

authority of the Government of the territory to which re-export is desired, that the drugs to be imported are to be used exclusively for legitimate scientific and medicinal purposes, and will not again be re-exported."

5. I should be glad to be informed whether your Ministers would be prepared to make arrangements for the issue of such certificates.

6. It will be noted that under the arrangements outlined above the re-exportation to countries outside the British Empire of narcotic drugs imported from the United Kingdom is, in effect, rendered impossible. In negotiations which have been proceeding for the conclusion of an arrangement on similar lines with the United States of America it has, however, been represented that certain manufacturing firms in that country have for some time past been accustomed to export to foreign countries medicinal preparations containing, among other ingredients, opium, morphine, and similar drugs originally imported from the United Kingdom, and that should the re-export of narcotic drugs in these circumstances be prohibited an appreciable injury might thereby be inflicted on legitimate manufacturing interests.

7. It is therefore proposed to waive the insistence on the guarantee against re-exportation in the case of consignments of these drugs consigned direct to manufacturers in countries engaged in manufacturing them into medicinal preparations, where such countries are in fact exercising a strict control over the exportation of the drugs. The guarantee against re-exportation would in such cases be replaced by the guarantee that the goods were required for *bona fide* manufacturing purposes, and would be exclusively so used.

8. His Majesty's Government would be glad to be informed of any manufacturing interests in the Dominions in whose favour it is desired by the Dominion Government concerned that arrangements should be made for such waiving of the guarantee against re-exportation. They assume that any Dominion Government that would desire to avail itself of this offer will exercise an efficient control over the export of all such narcotic drugs, and allow them to leave the country only where it has been shown that they are required exclusively for legitimate medicinal and scientific purposes, and will not be re-exported.

9. Arrangements are being negotiated with various foreign countries as to the conditions on which they are to be allowed to import narcotic drugs from the United Kingdom which, if extended to any Dominion from which narcotic drugs are exported to those countries, would facilitate the control of such exports by the Dominion Government concerned. A further communication on this subject will be addressed to you in due course.

I have, &c.,
MILNER.

Governor-General His Excellency the Right Hon.
Viscount Jellicoe, G.C.B., O.M., G.C.V.O., &c.

[Enclosure not printed.]

No. 14.

New Zealand, Dominions No. 53.

MY LORD,—

Downing Street, 2nd February, 1921.

With reference to Mr. Walter Long's despatch, No. 41, of the 12th February, 1918, I have the honour to request Your Excellency to inform your Ministers that the limitation of the amount which may be remitted by money-order from the United Kingdom to India in any one week has been abolished, on the understanding that it may be reimposed if circumstances render it necessary.

2. I take the opportunity of stating, for the information of your Ministers, that the rate of conversion for payment in India of postal orders and money-orders advised from the United Kingdom in sterling has been altered, with effect from the 31st December last, to 14 rupees to the £1.

I have, &c.,
MILNER.

Governor-General His Excellency the Right Hon.
Viscount Jellicoe, G.C.B., O.M., G.C.V.O., &c.