional agreement had been made with Mr. Streeter he abandoned his intention of visiting Mogòk. We think it sufficient to say that if the competition for a lease had been still open in December 1886, and if Mr. Unger had presented authentic credentials from an influential English syndicate, his position in requesting protection in visiting the ruby tracts would have been entirely different. In the actual circumstances the question which presented itself was simply that of the expediency of allowing Europeans to travel in a disturbed country and the risks and responsibilities implied in granting that permission.

8. We would only add in conclusion that the statement of Mr. Unger, that the offer which he has never formulated "would add at least 400,000*l.* sterling per annum to the revenue of Burmah for an indefinite number of years," is quite inconsistent with the facts before us as to previous realisations from the ruby mines, and with the conclusions formed by Sir Charles Bernard as to the revenue which we might hope to obtain from them.

We have, &c.

(Signed) DUFFERIN.
 F. S. ROBERTS.
 T. C. HOPE.
 A. COLVIN.
 G. CHESNEY.
 A. R. SCOBLE.
 J. B. PEILE.

Enclosure 1 in No. 18.

From MESSRS. ALLEN and VAN SOMEREN, Barristers-at-Law, to his Excellency the VICEROY and GOVERNOR-GENERAL OF INDIA, dated Rangoon, 25th March 1886.

We have the honour to inform you that we have been instructed by Mr. Moritz Unger, of No. 37, Boulevard Haussmann, Paris, to address you on the subject of the concession of the ruby mines in Upper Burmah. Our client has sent to the Chief Commissioner his formal declaration that he is one of the competitors for the concession and has urged the necessity of some time elapsing before the final disposal of these valuable mines, so as to permit of some authentic information being obtained as to the extent of the tract of land in which precious stones are to be found and as to the probable value of the yearly find.

The annual contribution paid by the Burmese venturers to the late Government of Upper Burmah would afford some indication of the value of these mines, were that contribution the only consideration for the concession made to them. But there was a term in their agreement which compelled them to surrender all stones of a certain quality, and above a certain weight, to the King. The value of stones thus surrendered can scarcely, as we imagine, be ascertained. Past practice, therefore, is obviously no sufficient source from which a reasonably accurate estimate of value can be drawn.

Indeed few, if any, capitalists in Europe would incur the immense outlay attendant on the working of these mines without some survey or inspection by experienced and scientific men. And our client for one feels quite unable to say what terms he would agree to in order to obtain the concessions; for he lacks, just as every one else does, that information which might guide him to an approximate conception of its value. If, of course, from any cause, the experience and science of experts could not be brought to bear on the matter, any delay resulting from waiting for the report of such men would be obviously useless. But there is nothing impracticable in the proposal to make a survey. At present such survey may be out of the question for the reason that the country is so disturbed that no guarantee could be given of the personal safety of any survey party. But it is supposed that the Government will not much longer delay the taking of some steps to protect this valuable tract of country from the depredations of the lawless gangs of Burmans that infest the place, and whenever such steps are taken, the survey could at once proceed. Our client has in his application to the Chief Commissioner offered to send an engineer and an expert to these precious stones' beds as soon as the country is pronounced safe. He hopes he may be allowed to do so.

This very unsafety of the country is another reason for delay in making the concession. No one can be expected to launch into this enterprise with the entire absence of protection to life and property that now exists; and if the foolhardiness of any led to the commencement of work now, Government would blame itself if any of the lives of the venturers were lost.

That these mines are valuable there can be little doubt. They constitute a not inconsiderable source of revenue to the Government; and it is therefore but protecting the interests of the public to wait and see how much can be got out of this fountain before any sum (probably totally inadequate when the worth is known) is accepted by the Government for the concession.

Our client is the agent of a very wealthy syndicate in Paris which has sent him out here on purpose to view and examine these mines; and though he cannot now commit himself to make any offer for the mines, he feels persuaded that, after the requisite information is obtained, he will be able to outbid all other competitors. He could make an offer now, probably above those already made; but even that he feels would most likely be below the real value when viewed in the light of the surveyor's reports.

We feel assured that your Excellency's Government would not hastily dispose of this valuable property, seeing the question is one of such great moment to the interests of the public.

Enclosure 2 in No. 18.

From H. T. WHITE, Esq., C.S., Secretary for Upper Burmah to the Chief Commissioner, to the SECRETARY TO THE GOVERNMENT OF INDIA, Foreign Department, dated Mandalay, 5th April 1886.

I AM directed to solicit a reference to the correspondence concerning the ruby mines of Upper Burmah.

2. I am now to submit a copy of a letter, dated the 23rd ultimo, from Messrs. Allen and Van Someren, on behalf of a Mr. Moritz Unger, who, as the representative of certain unnamed European capitalists, is anxious to obtain a concession of the ruby mines. Mr. Unger does not make any firm offer for the concession. He proposes first to cause to be made a survey of the tract where rubies are found, in order that the value of the concession may be estimated with some approach to accuracy. The adoption of this proposal would postpone for an indefinite period the commencement of operations by the concessionaire, whoever he might be. The Chief Commissioner is still of opinion that it would be more advantageous to grant a concession for a short term of years to a well-established firm, as proposed in previous letters.

Enclosure 3 in No. 18.

From MESSRS. ALLEN and VAN SOMEREN, Barristers-at-Law, to the CHIEF COMMISSIONER OF UPPER BURMAH, dated Mandalay, 23rd March 1886.

UNDER instructions from Mr. Moritz Unger, we have the honour to request you to record our client's name as one of the competitors for the concession of the ruby mines in the Province of Upper Burmah.

In taking this step, our client feels that the same reason which delays the Government in the final disposal of this concession also compels him to defer making any definite offer for that concession. He perfectly well recognises how the absence of precise information as to the extent and value of these mines prevents those who have to protect the public interest from precipitately disposing of the property, and he realises how the same lack of information stands in the way of now making any firm or decided bid for the privilege of working them. While the yearly contribution made to the recent Burmese Government for the privilege of working these mines forms some indication of the Burmese opinion of their value, the terms and conditions as to the surrender of all stones above a certain weight and of certain quality brought into the question such an element of indefiniteness that it was impossible to say how much more that contribution was increased by operation of those terms and conditions. And inasmuch as similar stipulations are not likely to form any part of the contract which your Government would make with would-be venturers in the enterprise, it would be necessary, before deciding the rent that should be paid for the mines, to have some scientific survey by an engineer experienced in the mining of precious stones and by other experts, so as to enable some estimate being formed of their value over and above the contribution already spoken of. We cannot expect you to let this source of revenue go for anything under its actual value, as little can the Government expect capitalists to guess at that value and make a firm offer of the amount guessed at. Though some may be over sanguine of success and rash enough to bid a fancy price, still it is submitted that the Government would prefer a lessee who showed in his dealings with them characteristics the very reverse of over sanguineness or rashness.

Our client is, as you know, but the mouthpiece of capitalists in Europe, whose credit is far more than equal to any demand that can possibly be made for these mines; and while he is loth to commit the folly of bidding for a profit incapable of present valuation, he feels sure that were information reasonably reliable obtained as to the probable wealth of the ruby mines, and that information laid before competing capitalists, the financial support he has would enable him to outbid other competitors, to the considerable advantage of the public purse.

To obtain this information, our client is prepared to send professional men experienced in the work in question to the district where these mines are, for the purpose of making such geological and other surveys as may be deemed necessary and expedient. The results of such survey would be the property of Government. But our client would claim the right to have copies of all reports, maps, plans, &c., relating to the said survey.

The present unprotected condition of this valuable part of the country, must, our client imagines, induce the Government shortly to send to the place a detachment of troops or strong body of police. This will bring about that safety to life and property the absence of which prevents the immediate carrying out of a survey or complete inspection of this tract of land. If you will be good enough to inform us or our client when you consider the country safe, arrangements will be at once set on foot to effect the necessary survey.

Enclosure 4 in No. 18.

From G. G. B. VAN SOMEREN, Esq., Advocate, to the SECRETARY TO THE GOVERNMENT OF INDIA, Home Department, dated Rangoon, 24th December 1886.

I DID myself the honour some few months ago of addressing his Excellency the Viceroy on the subject of Mr. Moritz Unger's application for the concession of the ruby mines in Upper Burmah. I have not been honoured with an acknowledgment of that letter, but presume the subject has had some attention and consideration from his Excellency and the Government of India.

Mr. Unger is in Mandalay now, and is anxious to obtain as early as possible all the information necessary to enable him to make a firm offer for the concession. Hitherto he has necessarily been obliged to pick up what information he could from those Burmans, Shans, and Chinese whom he could see in and about the town of Mandalay, and who had had some experience of the nature of the land and out-turn of the mines. And such as it is, this information is both considerable and valuable. But of course it would be much more valuable if Mr. Unger's knowledge and experience of precious stones and their working were brought to bear on the ruby mines themselves. Mr. Unger will be unable to remain in Mandalay this time beyond the end of February next. Before that time there will be several armed expeditions operating between Mandalay and the mines. Mr. Unger desires to accompany any one of these expeditions, and would prefer an early departure. Indeed, there is an expedition now on its way to Mogók, which Mr. Unger could easily join if he were allowed to. He has asked the Chief Commissioner for this permission and has received this reply:—"He cannot grant permission to Mr. Unger to accompany the force now proceeding towards Mogók." Why he cannot does not appear. Mr. Streeter has evidently obtained permission, for he is now with the force referred to. But this permission appears not to have been given by Sir Charles Bernard. If his Excellency would be pleased to grant Mr. Unger the required permission, he could join the force now moving towards the mines. Mr. Unger undertakes to make a serious firm offer to Government immediately after having personally inspected the mines; and, from the information he already has, his offer will probably more than double, or even triple, any yet made. Indeed, if Mr. Unger were acting for himself, he would make such an offer now. But representing, as he does, a syndicate, he cannot undertake the responsibility of acting for them on the information he has already derived.

I enclose, for his Excellency's information, one letter in original from the agent of the Chartered Mercantile Bank here, and a true copy of one in my office from Mons. F. Achard, President of the Chambre Syndicate des Négociants en pierres précieuses, to Mr. Unger.

After Mr. Unger's visit to the mines, he will have to make a full report on the subject to his home friends. Of this report Mr. Unger is willing to supply the Government with a true and correct copy.

Mr. Unger wishes me to state that he is not a Frenchman as some have represented, but a born German and naturalized British subject.

Hoping to obtain the requisite permission for Mr. Unger to accompany the force now proceeding to Mogók.

Enclosure 5 in No. 18.

From MORITZ UNGER, Esq., to the SECRETARY TO THE GOVERNMENT OF INDIA, Home Department, dated Mandalay, 3rd January 1887.

I HAVE the honour to address you with reference to an application made by me through my attorney, Mr. Van Someren, dated the 24th ultimo, asking to be permitted

to visit the ruby mines at Mogôk with the view of making an offer much more advantageous than any hitherto made for the same to the Government of India, undertaking that none but Englishmen shall be interested. My time in this country being limited, and this being the proper season, I would pray you to let me know the decision of his Excellency the Viceroy at the earliest convenience, and, if possible, by telegraph.

Enclosure 6 in No. 18.

From H. T. WHITE, Esq., C.S., Secretary for Upper Burmah to the Chief Commissioner, to the SECRETARY TO THE GOVERNMENT OF INDIA, Revenue and Agricultural Department, dated Mandalay, 21st February 1887.

I AM directed to submit a letter from Mr. Moritz Unger, jewel merchant, concerning his—

- (1.) Intention to visit Calcutta for the purpose of negotiating for a lease of the ruby mines;
- (2.) Wish to visit ruby mines.

I am also to forward copy of the reply * that the Chief Commissioner has caused to be sent to Mr. Unger, together with orders, endorsed thereon, with a view of carrying out the orders conveyed by your telegram copied in the margin. * Not received.

Telegram, dated 19th February 1887.

From Revenue Secretary, Calcutta, to Chief Commissioner, Mandalay.

Agree with you that Unger should be warned not to proceed; but, before employing Act, await definite instructions, which will be communicated as early as possible.

2. With reference to the passage in Mr. Unger's letter to the effect that he is acting at the request of Messrs. Rothschild of London, I am to add that the Chief Commissioner invited Mr. Unger to show any credentials or

authority he possessed from Messrs. Rothschild, but Mr. Unger for some reason did not respond to that invitation. There is no doubt that Mr. Unger is, as he represents, a Paris dealer in precious stones, and he holds a commendatory letter from a society or guild of jewel merchants in Paris. Mr. G. Streeter, of Messrs. Streeter & Co., informed the Chief Commissioner that his firm knew Mr. Unger and had dealt with him for precious stones. Mr. Unger was in Mandalay for some months in the spring of 1886, and is said to have then bought rubies there.

Enclosure 7 in No. 18.

From MORITZ UNGER, Esq., to the CHIEF COMMISSIONER, Burmah, dated Mandalay, 19th February 1887.

I HAD the honour of calling upon you, shortly after my arrival here, on the 12th December last, when I repeated the request, made at various times since last March by my attorney, Mr. Van Someren, that I might be permitted to visit the ruby mines with the view of making an offer for a lease or concession of the same.

You did not grant me this permission, but were good enough then to say that nothing definitely had been settled with regard to granting a lease or concession for the mines.

At the various subsequent interviews with which you honoured me, even at the last one, when I acquainted you with the rumours current to the effect that Mr. Streeter asserted that he had the concession, that he acted in accordance with this at Mogôk, forcing people to submit all stones found to his inspection and valuation, and that he was actually levying contributions, you repeated your previous assurance that nothing was settled with regard to granting a concession and that all these rumours were unfounded.

I felt the more convinced that such was the case, as it perfectly coincided with the reply of Sir John Gorst to a question in the House of Commons on the 29th ultimo.

The statement made to me yesterday that a Mr. Jackson left here on the 16th instant for the ruby mines on behalf of Mr. Streeter, with machinery to work the mines, is, I suppose, as unfounded as the other rumours above referred to; else I could not imagine that when I had the honour to write you on the 1st instant to

inform you that I had been requested by Messrs. N. M. Rothschild and Sons of London to study the mines, you would have replied, as you did on the 4th, refusing me permission to go to the mines, because the country as you said, was not yet quiet enough to go without a guard, and that you could not supply a guard for my protection. When after that I came to ask if I might go on my own responsibility, providing myself with a safeguard, you even said that I would most probably be stopped.

It is not likely that this Mr. Jackson would get permission to go there on the 16th when you refused me, as stated, only on the 15th, that being the last time I had the honour to call upon you on this subject.

Feeling thus doubly assured that the Government has not granted any concession for these mines, I now beg to confirm what I had the honour to state to you on the 15th instant, viz., that I am prepared to make a firm offer very much more advantageous to the Government than any hitherto made, and that as you informed me that any treaty with regard to the subject would have to be entered into with the Government of India, I shall proceed to Calcutta with this object, trusting to come to a satisfactory conclusion with Her Majesty's Government there.

I feel assured that you deem the matter of sufficient importance to advise his Excellency the Viceroy of this step on my part, so that nothing might be settled until my offer has been submitted.

As you were good enough to say that you are willing to give me any information available with regard to the ruby mines, I should feel much obliged if you would furnish me with whatever details you might have regarding the approximate statistics as to the annual production of rubies and other gems hitherto.

As I have some reason to entertain some hope yet of being permitted to visit the mines, my departure for Calcutta is deferred for a short time.

Waiting your favourable reply.

Enclosure 8 in No. 18.

From MORITZ UNGER, Esq., to the SECRETARY TO THE GOVERNMENT OF INDIA,
Revenue and Agricultural Department, dated Calcutta, 10th March 1887.

I HAVE the honour to inform you that in pursuance to a letter which I had the honour to address to the Chief Commissioner, Sir Charles Bernard, on the 19th ultimo, and in consequence of Sir Charles referring me to the Government of India, I have come here to make a firm offer for the concession of the ruby mines.

I was therefore surprised and disappointed when, at an interview with which you were good enough to honour me this morning, you acquainted me with the fact that the ruby mines concession was virtually given away to Mr. Streeter, inasmuch as he had the first refusal, under certain rules and regulations which are now being framed, and that for the annual sum of 4 lakhs of rupees.

It is my duty to inform you that the offer which I am prepared to make would be in every way agreeable to the Government. It would add at least 400,000*l.* sterling per annum to the revenue of Burmah for an indefinite number of years, and would, I believe, be unassailable from any point of view, and the syndicate for which I have the honour to act, which is headed by Messrs. N. M. Rothschild and Sons of London, would be sufficient guarantee for the *bona fides* of the undertaking.

Under these circumstances I should feel obliged by your kindly informing me if there is still a chance of my treating with this Government about the matter; and if this chance is excluded with regard to the tract of land already disposed of, I may make an offer with regard to lands outside the convention with Mr. Streeter.

In case of the latter being admissible I should require to visit the ruby mines before my departure for Europe, and I venture to hope that under the circumstances the Government would graciously facilitate my visit there.

No. 19.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated 13th June 1887.

Yours 10th. Ruby mines. Immediately on receipt of your Lordship's telegram of the 18th November I forwarded copy of it to Bernard, with orders to carry out the instructions therein contained. All the correspondence with Streeter and connected papers have now been carefully examined in the Legislative Department, and I am informed that the affair has never gone beyond the stage of negotiation, and that nothing has passed which could constitute a legal or binding agreement. On the 4th instant we forwarded a Despatch giving an account of our proceedings in relation to the ruby mines up to date, and the other information for which you have now called, and submitted for your approval draft regulations under which the mines are to be worked, as well as copies of the proposed lease. By last mail we sent another Despatch describing what took place between the Chief Commissioner and Unger. It may perhaps have escaped attention that, before entering into negotiations either with Gillanders or with Streeter, we obtained the approval of the Secretary of State, as well as permission, to issue a lease to Streeter, at a rental of four lakhs a year, if we thought it advisable to do so. Please see my telegrams to Lord Kimberley of 25th February, 27th March, and 14th April 1886, and Lord Kimberley's of the 4th March, 3rd April, and 14th April 1886.

 No. 20.

TELEGRAM from SECRETARY OF STATE to VICEROY, dated 22nd June 1887.

It is asserted in Parliament that Streeter's people are at work on ruby mines, or are on the spot. Please say whether so or not.

 No. 21.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated 23rd June 1887.

Your telegram of 22nd. Ruby mines. Our relations with the Streeter syndicate remain exactly in the same state as has been already intimated to your Lordship. No lease or mining rights of any sort or description have been granted to it, nor are Streeter's people at work on the mines as suggested. Streeter's agent has remained at the ruby mines ever since establishment of our authority at that place; and Chief Commissioner, in the exercise of his discretion, has given to Streeter's agent permission to purchase rubies offered for sale, on condition of paying the Government a duty of thirty per cent. on the price. It was necessary to make arrangements of this kind with some one in order to prevent loss of revenue, but it does not prejudge eventual settlement of the ruby mines question, which has been reserved for your Lordship's decision.

 No. 22.

TELEGRAM from VICEROY to SECRETARY OF STATE, dated 8th July 1887.

My telegram of the 22nd June. Ruby mines. I find that statement that Streeter's people are not at work on the mines requires qualification, for Crosthwaite has just informed us that he had authorised his Deputy Commissioner to permit persons who wished to dig for rubies to do so, under the old system, and without use of machinery, as provisional means of enhancing revenue until final decision can be arrived at in regard to the disposition of the mines, and that a written permit had been issued to Streeter's son, as it might have been to any other similar applicant. Crosthwaite adds that he considered this an ordinary act of the local executive, and not of sufficient importance to be reported to Government of India. It is quite a distinct matter from leasing of Crown monopoly right on which action is suspended pending your decision.

No. 23.

TELEGRAM from VICEROY to SECRETARY OF STATE,
dated 2nd August 1887.

WITH reference to alleged use of machinery by Streeter at ruby mines, local officers report that agent has merely an ordinary license, is not allowed to use machinery or explosives of any sort, and work on exactly the same terms as any ordinary resident.

No. 24.

TELEGRAM from the SECRETARY OF STATE to VICEROY,
dated 3rd August 1887.

Ruby mines. Your letter 4th June. Cannot sanction any lease or agreement until I am more fully informed as to estimated value of mines, effect of working by machinery, and native rights. Propose to send out without delay experts to report to you on first two points. As to native rights, request that Chief Commissioner be instructed to make complete topographical survey and record of existing rights and supply full report. Meanwhile existing arrangements may if you think fit continue. Have informed Streeter. Despatch follows.

No. 25.

DESPATCH from the SECRETARY OF STATE FOR INDIA to the
GOVERNOR-GENERAL OF INDIA IN COUNCIL, No. 57 (Revenue),
dated 4th August 1887.

MY LORD,

I HAVE had under my consideration the letters of your Excellency's Government in the Revenue and Agricultural Department (Minerals), Nos. 2 and 3, dated respectively 4th and 11th June last, respecting the arrangements to be made for working the mines in Upper Burmah.

2. In February 1886, your Excellency, being satisfied that no binding engagement as to these mines had been made by the Government of King Thebaw, consulted my predecessor with regard to certain proposals for granting a lease to a local firm. On the 27th March you telegraphed further, reporting an offer from a Syndicate, of which Mr. Streeter was a member; and on the 14th of April you asked whether, in the opinion of the Secretary of State, the offer of Mr. Streeter's Syndicate, being the highest, might be accepted. My predecessor replied, 14th April, in a telegram which practically left the matter to the discretion of your Excellency, and thus, so far as the Secretary of State was concerned, the matter virtually rested for about seven months.

3. During that period your Excellency, being occupied in making certain necessary inquiries, did not grant any lease, or make any binding engagement with Mr. Streeter's Syndicate or with any other association, and on the 18th November I telegraphed to your Excellency as follows:—

“Ruby mines. I gather that arrangements with Streeter not finally concluded. Value of mines and rights of Government should be carefully ascertained before pledging Government. Keep me informed of results of local inquiry and of proposed arrangement, which should have my previous approval. Desirability of retention in hands of Government well worthy of consideration.”

4. From this moment forward it was obviously out of the power of your Excellency's Government to make any agreement without my previous sanction, and I gather accordingly that, as a matter of fact, although preliminary negotiations with Mr. Streeter have been carried very far, no engagement has been made which prevents me from considering the matter upon its merits.

5. This being so I have come to the conclusion that I have not before me such full information with regard to the value of these mines, or to the probable effect of bringing to bear upon them for the first time the results of the application of capital and of modern

invention in the shape of machinery and explosives, as would justify me in sanctioning at present any lease or other engagement.

6. I have already quoted the telegram of the 18th November 1886 in which I laid stress upon this point, but since then, so far as I am aware, no inspection has been made by any expert on behalf of Government, nor indeed, with the exception of Mr. Streeter's agent, has any person qualified to give an opinion on the subject of ruby mining on a large scale had an opportunity of visiting the district. In these circumstances it appears to me that I should be assuming a very serious responsibility if I were to sanction a pecuniary arrangement of possibly permanent importance to the revenues of Burmah, in respect of which I have no assurance whatever that the sum proposed to be paid by way of rent may not be either greatly in excess of the real value of the mines, or, on the other hand, wholly inadequate.

7. Another subject on which I desire to have further information is that of the vested interests of native workers. Your Lordship has been rightly desirous to protect these rights, and in your letter under reply you express a hope that I shall be satisfied that they have been fully secured. On this point I feel unable, in the absence of any definite or authentic statement as to the extent and nature of these rights, to express an opinion, and I request that your Excellency will instruct the Chief Commissioner to take steps to supply this want as speedily as is consistent with the preparation of a careful and exhaustive report. I am of opinion that, until an accurate topographical survey and record of all rights and interests of the native workers has been made, no lease to an European firm or association could properly be entered into.

8. With the view of obtaining some estimate of the value of the mines and of the probable effect of working them by machinery, I propose, without delay, to obtain for your Government the services of one or more gentlemen who have the requisite scientific knowledge, or who have had experience of such matters, and to instruct them to visit the localities, and to report generally to your Excellency upon the questions under consideration. On receiving from you their report, together with such further information and advice as your Excellency may, after fuller experience, be able to supply to me, more especially with regard to the rights of the natives, I shall again take the subject into consideration, and shall decide as to the method in which the working of this important industry may be carried on with due regard to the interests of the native workers on the one hand, and on the other to those of the public. In the meantime I request that none but ordinary licenses to mine (as described in paragraph 8 of your letter under reply) may be granted; but the existing arrangement, under which Mr. Streeter is permitted to have the refusal of all rubies offered for sale in the district, on condition that he pays 30 per cent. of the price to Government, may, if your Excellency's Government thinks fit, be provisionally continued, without prejudice to any future action which the Secretary of State may hereafter think desirable, and I am of opinion that, sooner or later, the representatives of any firm or association approved by your Excellency or myself should, under proper conditions and restrictions, be permitted to visit and inspect the ruby mining district. On this subject, however, I shall again address you when arrangements for the scientific inspection of the mines have been made on behalf of the Government.

9. In order to put your Excellency, with as little delay as possible, in possession of my views, I have caused to be addressed to you the telegram marginally noted.* I take this opportunity of forwarding, for your information, a copy of all correspondence† which has passed in this country in connexion with the ruby mines.

I have, &c.
(Signed) CROSS.

* See No. 24.

† From Mr. Unger, dated 3rd June 1887.

From Messrs. Streeter, dated 14th July 1887.

From Messrs. Ogilvie, Gillanders, & Co., dated 16th July 1887.

From Exploration Company, dated 21st July 1887.

To the above, dated 4th August 1887.

Enclosure 1 in No. 25.

SIR,

37, Boulevard Haussmann, Paris, June 3, 1887.

I HAVE the honour to inform you that, upon arriving here from India, my attention has been called to a newspaper report of a recent question in the House of Commons (in no way inspired by me, but into which my name was imported) having reference to the Burmah Ruby Mines, and from which it would appear that the India Office has no official record of my applications in this matter.

From this I presume that the documents referring thereto have not as yet been sent home, and I therefore beg to submit herein a memorandum and synopsis of correspondence and telegrams that have passed between his Excellency the Viceroy of India, Her Majesty's Chief Commissioners of Upper Burmah, and other of Her Majesty's Indian officials respectively and myself, and embodying and having reference to applications made by me, for and on behalf of a syndicate of capitalists, to be permitted, as an expert in the valuation and mining of precious stones, to proceed from Mandalay to the ruby mining district of Upper Burmah for the purpose of inspecting same, with a view to submitting to the proper authorities an offer for the lease or concession of the mines.

I shall be happy to submit a full copy of this correspondence should you desire it.

I venture to indicate as salient points in this correspondence,—

1. That, so far as is generally known, one firm only has until now been permitted to negotiate for the ruby mining concession.
2. That, from most careful and exhaustive inquiries made during my two visits to Burmah, I believe that the concession is worth more than twelve times the sum reputed to have been offered for it so far; that is to say, it is worth at least 400,000*l.* (say, four hundred thousand pounds), annually as against four lacs of rupees, said to have been offered, and that such a discrepancy may not, from its very extent, appear impossible, I beg to recall to you, as an analagous case, the very low valuation set originally upon the South African Diamond Fields, but which have, during the last 15 years, yielded an average value approaching four millions sterling per annum.

I beg to inquire whether or not the final ratification of any lease or concession of the Burmah Ruby Mines rests with the Home Government, and whether or not any other offer than that reputed to have been made by the firm before referred to will, under any circumstances, be permitted or entertained, and

The Under Secretary of State
for India.

I have, &c.
(Signed) MORITZ UNGER.

Enclosure 2 in No. 25.

MEMORANDUM with reference to Mr. MORITZ UNGER'S Visit to BURMAH.

1. Mr. Unger proceeded to Burmah at the end of 1885, reaching Mandalay at the end of December.

2. He at once placed himself in communication with Sir Charles (then Mr.) Bernard, Chief Commissioner of British Burmah, and Colonel Sladen, Chief Political Officer for Upper Burmah, acquainting them with the object of his visit, but was informed that, owing to the unsettled state of the country and to the existence of a concession granted by the former Government of Burmah, and that would be current and valid until July 1886, nothing could be done. Further, the ruby mines district was not at that time in British possession.

3. He, however, remained in Mandalay till the visit of his Excellency the Viceroy of India at the beginning of February 1886, when he addressed himself to his Excellency, and was informed that all initiative in this matter lay with the local administration.

4. He remained in Mandalay, preserving communications with the officials before named, until the 15th March 1886, when he proceeded to Rangoon, whereafter the following correspondence ensued:

(1.) 23rd March 1886, Rangoon. Letter from Allen and Van Someren, Barristers-at-law, Rangoon, to the Chief Commissioner of Upper Burmah, stating that under instructions from Mr. Unger they write to ask that his name shall be noted as one willing upon behalf of a powerful syndicate to make a liberal bid for the ruby mines concession; assuming that the Government will not grant any concession without first ascertaining at least approximately its value, and offering to send to the mines, at his own cost, experts and engineers, and to furnish Government with copies of their reports.

(2.) 23rd March 1886, Rangoon. Letter from Allen and Van Someren to his Excellency the Viceroy of India, acquainting him with Mr. Unger's offer to the Chief Commissioner of Burmah, and repeating request for facilities to make survey, necessary as the basis of a firm offer. All expenses of such survey to be borne by Mr. M. Unger.

(3.) 5th April 1886, Mandalay. Letter from H. Thirkell White, Esq., Secretary for Upper Burmah, to the Chief Commissioner to Allen and Van Someren, Rangoon, acknowledging receipt of their letter of 23rd March, and to say that the same would be submitted to the Government of India.

Memorandum.—At the end of April it was currently reported that the Government had given the ruby mines concession to Messrs. Streeter.

(4.) 29th November 1886, Rangoon. Letter from G. Van Someren to H. Thirkell White, Esq., asking reply to letter of 23rd March.

Memorandum.—An expedition to Mogouk, accompanied by Mr. Streeter and party, was upon the point of leaving.

(5.) 5th December 1886, Mandalay. Letter from H. Thirkell White, Esq., to G. Van Someren, Rangoon, acknowledging receipt of letter of 29th November. He is instructed to say that the decision of the Government of India has not yet been communicated to the Chief Commissioner, stating that a British force is on its way to the mines; but so long as there was a possibility of warlike operations, private European gentlemen cannot be allowed to visit the mines.

The Chief Commissioner is unable to provide Mr. Unger with an escort, and cannot permit him to accompany the force now proceeding.

Memorandum.—Mr. Streeter and party proceeded to Mogouk with the above-mentioned expedition.

(6.) 22nd December 1886, Mandalay. Letter from H. T. White, Esq., to G. Van Someren. The Government of India have intimated that they cannot entertain Mr. Unger's application.

(7.) 26th December 1886, Rangoon. Letter from G. Van Someren to the Secretary of the Viceroy. Referring to letter of 23rd March, trusting same has had consideration of Government, and soliciting a reply.

Mr. Unger is in Mandalay, desirous of obtaining the fullest possible information upon the ruby mines in order to make a firm offer for the concession.

The information he has gathered from native sources, though considerable, does not justify him in making an offer without visiting the mines; were he acting for his own risk and account he would make a firm offer without first going to the mines, and it would be several times greater than the sum reputed to have been offered, but before he can engage his friends he must visit the mines. Repeating former request to accompany any one of the military parties now in movement between the capital and Mogouk, and at his own cost to make full surveys and reports, placing same at the disposition of Government. Correcting representation that Mr. Unger is French; he is a naturalised British subject of German birth. Enclosing with other credentials letter from the agent of the Chartered Mercantile Bank, stating that Mr. Unger has with his bank an extensive credit from Messrs. N. M. Rothschild, of London, and that he is a responsible man.

(8.) 3rd January 1887, Mandalay. Telegram from Mr. Unger to H. P. Macdonald, Esq., Officiating Home Secretary, Indian Government, Calcutta, renewing application to be permitted to visit ruby mines, and engaging that none but Englishmen should be interested. Will be able to make a bid much more advantageous than any yet made.

(9.) 8th January 1887, Calcutta. Telegram from Revenue Department, Calcutta, to Mr. Unger. Government of India cannot grant leave to proceed to mines. Mr. Unger must consult local civil and military authorities.

Memorandum.—Upon receipt of foregoing, Mr. Unger had interviews with the Secretary to Sir Frederick Roberts, Commander-in-Chief, who declared himself unable to grant the permit sought, stating that the matter rested entirely with the civil authorities. Mr. Unger then repeated his application to Sir Charles Bernard.

(10.) 1st February 1887, Mandalay. Letter from Mr. Unger to Sir Charles Bernard, confirming conversation had with Sir Charles this morning, when Mr. Unger stated that he had been requested by Messrs. N. M. Rothschild and Sons, of London, to study the ruby mines, and Sir Charles had asked Mr. Unger to state this in writing. Repeating request to be permitted to proceed.

(11.) 4th February 1887, Mandalay. Letter from H. T. White, Esq., to Mr. Unger, acknowledging letter of 1st. The country is not yet quiet enough for Mr. Unger to visit the mines without guard, which Chief Commissioner regrets he cannot furnish.

(12.) 19th February 1887, Mandalay. Letter from Mr. Unger to Sir Charles Bernard, reminding the Chief Commissioner of the several previous applications made for permission to go to ruby mines, and of his assurances to Mr. Unger that nothing definite had been settled with regard to their exploitation, in spite of statements made by Mr. Streeter that the concession had been granted to him for the sum of four lacs of rupees per annum.

Remarking that Sir Charles' assurances coincide with the statement in the House of Commons by Sir John Gorst on the 29th January that nothing had been settled.

Reminding the Chief Commissioner of Mr. Unger's renewed request for leave to go to the mines upon the 15th instant, and of the Chief Commissioner's reply that in present state of country it was impossible, though on the following day a Mr. Jackson left Mandalay for the mines with machinery.

Recalling to Chief Commissioner Mr. Unger's request for leave to go forward, providing his own guard, whereon the Chief Commissioner warned him that he would be stopped.

Accepting the Chief Commissioner's assurances that nothing had been settled, and that nothing could be done except through the Indian Government.

Mr. Unger proposes shortly to proceed to Calcutta to negotiate there.

(13.) 21st February 1887, Mandalay. Letter from H. T. White, Esq., to Mr. Unger, acknowledging letter of 19th, which will be forwarded to Indian Government.

Declining permission to proceed to ruby mines, and warning him against attempting to proceed thither.

(14.) 10th March 1887, Calcutta. Letter from Mr. Unger to Sir E. C. Buck, Knt., Secretary to the Government of India, referring to letter of 19th ultimo.

Expressing Mr. Unger's surprise and disappointment at Sir E. C. Buck's statement in conversation this morning that the ruby mines concession had virtually been given to Mr. Streeter for four lacs of rupees per annum, whereas the offer Mr. Unger was prepared to make on behalf of the syndicate headed by Messrs. N. M. Rothschild and Sons, of London, would add at least 400,000*l.* (say, four hundred thousand pounds) per annum for an indefinite number of years to the revenue of Burmah. Asking if he may still treat with the Indian Government, and, if not for the ruby tract proper, then for lands outside those conceded to Mr. Streeter.

(15.) 11th March 1887, Calcutta. Letter from Sir E. C. Buck, Knt., to Mr. Unger. He is directed, in reply to Mr. Unger's letter of yesterday, to inform him that the Government of India cannot deal with any application connected with the ruby mines in Burmah except through Mr. Crosthwaite, Chief Commissioner of Burmah, to whom Mr. Unger's letter will be forwarded next mail.

As regards the ruby tract proper, Mr. Unger is right in understanding that the first refusal of the concession will be offered to Messrs. Streeter & Co., in accordance with agreement already made with that firm.

(16.) 12th March 1887, Calcutta. Letter from Mr. Unger to H. T. White, Esq., Mandalay. Mr. Unger has been notified that a letter addressed by him to the Government of India, with reference to the ruby mines, will be forwarded this mail to Mr. Crosthwaite, and that any offers or proposals must be made through him.

Mr. Unger regrets having left Mandalay before Mr. Crosthwaite's arrival there, but will return if Mr. Crosthwaite can treat, in which case he will be obliged for a telegram to that effect, as otherwise he is proceeding to Europe.

(17.) 11th April 1887, Mandalay, received at Bombay on 16th April. Telegram from the Chief Commissioner to Mr. Unger:

“Thanks for offer of Mr. Unger’s services in connexion with ruby mines, but finds himself unable to avail thereof. To what address should letters be sent for Mr. Unger?”

(18.) 17th April 1887, Bombay. Telegram from Mr. Unger to Mr. Crosthwaite, giving Mr. Unger’s permanent address, No. 37, Boulevard Haussmann Paris.

Enclosure 3 in No. 25.

MY LORD,

18, New Bond Street, July 14, 1887.

Now that the question of the completion of the arrangement for the lease of the ruby mines has come into your Lordship’s hands for final decision, we trust that your Lordship will be good enough to consider the enclosed short statement of the facts of the case up to the present time, so far as we or our agents are concerned, and that you will arrive at the conclusion that the confirmation of the provisional arrangements made between ourselves and the Local Government will be most conducive to the development and successful working of the mines, the increase of the revenue, and the general prosperity of the district.

The Secretary of State for India.

We remain, &c.
(Signed) STREETER & COMPANY.

Enclosure 4 in No. 25.

A short SUMMARY of the NEGOTIATIONS made by MESSRS. STREETER & Co. during the last 18 months.

1. In December 1885 Messrs. Streeter applied to the India Office for a concession of the ruby mines in Burmah, and were advised by Lord Harris, then Under Secretary of State for India, to send an agent out to India to treat directly with the local Government.
2. Having heard of the existence of a concession granted to certain Frenchmen, for working the mines, by the Burmese Ambassadors, then in Paris, Messrs. Streeter & Co. bought up that concession with all the papers relating thereto, in order that the undertaking should be entirely in British hands.
3. In January 1886, Messrs. Streeter & Co. appointed Captain Patton their agent, and sent him to India with full powers.
4. Captain Patton, on arriving at Rangcon, found that certain offers had been made already to the local Government for a concession of the ruby mines; he lost no time in sending in his tender in compliance with the terms of a letter from the Secretary for Foreign Affairs, dated 18th April 1886. His tender was accepted, and he wired to Messrs. Streeter & Co. that “the offer of four lacs was accepted subject to certain conditions.”
5. No formal agreement was then signed, although one was drawn up, as it was deemed desirable to wait and see if any native rights existed, which could not be done until the district was occupied by our troops.
6. On the 17th July 1886, the Government of India wrote and suggested to Captain Patton that a representative of Messrs. Streeter & Co. should accompany the expedition to be despatched to the mines, adding that, pending the completion of the agreement, it might be possible for Messrs. Streeter & Co. to arrange for making terms with the native contractor, whose lease had expired, to carry on the working of the mines.
7. Mr. G. S. Streeter and Major Charles Bill accordingly left England in August 1886 with full powers to act on behalf of Messrs. Streeter & Co.
8. On their arrival at Mandalay the terms of the agreement between the Government of India and Messrs. Streeter, and the rules and regulations affecting the working of the mines, were discussed with the Chief Commissioner.
9. In November 1886 they accompanied the ruby mine column on its march to Mogok in order that they might as stated in a letter written by the General in command of Upper Burmah Field Force, be put in possession of the mines on arrival of the troops.

10. On their arrival at Mogok, in accordance with an undertaking previously given to Sir Charles Bernard, they employed Mr. Robert Gordon, an engineer lately in Government service, to make a survey and map of the district.

11. During their stay at Mogok, Mr. G. S. Streeter acted, at the Deputy Commissioner's request, as valuer for the Government of the stones brought in by the natives, and also at a latter date was present with the Chief Commissioner, Mr. Crosthwaite, at an interview with the chief headman of the district when the draft regulations and rules for the management of the mines were discussed.

12. Before leaving Burmah, Mr. G. S. Streeter signed a provisional agreement with Mr. Crosthwaite for a lease of the mines for 5 (five) years and six months, and also obtained the Chief Commissioner's sanction to hold an ordinary mining license under the Upper Burmah Ruby Regulation Act, 1887, pending the confirmation of the agreement by the Secretary of State for India. He also obtained the monopoly of purchasing stones in the ruby tract on payment of an *ad valorem* duty of 30 per cent.

13. In order to carry out these last-mentioned objects, Mr. Streeter, on leaving Burmah for the purpose of collecting a competent staff and buying machinery, gave a letter of procuration to Mr. Altaz, who is now residing at Mogok in a stockade house built on a site granted by the Deputy Commissioner.

Enclosure 5 in No. 25.

The Exploration Company, Limited,
5, Union Court, Old Broad Street, E.C., London,

July 21, 1887.

MY LORD,

STATEMENTS having been made in the House of Commons to the effect that no arrangements have been entered into for working the ruby mines of Burmah, I address your Lordship for the purpose of inquiring whether an offer from my company to work these mines would be favourably entertained.

The Exploration Company, Limited, on behalf of which I make this application, is composed of 20 members, among whom are some of the best known names in the city, as is shown by the list of incorporators contained in the articles of association, a copy of which I have the honour to enclose herewith. The following are the members of the consultative committee:—

Mr. Leopold de Rothschild.
Mr. Martin Ridley Smith.
Mr. Dillwyn Parrish.
Mr. Herbert R. Magniac.

The principal object of the company is to acquire mining interests in various parts of the world.

In the event of an offer being acceptable, I would request your Lordship to state in what shape the Government would like to have it made; and we submit for your consideration as a basis of payment by us either of the following methods:—

First. On a per-centage of the net profits above working expenses, and a fair interest upon the amount of capital invested; or,

Second. After a full examination of the property by experts nominated by the Government and ourselves, a fixed yearly rental for a series of years, the amount of the said rental to be determined by the reports of the experts.

This company would be prepared to undertake a full examination of the property at its own expense, provided the Government will furnish opportunity for the same and full protection to the engineers employed.

I need hardly dwell upon the fact that so very little authentic information is available regarding the ruby mines of Burmah that it would be difficult to arrive at an equitable basis of arrangement without such an examination by experts.

The Secretary of State
for India.

I have, &c.
(Signed) A. MCKINLAY,
Secretary.

Enclosure 6 in No. 25.

7, St. Mildred's Court, London, E.C.,
July 16, 1887.

MY LORD,

As we learn from Sir John Gorst's statements in the House of Commons that your Lordship in Council has under consideration the working of the ruby mines of Burmah, we beg to submit, for your Lordship's consideration, copy of a letter addressed on the 14th February 1887 by our Rangoon firm, Messrs. Gillanders, Arbuthnot, & Co., to the Chief Commissioner of Burmah, offering to work these mines on certain conditions, which we have now the honour to confirm.

We presume that the correspondence that passed in 1886 between the Government and our firm on this subject has been sent home, and we will only refer to it to say that our firm made the first offer for the mines, that our offer was recommended for acceptance, and we submit that our long connexion with Burmah and with the precious stones trade entitles it to special consideration.

We venture further to draw attention to the special advantages that the Government would derive under our proposals, Nos. 1 and 2, by having the full or partial benefit of the increasing revenue which may be expected to accrue from the judicious working of the mines.

In conclusion, we may mention that at least three fourths of the Burmah rubies imported into Europe for the last quarter of a century, not to mention other precious stones, have been sold by our friend Mr. Warwick, with whom we work in this country.

We have, &c.

The Under Secretary of State
for India.

(Signed) OGILVY, GILLANDERS, & Co.

P.S.—Since writing the above, we have received from Rangoon, by mail of 21st June, delivered to-day, copy of a further letter addressed by our Rangoon firm, on 16th June 1887, to the Chief Commissioner of Burmah, a copy of which we enclose for the information of your Lordship in Council.

O., G., & Co.

Enclosure 7 in No. 25.

SIR,

Rangoon, February 14, 1887.

WE have the honour to acknowledge the receipt of your letter No. 229, of the 7th February, and we hasten to lay before the Chief Commissioner our proposals concerning the working of the ruby mines in Upper Burmah.

Firstly. In the event of Government deciding to work the mines on their own account, we should be happy to undertake the business of selling, either in Mandalay, Rangoon, Calcutta, Bombay, or London, whichever might at the time appear the best market for the particular stones available, for a net commission of 5 per cent. on proceeds of the stones. The charges would not amount to much. They would be merely the sums actually expended for postage and insurance. We should prefer taking delivery of the stones in Rangoon, but, if necessary, we shall be happy to make such arrangements as will admit of our taking delivery at Mandalay; or,

Secondly. We should be prepared to work the mines, through some of the former Burmese concessionaries, on joint account with Government. We would take delivery of and distribute the stones for sale, as described above, and divide with Government the profits equally every half year or every year, as may be arranged. Our accounts would, of course, be open to the inspection of an officer appointed by the Chief Commissioner, and in all matters connected with the business we should always be prepared to act in consultation with Government. We should be happy to provide all the working capital, and so obviate the necessity of Government coming under cash advance. This arrangement might be tried for, say, five years.

These proposals are merely sketches of the manner in which the business may be worked, and we shall be happy to amplify our remarks if the Chief Commissioner feels it in his power to denote the scheme which is likely to prove most acceptable to Government.

If neither of the above proposals commend themselves to Government, we should still be happy to consider the business on the basis of a lease, somewhat in the manner proposed on a former occasion, and if it is intended that the business shall take this form, we

should be very glad if Government would favour us with the conditions they would desire to lay down as the basis of such a lease.

Hoping that the Chief Commissioner will lay our proposals before the Government of India,

We have, &c.
(Signed) GILLANDERS, ARBUTHNOT, & Co.

H. Thirkell White, Esq., C.S.,
Secretary for Upper Burmah,
to the Chief Commissioner, Mandalay.

Enclosure 8 in No. 25.

SIR,

Rangoon, June 16, 1887.

WE learn, from a Reuter's telegram published here on the 13th instant, that Sir John Gorst stated last week in the House of Commons that the Secretary of State for India considered that no agreement binding on the Government subsisted with Messrs. Streeter for the lease of the ruby mines of Upper Burmah, and, on the supposition that the statement is correct, and concluding from it that a lease to Messrs. Streeter is now uncertain, we venture again to draw the attention of the Chief Commissioner to the proposals for the working of the mines which we had the honour of submitting for the consideration of the Government of India in our letter to you dated the 14th February 1887.

We would desire to urge specially the advantages to the Government of a proposal that the mines should be worked by the Government themselves, and the proceeds thereof sold through our agency in the chief markets of the world.

1st. The entire profits of the mines would be realised by the Government.

2nd. That such profit would probably be far more than any possible rent under a lease.

3rd. The existing rights of the original owners and the interests of the people of India would be watched over and controlled more efficiently and completely than would be possible by any other method of dealing with the mines.

If, however, the Government should not be inclined to undertake the working of the mines entirely themselves, we would then draw attention to an alternative proposal to work them on the joint account with the Government, we finding the necessary outlay.

If neither of these proposals should find favour with the Government, we shall be glad to know what terms are likely to be acceptable.

We have, &c.
(Signed) GILLANDERS, ARBUTHNOT, & Co.

H. Thirkell White, Esq., C.S.,
Secretary for Upper Burmah,
to the Chief Commissioner, Mandalay.

Enclosure 9 in No. 25.

SIR,

India Office, August 4, 1887.

I AM directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 3rd June, and, in reply, to inform you that, in the absence of full information with regard to the value of the Burmese ruby mines, or the probable effect of bringing to bear upon them for the first time the application of capital and the results of modern invention in the shape of machinery and explosives, Viscount Cross does not feel justified in sanctioning at present any lease or other engagement.

M. Unger, Esq.

I am, &c.
(Signed) JOHN E. GORST.

Enclosure 10 in No. 25.

GENTLEMEN,

India Office, August 4, 1887.

I AM directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 14th July, and, in reply, to inform you that, in the absence

of full information with regard to the value of the Burmese ruby mines or the probable effect of bringing to bear upon them for the first time the application of capital and the results of modern invention in the shape of machinery and explosives, Viscount Cross does not feel justified in sanctioning at present any lease or other engagement.

So far as his Lordship is aware, no inspection has hitherto been made on behalf of the Government by any person qualified to give an opinion on the subject of ruby mining on a large scale.

Another reason which, in his Lordship's opinion, renders it impossible at present to sanction any lease, is that he possesses no sufficient information regarding the position of the native workers, whose vested rights it will be necessary carefully to protect.

His Lordship proposes, without delay, to take steps to inform himself on these points.

He will adopt immediate measures for ensuring a complete examination of the mines by competent experts, and if you or any other firm or association approved by him should wish to make further investigations, he will request the Government of India to afford facilities for the inspection of the mines by your representatives under such restrictions as the local administration may think necessary. On this subject, however, a further communication will be made to you when arrangements have been completed for the inspection of the mines on behalf of the Government.

His Lordship regrets the delay which must thus occur before a final decision on your proposal can be arrived at.

I am, however, to add that the Government of India have been authorised to continue provisionally, if they should think fit, without prejudice to any future action which the Secretary of State may hereafter think desirable, the existing arrangement with your firm, under which you have the refusal of all rubies offered for sale in the stone district on condition of paying 30 per cent. of the price to Government.

Messrs. Streeter.

I am, &c.
(Signed) JOHN E. GORST.

Enclosure 11 in No. 25.

GENTLEMEN,

India Office, August 4, 1887.

I AM directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 16th July, and, in reply, to inform you that, in the absence of full information with regard to the value of the Burmese ruby mines, or the probable effect of bringing to bear upon them for the first time the application of capital and the results of modern invention in the shape of machinery and explosives, Viscount Cross does not feel justified in sanctioning at present any lease or other engagement.

So far as his Lordship is aware, no inspection has hitherto been made on behalf of the Government by any person qualified to give an opinion on the subject of ruby mining on a large scale.

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He will adopt immediate measures for ensuring a complete examination of the mines by competent experts, and if you or any other firm or association approved by him should wish to make further investigations he will request the Government of India to afford facilities for the inspection of the mines by your representatives, under such restrictions as the local administration may think necessary. On this subject, however, a further communication will be made to you when arrangements have been completed for the inspection of the mines on behalf of the Government.

Messrs. Ogilvie, Gillanders, & Co.

I am, &c.
(Signed) JOHN E. GORST.

Enclosure 12 in No. 25.

GENTLEMEN,

India Office, August 4, 1887.

I AM directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 21st July, and, in reply, to inform you that, in the absence

of full information with regard to the value of the Burmese ruby mines, or the probable effect of bringing to bear upon them for the first time the application of capital and the results of modern invention in the shape of machinery and explosives, Viscount Cross does not feel justified in sanctioning at present any lease or engagement.

So far as his Lordship is aware, no inspection has hitherto been made on behalf of the Government by any person qualified to give an opinion on the subject of ruby mining on a large scale.

Another reason which, in his Lordship's opinion, renders it impossible at present to sanction any lease, is that he possesses no sufficient information regarding the position of the native workers, whose vested rights it will be necessary carefully to protect.

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He will adopt immediate measures for ensuring a complete examination of the mines by competent experts, and if you or any other firm or association approved by him should wish to make further investigations he will request the Government of India to afford facilities for the inspection of the mines by your representatives under such restrictions as the local administration may think necessary. On this subject, however, a further communication will be made to you when arrangements have been completed for the inspection of the mines on behalf of the Government.

The Exploration Company, Limited.

I am, &c.
(Signed) JOHN E. GORST.

