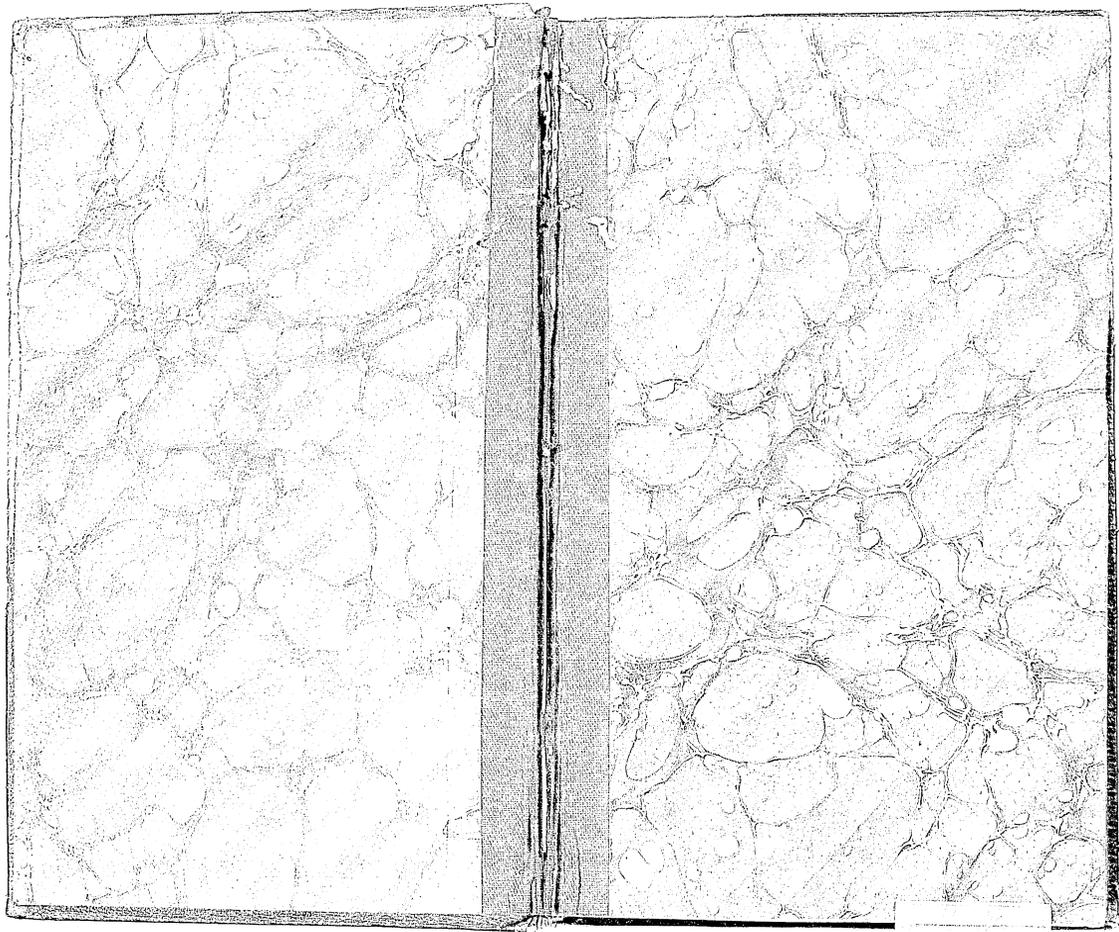




REPORT
OF THE
BENGALEE CHAMBER OF COMMERCE
FROM
1ST NOVEMBER 1860 TO 30TH APRIL
1861.





R E P O R T

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

From 1st November 1860 to 30th April 1861.

Calcutta:

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*Proceedings of a General Meeting of the Bengal
Chamber of Commerce held on the 6th May, 1861.*

AN unusually large number of members attended for the purpose of receiving the report of the Committee for the past half-year, and of electing a President, Vice-President, and Members of Committee for the ensuing year.

Mr. W. S. Fitzwilliam—Chairman of the Committee—occupied the chair.

The report having been read by the Secretary, it was resolved, on the motion of Mr. James Rose, seconded by Mr. George Heron, that the report of the Committee now presented to the Meeting be received and adopted.

The Chairman proceeded to remark upon various questions which had come under the notice of the Committee during the past six months, but which were not especially referred to in the report. He alluded at length to the good service rendered by their late President, Mr. John N. Bullen, as a member of the Customs Commission, and particularly to the prominent part which he took in the revision of the tariff and the Custom House administration generally. He considered that Mr. Bullen's services were especially entitled to recognition by the Chamber, and trusted that this opinion would be cordially acquiesced in by all present.

Mr. Maitland, whilst entirely concurring with the Chairman, thought the services of Mr. Bullen were entitled to something more substantial than bare thanks.

After some further remarks upon the action of the Committee during the last six months, the Chairman on behalf of himself and colleagues tendered the resignation of their offices to the Chamber.

Whereupon it was proposed by Mr. Hurst, and seconded by Mr. Maitland, and unanimously resolved that the cordial thanks of the Chamber are due and be given to the late Committee, and especially to the President and Vice-President, for the ability with which they have conducted the business of the Chamber during their term of office.

Mr. W. C. Stewart then submitted the following resolution to the meeting, which was seconded by Mr. D. C. Mackey :—

“That the rate of exchange for the adjustment of freight on goods from Great Britain, or any port or place where the freight is expressed in pounds sterling, be at the par of two shillings per rupee, unless otherwise positively stipulated; and that this modification of the present system commence on all vessels arriving after the 1st day of January 1862.

An amendment was proposed by Mr. Maitland, and seconded by Mr. Lyall :—

“That the question of the rate of exchange at which freight should be paid be referred to a special general meeting of the Chamber to be convened by the Committee as early as possible.”

The amendment was put and carried.

The next question discussed was the subject of revising the existing schedule of commissions charged in Calcutta; but upon the motion of Mr. Maitland, seconded by Mr. D. C. Mackey, it was resolved, “That this question also be referred to a special general meeting of the Chamber.”

The Chamber then proceeded to the election of officers for the ensuing year, and Messrs. Aitkin and Leresche were appointed scrutineers. The voting cards having been duly examined, the following members were declared elected :—

President, W. S. Fitzwilliam, Esq.; Vice-President, W. Maitland, Esq.; Members of Committee, Messrs. James Rose, William Grant, Seth A. Apear, D. C. Mackey, and F. Schiller.

Mr. Fitzwilliam briefly acknowledged the compliment conferred upon him; and assured the meeting that he would to the best of his ability discharge the duties of the responsible office to which he had been elected.

Messrs. Maitland and Rose having respectively declined to serve as Vice-President, that office was accepted by Mr. William Grant. The vacancies in the Committee caused by the secession of Messrs. Maitland and Rose were filled up by the appointment of Messrs. W. M. Whitney and John Deffell.

The proceedings of the General Meeting having thus terminated, the meeting was rendered special for the consideration and disposal of the question of Hindoo

Holidays referred to in the Committee's Report as being still under discussion. The question was whether an annual General Holiday for all classes should be taken at Christmas time (say from 24th December to 2nd January inclusive) or at the period of the Native Festival of Doorga Poojah (some time in October) and the matter was settled by a large majority of votes in favor of the latter season.

The meeting broke up after a vote of thanks to the Chair.

H. W. I. WOOD,

Secretary.

REPORT OF THE COMMITTEE.

FOR THE HALF-YEAR ENDED 30TH APRIL, 1861.

At the General Meeting of the Chamber held on the 11th December last the Committee submitted the usual report of their proceedings for the half-year ended 31st October 1860, and they now present a summary of the subjects which chiefly engaged their attention during the six months ended 30th April 1861.

ADDRESS TO THE HON'BLE SAMUEL LAING.

APPENDIX A.

On the 10th of January the Honorable Samuel Laing took his seat as a Member of the Council of the Governor General of India, in succession to the late Right Hon'ble James Wilson ; and on the 16th of the same month a deputation representing the British Indian Association, the Trades' Association, the Indigo Planters' Association, and the Chamber of Commerce, had the honor of presenting an address of congratulation on his arrival and assumption of his important office. The address, free from all common place compliment, was the earnest expression of the satisfaction which influential sections of the non-official community felt at the appointment of so well qualified a successor to the Statesman whose untimely death they

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all had occasion so recently to deplore, and of their confidence in his ability to discharge the responsibilities of his high mission.

The courteous and cordial reply was as encouraging as, under the circumstances of the occasion, the deputation could have expected.

THE CURRENCY BILL.

The bill introduced by the Honorable Mr. Laing as an amendment of the late Mr. Wilson's project for the introduction of a Paper Currency has not been generally so well received as was that of his predecessor. Though based upon sound principles it has been looked upon as inadequate to meet the requirements of India; the amount of notes to be issued being below that at present issued by the Presidency Banks can do little more than replace them in the present channels of circulation, for which it was hardly worth making the change. It must not however be overlooked that there is no limit to the amount that may be issued against bullion. The general hope is, the Committee believe, that Mr. Laing may find it necessary to extend the basis of his scheme to about the proportions of that proposed by Mr. Wilson. His proposition to transfer the cash and banking departments of the Treasury to the Bank of Bengal has given general satisfaction, and will undoubtedly greatly facilitate the transaction of public business in those departments.

THE BUDGET FOR 1861-62.

APPENDIX B. (1)

The publication of Mr. Laing's statement of ways and means for 1861-62 has given general satisfaction as commencing a new era in the financial history of India. To the Chamber it must be a subject of gratification to find that what they have been labouring for nearly three years to obtain, namely, the publication of the income and expenditure of the country, has been now conceded. The reduction of expenditure by the abolition of a large part of the native army is also a subject of congratulation, the more so as by this reduction there is every reason to believe that by next year the equalization of income and expenditure will be accomplished. This result cannot but be beneficial to the interests of commerce; and the Committee trust at their next annual meeting their successors will be able to report that their anticipations have been fully realized.

Publication of Estimates of the Revenues and Expenditure of India.

APPENDIX B. (2)

In compliance with the resolution passed at the last general meeting of the Chamber, a letter was addressed to the Government of India calling their attention to the non-publication of the estimates of the revenues and expenditure of the country, including the Home receipts and charges, and requesting that returns

such as those prepared by the late Mr. Wilson should be published quarterly, with the addition if possible of a monthly return of the cash balances in the Indian treasuries.

It was also suggested that a statement showing the financial position of the guaranteed Railways would be valuable as tending to remove much misapprehension now existing in the public mind upon this matter. Information was also requested as to the alleged grant of a large sum of money to the Mysore Princes. In answer to this letter a communication was received from the Financial Secretary, which will be found in the appendix, explaining why the statements referred to could not be published, and referring to a letter which he had addressed to Messrs. D. Cowie, G. Brown, J. N. Bullen and E. D. Kilburn, inviting them to co-operate in ascertaining what accounts and returns it would be desirable to publish periodically as affording information of practical interest and importance to the mercantile community.

In compliance with this request of the Government the gentlemen named addressed the Financial Secretary, suggesting the manner in which the accounts and returns asked for could be furnished to the public advantage.

To this letter the Government replied promising to meet as far as possible the suggestions made, namely, that the cash balances should be published monthly, that an anticipatory estimate and such subsequent estimates as may be prepared of income and expendi-

ture, be published annually, to be followed by quarterly statements of actual income and expenditure under the same heads, as also a statement showing as correctly as possible the aggregate amount of receipts from the income tax and from stamps. In reference to a statement asked for as to the balances in the hands of the Home Government, the Indian Government not being in possession of this information have applied to the Secretary of State for India in order to its publication.

CASH BALANCES.

APPENDIX C.

The attention of the Committee having been called to the non-publication by the Financial Secretary of the periodical statement of cash balances as promised by the late Mr. Wilson, they addressed the Government upon the subject early in November, and the result was that the returns for the quarters ending 30th April, 31st July, and 31st October, 1860, were promptly given to the public.

PAPER CURRENCY.

APPENDIX D.

The Hon'ble Mr. Laing having proposed in his Bill for the establishment of a Paper Currency that the lowest denomination of note to be issued be *twenty* rupees, the Committee in concert with the Indigo Planters' Association and the Traders' Association peti-

tioned the Legislative Council praying that *ten* rupees should be the lowest amount issued. To this Mr. Laing assented, and the bill was amended accordingly.

HINDOO HOLIDAYS.

APPENDIX E.

Under instructions from the Chamber the Committee addressed the Government of India on the 26th of December, pointing out the great inconvenience and loss resulting to the interests of those having mercantile relations with this port owing to the frequent closing of the Custom House and other public offices on the occurrence of Hindoo holidays, and suggesting that the list of such holidays be revised with the view of ascertaining whether they may not be considerably reduced without depriving the Hindoo employés in such offices of those holidays which are actually required for the ceremonial observances of their religion. To this communication the Government of India replied that the Governor General fully agreed with the Chamber in their views upon the question, and had no doubt that the present system could be revised without in any way interfering with the religious observances of the Hindoos; it was further considered that before coming to a final decision it would be better to appoint a Committee to consist of the sub-treasurer, a member of the Chamber and a Hindoo gentleman to report upon the subject, and the Committee of the Chamber were requested to nominate one of their body to act upon this Committee.

This request was complied with, and, as the President and Vice President were about to leave for England, Mr. Fitzwilliam was appointed to act upon the Committee. Their report reducing the Hindoo holidays to twenty-two ceremonial days, but giving four days to the Mahomedans, and a general close holiday of ten days to all creeds and classes at the time of Doorgah Poojah will be found in the appendix, as also the Government notification generally confirming the recommendation of the Committee. This decision of Government not having given satisfaction to a large number of the members of the Chamber, a special meeting was called on the 27th instant with the object of obtaining some modification of the rules laid down by Government. At this meeting no decision was come to, and the meeting adjourned to 6th proximo.

GOVERNMENT SALT SALES.

APPENDIX F.

The sales of Government Salt have long been conducted under a system which your Committee are of opinion should be discontinued without delay, for they are satisfied there can be no question of its highly objectionable character; and the circumstances attending the last distribution, as represented to the Committee, rendered imperative a strong and earnest remonstrance against the mode adopted on that occasion for supplying the requirements of the trade.

Under the arrangements existing last year the Board of Revenue invited tenders for the quantity ready for distribution and were prepared to accept deposits for any quantity applied for, apportioning the salt among *all* the applicants in such proportions as the quantity for distribution and applications for allotment would relatively allow. Each tender of purchase money was thus entitled to *some* share of the available salt, and in order to secure as large a share as possible deposits were made for quantities far exceeding what was actually required and aggregating infinitely more than was advertised for allotment,—for the sufficient reason that as the Government fixed rate inclusive of duty was much below the value obtainable in the open market each allotment conveyed an absolute profit realisable on re-sale. Consequently large deposits were made to secure as large allotments as possible; and for this purpose a considerable amount of capital—diverted for a temporary speculative employment at enormously high rates of interest—was withdrawn from ordinary circulation, causing a severe pressure on the money market and seriously aggravating its condition during a period of extreme scarcity last year. This proportional allotment system has however been abandoned, and a plan substituted by which any speculator with adequate means at command can, by priority of tender, take up the entire quantity of salt available, and thus temporarily monopolise the trade. The objection to such an arrangement is obvious and undeniable; the Commit-

tee, confident of the Chamber's disapproval of it, protested against the modification, and submitted that the system adopted in the sale of Government opium should be adopted in the sale of Government salt, viz. public auction with ample notice of intended sale. It is only necessary to add that the question of sale in the mode recommended by the Committee is under the consideration of His Honor the Lieut-Governor, who, they trust, will introduce a complete reform in a system so open to abuse.

RAILWAYS.

A brief summary of Railway progress is submitted for the information of Members; and we notice, first in order, the operations of the

EAST INDIAN RAILWAY.

The Committee's last report recorded the opening of the line from Calcutta to Rajmehal, a distance of 202 miles, and the complete success which attended the inauguration of that important event, on the 15th October; and the following details from the Chief-Engineer's very interesting half-yearly statement represent the result of operations to the end of last year.

The line from *Howrah to Raneegunge*—121 miles—is in a sound and satisfactory condition, and the traffic has been carried on uninterruptedly as usual, and works in connection with it are well advanced.

The *Singarron Branch*,—eight miles—leading to the collieries in the valley of the river Singarron, has been

commenced and will probably be ready for public traffic by the close of the present year.

Extension to the river Burrdwar—twenty-two miles—has made fair progress in preliminary arrangements. *North and South Beerboom District*—thirty-three and half and forty-five miles—in both divisions the permanent way is in good working order; in the latter some earth slips had taken place suddenly during the rainy season, but measures are being taken to prevent their recurrence or extension. The *More* and *Copai Bridges* have been finished for a double line of rails, and the *Adjai* bridge was near completion.

In the *South Rajmehal Division*—twenty-three and half miles—the works are reported as finished; the *Central Rajmehal Division*—twenty-six miles—is in fair working order, and traffic is carried on with regularity. At *Rajmehal Station* much remains to be done, but works are in active progress.

The *North Rajmehal Division*—twenty-five miles—is in a very forward condition; and the *Salehgunge* station is probably now available for the accommodation of the Purneah and Darjeeling traffic; but it is recommended that this and the *Peerpointee Division*—twenty-six miles—also far advanced, should not be opened for traffic till next October, and the *Bhagulpore Division*—twenty-four miles—will be opened about the same time. The works in the *Jhangeerah Division*—twenty miles—have been delayed for want of permanent way materials and iron girders, but their completion is

hoped for by the close of this year. The opening of the line in the *Monghyr Division* may be expected in the early part of 1862, and the extension through the *Keel* and *Hullohar Districts*—twenty-one and half miles—may be completed by June 1862 if the large quantity of iron work required for the two bridges is urged forward with despatch; but if the supply is not delivered till after the coming rainy season, the completion will be deferred to the end of 1862. Great progress has been made in the *Barrah* and *Patna Divisions*—thirty-one and half and thirty-eight and half miles. In the *Soane District*—seventy-one miles—the operations are going on rapidly and satisfactorily, and are so far advanced that the line may be ready for public traffic before the end of next year.

EASTERN BENGAL RAILWAY.

The progress made in this line during the last six months has been very satisfactory, and as the Company is now in a position to raise the full amount of capital required for its completion, no delay will take place in carrying on the operations of the line, which, the energy and ability of the contractors leave little room to doubt, will be completed so as to admit of opening the whole length to the Ganges in twelve months from this date.

The various iron bridges are all in a forward state, and the two great cylinder bridges across the rivers Echamuthee, distant from Calcutta sixty-four miles,

and the Koomar, distant ninety-three miles, are progressing steadily. It is expected that the first, consisting of five openings of eighty feet span, will be erected before the end of the present year, and there will be little difficulty in getting the second, (the greatest work) consisting of twelve openings of eighty feet span, finished by May 1862.

There are now upwards of fifty miles of general embankments, and surface forming fully completed; about forty miles thrown up but not trimmed, and twenty miles remaining to be completed.

The laying of ballast proceeds very satisfactorily, and the laying of the permanent way is fairly commenced.

The whole of the sleepers, rails and chairs are either on the spot, or in course of delivery from convenient depôts, so as to leave no cause to fear delay on this account.

The Calcutta station at Scaldah is well advanced, and the Barrackpore station above platform level and in rapid progress, and every thing ready for a fair start with the intermediate stations, so that they might be completed in time for the opening of the line about this time next year.

The first shipment of locomotives has already been made from England, and the carriages and waggons, the whole of which are being made in England, will soon follow.

CALCUTTA AND SOUTH EASTERN RAILWAY.

The works of this line are steadily progressing towards completion, and it is hoped that the first section—ten miles to Sonapore—will be open to traffic by July, should such partial opening of the line be deemed desirable, and that the whole line will be completed early next cold season. The capital of the Company having proved insufficient, power was lately obtained to raise £50,000 on debentures. It has likewise been decided to substitute substantial temporary stations both here and at the Mutlah end for costly permanent building, the extent of which can only be ascertained after some time. The only work which can possibly prevent the opening of the line at the date now fixed is the Pallee bridge, the girders of which have just safely arrived; but every exertion is being made to prevent disappointment.

THE CANALS.

Important improvements have been made in the Calcutta and Eastern canals during the past year. The whole of the old canal from Dhappa to Chitpore has been deepened, and that portion of it between Dhappa and Dum-Dum bridge has been given up for depôt use; no traffic is allowed to pass through it, while the new canal and the portion between Dum-Dum bridge and Chitpore is reserved entirely for traffic; no boats being allowed to stop for any purpose whatever.

By this arrangement a boat can now pass from Barninghatta to Chitpore, that is through the whole toll-paying portion, in four hours, so that there is now really *no* delay or impediment to boats passing through.

The portion of the old canal between Dum-Dum bridge and Chitpore was formerly used partly as a depôt and partly as a line of traffic; to compensate for the removal of the depôt—a measure absolutely necessary to assure a free passage for boats—ground has been purchased and a new road made the whole way from Palmer's bridge to Dhappa, affording vastly more accommodation for stores than was lost near Chitpore, and to suit the local consumption about Chitpore: which could not well be removed towards Dhappa, a depôt is being prepared on the Dum-Dum road. It will be ready next season with sites for stores, roads, &c. complete.

A sum is included in this year's budget for re-sinking the whole of Tolley's Nullah, so that boats going direct to the lower portion of the Hooghly, or boats too large to pass through Chitpore dock, may take that route. The work will take two seasons to carry out.

Government being anxious to improve the appearance and safety of the important part of the canal near the railways, have undertaken the experiment of building a block of cheap, neat, fire-proof stores: they are now in hand, and on the success of the present block

depends, of course, the extension of the work, either by Government or by the public. The Calcutta canals now seem as perfect as the traffic demands.

Very great improvements in matters of convenience have been effected on the whole line of Eastern canals from Calcutta to Khoolna. Tow paths have been made the whole way, and some 200 bridges built over the small khals; boats now go against wind or tide without much inconvenience.

A sum has been included in this year's budget for shortening the route seven or eight miles.

Report of the Customs' Commission. Revision of the Tariff.

APPENDIX G.

We had the pleasure to report at the last general meeting the result of the revision of the old Customs tariff; the oppressiveness of many of the then valuations for duty, the *general average* system by which some of those valuations were adjusted, and the consequent inequality of incidence of duty were the subject of just complaint; but these difficulties were removed to the complete satisfaction of all concerned, and the revised tariff is working, it is believed, with advantage both to the Government and the merchant. This however with reference only to goods the values of which were fixed as recommended by the Commission: for whilst the value of tariffed goods had been adjusted on the principle that duty should be charged on the *net cash value in bond at time of importation*, no such provision had been made for the application of the same

principle to goods which, not being classed, were liable to duty *ad valorem*.

This omission was brought to the notice of the Board of Revenue on the 20th November, and as no reply had been received to the Committee's representation, the Board was again addressed on 20th March, the early disposal of the question being urged not only on the ground already advanced but also because the readjustment of duties was materially delayed to the excessive inconvenience of merchants, for the Collector in the absence of necessary authority declined to readjust unless importers would forego the deduction sanctioned by Government in the case of tarified goods.

The Committee have however the satisfaction to announce that a reply has at length been received, and orders given for the assessment of duty as recommended by the Customs' Commission and approved of by the Supreme Government.

CUSTOM HOUSE ADMINISTRATION.

APPENDIX II.

We give in the appendix the Report of the Customs' Commission on the system under which business is conducted at the Custom House, together with the orders of the Lieutenant Governor of Bengal on the various points submitted for His Honor's consideration. It will be observed that while defects in that system have been admitted and necessary improvements directed to be introduced, the opinion of Mr.

Bullen on the *out-pass* question, expressed with considerable force and ability, have been overruled by the arguments of the majority of the Committee, the Board of Revenue, and the Collector of Customs, which the Lieutenant Governor considers are quite conclusive on the point. Your Committee however, notwithstanding the minority in which their late President was thus placed, and with all deference to the opinions of the majority, are satisfied that his views are the soundest, and that the privilege of the out-pass system has been withdrawn on altogether insufficient grounds.

The Chamber is aware of the constant complaints which were made of the wretched condition of the Custom House premises—infested by white ants and utterly unfit for the reception of Merchants' property. On this point the Lieutenant Governor remarks—"it is discreditable that such an evil should exist," and has ordered that "immediate measures may be taken for keeping the Custom House Store-rooms as free from all vermin as the best private store-rooms of the most careful merchants."

DUTY ON THE EXPORT OF SALTPETRE.

APPENDIX I. (1)

At a special meeting of the Chamber held on the 21st February the question of the repeal of duty on Saltpetre was brought forward, and a resolution was passed to the effect that it was essential to the existence of the export trade of Saltpetre from Calcutta

that the duty of two Rupees a maund be removed, and the Committee were requested to address the Government, pointing out the injurious effects of such duty and to apply for its repeal.

In pursuance of that resolution the Committee placed themselves in communication with the Government of India, and, by supporting the resolution by every argument they could employ, endeavoured to obtain the object of the meeting; but they were not successful. The Governor-General in Council intimated that he was unable to admit that any conclusive evidence had been shewn for the necessity of giving up a considerable source of revenue, and that His Excellency was not then prepared to make any change in the duty; but that the Government would be quite prepared to re-consider the question if they were satisfied that East Indian saltpetre was really exposed to the competition of an intrinsically cheaper manufacture. The correspondence will be found in the appendix.

IMPORT DUTIES.

APPENDIX I. (2)

The Manchester Chamber of Commerce in November last passed certain resolutions with reference to the duties levied in India on the import of British manufactured goods and yarn, and the aid of this Chamber was solicited to press on Government the adoption of the principles which those resolutions contained.

The levy of specific duties on a large proportion of imports for low class consumption, and the high duty of 10 per cent. on yarns and manufactures were in the opinion of the Chamber causes injuriously affecting manufacturing interests and operations connected with the Indian trade. Of those material obstructions to its healthy action two have been removed: the revision of the tariff of valuations having resulted in the modification of the system of assessing duty on low class fabrics, which now pay duty on their market value; and the duty on cotton twist and yarn having been reduced from 10 to 5 per cent., as announced by the Hon'ble the Financial Member of Council on the 27th instant.

But the greatest difficulty still exists, viz. the high duty on manufactured goods. In the expectation that the financial position of the country would admit of a reduction of revenue from this source, the Committee proposed submitting for the consideration of Government the expediency of lowering the duty to 5 per cent; but the acknowledgment that the State was unable to forego the duty on saltpetre sufficiently indicated the hopelessness of any favorable result from the discussion of this larger measure of relief, and their conclusion has been confirmed by Mr. Laing's declared inability to propose a lower rate of duty. That that object may yet be obtained, the Committee are not without hope, and they trust that the financial improvement of this country, as represented in the Government Budget just submitted to the public, may make such rapid progress

as to justify at no distant date the reduction of duty to the former standard of 5 per cent. >

Engagement of the Ship "Salamance" by the Marine Department.

APPENDIX J.

The system under which the Superintendent of Marine engaged tonnage for the public service formed the subject of a representation by the Chamber to the Government in September 1859, and the result was that an instruction was conveyed to that officer to adhere, in all possible cases, to the practice of engaging tonnage by *public tender*. The Committee were therefore somewhat surprised to find that, notwithstanding this plain direction, the orders of Government had not been duly attended to in the case of the Ship "Salamance," which was brought to their notice as an infringement of the general rule laid down for the guidance of the Marine Department. The Committee made the necessary reference to the Superintendent, but instead of receiving any information in reply to their communication a mere acknowledgment of their letter was given; the Committee were therefore obliged to ask from the Government of India the information which they were unable to obtain from the Superintendent. The information was given in due course, and reference to the Correspondence (Appendix J) will show that the Superintendent's discourtesy to the Chamber was promptly and properly reprov'd, and the previous directions as to engagement of tonnage repeated.

Extension of the Provisions of the Imperial Passengers' Act of 1855 to the Carriage of Passengers from India.

APPENDIX K.

The opinion of the Chamber having been requested by the Government of India, the Committee stated that they believed it would be expedient to extend to this country the Imperial Passengers' Act of 1855, with the view to apply its provisions as widely as possible.

Transmission of Commercial intelligence by telegraph to Galle.

APPENDIX L.

The Galle Agent of Mr. Reuter, whose system of telegraphic intelligence has an established reputation, applied to this Chamber for a summary of commercial news to be telegraphed to Galle to overtake the Mail Steamer from Calcutta en route to Suez, which he would undertake to forward free and publish for general information immediately on receipt in London.

The Committee were glad of the opportunity of extending the usefulness of the Chamber in this direction, and having obtained the permission of Government to send such summaries, as public messages, free of charge, the Committee have been able to comply with the application.

Fraudulent depreciation of Current Rupees.

APPENDIX M.

On this important point the Committee considered it necessary to address the Mint Master, pointing out

the great inconvenience, delay, and loss caused to the community by the fraudulent depreciation of the weight of current rupees, and requesting that measures be taken to put a stop to the practice complained of. The matter having been referred to the President in Council, His Honor was of opinion that the great evil could only be repressed by making the laws stringent and the police effective, and to that end proposed that steps be taken for the early introduction of the new Police Law.

The Committee trust that the vigilance of the Police will result in tracing the perpetrators of this serious fraud on the public and in the most severe punishment the law can inflict.

The correspondence is given in the appendix.

Condition of the Public Roads in the business part of the Town.

APPENDIX N.

The necessity of improving the public thoroughfares in the business part of the town, of removing the obstructions which constantly impeded the public traffic, and of introducing and enforcing some regulations for keeping the streets in proper order, was pressed on the Committee's attention some months ago, and they at once addressed the Municipal Commissioners and the Commissioner of Police on the subject. The Committee are glad to think that a degree of improvement has been already obtained, and they hope that the

streets of Calcutta will ere long be kept in as good order as they are in all well-regulated towns.

The correspondence will be found in the appendix.

Practice in the Acceptance of drafts on the General Treasury.

APPENDIX O.

The Officiating Civil Auditor has recently submitted to the Government of India in the Financial department the expediency of modifying the present system of accepting drafts on the General Treasury : and suggests a much simpler and, to the public, a far more convenient plan. The former plan is for the holder of a bill to present a written receipt with the bill, which receipt is after examination signed and stamped, and returned on the following day when the bill is claimed : the proposed change involves the discontinuance of such receipts, and the holder may either drop his bill into an acceptance box and call at convenience, or he may require and receive immediate acceptance. This is so manifest an improvement that the Committee did not for a moment hesitate to express their approval of it.

Telegraphic Communication via Constantinople and the Persian Gulf.

APPENDIX P.

The Political Resident in the Persian Gulf having reported to the Government of Bombay the completion of the electric telegraph between Constantinople and Baghdad, the Committee lost no time in represent-

ing the expediency of obtaining intelligence from England by that line. Arrived at Baghdad, the news would be conveyed by courier to Bussorah, thence by the river Tigris to Bushire, and from Bushire a steamer would carry it on to Kurrachee or Bombay.

The correspondence will show that the Government of India at once forwarded the Chamber's suggestion to His Excellency the Governor of Bombay with a request that the experiment might be tried when an opportunity offered: and the Government of Bombay are prepared to test this new channel of communication whenever any steamer is available at Bushire, proposing that the steamer should take the message direct to India by delivering it at Kurrachee instead of Bombay, that course being shorter and beyond the reach of the violence of the monsoon.

Assuming the line of communication to be free from any interruption, news from London should thus reach this country in about twelve days, and the Committee look forward with much interest to the result of an experiment which involves so material an improvement in the means of communication between India and Great Britain.

Accidents to shipping not duly reported in the Government Telegraph Gazette.

APPENDIX Q.

The correspondence on this subject will place before the Chamber the steps taken by the Committee to obtain intimation by telegraph of all accidents which

may happen to shipping in the river below Calcutta. The omission of several instances of vessels grounding, &c. having been brought to the Committee's notice, they addressed the Director General of the Telegraph Department, who states in reply that while anxious to render all possible assistance it is foreign to the duties of his department to *collect* such information, neither has he the means at disposal for such purpose. Major Douglas invites the co-operation of the Master Attendant who will gladly lend all the aid in his power, but Captain Reddie says he has had great difficulty in getting ships to shew their numbers, and doubts if, even on the requisition of pilots in charge, commanders of vessels would pay attention enough to see the proper flags hoisted. The Committee consequently addressed the Government of Bengal in the hope that means will be provided by which Masters of vessels shall be bound, as public carriers, to conform to such requisition as may enable the Pilot service to carry out the instructions of the Master Attendant.

The Famine in the N. W. Provinces and the Punjab.

Your Committee were no sooner satisfied that the necessity existed for taking measures for the relief of the people in the famine-stricken districts than they availed themselves of the opportunity of prompting the movement which led to the public meeting held in the Chamber's Hall on the 21st January. With the success of that movement members are so familiar that the Committee need only record their gratifica-

tion with the result of the appeal to public sympathy and assistance in behalf of the unfortunate sufferers, and to express their gratitude for the generous response with which that appeal has been met by all classes of Her Majesty's subjects.

Deputation of Colonel Baird Smith, C. B., to the
Famine-stricken Districts.

APPENDIX R.

The effects of the calamity which has overtaken so many thousands of the population of the Upper Provinces have not been unfelt even at this distance from the scenes of distress. The scarcity and high prices of food consequent on the failure of the last rain crops in some of the most important districts of the North-west, and the threatened deficiency of the cold weather crops, owing to the limited area of land which the want of rain would render it possible to bring under cultivation, were causes popularly assigned for the almost paralysed state of the large up-country marts for British manufactures; and the result has been a severe depression of the ordinary trade between Calcutta and those places of consumption. In these calamities a sufficient reason was recognised for the serious falling off in the demand for the distressed districts, but the Committee were of opinion that other causes contributed to the condition in which that diminished demand existed, and feeling the importance of arriving at a correct appreciation of the

circumstances which conduced to such depression of trade, the Committee considered it necessary to suggest to the Government of India the expediency of deputing some experienced person to proceed to the North-west for the purpose of specially reporting on the actual state of the distressed districts, and giving the fullest information procurable as to the causes which have reduced the markets for British manufactures to their present state of stagnation, and on all points bearing on the future prospects of trade in and with those districts. It appeared to your Committee that no one could be found better qualified for such a duty than Colonel Baird Smith, who had had many years' local experience of that part of India, which combined with a very sound judgment on the commercial bearings of the question would enable him to draw up a report of great value both to the Government and the commercial public.

The Committee's suggestion and nomination had the approval of Government; and Colonel Baird Smith proceeded early in February to undertake the service in which he is now actively engaged.

The appendix contains the correspondence on this subject.

◁ SUPPLY OF INDIAN COTTON FOR ENGLAND.

APPENDIX S.

The possibility of a greatly and suddenly increased demand in England for Cotton grown in this country having been under the consideration of the Governor

General in Council, His Excellency passed a resolution on 28th February with reference to the action of Government towards facilitating an immediate increase of production, and towards improving the means of bringing the produce to port. Among the various points embraced in this resolution is one which the Committee have to record in this report, viz: the deputation of some competent persons, interested in the question to accompany Government officers for the purpose of observing and reporting on any obstacles which may appear to impede the Cotton trade. A reference having been made to the Committee, they submitted the offer of Mr. Paterson Saunders, Senior, to undertake such service on the terms proposed by Government, the Committee believing Mr. Saunders to be well qualified for such a mission, and that his practical knowledge of the Cotton trade and the country where it is produced together with a large Indian experience would enable him to render much valuable aid in attaining the object which the Government have in view. >

Mr. Saunders' offer of service has been accepted, and he will shortly proceed on the tour proposed by His Honor the Lieutenant Governor.

**Interchange of Merchandise between the Merchants
of Thibet and Calcutta.**

The Honorable Mr. Eden, Envoy to the Court of Sikkim, has lately submitted a suggestion to the Chamber which the Committee think would, if duly

carried out, be attended with the most satisfactory results. He inquires if the Thibet merchants bring goods into Darjeeling at stated periods of the year, whether it would be worth the while of Calcutta merchants to send up people to deal with them. The Thibet merchants would offer for sale *Wool, Musk, Gold Dust, Borax, Mumject, Turquoise* and *manufactured Silk and Brocades*, and buy in exchange *Long Cloth, Broad Cloth, Velvet, Drills, Jeans and Shirts*.

The Committee informed Mr. Eden that in their opinion such a periodical interchange of merchandise with the Thibet people should by all means be encouraged, and that a frequent intercommunication would go far to promote a better understanding with a people our knowledge of whom is at present so limited.

**Proposed modification of the present Postal arrangements
between India and Great Britain.**

In our last report we submitted a correspondence on the subject of a proposed modification of the present postal arrangements between India and Great Britain, by which instead of the bi-monthly mail via Galle and the bi-monthly mail via Bombay there would be a *weekly* mail via Bombay for all India. The proposition was based on the probability of railway communication between Bengal, Madras, and Bombay being so far advanced in the course of two or three years that the mails to and from England would be conveyed in considerably less time than they now

take, and in the consequently unnecessary continuance of the highly subsidised mail service via Galle.

While admitting the expediency of the proposed measure whenever such an advancement of railway communication could be obtained, the Committee were not so sanguine as the Director General of Post Offices was as to the early period fixed for its completion, and they deprecated any modification of the present postal arrangement until it could be safely abandoned.

Upon this important point we are not in a position to submit any definite result; the proposition was submitted by the local Government to Her Majesty's Secretary of State for India, by whom, we believe, the question has been referred to the local authorities for further consideration.

PRICE CURRENT.

The circulation of the Price Current is maintained, and adds materially to the

FUNDS OF THE CHAMBER,

which continue in a satisfactory state, there being this day the 30th ultimo a balance in the Bank of Bengal of Rupees

2,516 3 8

And the reserve in Government Securities of the 4 per cent. Loan

7,500 0 0

NEW MEMBERS.

The following Firms have been admitted Members of the Chamber subject to the usual confirmation:

Messrs. John Ogle and Co.,

Messrs. Ker, Dods and Co.,

„ Whitney Brothers and Co.,

„ John Elliott and Co.,

„ Pelletreau and Co., *Mirzapore*, (as mofussil members.)

Joseph Agabeg, Esq.,

G. Pietsch, Esq., Manager of the Comptoir d'Es-compte de Paris, and

Thomas Duff, Esq., Agent Borneo Company, Limited.

W. S. FITZWILLIAM,

Chairman.

BENGAL CHAMBER OF COMMERCE, }
Calcutta, 30th April 1861. }

APPENDIX A.

ADDRESS TO THE HON'BLE SAMUEL LAING.

To

THE HON'BLE SAMUEL LAING,

MEMBER OF THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA.

Hon'ble Sir,—We, the public bodies represented by the undersigned, desire respectfully to express our sincere congratulations on your arrival at this Presidency to fill the important office of Financial Member of the Council of the Governor General of India.

To those engaged in the trade and commerce of this city it is a matter of great satisfaction that the choice of a successor to the late Right Hon'ble Mr. Wilson should have devolved on one so eminently qualified as yourself to fill the post left vacant by the death of that lamented statesman. Your large experience in public affairs, particularly in those relating to trade and finance, and the broad and liberal views you have always held in dealing with these subjects, inspire us with confidence. And we entertain a well-grounded conviction that in the consideration of the many important matters now before the Supreme Government you will be found a consistent advocate of the same enlightened and progressive opinions.

We also repose great confidence in your high administrative abilities, proved as they have been not only by the efficient manner in which you have conducted the duties of the responsible office you have just vacated in Her Majesty's Government but also by the marked success which has attended those important industrial undertakings in the management of which you have been actively associated.

For the Exercise of these abilities in the restoration of the finances of this empire to a sound condition there is wide scope. Much was done by the late lamented Mr. Wilson, and more would have been done had it pleased Providence to spare him. But it was not so ordained.

On you, Hon'ble Sir, has now devolved the task of carrying out those reforms in the financial system of this country which your distinguished predecessor inaugurated, but of which he was not permitted to see the fruition. We rely with confidence on your ability to discharge the responsibilities of this high mission, and we desire to assure you of our cordial support to measures adopted for this purpose and having for their object the welfare and prosperity of all classes.

Finally, Hon'ble Sir, we beg to express the gratification it will afford us at all times to be invited to communicate with you on subjects of local or general interest on which you may wish to obtain information from us.

We have the honor to be,

Hon'ble Sir,

Your most obedient humble servants,

For the Bengal Chamber of Commerce,

JOHN N. BULLEN,

President.

For the Indigo Planters' Association,

W. F. FERGUSSON,

Secretary.

For the Calcutta Trades' Association,

GEORGE F. REAFRHY,

Master.

For the British Indian Association,

RAJA RADAKANT DEB BAHADOUR,

President.

CALCUTTA,

16th January, 1861.

APPENDIX B. (1)

Hon'ble S. Laing's Financial Statement for 1861-62, in the Legislative Council of India on the 27th April 1861.

I rise, Sir, for the purpose of submitting to the Legislative Council, on behalf of the Government, the Budget of India for the year 1861-62. The occasion is too grave for me to indulge in preface. India has been eagerly watching for this Statement, to learn whether she is solvent or bankrupt, and England turns an anxious eye to the East to know whether her Indian Empire is to be a future source of strength or of weakness.

In presence of such great interests, one sort of eloquence alone is admissible—that of facts—and to them I address myself.

In the first place, how do we actually stand? When my predecessor, the late lamented Mr. Wilson, brought forward his Budget for 1860-61, little more than twelve months ago, he showed that India had long suffered under a chronic Deficit, which, since the mutiny, had increased to a frightful amount. For thirty-three years out of the preceding forty-six, the average Deficit had amounted to £2,500,000 a year, and the three years alone, from 1857 to 1860, had added £38,000,000 to the National Debt. The prospective Deficit for the year 1860-61 was estimated by Mr. Wilson at £6,500,000.

He proposed to meet it partly by new taxes, partly by reductions, and partly by drawing on the Cash Balances, which were then unusually large, owing to the success of recent Loans.

Unfortunately, of these anticipations the last only was fully realized. The actual Deficit of 1860-61 has been £6,678,000, and it has been met by a corresponding reduction of the Cash Balances in India and England, which, on the 30th April 1860, stood together at £19,600,000, and on the 30th April 1861 will have been reduced to about £14,500,000.

Let me explain this more fully.

Mr. Wilson proposed,—in addition to those augmentations of Salt, the Customs, and Stamp Duties, which had been already enforced, and of which the year 1860-61 had the benefit,—two new Taxes, the Income

Tax and the License Tax. Of these the first was passed into law, but at so late a period that the year 1860-61 was only partially benefited by it.

The figures of the Regular Estimate, published in February last, which give the latest authentic Returns, and close the year 1860-61 with a final Deficit of £6,678,000, include £803,550 of Mr. Wilson's Income Tax. No accurate estimate was attempted of the produce of the new Taxes at the time, but it was roughly stated that the Income Tax might produce about £2,500,000 a year and the License Tax about £1,000,000.

I fear these Estimates are greatly over-stated.

From the Returns of the Income Tax, which are now nearly completed, I can hardly venture to take its total annual net produce at more than £1,400,000. The License Tax is still a matter of conjecture, but looking at the fact that with an average payment of 1½ Rupee per head, which is as much as we should get with three classes at 1, 2 and 3 Rupees, it would require 7,000,000 of tax-payers, representing 35,000,000 of population, to give us £1,000,000, I do not think we should get any thing like it. The estimate of the Authorities of Bengal would not make the License Tax yield above £400,000 for all India. This may be too low, but I believe that £2,000,000 for a full year's net produce of the Income and License Taxes together is quite the outside of what we could safely reckon upon. Assuming, then, the License Bill to have passed, and Mr. Wilson's Financial measures to have been in full operation for the year, how should we stand?

The Deficit of 1860-61 is £6,678,000, but nearly £700,000 of this is occasioned by payments for compensations on account of the mutiny, which will not recur; so that the real Deficit is in round numbers £6,000,000. Mr. Wilson's new Taxes would have given us £2,000,000 in 1861-62, as against £800,000 in 1860-61, or an improvement of about £1,200,000 in Revenue, but from this must be deducted about £700,000 for certain wind-falls, in the shape of sale of old Stores, repayments by Native Princes, and so forth, received in 1860-61, and which will not be received again in 1861-62.

The position, therefore, left us by the Budget of 1860-61 is simply this. Deficit £6,000,000, less £500,000 improved Revenue; remaining Deficit £5,500,000.

Perhaps some Members of Council may have seen a much more favorable Statement, which was recently made by the Secretary of State to the British House of Commons.

It was stated that, whereas Mr. Wilson had estimated the reductions of expenditure in 1860-61 at £1,700,000, and subsequently at £2,500,000, they had turned out in reality to be £3,300,000; so that after saving £3,500,000 in 1859, we had again saved £3,300,000 in 1860, which, with £3,500,000 of new Taxes, extinguished our Deficit and made us independent of Loans, except to complete our Railways.

This statement was made in perfect good faith by the Secretary of State, on information which he had a right to rely upon, but unfortunately that information mistook wishes for facts and anticipations for realities. There was *not* a reduction of £3,300,000 as supposed by Sir C. Wood, or even of £1,700,000 as estimated by Mr. Wilson, but a positive increase of £213,000 in the total expenditure of 1860-61 over that of 1859-60.

The figures which I read from the Regular Estimate, corrected up to last February, show that the total expenditure was £46,417,000 in 1859-60, and £46,630,000 in 1860-61.

Even if we allow £700,000 for the mutiny compensation, the actual reduction of 1860-61, compared with 1859-60, will be less than £500,000.

The difference arose thus.

The reduction of expenditure in India was over-estimated by £1,500,000, owing to a too sanguine expectation that the recommendations of the Military Finance Commission would be carried out in 1860-61.

The increase of Home Expenditure for Debt, Railways, and Army was overlooked. The produce of the new Taxes was taken £1,500,000 too high, and it was forgotten that £800,000 of the amount had been already received in 1860-61, and was included in the Statement showing the Deficit of £6,000,000.

No allowance was made for the temporary nature of some of the Receipts of 1860-61, such as the Punjab Trade Tax and Sale of Stores. These errors together amount to upwards of £5,000,000, and just make the difference between the equilibrium announced in England, and the Deficit of £5,500,000, which is the real result of last year's Budget, after crediting it with a full year's proceeds of all the new Taxes, including the License Tax, which is not yet sanctioned.

I will not attempt to conceal from you that this was an unsatisfactory result. To find that, after the great effort made last year, the Income Tax had produced less than £1,500,000, that reductions had almost stood still, and that we were approaching a new Financial year with our Cash Balances nearly exhausted, and our Expenditure £5,500,000

a-year ahead of our Income, was indeed calculated to inspire gloomy apprehensions.

Nor were these apprehensions relieved by the aspect of the Railway question, which showed at least £20,000,000 to be wanted in the next three years to complete lines of the first necessity, for which capital no provision had yet been made, and which the Home Government would probably be compelled to borrow.

All idea of help from England for general expenditure was therefore clearly out of the question, and it was even doubtful whether funds could be provided to save us from the serious disaster of having to suspend Railway works which were approaching completion.

Well, there yawned the Deficit of £5,500,000 wide and deep. There was no chance of earning, no time to look to the right or left, for the exhausted Cash Balances, hungry and inexorable, were howling in our ears.

To stick the spurs well in, and go straight at it, was the only plan.

Before I ask you to follow me, let me pause for a moment and make one remark. I have said that this was no occasion for personal observations, but there is one which I am anxious to make, lest I should be misunderstood.

I have described a gloomy state of things. I am now going to show you a brighter picture. In making a lengthened statement, it is not always possible to avoid speaking in the first person, and thus appearing to claim for myself individually the credit of acts of the Government. I wish emphatically to repudiate any such claim.

In a Government like that of India, it is manifest that the Government must be, for good or evil, the main-spring of all policy.

It is not for me to speak of Lord Canning. When a man has filled such a post in such times, his character belongs to History. But this I may say without indiscretion, that if any one has represented His Excellency as lukewarm and indifferent in the cause of reduction, he is entirely mistaken.

From the first time I met him in India, down to the present day, Lord Canning's language to me has been the same—that he would carry out any practicable amount of reduction rather than inflict new and oppressive Taxes on the people of India.

Nor should I be doing justice to my colleagues in the Council, if I omitted to state that they have been, one and all, and on all occasions, animated by the same spirit. Indeed, it stands to reason that so much

could not have been done in so short a time, if the ground had not been filled, and the crop sown, and all but ripened by their exertions.

Sir, as far as I have seen, all concerned have done their duty, but among the many able Officers and Servants of the State, who have given us their aid and co-operation, there is one body whose services have been so pre-eminent, that I should be wrong not to mention them.

I mean the Military Finance Commission, whose Members have labored, often under difficulty and discouragement, with a zeal, an industry, and an intelligence which are indeed beyond praise.

If the future historian of India should have occasion to mention that in the year 1861 India was saved from a great Financial danger, that history will be very imperfectly written if it omits the names of Colonel Balfour, and his colleagues, Mr. R. Temple and Colonel Simpson.

Nor would I willingly omit to mention the name of Captain Rennie, to whom, in conjunction with the Civil and Military Finance Commissions, it is mainly owing that we have been able to effect important reductions in the Navy and Marine.

I return now to my figures. Recollect the Deficit is £6,000,000, and the problem is how to meet it.

In my experience of public life, I have always found this maxim hold good—that there is no such thing as an art or mystery in State Craft.

The broad principles of common sense, which apply to private apply equally to public affairs, and that which is not simple is seldom sound.

Well, if a private individual finds that his balance at his Banker is running dry, and that he is spending beyond his income, what does he do? He cuts down his expenditure—this is what we have done. We have reduced our expenditure by £3,600,000.

Recollect, in 1850, we reduced our expenditure from the war standard by £3,500,000; in 1860 by £500,000; and in 1861 we shall reduce it further by £3,600,000.

That is a great result, and I will now explain how we arrive at it. The great reduction is of course in the Native Army. Here was the greatest excess—here the greatest scope for economy.

In April 1857, or immediately before the mutiny, it appears from Official Returns, that the total established strength of the Indian Army, including Queen's Troops, was—

Europeans	45,622
Natives	266,852

The cost of this Army was in round numbers £11,500,000 a year:—

India, and £1,250,000 in England; but this was below the proper cost, as it was only attained by allowing the "Effective" European force to remain dangerously below its "established" strength. The real cost should have been about £12,000,000 in India, and £1,500,000 in England.

In 1858-59, owing to the mutiny, this cost rose to £21,000,000 in India, and £3,750,000 in England, showing a total increase of £11,000,000 on the Expenditure of 1856-57, to which should be added an increase of £1,000,000 for Military Police.

This was the *maximum* point at which reductions began.

In 1859-60 the Military expenditure in India was reduced to £17,750,000, and in England to £2,750,000, making a total reduction of £4,250,000. In 1860-61 the expenditure in India was £15,279,000, in England £2,750,000, showing a further saving of £2,500,000, which, as I explained just now, has been swallowed up by the increase of interest on the Debt and other charges, and which still left the cost of the Army of India £3,250,000 more in 1860-61 than it was in the year before the mutiny.

This Army consisted in 1859, according to a return of the military finance department which I hold in my hand, of 284,529 men, exclusive of 69,254 military police—or in all of 353,783 armed natives. We had, therefore, at the commencement of 1860, 60,000 more armed natives in our pay than in 1857, in addition to the increased European force, and the increased cost of our army was £5,250,000 a year.

Now, how has the Government dealt with this state of things? In the first place, they have decided that there shall be no hybrid corps, like military police, which really swell the native army without appearing on its roll. At least 20,000 men of military police and miscellaneous local levies have been disbanded, or are in course of disbandment, and with the exception of about 8,000 military police in Bengal, who have been retained for the present for special reasons connected with the organization of a constabulary in that Presidency, you may say that nothing of this sort remains in India. When we say "Army" we mean "Army," and when we say "Police" we mean "Police"—Constables with batons under civil authority and not sepoy regiments under a new name.

Next, we have reduced all native infantry Regiments to a uniform force of 600 Privates, or 712 natives of all ranks per Regiment.

Finally, we have broken up and disbanded regiments.

Upon this point I think the Government of India has hardly done itself justice in not making public some comprehensive view of the extent of reductions effected.

In Bengal there were in 1847 146 Regiments of Native Infantry, in 1859 the number was ninety-eight, in 1860 it was reduced to ninety-one; and of these eight are under orders for disbandment, and an order for reducing eleven more has been passed and will appear in a few days in the *Gazette*, bringing the number to seventy-two Regiments, or less than half the number before the mutiny.

Madras, before the mutiny, had in all fifty-five Regiments of Native Infantry, including two of Veterans and one Pega Battalion. The number was raised in 1859 to sixty-two Regiments—it is now fifty-three Regiments.

Bombay had thirty-four Regiments before the mutiny. In 1859 there were forty. Of these six have been disbanded, and orders passed to disband four more.

As regards Native Cavalry, Bengal had in 1857 fifty Regiments. In 1859 there were fifty-six Regiments. At present there are forty-three, and orders have just passed for disbanding eleven, leaving the total number thirty-two. This includes all Native Cavalry of the Punjab, Central India, and elsewhere, as well as those under the Commander-in-Chief. Madras had eight Regiments of Native Cavalry in 1857; the number has been reduced to four.

Bombay had nine Regiments in 1857. These were recently converted into fourteen Regiments of reduced strength, on the Irregular footing, which will be reduced to nine, or lower.

I say nothing of Native Artillery, for no such thing exists, except a few Mountain Batteries at unhealthy posts on the frontier.

The result is, therefore, that seventy-seven Native Regiments are broken up since 1850, *viz.* forty-four of Infantry and thirty-three of Cavalry.

Of these, twenty-four Regiments of Infantry and twenty Regiments of Cavalry are the result of the reductions now ordered, or enforced within the last few months.

The effect of these reductions is to lower the strength of the Native Army from 284,000, at which it stood in 1850, to about 140,000 men.

Including Military Police, the reduction of Native Armed Force since 1859 will be very nearly 2,000,000 men, of whom upwards of 1,000,000 men have been reduced within the last few months.

I should mention that, in effecting these reductions, it has been thought right to make some addition to the pay of the Irregular Native Cavalry, who find their own horses and provisions. Prices have risen so much, that it is difficult for them to keep out of debt on their old pay, and soldiers in debt are always dangerous. But I place it on higher grounds. It is the duty of the State to treat liberally men who are ready to shed their blood for us in case of danger, be they Hindoos or Mussulmans, English or Native—here at least the maxim should apply that the labourer, while found faithful, is worthy of his hire.

I spoke of the above reductions as carried out, because they are so in a great measure; and what remains is distinctly ordered in a manner which admits of no discussion. Madras has taken the lead in reductions, but Bombay is well up; and Bengal, as you will see, is coming with a rush, and will perhaps, make a dead heat of it on the post.

The Military Finance Department, who are constituted as a permanent Department of the Supreme Government to see to the enforcement of all that relates to Estimates and Military Finance, give us means, like these which the Treasury and War Office in England possess, of ensuring the observance of Estimates, and of checking expenditure.

So much for our Native Army.

In our European Force no material change is proposed on that now existing.

Concurrently with these reductions of Force, we have made corresponding reductions in the Commissariat, Ordnance and other Military Departments, and in the expenditure on Barracks. The general result is that our Military Expenditure of all sorts, including Military buildings, will be reduced from last year by £3,220,000.

Our Estimate of Military expenditure in India for the year 1861-62, which has been revised with great care by the Military Finance Department, is £12,800,000, or £2,479,000 lower than in 1860-61. But this does not show the whole amount of permanent saving, as the reductions cannot all be carried out by the 1st of May, and Native Troops cannot be disbanded without gratualities.

The Estimate of the Military Finance Department is £12,199,242 as the cost for a year of the Establishment now decided upon for permanent adoption, and £600,760 as the temporary cost for this year in Gratualities, Bounty, Pay and other expenses, before the reductions are fully carried out.

It is right to state, however, that for £500,000 or £600,000 of this

reduction, we are indebted to a suspension of the usual demands for stores, owing to the vast accumulations of recent years.

I am sanguine, however, that when the new Police is fully organized, and after another year or two of peace and tranquillity the Native Army may be still further reduced, and the total expenditure in the Army kept at £12,250,000, or even brought down to 12 millions in India and 2 millions in England.

In the meantime, our actual reduction for the ensuing year is £3,220,000, but of this £400,000 is in Military Buildings, of which we give the benefit to Civil Public Works.

In this Estimate of Military expenditure, I have only allowed for a small decrease on the Home charges, proportionate to what we know of the actual diminution of numbers in Depot, viz. from £2,772,610, in 1860-61 to £2,500,000 in 1861-62.

But I hope and believe the reduction will be much larger.

It is perfectly manifest, that the officers and men, belonging to Indian Regiments in Depot at home, are as much a reserve for England as for India. In the event of any sudden and serious danger threatening England, there is no doubt that these troops would be available there, and it is not fair that India should pay the full cost of the Reserve Establishments in England under such circumstances.

The day is past when England can consider India as a sort of milch-cow on whom to draw for a little here and a little there, in order to round an English Budget, or ease an English Estimate. Strict and impartial justice must be the rule in all money matters between England and India, if England wishes to get a return for her capital, which will soon amount to £100,000,000 invested in Indian Securities and Railways, and if she wishes to see India become, every day, more and more, the best source of supply for her raw produce, and the best market in the world for her staple manufactures.

I know that arrangements are pending at Home, by which we hope to commute all charges for Depôts or otherwise, for a fixed sum per head for every soldier in India; and if a fair settlement is made, I look for a considerable further reduction on the Military Estimate.

In reducing the expense of the Army, we have not been unmindful of the Sister Service.

The Indian Navy cost nearly £1,000,000 a year, and what was there to show for it? It is no disparagement to the well-known courage of our gallant Indian Navy to say that the whole fleet could not stand a

single broad-side from a man-of-war of modern construction and armament. In the event of a Naval war, we must trust to Britannia to rule the seas, and really in these hard times India cannot afford to go on paying a million a year for the honor and glory of having a Navy of her own which is no real protection.

Nor does it seem the wisest of policies to run Government Steamers on our rivers, competing with Railways and Steamers of Companies on whose capital we are guaranteeing 5 per cent. Accordingly the axe has been laid to the root of that tree, and our Budget of 1861-62 shows, by way of commencement, a reduction of Naval and Marine charges, £536,000 from £856,070 as it was last year, and £1,000,000 as it would have been, with no reductions, now that our steamers have returned from China.

This reduction will, I hope, be carried still further, when arrangements now pending are completed by which a small but efficient force of the Royal Navy shall be constantly stationed in the Indian Seas, which will give us much more security against any possible hostile attack than we have ever hitherto had.

Nor have we been unmindful of economy in our Civil expenditure.

The first four heads of the Abstract of the Budget Estimates, which I hold in my hand, comprise the cost and charges of collecting the Revenue, Civil and Political Establishments, Law and Justice, and Police, which include the whole cost of Civil Administration in India, except for Public Works.

The aggregate of these four heads is £14,864,004 in 1861-62 against £14,876,389 in 1860-61, showing a decrease of £12,385, instead of the large increase which has been steadily going on of late years.

But this gives a very inadequate view of the real saving in Civil Administration, for the charge in 1861-62 includes £350,000 more than in 1860-61 for the increased cost of Opium, Salt and Income Tax, and £150,000 for contingencies connected with the famine, for none of which is Civil Administration proper at all responsible.

The total charge would, therefore, have been £500,000 more in 1861-62 than in 1860-61, had the cost of Civil Administration remained the same.

But it is £12,385 less, so that the saving in Civil Administration cannot be taken at less than about £500,000.

For this large reduction in Civil expenditure, we are very much indebted to the Civil Finance Commission, who have aided us in

volucing outlay, rooting out abuses, and revising Estimates, with the most meritorious zeal.

A portion of this has been effected in the Police, which, under the old system, was both costly and inefficient, and here the assistance of the Police Commission has been of the greatest value. But there has also been a saving in a variety of minor Departments, which, although small in the individual cases, amount up to a large sum in the aggregate.

The system of Budget Estimates has already afforded us valuable means of checking this sort of expenditure in detail, and I have no doubt that it will be found, every year more and more, an efficient instrument for checking extravagance, and enforcing a wise economy—an economy which, let me observe in passing, is only to be attained in conjunction with efficiency, and is wide as the poles apart from anything like shabbiness and stinginess. A Government, to be well served and generally respected, must never do a sharp and scorching or a mean and illiberal act, or, depend upon it, the paltry saving of to-day will come back, with ten-fold expense and hundred-fold discredit on the morrow.

I may as well observe here, that the Estimates, of which I now give the general results, are all taken from the detailed Estimates collected under the new system, of which such portion as may be useful for public information will be presented and printed as soon as time permits, so as to enable those who take an interest in such matters to trace details of expenditure under different heads and in different Governments.

The next head of expenditure in my Budget shows an increase, not a reduction, but I think you will pardon this when I say that it is for Civil Public Works.

The Imperial Assignment for Civil Public Works is £3,121,129 in 1861-62 against £2,897,671 in 1860-61, or £233,458, increase; in addition to which £230,000 more will be spent next year than this from local funds, and the amount required for repairs is smaller, so that on the whole the expenditure on new works of improvement will be about £500,000 more in 1861-62 than in 1860-61.

Of this a large portion will go in making roads, which I believe to be, as a general rule, the most advantageous way of spending money in most parts of India.

We shall especially urge on the construction of good roads in the principal Cotton districts, so as to be prepared to bring the resources of India into play to supply the threatened deficiency of Cotton from

America. Immense interests are at stake on this question, not only material, for who can measure the extension of commerce and the mutual benefit to England and to India which would result from a transfer of the chief supply of Cotton from America to the East; but moral also, for the issue for which Wilberforce contended, and for which England has sacrificed her West Indian Colonies and poured forth her millions like water,—the issue of Slavery or Freedom—is staked mainly on the question, whether America's danger is to be India's opportunity. If Cotton, produced by free labor, can undersell Cotton the produce of slavery, then, and not till then, the cause of freedom is finally gained.

Private enterprise, and private enterprise alone, can decide this great issue, but the Government have certain duties to perform, and they will not perform them negligently. To press on the construction of roads and communications; to pass just laws for the enforcement of contracts; to provide ready tribunals for dispensing justice; to impress on all connected with them the importance of encouraging independent English enterprise by every means consistent with justice, and with the equal rights of our native subjects—these are within the legitimate functions of Government; and you may depend upon it, Sir, that it shall not be said of us, that Slavery triumphed and India missed its opportunity, because its Government was too blind to discern, or too weak to carry out, the policy which, at a great crisis, Providence had clearly pointed out to us.

In addition to roads we shall spend more money on canals, and especially in developing those works of irrigation in connection with our Great Canals, which have proved of such infinite value in averting the consequences of the famine. Colonel Cotton has truly said, that Water is Gold in India; it is more than Gold, it is *Life*; and among the most lamentable consequences of our financial embarrassments has been the necessity of starving works which convert famine into plenty.

I have now gone through all the principal heads of expenditure, except for Railways. I shall have to pay about £100,000 more than last year for guaranteed interest, after deducting net Traffic Receipts, the increase of Traffic not having kept pace with the increase of Capital paid in by the Companies.

But I shall save the £473,324 set down last year for loss by Exchange on Railway Capital, for, as nearly as I can estimate, the interest due by Railway Companies on advances made by Government will balance any

loss by Exchange from further payments under existing contracts, and I take it for granted that the Home Government, on whose attention it has been urged, will not think of extending a single contract with this most objectionable class.

The interest on Debt has increased by £313,299, owing to the recent Loans in England, and a full year being payable on the whole of the $\frac{5}{2}$ per Cent. Loan in India.

I thus arrive at the general result of a total expenditure for the year 1861-62 of £41,551,609, as compared with £45,154,449 in 1860-61, showing a reduction of £3,592,730.

I proceed now to the other side of the account, to show what my Revenue will be to meet this expenditure.

LAND REVENUE.—The total Revenue for 1861-62 is £18,951,156 against £18,762,447 in 1860-61. This increase has arisen, notwithstanding a loss of £360,000 in the North-West and Punjab owing to the famine, in consequence of sales of landed estates in Bengal, and of a general slight increase in districts unaffected by the famine.

Including the loss of Land Revenue, the grants for relief and the cost of extra works in the suffering districts, the total loss by the famine in this Budget will be taken at about £600,000.

INCOME TAX.—The estimated Receipt for 1861-62 is £1,948,094, but this is not a fair representation of the produce of the Tax for a year, as it includes a large amount of arrears from the previous year. The gross annual produce of the Income Tax may be taken at about £1,750,000, from which must be deducted the cost of collection, say 10 per cent., and the loss on the Moprah and Trade Taxes in the Punjab and Oudh, which are partially superseded by the Income Tax, amounting to £186,827, leaving £1,883,000, or say in round numbers £1,400,000 as the net annual produce of the Tax.

CUSTOMS.—An allowance of £200,000 has been made for a filling off in the Import Duties on British Manufactures at Calcutta and Bombay, owing to the dullness of trade; but this is made up by the increase of the Salt Duty, and the buoyancy of various minor receipts from Customs, especially on the Inland lines.

A further allowance of £40,000 is made for a reduction of the Duty on imported twist and yarn from 10 to 5 per cent. The Duty was raised last year by Mr. Wilson, who estimated the gain to the Revenue at £67,000, but it has only amounted to about half that figure, and no

one can doubt that it is a duty which ought not to be maintained at a rate which might stimulate the growth of a protected interest.

The principle of free trade is to impose taxes for purposes of Revenue only, and if yarn be a fit subject for taxation there ought to be an excise on the native manufacture, equal to the Customs Duty on the imported article, unless the latter be so small in amount that it would be palpably not worth while to establish a counter-valuing system of excise.

With a 5 per cent. Import Duty this might be the case, but at any higher rate untaxed native yarn would manifestly be a protected article, and any interest which might grow up would infallibly share the fate of other protected interests, and find itself, at some early day, left to struggle with foreign competition.

I wish I could at once reduce the duty on piece goods and other manufactures from 10 to 5 per cent., but, unfortunately, the amount of Revenue is too large to enable me to propose it without imprudence. Looking at the precariousness of the present high price of opium and the possible contingencies of the famine, I should not be justified in parting with £400,000 of Revenue, without seeing, very clearly, how I could replace it.

But that is no reason why I should not at once deal with yarn where the amount is small, the failure of the high duty palpable, and the case urgent, because parties are actually building mills and importing machinery on the strength of the high duty.

If, upon equal terms, those parties can compete with Manchester, by all means let them do so; but it would be unfair to induce them to invest Capital on the faith of a protective duty, which certainly could not be maintained for a couple of years.

SALT will show a large increase, viz. from £3,391,630 in 1860-61 to £2,988,000 in 1861-62.

In 1830, the rates of duty on Salt were as follows:—

Bengal	Rs. 2 8 0	per maund.
Madras	0 14 0	„
Bombay	0 12 0	„
North-West	2 0 0	„
Punjab	2 0 0	„
Oudh	2 0 0	„

The Government then proposed to raise the Duty generally by 8 annas

per maund, but after some correspondence with the Local Governments, the following rates were adopted:—

	Rate adopted.	Increase on old rate.
	RS. AS. P.	RS. AS. P.
Bengal	3 0 0	0 8 0
North-West and Oudh.....	2 8 0	0 8 0
Madras	1 0 0	0 2 0
Bombay	1 0 0	0 4 0
Punjab	2 2 0	0 2 0

The expectation of increased Revenue has been fully realized.

The produce of the Salt Duties (exclusive of imported salt) rose from £2,602,000 in 1855-59, the last year of the old duties, to £3,391,630 in 1860-61, showing an increase of £789,000, to which must be added about £100,000 for the increase of duty on imported salt, levied through the Customs.

The slight increase of duty, therefore, imposed in 1859, and which I believe no one has felt, has produced nearly £1,000,000, or two-thirds as much as the Income Tax.

The fact is, the increase of duty had no effect whatever in checking consumption. The amount per head, or for each family, paid for salt, is, as Mr. Plowden conclusively showed in 1855, very slight, and the general rise of wages and increase of prosperity have made this slight amount comparatively still slighter; so that a large increase of consumption has gone on concurrently with an advance of duty.

In Madras the returns show an average consumption of 480,000 maunds a month, for the sixteen months since the duty was raised, as against 456,000 maunds per month, for the corresponding period under the old duty.

In fact, a rise of duty of 12½ per cent. coincided with an increase of consumption of 5 per cent.; and the Revenue gained 15 per cent.

In Bombay an increase of 35 per cent. on the duty raised the Revenue 36 per cent., showing here also an increase of consumption.

In Bengal the result was still more favorable, and in the North-west the result was extraordinary, showing an increase of no less than 30 per cent. in consumption, coincident with a rise of 25 per cent. in duty.

In the face of facts like these, there could be no reasonable doubt

that a further slight increase may be borne, without oppressing the people or checking consumption, especially as the approaching opening of the Railways will, in many cases, cheapen the price of salt in the interior.

It would not, however, have been wise to hazard the results already obtained, by too large an advance so soon after that lately made.

Accordingly, after consultation with the local Governments, the following additions have been made, *viz.* :—

In Bengal, Bombay, and Madras 4 annas per maund, raising the duty to Rupees 3-4 in Bengal, and Rupee 1-1 in Madras and Bombay.

In the North-west and Oudh 8 annas, raising the duty to Rupees 3, and doing away with the preventive line at Allahabad.

In the Punjab 1 Rupee, assimilating the duty on this side of the Indus to that on the North-west.

In Nagpore Rupee 1-8, and in Sindh 1 Rupee per maund will be imposed where no duty now exists.

A corresponding increase is made in the Customs duties on imported salt.

The effect of these additions of duty, estimated on the actual rate of consumption, with some allowance for a possible falling off, though I see no reason to anticipate any, gives me an additional revenue of £598,376.

Opium.—Bengal opium has only been taken at the same figure as last year, though the actual market price is Rupees 600 per chest higher, which would warrant an increased estimate of fully £1,500,000.

An increase on Bombay opium is taken of £168,000, owing partly to the increased duty of Rupees 100 per chest, to take effect from October and partly to the increased number of passes over last year's estimate, which are expected from the present crop, and will be realized either before the 1st May, or soon afterwards.

As there is no prospect of any material increase of the supply of Bengal opium in the coming year, I see no reason why the present high prices may not continue for some time, and if so, we shall unquestionably realise a much larger sum from opium than is put down in this estimate.

STAMPS.—The Estimate for 1861-62 is £1,216,040, which is £383,370 more than last year, and £557,932 more than in 1859-60, which was the last complete year of the old duties.

This increase is very satisfactory, and in fact the additions made to the

salt and stamp duties last year have yielded a larger revenue than the income tax.

MISCELLANEOUS.—The different heads of miscellaneous receipts show a falling off from last year of £750,000.

This arises from certain wind-falls in 1860-61 not being repeated. For instance, £340,000 was received in one sum last year from the Rajah of Puttiala, on account of certain ceded districts, which of course does not recur. The other heads of revenue are as nearly as possible the same as in 1860-61.

The general result is, that the revenue of 1861-62 will amount to £41,294,595 as compared with £39,285,731 in 1860-61, showing an increase of £2,008,864.

My expenditure was £40,354,699, without railway interest, or £41,434,699 with it. So that, in the former case, I should have a surplus of £1,039,896—in the latter, a deficit of £250,104.

In 1860-61 the deficit, exclusive of railways, was £4,176,544, and with railways, £5,868,718.

On the strictest principles, a large portion of the difference between the £1,800,000 paid for guaranteed interest, and the £550,000 of net receipts from opened railways, is chargeable to capital.

It might even be contended that a portion of the large expenditure on canals, and other reproductive works is so chargeable, but as regards at least £1,000,000 of the charge for railway interest, there can be no doubt that it is as much a charge against capital as the cost of making the line.

This shall properly be shown in the accounts, but, on the whole, I think it more prudent for the present to provide for it as current expenditure.

The charge is likely to continue for several years at least, the money must be paid, and I think it extremely important to show that we have no arrears, and that henceforward our receipts for the year will honestly cover all our expenditure.

I think this especially important for the following reason.

The fear of new taxation is often worse than the reality of new taxes.

In all countries, and more especially in a country like India, it is most undesirable to keep the minds of the people constantly harassed by an indefinite apprehension of fiscal changes.

Now there is no guarantee that a Government can hold out against

new taxes as long as it has a deficit. The money it must have to pay its way, and as it cannot borrow for ever new taxes must be tried if the old ones do not suffice. But if the old taxes do suffice, no sane Government will risk unpopularity by resorting to new ones, and the nation may rely confidently that if any change be proposed it will be in the pleasant form of reduction.

Now, if we fairly extinguish our deficit while we are about it, including the railway interest, I think we may say that we shall be in this position.

It is true that the high price of opium is precarious, and that our customs duties are in some cases too high. But I hope and believe that further reduction, especially in military expenditure on the native army, will be found practicable; our land revenue would at once improve on the cessation of famine; the salt, the customs, the excise, the stamps, and other branches of revenue cannot fail to increase with the opening of railways, and with the increased trade and prosperity of the country.

On the whole, apart from wars, of which I cannot see any present prospect, or from some sudden calamity, like a great famine, which is in the hands of Providence, I may truly say that, as far as I can see, if we honestly extinguish our deficit now, no Chancellor of the Exchequer need ever be sent again from England to India to devise new taxes. That part at least of his mission will be gone, and, with Prospero, he may bury his magic wand certain fathoms deep, and renounce his art.

Do you then go with me in saying that after having fought so many and I fear such weary rounds with this huge bully deficit we shall not let him chain a cross, or call it a *draxa* battle? If so, in the language of the Ring, let us go in and finish.

Or, if you prefer an Indian simile as this tremendous tiger has given us such a fright, let us pour a parting shot into his carcase to finish him off effectually, and make assurance doubly sure.

The means are ready to my hand in the License Tax, which has been so long announced, and so nearly passed into a law, that nothing remains but to read the bill a third time. Every one, I believe, expects it, and has long looked upon it as part of the financial scheme announced by the Government; but I must confess that I feel great reluctance to proceed with it until I can combine it with an amendment of the Income Tax, so as to make the united measure one of relief and satisfaction to India, rather than of oppression and burden.

I have told you frankly that, financially speaking, I think the Income Tax has been a failure. It lays down a great and just principle that the capital and trade of India, as well as her land, shall contribute, in a fair proportion, towards the support of the State. From that principle I believe no Government of India will ever recede, and as regards incomes, which are fixed and certain, and can be ascertained without prying into people's private affairs, there is no fairer mode of applying it than by a percentage on the amount of income.

But when you come to trading and professional incomes, or incomes which cannot be ascertained, without calling for complicated returns and instituting private enquiries, I believe that some fixed scale of assessment under a graduated License Tax is a better mode of applying the principle.

I would almost lay this down universally, for I think it is a fatal objective to a tax that it conduces to extensive demoralization by holding out a premium to fraud, and that its inevitable tendency is to embark the Government in a constant warfare with a large section of its subjects—a warfare carried on by vexatious petty interference andquisition on the one hand, and by evasion and chicanery on the other.

Certain I am that India, at any rate, is no place for such a tax on incomes going as low as £20 a year, and that the Government would be wanting in their duty if they did not address themselves to the task of endeavouring so to amend this portion of the Income Tax as to raise the necessary revenue in a manner less open to objection. Such an amendment could not be introduced as part of the present Budget, for obvious reasons; but I hope, before long, to be in a position to mature a measure, and until that is the case, I am anxious, as I before stated, to keep the License Tax in reserve, and not impose it in a crude form as a separate measure, without compensation or equivalent.

To raise even £600,000 by the License Tax, we must send the tax-gatherer to 4,000,000 doors, or, in other words, must affect 20,000,000 of our population.

That is a serious matter, and, although I should not shrink from it in case of necessity, I confess that I should prefer making the License Tax part of a general scheme for mitigating the Income Tax, and moulding the two together into a system more simple, satisfactory, and congenial to native habits and wishes.

Well, then, I hear you say, "How about the deficit? Is it to be

a drawn battle after all, or a stale-mate, when we thought the next move would win the game?"

By no means. I have a move in reserve, which I think will effectually check-mate him.

I invite your particular attention to this, which I hope is the concluding part of my statement, for I consider it to be the most interesting as it is the most novel feature of the Financial Scheme of the Government.

I want about £500,000 fairly to weather my deficit, and get into smooth water with a small surplus.

The obvious resource would be, to dock it from Public Works.

The Government, as I have already shown, have been so far liberal to Public Works of a useful nature, as to propose to give them £500,000 or upwards more than last year.

But if we have not got the money, we cannot give it, and therefore we should be very reluctantly driven to curtail roads, canals, and other useful works of this description, to the allotment on which they have been carried on, or, rather, I should say, starved, since the mutiny.

Now this would really be most lamentable. It is heart-breaking to hear of districts barren for want of water, where water is to be had; of roads half finished and abandoned; or finished but useless, for want of some bridge which has tumbled down.

India has two great wants—irrigation and communication.

I do not mean grand schemes only which strike the imagination, so much as village roads and village tanks and water cuts, which enable every rood of ground to grow its crop and send it to market.

Such works we are most anxious to encourage, and accordingly instead of simply curtailing the imperial allotment to local Governments, we say to them—"Take what we are able to give you, and for the residue take certain powers of local taxation and raise it yourselves."

There are certain subjects which can be dealt with far better by local than by imperial taxation. For instance, tobacco. The discussion on this subject last year, and the returns from the various local Governments prove distinctly that there is no scheme of uniform and imperial taxation applicable alike to all India short of a Government monopoly, to which there are grave objections, under which we could hope to obtain any considerable revenue.

In one province the system of land tenure makes an acreage tax diffi-

cult; in another, the vicinity of a Native State throws impediments in the way of an excise; in a third, the general cottage cultivation makes licenses, at any thing beyond a nominal rate, almost impracticable.

But many of these Provinces could raise a considerable revenue, without sensible pressure, from tobacco, if left to deal with it in their own way, and under a system which might vary in case of need so as to suit the peculiar circumstances of each district.

Well, we say to them, take tobacco and make what you can of it for your local roads and canals, instead of the allotment which we wished to give you, but could not afford, from the imperial Budget.

The same principle applies to other subjects of taxation.

We place no limit upon it, except this, that every proposal for local taxation shall be subject to the sanction of the Governor-General in Council, and of the Legislative Council when a law is required, in order to see that it is not inconsistent with imperial taxation or with imperial policy.

For instance, suppose a certain town, being anxious to get a road made, proposes to have an octroi, and the local Government adopts the application.

The Supreme Government examines the scheme to see that there is no transit duty on general trade which would be contrary to public policy and injurious to other parts of the Empire.

But if it is a mere octroi, and the question is simply whether the inhabitants of a given town shall for a fine pay a little more for their eggs and poultry in order to get a road, that is their affair, and we sanction the tax.

This is only one illustration, but there will be many such cases, as people will regard with very different eyes a temporary local tax, levied for some object of undoubted advantage in their own district, and a general tax, which goes into the remote and unathomed gulf of the Imperial Exchequer.

We have already received from several local Governments the most satisfactory assurances of their ability and readiness to raise considerable sums by small and comparatively mild local taxes for local objects.

I think, therefore, that by this means not only will the Imperial Budget obtain the requisite relief, but more money will, on the whole, be raised and expended on useful local works.

This, however, by no means comprises the whole scope and object of the measure.

By enacting local Budgets, the Government hope not merely to meet a temporary difficulty, but to inaugurate a permanent improvement.

It has long been a standing complaint with other Presidencies and Provinces, that they were deprived of their fair share of self-government, and kept in a state of galling and humiliating dependence on the *bureaux* of Calcutta.

Well, Sir, the power of the purse is the ultimate power, and as long as local Governments are absolutely subservient to Calcutta in financial matters, it is evident that they can have no real independence.

But if, without sacrificing in any way the unity of the Empire and Imperial control in Imperial matters, we give them local Budgets, their position is altered.

We propose to give them not only powers of local taxation, but possibly to credit them with a liberal share of reductions of expenditure which they may be able to make on the estimates of the General Budget.

Each Government will therefore have a direct interest in economy, in order to increase the fund applicable to local works, and I cannot fancy that Madras, for instance, will long continue to spend £160,000 a year in public works establishments to look after £460,000 a year of expenditure upon actual works, where it is apparent that every £1 extra spent on establishments means £1 more to raise by local taxes, or £1 less to spend on roads and canals.

It is obvious that such a system of local Budgets would harmonize extremely well with what I hope soon to see adopted, *viz.* Local Legislative Councils at the Presidencies.

It would at once give them an appropriate and dignified position, and I can imagine nothing more useful than that the details of a local Budget, such as that of Madras or Bombay, should be submitted to the intelligent scrutiny of a Council, comprising both experienced officials, and picked representatives of the Mercantile and Native Communities.

I think also the scheme would greatly foster the growth of Municipal institutions, and of what is still more important, of the spirit of local self-help and self-guidance, which is at the bottom of a nation's greatness.

India is not altogether devoid of that spirit of self-government which characterises the Anglo-Saxon. In her village communities and her panchayets, we find traces which may remind us that Hindoo, as well as

Englishmen or Teuton, are descended from a common stock of Arian ancestors.

But the Hindoo has been enervated by climate, harassed by wars, oppressed by bad Government, isolated morally by caste and physically by want of communication, until these germs have been almost extinguished.

The consequence is that India has never, within the period of history, been a nation. It has been an aggregate of various tribes, distinct communities, and petty despotisms, of which now one, now the other, shot up into ephemeral importance or decayed, with the accident of the hour, with the success of some military adventurer, and the degeneracy of his heir.

Let us hope that it may be ours to found something more lasting, and to show that as our power is now without a rival, or the shadow of a rival, from the Himalayas to Cape Comorin, and from the Irrawaddy to the Indus, it is a beneficent power to be exercised firmly and wisely for the good of the millions over whom Providence has placed us in authority.

I have a vision of an India—where the science of the West has removed impediments to communication; where the consequent increase of trade has diffused material prosperity; where English energy and capital stimulate improvement in every district; and where the native population, with expanding ideas and improving intelligence are taught by the education of schools and of events, of books, and railways, to know us, and to know one another; and are gradually trained in the management of their own local affairs for those of a wider area; so that India may at length have what it has never yet had—a political life, and at length be, what it has never yet been—a nation.

You may say that this is a vision, and this much is certain, Sir, that neither you nor I will live to see it fully realized; but I reply that it is something for a Government to have a policy, a high and distinct, though distant, aim, and I think I may safely say that this is an aim in which every enlightened Hindoo and Mussulman, as well as every enlightened Englishman, may cordially unite with us and join us in praying in the words of the inspired Psalmist, "that our works may be so done in truth and equity, as to stand fast for ever and ever."

If, Sir, we have succeeded even tolerably in restoring our finances and conjuring away that spectre deficit which rove upon us like the grim nightmare hag of the old Norse Saga, I rejoice in it, not so much

for the immediate relief, as because I hope and believe that it is an earnest of further improvement.

If six months have sufficed to get rid of six millions of deficit, I see nothing of which the Government of India need despair, with energy and decision, with prudence and clear insight. Success like failure is contagious, and in Politics, as in War, the moral causes are to the physical, as the Great Napoleon said, as ten to one. Therefore, Sir, in addressing ourselves, to further reform, the word *impossible* shall be banished from our vocabulary, and we shall succeed, because we have succeeded already, and because we are determined to succeed again.

And now, Sir, nothing remains but to thank you and the Council for the patience with which you have listened to me, and to sum up in two words the result which I had laid before you,

The deficit was £5,868,718. We have met £3,599,750 of it by reductions, £2,008,864 by improved revenue, and £500,000 by transfer to local Budgets.

Therefore, I have a clear surplus of £230,896 of Income over Expenditure, including in my expenditure £1,300,000 on account of railway interest, which is properly chargeable to capital.

My cash balance in India, on the 1st May next, will be £12,850,000 which is higher than was expected, partly because the receipts from opium have been large, and partly because recent reductions of expenditure are beginning to tell.

After allowing for the payment of £500,000 of Prize Money, and for an expenditure of £500,000 per month, or £6,000,000 in the course of the year upon railways, it is estimated that we shall arrive at the 1st May 1862, with a cash balance of £14,261,302. I shall want no loan therefore, as far as I can see at present, unless something altogether unexpected should occur, which I have no reason to anticipate.

There is no danger of the railways now in progress being suspended, though strict economy must be enforced in making the money go as far as possible in opening additional miles of railway, and not in costly works or ornamental stations.

These results, let me once more repeat, have been obtained mainly by enforcing economy. On the continued enforcement of that economy, the future welfare of India mainly depends. I have been careful, as far as possible, to adopt no figure in my Budget which was not based on positive facts, and on the estimates of the responsible authorities. As regards the Military Estimates, which are the most important, Colonel

Balfour and his colleagues in the Military Finance Department have gone through them in minute detail, and pledge themselves for their sufficiency, provided the orders already passed by the Government are properly carried out.

That is our affair, and you may depend upon it that, with the welfare of India and our own credit at stake, we shall take good care that we are promptly obeyed.

I anticipate no difficulty, for I have always heard, that in the ranks of the Indian Service, as in those of the army, there is a noble spirit which makes men obey distinct orders, promptly, nay cheerfully, even in cases when the orders may have been contrary to their own judgment. But in this case, I believe there is not a man in India whose judgment does not go with us, and who does not feel that, in largely reducing the Native Army, we are following the path, not only of financial reform, but of political prudence.

With this condition the eye of Government will be on every Officer who has anything to do with the realization of these, our first properly framed and duly considered, Budget Estimates, and he will find us prompt to recognize merit, not prompt to accept excuses or to admit of failure.

I have nothing more to add.

As I said at the commencement, I say now, there is no eloquence on such an occasion as this, but that of facts.

An oratorical triumph I do not seek; I am not an orator by nature, and if I were, I should disdain, in presence of such great interests, to resort to artifice, or to appeal to anything but reason.

But these are my facts. Take them, sift them, scrutinize them, for it is my conviction that they are solid and substantial facts and not shams.

It is not for me to anticipate the verdict of public opinion on the policy of the Government of which I am a Member; but this I will say, that I avow it with confidence. I may be mistaken, but my belief is, that impartial men who understand Indian affairs, will, both here and in England, except the results submitted to you to-day as, on the whole, not discreditable to Lord Canning's Government, and not discouraging as regards the prospects of this great Eastern Empire, which is,—or ought to be, and by the blessing of God *shall* be,—the brightest jewel in the Crown of our beloved Sovereign Lady Queen Victoria.

ESTIMATE of Revenue and Expen-

REVENUE.	Regular	Budget
	Estimate, 1860-61.	Estimate, 1861-62.
	£	£.
Land Revenue, (including Sayer, &c.).....	18,792,447	A 18,985,522
Tributes and Subsidies.....	87,321	822,364
Public Works (Imperial receipts from Roads, Water- ries, and exclusive of receipts credited to Local Funds).....	419,707	B 336,736
Excise (Alkary, &c.).....	1,255,438	1,227,394
Income Tax.....	303,550	C 1,948,004
Assessed Taxes		
Muzraba, (Muzrahs).....	108,850	72,503
Trade Taxes, (Punjab and Oudh) (General).....	212,938	62,500
.....	2,657,891	D 2,484,110
Customs.....	1,110,780	1,255,000
Salt.....	3,391,638	3,380,000
Opium.....	4,628,050	E 6,107,561
Post Office.....	82,670	6,216,010
Miscellaneous—Civil (Law and Justice, Police, Mint, Marine, Electric Telegraph, &c.).....	701,701	760,000
Miscellaneous—Military (Sale of Beer, Rum, Old Stores, &c.).....	1,530,105	F 1,195,001
.....	968,415	750,000
Total Revenue.....	39,285,731	41,294,695
Deficit, excluding Railways.....	4,176,544	surplus.
Deficit, including Railways.....	5,868,718	surplus.

A This is obtained after deducting a loss of £579,000 from the Pamine in the North West and Panjab.

B This is exclusive of receipts from Local Funds amounting to £223,900 in 1860-61 and £239,905 in 1861-62.

C This includes arrears of 1860-61. The net Revenue per annum from the Income Tax is about £1,600,000.

D This is obtained after allowing £200,000, for loss on diminished imports of manufactures and £10,000 for reduction in Twist and Yarn.

E Budget Opium has been estimated at the same amount for 1861-62 as for 1860-61, viz., 1,748 lbs. per chest: but at the present market prices the Estimate would be £1,600,000 higher.

F The Miscellaneous receipts in 1860-61 included £340,000 from the Sale of Patents and other large sums which are not regular revenue, and do not recur in 1861-62.

FINANCIAL DEPARTMENT,
17th 26th April, 1861. }

Expenditure of India for the Year 1861-62.

EXPENDITURE.	Regular	Budget
	Estimate, 1860-61.	Estimate, 1861-62.
	£.	£.
<i>In India.</i>		
China and demands on the Revenues, (including charges of collection, and cost of Mint, Post Office, Electric Telegraph, Salt and Opium).....	7,928,500	G 7,964,741
Civil and Political Establishments, (including all Contingent charges, except Mutiny Compensation)	2,945,385	H 3,006,916
Law and Justice.....	4,004,500	I 1,567,937
Police.....		J 2,281,700
Public Works—Civil (Buildings, Roads, Canals, &c., including Repairs charged to Imperial Revenues, excluding Local Works charged to Local Funds),	2,783,778	K 3,008,629
Public Works—Military.....	1,008,010	538,871
Army.....	15,379,005	L 12,800,000
Navy and Marine.....	555,870	535,000
Interest on Debt.....	3,163,819	3,316,180
Eastern Settlements—Charges.....	131,411	95,255
Expenditure in India.....	38,104,282	35,248,939
<i>In England.</i>		
Home Charges—Civil.....	1,495,561	1,250,000
Military.....	2,772,610	2,500,000
Interest on Debt.....	1,689,822	1,255,760
Total Expenditure, excluding Railways.....	43,462,275	40,254,699
Guaranteed Interest on Railway Capital, less Net Traffic Receipts.....	1,218,850	1,300,000
Loss by Exchange on Railway Capital.....	473,324	.....
Total Expenditure, including Railways.....	45,154,449	41,554,699
Transfer to Local Budgets.....	.....	500,000
.....	.....	41,054,699
Surplus, excluding Railways.....	deficit.	1,539,896
Surplus, including Railways.....	deficit.	239,896

G This includes £250,000 not in 1860-61, for increased cost of Opium, Salt, and Income Tax.

H This includes £150,000 for Pamine Contingents.

I The Expenditure from local Funds amounting to £223,900 in 1860-61 and £239,905 in 1861-62 is excluded in both cases. The total outlay on New Works of Improvement, Imperial and Local, will be £240,000 more in 1861-62 than in 1860-61.

J Army—This consists of £12,125,240 the Estimated Expenditure, for a year, of the Force now established, and of £290,760 being the Estimate for Graduates, Bounty, Pay, and other expenses, until the reductions ordered are fully carried out.

C. H. LUSHINGTON,
Secretary to the Government of India.

MEMORANDUM of Estimated Cash Balances in the Indian Treasuries on the 30th April 1861.

TREASURES.	£.	£.	Disbursements.	£.	£.
Revenues	41,204,605		Charges in India less transfer to Local Budgets.....	91,718,930	
Local Taxes as next transfer to Local Budgets.....	500,000		Transfer to Local Budgets.....	500,000	
Railway Exchange.....	551,210		Interest, Railway Capital in India.....	35,248,020	
Debit.....	10,212,064			37,200	35,285,220
Adv—Local Funds.....	250,000				
Supplies from London.....	10,445,000		Debit.....	5,533,205	
Estimated Cash Balance on the 30th April, 1861.....	1,793,457		Adv—Prize Money.....	950,600	
	12,890,000		Local Funds.....	500,000	
			Supplies to London.....	6,855,645	
			Estimated Cash Balance on the 30th April 1861.....	14,254,302	
				67,431,301	

FINANCIAL DEPARTMENT,
April, 1861.

C. H. LUSHINGTON,
Secy. to the Government of India.

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APPENDIX B. (2)

Publication of Estimates of the Revenues and Expenditure of India.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 14th December, 1860.

C. HUGH LUSHINGTON, Esquire,

Secy. to the Govt. of India,

Financial Department.

Sir,—In compliance with a resolution passed at a general meeting of the members of the Bengal Chamber of Commerce, I am directed by the Committee to address you on the subject of the non-publication of estimates of the revenues and expenditure of the country, including the home receipts and charges,—such as it was understood the Government had pledged itself to lay before the public at regular quarterly intervals.

2. I am to point out that in consequence of the non-fulfilment of that pledge unfavorable rumours of the financial position of the Government obtain currency, which are injurious alike to the financial credit of the Government, to those interested in its funded securities, and generally to all concerned in the trade and commerce of the country.

3. It is unnecessary the Committee direct me to add that they should enlarge on the advantages of a full and unreserved statement of its position by Government, and the evils which inevitably result from a contrary system. They have no doubt that this is perfectly understood by His Honor in Council, and that His Honor will be willing to order the publication of such accounts as it may be in the power of the Supreme Government to furnish.

4. In this belief I am instructed to state that the returns prepared by the late Right Honorable Mr. Wilson, furnished by him to the local press, and published about the end of June last, contain such valuable information, and that if statements in a similar form were published

quarterly, and if in addition thereto a monthly return of the cash balances in the Indian treasuries was also published, accompanied by such explanatory remarks as these statements might appear to call for, the reasonable requirements of the public would to a great extent be met.

5. I am also to suggest that a statement showing the financial position of each of the guaranteed Railway Companies quad the Government should be published, as much misapprehension appears to prevail amongst the public on this head.

6. Finally I am to request that His Honor in Council will be pleased to cause information to be furnished to this Chamber on the subject of the alleged grant of a large sum of money out of the revenues of India to the Mysore Princes and their families. Considerable alarm has arisen in the public mind owing to the rumours which have been in circulation on this subject, and it is very desirable that these rumours should be contradicted if they are susceptible of contradiction.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 12237.

To

THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE.

Financial Dept.

Sir,—I am directed to acknowledge the receipt of your letter of the 14th instant in which you complain of the non-fulfilment of a pledge given by this Government to lay before the public a quarterly statement of "estimates of the revenues and expenditure of the country, including the Home receipts and charges," and ask—1st, for the quarterly publication of statements similar to those furnished by the late Mr. Wilson to the local press in June last; 2ndly, for a monthly return of cash balances in the Indian treasuries, accompanied by such explanatory remarks as they may appear to call for; 3rdly, for a statement showing the financial position of each Railway Company quad the Government; and 4thly, for information on the subject of the alleged grant of a large sum of money out of the revenues of India to the Mysore Princes and their families.

2. In reply I am desired to observe that this Government is not aware that any pledge has ever been given to the Chamber of Commerce or to the public for the publication of quarterly "estimates of the Revenues and expenditure of the country, including the Home receipts and charges." It has indeed never been within the power of this Government to give quarterly estimates of the Home charges, as no such estimates have ever been received from the Home authorities, and it has, until very lately, been considered by the Government to be questionable whether it was desirable to publish estimates, which, from circumstances entirely beyond control at this distance from England, must always be imperfect, and which may often be misunderstood and tend to mislead.

3. The only orders, as far as His Honor in Council is aware, that could be interpreted to give any promise of the kind referred to in your letter were communicated to the Committee of the Chamber of Commerce on the 26th September 1856, consequent upon a resolution of the Government of India that statements of the "Indian revenues and charges," technically so called, should be published quarterly and annually for general information.

4. It may be necessary here to remark that such a return would comprize only the annual income from taxation in India and the expenditure chargeable against such income, and would not include either receipts or disbursements on account of debt, advance, or supply transactions, or remittances to meet Home charges. The balance between the revenues and charges would form no guide to estimate the probable amount of Indian cash balances, or the probable financial position of the Indian Government.

5. It is possible that it is to that resolution the Committee of the Chamber really refer, but this is not certain—for a full estimate of "Indian revenues and charges," such as the resolution directed should be published, would contain but a portion of the information required for such an estimate as the Chamber desire, as they believe was promised, and as they complain has not been furnished according to promise.

6. If however I am mistaken with regard to the pledge which the Chamber believe was given to furnish such statements as your letter describes, I am directed to request more specific information with regard to the date and other particulars of the promise understood to be given.

7. As soon as the resolution of the 26th September 1856 was passed,

measures were taken to obtain the required returns from the several Accountants; but it became apparent that a return of "Indian revenues and charges" would, for the reasons above given, afford the public no good grounds for judging of the financial position of the Government even in respect to its requirements in India, and with a view of making the information as complete, as useful, and as little likely to mislead as was possible, it was in consequence subsequently ordered that a balanced account of "receipts and disbursements," which would comprise all sums received and disbursed, on whatever account, should be furnished instead.

8. The orders to furnish the requisite materials for such statements were issued in October 1856, but before the returns then ordered came in the mistakes occurred which rendered it impossible, owing to a large number of offices being closed, to obtain any complete accounts.

9. When, after the suppression of the mutiny, the attempt to frame quarterly statements of receipts and disbursements was resumed, it was found that owing partly to the difference of system prevailing at the several Presidencies, and partly to transfer entries between departments not being clearly shown on the face of the accounts, and the necessity which in consequence existed for a detailed examination and comparison of the entries with the supply statements which are furnished by the several Accountants only on the completion of the annual returns, it was impossible to render quarterly returns which could be relied on; and it was eventually determined in March last, after repeated attempts had been made to obtain satisfactory returns, and after the matter had been deliberately considered, to defer the publication of any quarterly returns of the description now asked for until the new system of budget, audit, and account should be brought into force.

10. I have been directed to enter into the above details with a view of explaining to the Chamber what it was which in 1856 the Government of India had resolved to publish, why it was that such a length of time elapsed before the resolution could be carried out, and why some time further must elapse before the information which it was intended to give, can be made public, quarterly, with such additional information as shall make it practically useful and not liable to mislead. The omission to carry out the resolutions the Government had passed was altogether unavoidable for the reasons that have been stated, and for the same reasons it will be equally out of the power of the Government, till the present system of accounts is superseded by a better, to furnish

trustworthy quarterly returns in a form similar to the annual account prepared under the late Mr. Wilson's instructions and published from this office on the 29th June last. When the new system of budget, estimate, and audit is introduced, more complete information will be available with reasonable punctuality, and there will then be no obstacle to carrying out the resolution of 1856, in a much more complete and practically useful form than was then intended.

11. Meanwhile, as regards such accounts and returns as are at present available, I need only refer you to the accompanying copy of a

D. Cowie, Esq.,	letter addressed on the 13th instant to the
G. Brown, Esq.,	gentlemen whose names are given in the mar-
J. Bullen, Esq.,	gin, inviting them to co-operate in ascertaining
E. Kilburn, Esq.	what accounts and returns, such as are fur-

nished to Government under the old system, it would be desirable to publish periodically, as affording information of practical interest and importance to the mercantile community; and I am directed to repeat to the Chamber the assurance, which that letter implied, of the willingness of His Honor the President in Council to afford to the public all reasonable information in respect to the financial position of the Government.

12. With regard to the second request contained in your letter, I am desired to inform you that His Honor in Council has no objection to the publication of monthly instead of quarterly statements of the Indian cash balances, and that such monthly publications will accordingly be ordered to be made.

13. With respect to the third request, His Honor in Council observes that owing to uncertainty in respect to the information regarding the railway payments received from England, it is impossible at present to give this information here without great risk of misleading and of conveying an incorrect and unfair impression of the financial position of the several Companies, but application will be made to the Secretary of State to furnish statements which can be laid before the public, shewing the exact condition of each Company at convenient intervals of time.

14. As regards the fourth request for information on the subject of a grant to the Mysore Princes and their families, His Honor in Council regrets that it is impossible, with due regard to the public interests, to furnish to the Chamber any statement concerning a matter regarding which the Government is still in correspondence with the Secretary of

Sir, and that he is unable in consequence to afford the information asked for by the Chamber on the subject.

I have the honor to be,

Sir,

Your most obedient Servant,

C. HUGH LUSHINGTON,

Secy. to the Government of India.

FORT WILLIAM, }
The 19th December 1860. }

To

No. 12108.

D. COWIE, Esq.,

G. BROWN, Esq.,

J. N. BULLEN, Esq.,

E. D. KILBURN, Esq.

Financial Department.

GENTLEMEN,—His Honor the President in Council being desirous of meeting the wishes of the Mercantile community of Calcutta as to the publication of fuller information in regard to the financial position of the Government, I am desired to invite you, as Members of some of the leading firms, to sit in deciding what accounts and returns of the public revenue and expenditure it is of real importance to the monetary and commercial interests to have regularly published, and at what intervals; and to intimate to you that, with this view, I shall be prepared, at any time most convenient to you, to shew you specimens of the several accounts and returns received at my office and at the office of the Accountant General.

I have, &c.,

(Sd.) C. H. LUSHINGTON,

Secretary to the Government of India.

FORT WILLIAM, }
The 13th December 1860. }

(True Copy.)

C. HUGH LUSHINGTON,

Secretary to the Government of India.

No. 47.

To

THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE,
CALCUTTA.

Financial Department.

SIR,—With adverbence

Letter from Messrs. D. Cowie,
G. Brown, J. N. Bullen, and
E. D. Kilburn, dated the
24th ultimo.

Letter in reply No. 31, dated
this day.

to the 11th paragraph of my letter to your address, No. 12237, dated the 19th ultimo, I am desired by the Hon'ble the President in Council to forward for the information of the Bengal Chamber of Commerce, a copy of the correspondence noted in the margin.

I have the honor to be,

Sir,

Your most obedient Servant,

C. HUGH LUSHINGTON,

Secretary to the Government of India.

COUSIL CHAMBER, }
The 4th January, 1861. }

To

C. H. LUSHINGTON, Esq.,

Secy. to the Government of India.

Financial Department.

SIR,—In reply to your No. 12108 of the 13th instant, and with reference to the interview with which you have since favored us, we have the honor to place before you our views as to the accounts and returns of the public revenue and expenditure which it is of real importance to the monetary interests of the country to have regularly published.

In doing so, we would record our opinion that whatever publicity in matters of this nature it is important to the mercantile community to receive it is equally important to the true interests of Government to give, as in time a feeling of confidence will thereby arise to which the opposite system of secrecy has hitherto been confusively fatal.

I. We suggest that the cash balances in the Indian treasuries

which are now made public quarterly should be published monthly, in a tabular form exhibiting the amount in each Presidency, contrasted with the balances of previous similar periods and accompanied by a note explanatory of any unusual surplus or deficiency.

On this last point, we may refer to the quarterly statement recently published to 31st October, where the aggregate cash balances were less than those of the previous quarter by about four crores.

To those who are cognizant of the periods at which the heaviest amount of Indian land revenue is collected, this large and sudden deficit was no great mystery, but to the ordinary public it was as inexplicable as threatening. An explanatory foot note would have made the return intelligible to all.

II. That an anticipatory estimate and such subsequent estimates as may be prepared of income and expenditure be published annually, and be followed up by quarterly statements of actual income and expenditure under the same heads, to be hereafter ranged in a form of comparison with the results of corresponding quarters of previous years.

For such an annual estimate, the headings in the tabular statement prepared under the direction of the late Mr. Wilson, and published in the Calcutta newspapers of the 25th June last, appear explicit and satisfactory, except that among the revenues and receipts the important item of income tax will in future be inserted.

III. That a comparative statement be published quarterly of balances in the hands of the Home Government of India, distinguishing the funds belonging to the different Railway Companies.

IV. That the aggregate amount of returns to the income tax, and of collections under it and the new stamp Act, be periodically made public.

The community have patiently, nay cheerfully, borne the imposition of these new taxes, and it would seem due to them that the earliest and fullest information upon their practical working should be accorded, to prove, we trust, that the hopes and intentions of the late lamented proposer of such taxation are in a fair way of fulfilment, foreshadowing an end to the chronic deficiency under which Indian finance now labours.

We are aware that the management of this finance, as regards account-keeping may be said to be at present in a transition state, and therefore that such of our suggestions for publication as involve comparative statements, cannot at once be acted upon; but we trust that under the new

system of account and audit which is being introduced, the paramount importance of such publicity to the interests alike of the State and the taxpayer will not be least sight of.

We are also aware that some of the suggestions now put forward have very recently been made by the Chamber of Commerce; but as you had addressed us separately we deemed it incumbent upon us to reply, perhaps thereby strengthening the representations of that body.

(Signed) DAVID COWIE.
" GEORGE BROWN.
" J. N. BULLEN.
" E. D. KILBURN.

CALCUTTA, }
26th Dec., 1860. }

No. 31.

To

D. COWIE, Esq.
G. BROWN, Esq.
J. N. BULLEN, Esq.
E. D. KILBURN, Esq.

Financial Department.

GENTLEMEN.—I am directed to acknowledge the receipt of your letter dated the 26th ultimo, submitting your views as to the accounts and returns of the public revenue and expenditure which it is of real importance to the monetary interests of the country to have regularly published, and in reply to inform you that the Hon'ble the President in Council, seeing no objection to your first suggestion, has been pleased to direct that the statement of cash balances, hitherto published quarterly be in future published monthly, in the *Calcutta Gazette*, in the form proposed by you.

2. Your second request, viz. that an anticipatory estimate and such subsequent estimates as may be prepared of income and expenditure be published annually and be followed up by quarterly statements of actual income and expenditure under the same heads, to be hereafter ranged in a form of comparison with the results of corresponding quarters of previous years will also be complied with, on the understanding that the pub-

lication can only commence with the anticipation estimate for 1861-62, and that the quarterly returns can only be given when the new system of audit and account has been introduced. It has already been explained in my letter to the address of the Secretary to the Bengal Chamber of Commerce, No. 12237 dated the 19th ultimo, that satisfactory quarterly returns of the kind applied for cannot be framed under the present system of account. An abstract of the regular estimates of 1860-61 will be published as soon as it is complete, and this may be expected next month, and pending the preparation of the more complete accounts and estimates referred to above, such returns as the present system of account and estimate admits of being framed will be furnished as nearly as possible in the form of those published in June last.

3. The third statement, proposed by you for publication, cannot be prepared from the returns at present received from England. I am desired, however, to inform you that the Right Hon'ble the Secretary of State for India will be requested to supply the necessary information as far as it can be afforded.

4. In compliance with your fourth request, His Honor in Council is pleased to authorize the publication, at once, of a statement shewing as correctly as possible the aggregate amount of receipts from the income tax and from stamps: but no distinction is possible in the accounts between receipts from stamps under the old law and those from stamps authorized for the first time by Act No. XXXVI. of 1860. Future returns will be published in the *Gazette* quarterly.

5. Adverting to the last para. of your letter, I am directed to state that copies of this correspondence will be forwarded to the Chamber of Commerce, in reference to their letter of the 14th ultimo, which was received subsequent to the despatch of my letter to your address of the 13th ultimo.

I have, &c.,
(Signed) C. HUGH LUSHINGTON,
Secy. to the Govt. of India.

COUNCIL CHAMBER,
The 4th January, 1861. }

(True Copies.)

C. HUGH LUSHINGTON,
Secy. to the Govt. of India.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 10th January, 1861.
C. HUGH LUSHINGTON, Esq.,
Secretary to the Government of India.

Financial Department.

Sir,—I am directed by the Committee of the Bengal Chamber of Commerce to acknowledge your letters of the 19th ultimo and the 4th current, with their respective enclosures.

2. With reference to paras. 2 to 5 inclusive of your first named letter, I am to explain that the pledges of publicity to which allusion was made in my letter of the 14th ultimo were the pledges given on behalf of the Government on more than one occasion by the late Right Hon'ble Mr. Wilson and particularly in his speech in the Legislative Council on the 18th February last. I am to add that it was mainly owing to the policy of openness enunciated on that occasion and to the clear exposition of its financial position then given by the Government that the commercial classes were induced to lend a cordial support to measures of taxation, the necessity of which had been so frankly explained to them.

3. With advenience to the remaining paras. of your letter, and to the copies of correspondence forwarded with your letter of the 4th instant, I am to express the Committee's concurrence in the recommendations contained in the letter from the gentlemen who at the request of His Honor the President in Council had an interview with you. The Committee of the Chamber were in fact represented on that deputation by their President and Vice-President (though it does not appear they were invited to join it ex-officio,) and the recommendations were in substance the same as had already been made by the Committee in my letter of the 14th ultimo.

4. The Committee note with satisfaction His Honor's acquiescence in the recommendations of that deputation that such returns as can be given under the present system of accounts will be published as soon as they can be prepared, and his assurance that so soon as the new system of budget, audit, and account is in operation the more complete accounts which the deputation recommended will be given to the public.

I have, &c.,
H. W. I. WOOD,
Secretary.

APPENDIX C.

TREASURY CASH BALANCES.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 6th December, 1860.

C. H. LUSHINGTON, Esq.,

Secretary to the Government of India,
Financial Department.

SIR,—I am instructed by the Committee of the Chamber of Commerce to bring to your notice that since the publication in March last of the amount of treasury balances for the quarter ended 31st January 1860, no further statements have been given for general information; and I am directed to request you will do the Committee the favor of submitting to the Hon'ble the President in Council their application for the publication, on an early date, of the usual quarterly statements from date of last issue.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 11962.

To
THE SECRETARY TO THE COMMITTEE OF THE BENGAL
CHAMBER OF COMMERCE,
Financial Department.

SIR,—I am directed by the Hon'ble the President in Council to acknowledge the receipt of your letter dated yesterday, and in reply to

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inform you that the statement of Cash Balances in the Indian Treasuries for the quarters ending 30th April, 31st July and 31st October, 1860, will appear in to-morrow's issue of the *Calcutta Gazette*.

I have the honor to be,

Sir,

Your most obedient Servant,

C. HUGH LUSHINGTON,

Secy. to the Govt. of India.

FORT WILLIAM, }
The 7th Dec., 1860. }

APPENDIX D.

PAPER CURRENCY.

To

THE HON'BLE THE LEGISLATIVE COUNCIL OF INDIA,
THE HON'BLE PETITION OF
THE BENGAL CHAMBER OF COMMERCE,

HUMBLY SHEWETH,—That your petitioners observe that in the Bill to provide a Government Paper Currency, now before your Hon'ble Council, it is proposed that the lowest denomination of note to be issued shall be twenty rupees.

That the Bank of Bengal, whose issue will be superseded by the Government Currency, has for many years circulated notes of ten rupees, and that such notes have been found of great convenience to those having small sums to pay and receive.

That the objection which has been taken to the issue of notes of ten rupees on the report of the Select Committee of your Hon'ble Council, viz. the hardship which might be inflicted on laborers and others in the interior by their being paid in a paper currency which, owing to the distance of the central treasury where coin might be legally demanded for it, could only be converted at a discount, does not appear to your petitioners to be well grounded so far as regards notes of ten rupees, inasmuch as such payments seldom amount to a sum of ten rupees to any one individual.

That moreover such notes being receivable by Government in payment of all dues will, your petitioners believe, prevent any such depreciation in their value as is apprehended by the Select Committee.

That your petitioners believe that the withdrawal of the existing note circulation of ten rupees without substituting for it Government notes of the same denomination will be a great inconvenience to the commercial and trading classes and the community generally.

Your petitioners therefore pray that the Bill now before your Hon'ble Council may be amended, and that provision be made in it for the issue of Government notes of ten rupees.

And your petitioners as in duty bound shall ever pray.

THE BENGAL CHAMBER OF COMMERCE BY THEIR PRESIDENT,
CALCUTTA, } JOHN N. BULLEN.
2nd March, 1861. }

APPENDIX E.

HINDOO HOLIDAYS.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 26th December, 1860.

W. GREY, Esquire,

Secretary to the Government of India,

Home Department.

SIR,—At a recent general meeting of the Chamber of Commerce it was resolved "that the Committee be requested to communicate with Government pointing out the great inconvenience and loss resulting to the interests of those having mercantile relations with this port, owing to the frequent closing of the Custom House and other public offices on the occurrence of Hindoo Holidays, and to suggest that the list of such holidays be revised with the view of ascertaining whether they may not be considerably reduced, without depriving the Hindoo employes in such offices of those holidays which are actually required for the ceremonial observances of their religion."

In pursuance of the above resolution I am directed by the Committee to convey the views of the Chamber, as therein expressed, for the consideration of the Honorable the President in Council, and to accompany, with the following observations, the expression of their own concurrence in the suggestions now submitted.

The Hindoo holidays appointed for the year 1861 are no less than 38.

If the days which have been thus set apart for the ceremonial observances of their religion are absolutely required for that purpose by the Hindoos employed in public and private offices, the Chamber would not desire or endeavour to deprive them of such opportunities; if however any of these days are not imperatively necessary for the performance of Hindoo worship and are appropriated to other than strictly religious purposes, in such case the Chamber would not hesitate to recommend their abolition as holidays not entitled to official recognition.

That the number of Native holidays may be considerably reduced without trenching on the days that are really required for Hindoo rites is generally admitted; and the Committee believe that for all such purposes one-half of the days now appointed would be found quite sufficient.

The reductions which the Committee are disposed to recommend has in fact been made already in some public and many private offices, where the attendance of native establishments on several of these holidays is as regular as on other working days. In the Public Works Department, for instance, native holidays are limited to the following occasions only:—

See Panchelony	2 days.
Seehoo Ratreo	1 "
Dole Jatra	2 "
Chauruck Poojah	1 "
Ruth Jatra	1 "
Jummo Ostence	2 "
Doorga Poojah	6 working days.
Kalkee Poojah	2 days.
Jugguthalatreo Poojah	1 "

and in the office of the Bengal Government one day in each month is allowed in addition to six days during the Doorghah Poojah Festival. So that in these two important public departments only eighteen days are allowed in the course of the year, and it is believed that the native establishments are not only perfectly satisfied with this arrangement, but that if the public service should require it they are ready to attend even on the days of privileged leave.

In Madras the holidays observed at the General Treasury are—

- New Year's Day.
- Christmas Day.
- Ash Wednesday.
- Good Friday.
- Ascension Day.
- and 5 Native Festivals.

In Bombay there are only eleven Hindoo holidays, in addition to the Christian holidays which are the same as in Calcutta, viz:

- New Year's Day.
- Good Friday.
- Christmas Day, and
- The Queen's Birth-Day.

and on these latter only are the public offices closed.

Under all these circumstances the Committee of the Chamber are of opinion that the number of Hindoo holidays as now appointed may with great propriety be considerably reduced, and they trust His Honor in Council will be pleased to direct a revision of the list with the view of curtailing it in such a manner that while the necessary leisure for their strictly religious ceremonial observances is allowed the Hindoos employed in public offices the extreme inconvenience now suffered by the mercantile community by the frequency of these holidays may be greatly lessened.

I have, &c.,

H. W. I. WOOD,

Secretary.

No: 1803.

FROM

C. H. LUSHINGTON, Esquire,

Secy. to the Govt. of India,

Financial Department,

TO

THE COMMITTEE OF THE BENGAL CHAMBER OF COMMERCE,

Dated, Council Chamber, the 22nd February, 1861.

GENTLEMEN.—I am directed to acknowledge the receipt of your Secretary's letter, dated the 26th December last, to the address of the Secretary in the Home Department, conveying the views of the Chamber of Commerce regarding the revision of Hindoo holidays, together with the observations and suggestions made by you on the subject.

2. In reply I am desired to inform you that the Governor General in Council fully agrees with the Chamber of Commerce in the belief that the frequent closing of the public offices in Calcutta, on the occurrence of Hindoo holidays, is a source of great inconvenience to the mercantile community as well as to the public in general, and His Excellency in Council has no doubt that the present system may well be revised, without in any way interfering with the religious observances of the Hindoos.

3. Before, however, taking a final decision in the matter, His Excellency in Council considers that the best plan would be to appoint a Committee consisting of the Sub-Treasurer, a member of the Chamber of Commerce, and a Hindoo gentleman, to report on the subject after such enquiry among all classes as they might think necessary; and with this view, I am to request that you will be good enough to nominate a Member of the Chamber who would be willing to act in the proposed Committee.

4. The Committee should, I am to add, do its work as quietly and speedily as possible.

I have the honor to be,

Gentlemen,

Your most obedient Servant,

C. HUGH LUSHINGTON,

Secy. to the Govt. of India.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 28th February 1861.

C. H. LUSHINGTON, Esq.

Secy. to the Govt. of India.

Financial Department.

SIR,—I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter, No. 1803 of 22nd instant, and to inform you that they have elected Mr. W. S. Fitzwilliam to serve as a Member of the Committee proposed by His Excellency the Governor General in Council to be appointed to report on the question of revising the system under which Hindoo holidays so frequently occur.

I have, &c.,

H. W. I. WOOD,

Secretary.

FINANCIAL DEPARTMENT.

Report of the Committee appointed by Orders of the Government of India, Financial Department, No. 2080, dated 4th March 1861, for the revision of the present system of closing the public offices in Calcutta on occasions of Hindoo Holidays.

Your Committee have given the subject of the closing of Public Offices on Hindoo Holidays their fullest consideration, and have made every possible enquiry among all classes of the community necessary to its elucidation.

2. On looking back to the period (1700 A.D.) when Hindoo holidays first appeared in a Government Notification, your Committee find that in the progress of time considerable changes have taken place both in the number of the Hindoo holidays on which the Public Offices are closed, and also in the number of days for which the Offices are closed on the occasion of particular holidays. Thus in the Government Notification published in the *Gazette* of the 5th August 1790, under the signature of the late Mr. J. H. Harrington, Secretary of the Board of Revenue, the number of Hindoo festivals and holidays on which it is ruled that the attendance of Hindoos should be dispensed with numbers twenty-two festivals and holidays, with a total of twenty-five days, and the number of Mahomedan festivals on which it is ruled the attendance of Musselmén should be dispensed with is noted to be four festival days.

3. It is to be observed that the said Notification does not authorize the closing of any Public Office on these occasions; but only the dispensing with the attendance of a certain portion of the establishments on the particular days named with reference to their religious creed and observances.

4. With the lapse of time, however, your Committee find various changes recognized both in the number of festivals and holidays, and also in the number of days allotted to each; for in 1800 the number of festivals is set down as nineteen only, while the number of days observed is thirty-five. Your Committee also find that some festivals have fallen into disuse while others have been originated.

5. Thus your Committee find the Juggodatreé Poojah introduced for the first time in the year 1833 with two days' observance; and again the Lauckhee Poojah introduced for the first time in the year 1843 with

two days' observance, neither having had any existence in 1790; while the Doorgh Poojah, which in 1790 had only four days' observance, had swelled its proportion to eight days in 1860. On the other hand your Committee find that the four festival days allowed to Musselmén in 1790 have no place in the advertisements of 1860.

6. Your Committee have been unable to discover any authority for closing the Public Offices on the occasion of these festivals, except that indirectly contained in Section X., Regulation IX., of 1810—which has however, no direct reference either to Hindoo or Mahomedan festivals—and the periodical advertisements of the various Sub-Treasurers.

7. Your Committee are led to believe that the closing of the Public Offices has gradually grown out of the diminution of business caused by the non-attendance of Hindoos, consequent on the observance of these festivals and holidays at a time when the trade and commerce of the Port and City of Calcutta were of a much more confined description and limited position than the important one they now occupy and command in the commerce of the world, and before steam, railways, electricity and education began to work the changes which now render necessary and expedient a revision of the system under which class usages have been allowed to interfere with and supersede general public convenience.

8. There can be no question, as rightly urged by the Chamber of Commerce, that the frequently recurring closing of Government Public Offices on the occasion of Hindoo holidays is productive of delays, more or less harassing, vexatious, and expensive to all classes of the community engaged in commerce, and which delays ought not to be allowed under any Government.

9. Your Committee see no difficulty, however, in providing for the public general convenience without abrogating any class privilege, or interfering with the religious opinions and observances of any section of the community. They consider that no Executive Public Office under Government should ordinarily be closed on any lawful day for the transaction of business on any such account; and they are satisfied that the business of the Public Offices may be conducted without difficulty on the occasion of both Hindoo and Mahomedan festivals, without infringing on the rule laid down by the Notification of 1790 that on their respective festivals, therein enumerated, the attendance of Hindoos and Mahomedans should be dispensed with.

10. Your Committee are satisfied, even without having recourse to

the rule promulgated in the orders of Government of the 1st September 1834, "that the necessity of attendance on the (festival) days referred to shall be made a condition with all persons who may hereafter be appointed in the Treasury or Pay Offices," and which is imperative on all such *now employed in their Offices*, that the duties of each Office can be conducted without difficulty by that portion of the Establishments whose religious creed and observances do not recognize the observance of such festivals, and they have good reason to know and believe that so great a change has time wrought upon the ideas of many of the employés of the Hindoo persuasion that many of those *now employed* would not avail themselves of the permission to absent themselves from Office on the festival days included in the list of 1790.

11. Nevertheless, as your Committee consider the principle laid down in the Government Notification of 1790 to be a correct one, that no one should, in consequence of his employment in a Government Office, be coerced to attend on those days on which his religious creed or observances require his absence, your Committee would recommend that this principle should be recognized, at the same time that the Executive Public Offices of Government (especially the Treasury and Custom House) should be always open on these days, and excepting only such other days as Government may see fit to allow their being closed on for *General Holidays and relaxation to all classes of religion and creed*.

12. This is the system observed at Bombay and appears to have been the original system also in Calcutta, and your Committee would recommend that it be adopted in all Government Offices at the Presidency. It is founded on perfect toleration of religious creeds and observances, and also on the principle that no class usages can be allowed to interfere with general public convenience and the necessities of Government.

13. Your Committee would remark that the grant of privilege leave for one month in the year to all Government employés, and of casual leave to the extent of fifteen days under the orders of Government quoted in the margin, operates most usefully in enabling the different Heads of Offices to grant relaxation from official duties to their several subordinates on all occasions of family observances and occasions, such as shráds, marriages, and such like; and this without any detriment to the conduct of public business. This description of leave was not allowed in 1790 or indeed until very lately.

27th June 1857.
8th January 1858.
12th June 1857.
12th March 1858.

14. Your Committee have prepared a list marked A, which omits these Holidays and festivals included in the list of 1790, which have fallen into disuse, but which includes the two new observances of Jugodattree and Luckhee Poojals, but which also limits the days of leave to the days of actual observance as in the list of 1790; but curtails the unnecessary additional holidays given to the different Poojals included in the list of 1860. This list numbers nineteen Hindoo festivals and twenty-two closed days, and four Mahomedan festivals and closed days.

15. Your Committee would therefore respectfully recommend that the present system of advertising and closing Government Public Executive Offices on the occasion of Hindoo Holidays be put an end to, and that on all Hindoo and Mahomedan Holidays and Festivals included in and for the period stated in the list marked A, so prepared, the attendance of Hindoos and Mahomedan employes be dispensed with; that the Government Offices remain open however on these days for the conduct of Public business, which will be conducted by the remaining portion of the Establishments.

Your Committee finally beg permission to place before the favorable consideration of Government the expediency of granting to their employes generally, without reference to religious creed or observances, some relaxation in the shape of such General Holiday as may be deemed most expedient.

17. Opinions may be divided as to the time most appropriate for such General Holiday, but your Committee believe the feeling to be general and universal that one General Holiday for about ten days at the season of the Doorgah Poojah festival is desirable and could be allowed with advantage by Government and without public inconvenience. It is the constant closing and opening and re-closing of the Offices under the present system which is found objectionable and is complained of. An authorized Annual General Holiday would be of advantage and be welcomed by all. They therefore recommend that, immediately following the four days' observance of the Doorgah Poojah, a General Holiday for ten days longer be allowed by Government to all classes, making the whole Holiday extend over a period of fourteen days.

18. The only other existing Holidays now observed are Her Majesty's Birthday, Good Friday, Christmas and New Year's Days, and with these your Committee see no occasion to interfere.

19. Copy of the Government Notification of 1790, a list of the holidays observed in 1860, and also Extract of Section X, Regulation IX. of 1810, is appended to this Report

(Signed) J. I. HARVEY.
 " W. S. FITZWILLIAM.
 " PROSUNNO COOMAR TAGORE.

Extract from Regulation IX. of 1810.

SECTION X.—The several Custom Houses shall be open for the transaction of business every day (Sundays and holidays, agreeably to a list to be furnished to the Collectors by the Board of Revenue and Board of Commissioners respectively, excepted) from ten o'clock in the morning until four o'clock in the afternoon.

GOVERNMENT ADVERTISEMENTS,

Published in the Government Gazette of the 5th August, 1790.

List of Hindoo festivals and holidays for the present year on which the attendance of Hindoos should be dispensed with:—

Mohaj Shaha Saueranti,	on the 1st of Bysakh.
Akhoy Tritia,	" 7th ditto.
Dasahara,	" 12th of Jogh.
Snan Jatra,	" 17th ditto.
Ruth Jatra,	" 1st of Sawan.
Naboti Jatra,	" 8th ditto.
Sraboti Purneema,	" 11th of Bhoonah.
Jamma Ashtami,	" 20th ditto.
Maha Lya Sradha,	" 26th of Assin.
Doorga Poojah from 30th of Assin to the 3rd of Kartick.	
Decevali,	on the 5th of Kartick.
Dipannayta & Sheema Pooja,	" 23rd ditto.
Bheatre Dwetya,	" 25th ditto.
Ros Jatra,	" 8th of Anghan.
Uttrayan Saueranti,	" 30th of Pous.
Sree Panchami,	" 28th of Magh.
Bhishma Ashtomi,	" 2nd of Falgoun.
Bhomi,	" 5th ditto.
Siba Ratra,	" 22nd ditto.
Dhole Jatra,	" 9th of Cheyt.

Bani, on the 30th Clcyt.
Maha Bishuba Sanceranti, " 30th ditto.

Published by order of the Board of Revenue,

J. H. HARRINGTON,

Secretary.

List of Mahomedan festivals for the present year on which the attendance of the Musselmans should be dispensed with:—

Shub Barut, on the 15th of Shawwal.
Id-ul Fitr, " 1st of Shawwal.
Roz Ursuh, " 9th of Tehejjah.
Id-ul Azlan, " 10th of ditto.

Published by order of the Board of Revenue.

(Sd.) J. H. HARRINGTON,

Secretary.

List of Hindoo Holidays in the year 1860.—

Sree Panchomy,	on the 28th and 29th January 1860	2 days.
Siboo Rattree,	" 19th and 20th February	" 2 "
Dole Jattrra,	" 7th, 8th, and 9th March	" 3 "
Barronce,	" 30th Ditto	" 1 "
Sree Ram Nubbomy,	" 31st Ditto	" 1 "
Churruck Poojah,	" 11th and 12th April	" 2 "
Dhushoharra,	" 30th May	" 1 "
Chaan Jattrra,	" 2nd June	" 1 "
Rath Jattrra,	" 21st Ditto	" 1 "
Oota Ruth,	" 29th Ditto	" 1 "
Rakhee Poorneema,	" 1st August	" 1 "
Junno Ostonce,	" 9th and 10th Ditto	" 2 "
Mohalaya,	" 14th Sept.	" 1 "
Doorga Poojah, from	" 19th to 26th Oct.	" 8 "
Luckhee Poojah,	" 29th and 30th Ditto	" 2 "
Kaltee Poojah,	" 12th and 13th Nov.	" 2 "
Bhrates Detenh & } Kartick Poojah, }	" 14th and 15th Ditto	" 2 "
Juggolhatee Poojah,	" 21st and 22nd Ditto	" 2 "

35 days.

A.—List of Holidays.

Sree Panchomy	... 1 day.
Siboo Rattree	... 1 "
Dole Jattrra	... 1 "
Barronce	... 1 "
Sree Ram Nubbomy	... 1 "
Maha Bishen Sanceranti	... 1 "
Dhushoharra	... 1 "
Chaan Jattrra	... 1 "
Rath Jattrra	... 1 "
Oota Ruth	... 1 "
Rakhee Poorneema	... 1 "
Junno Ostomy	... 1 "
Mohalaya	... 1 "
Doorgah Poojah	... 4 "
Luckhee Poojah	... 1 "
Kaltee Poojah	... 1 "
Bhrates Detenh	... 1 "
Kartick Poojah	... 1 "
Juggolhatee Poojah	... 1 "

22 days.

Mahomedan Holidays.

Shub Barut	... 1 day.
Id-ul Fitr	... 1 "
Roz Ursuh	... 1 "
Id-ul Azlan	... 1 "

4 days.

26 days.

(Sd.) J. I. HARVEY.

" PROSNUNO COOMAR TAGORE.

No. 70.

Extract from the Proceedings of the Government of India in the Financial-Department under date the 27th March 1861.

Read the under-mentioned papers on the subject of the Hindoo holidays granted in the several Government Offices at Calcutta:—

Letter from the Secretary, Bengal Chamber of Commerce, dated 26th December 1860, drawing attention to the number of Hindoo holidays

appointed for the year 1861, and suggesting a revision of the list of holidays with a view to reducing their number.

Letter to the Committee of the Bengal Chamber of Commerce, No. 1803, dated 22nd February 1861, concurring in the opinion of the Committee, and requesting them to nominate a Member of the Chamber who would be willing to act in the Committee proposed to be appointed to report on the subject.

Letter from the Secretary to the Chamber, dated 28th February 1861, nominating Mr. W. S. Fitzwilliam to serve as a Member of the proposed Committee.

Letter to J. J. Harvey, Esquire, Sub-Treasurer; W. S. Fitzwilliam, Esquire, and Baboo Prasanno Coomarr Tagore, No. 2030, dated 4th March, 1861, appointing them to be a Committee to report on the subject.

Letter from the Committee, No. 604, dated 16th March 1861, submitting their Report with Appendices.

RESOLUTIONS.—The Governor General in Council has read the excellent Report submitted by the Committee on the above-mentioned subject, and, in expressing the thanks of the Government to the Gentlemen composing the Committee, he is pleased to approve of all their suggestions, and accordingly directs that the following rules be observed in future in all the Government Offices at Calcutta, with the exception of the Judicial Courts, for which other rules are specially provided.

That in addition to all Sundays the unmentioned holidays, being generally observed throughout Her Majesty's dominions, be granted to all classes of Government servants, the several offices being entirely closed, viz:—

New Year's Day	... 1 Day.
Good Friday	... 1 "
Queen's Birthday	... 1 "
Christmas Day	... 1 "

Total ... 4 Days.

That the unmentioned Hindoo holidays be granted only to *Hindoo* servants of Government, viz:—

Sree Panchomy	... 1 day.
Sihoo Battree	... 1 "
Dole Jattrra	... 1 "
Barronee	... 1 "

Sree Ram Nabhomy	... 1 day.
Mohabishen Saucramti	... 1 "
Dhushohara	... 1 "
Chauu Jattrra	... 1 "
Ruth Jattrra	... 1 "
Oolta Ruth	... 1 "
Rakhee Poornema	... 1 "
Junno Oostomea	... 1 "
Mohaloya	... 1 "
Doorga Poobjah	... 4 "
Luckhee Poobjah	... 1 "
Kalce Poobjah	... 1 "
Bhratis Detch	... 1 "
Kartick Poobjah	... 1 "
Juggodhatree Poobjah	... 1 "
Total	... 22 Days.

That the under-mentioned Mahomedan holidays be granted only to *Mahomedan* servants of Government:—

Shub Barat	... 1 Day.
Id-ul Fitr	... 1 "
Roz Ursab	... 1 "
Id-ul Azlan	... 1 "

Total ... 4 Days.

That on all the above-mentioned holidays the several Government Offices at the Presidency shall remain open for the conduct of public business, which will be carried on by the remaining portion of the establishments.

That in addition to these a *General Holiday* for ten days be allowed to all classes of Government servants, the several offices being entirely closed. This holiday will probably be most convenient to all classes if granted immediately following the four days of Hindoo holiday of Doorga Poobjah, and all Government offices will be closed accordingly.

The present system of advertising and closing the General Treasury on holidays is abolished. Each office will furnish itself with a copy of the above rules, which should be suspended in a conspicuous place for the information and guidance of all concerned.

ORDER.—Ordered, that a copy of the above Resolution be forwarded to the Bengal Chamber of Commerce and to the Gentlemen named in the margin for information.

Ordered also, that a copy of the Resolution be forwarded to the Departments noted in the margin* and to the Government of Bengal for the issue of the further necessary orders; also to the Audit Board, the Mint Committee, the Auditor General and the Accountant General to the Government of India, the Sub-Treasurer, and the Civil Auditor, Fort William, and the Accountant to the Government of Bengal.

Ordered further, that the Resolution and the report of the Committee be published in the *Calcutta Gazette*.

(A true Extract)

C. HUGH LUSHINGTON,

Secy. to the Govt. of India.

No. 4105.

TO THE SECY. BENGAL CHAMBER OF COMMERCE.

(True Copy)

C. HUGH LUSHINGTON,

Secretary to the Govt. of India.

APPENDIX F.

GOVERNMENT SALT SALES.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 30th April, 1861.

W. S. SETON-KARR, Esquire,

Secy. to the Govt. of Bengal.

SIR,—I am desired by the Committee of the Chamber of Commerce to submit for the consideration of His Honor the Lieutenant Governor the following representation regarding the system under which Government salt sales are conducted.

The Committee are aware that with the view to check the sub-monopoly which had notoriously grown up under the system formerly in force for the distribution of salt, a rule was passed requiring every applicant to deposit the full value of the entire quantity of salt applied for by him; but this modification was attended with results which, the Committee are of opinion, greatly aggravated the evil already existing; for under this new regulation applications were invited and received from any one indiscriminately, the only qualification required being an ability to deposit, for a few days, the purchase-money, at the Government fixed price, including duty, at which the salt was sold. That fixed price being considerably below the value obtainable in the open market the difference was manifestly a clear profit at once secured to the applicants in proportion to the extent of their applications. The entire scheme was, in effect, a lottery in which every ticket was a prize, greater or smaller only in proportion to the aggregate of the applications exceeding the aggregate of the quantity available for distribution; as such it no doubt recommended itself to those who could command the required deposit and the consequent certain and immediate profit. These speculators however were not the only parties whom the salt sales affected; they, it is true, benefited largely, but their success was attained at the expense of the rest of the community by the temporary abstinence of an enormous amount of capital from the ordinary channels for ordinary purposes of trade, since to secure, say, 50,000 rupees worth of salt,

three or four times that amount, or more, would be deposited, and to obtain that temporary accommodation, involving an immediate and considerable return, excessively high rates of interest were unhesitatingly given—even 25 and 30 per cent. per annum. The consequences of such withdrawal of capital from ordinary circulation were inevitable; and by the introduction of this disturbing element the position of the money market and of the trade of the city was seriously interfered with. The Committee would here refer His Honor to the severity with which the action of the system in question pressed upon the commercial operations of Calcutta about this time last year, when the stringency of the money market was singularly aggravated by the temporary withdrawal of a considerable amount for the purchase of Government salt.

Mischievous in its consequences as the practice has hitherto been, the Committee of the Chamber regret to find that the system has been continued with a variation which, they respectfully submit, is not calculated to remove the grievance against which the commercial public have just grounds of complaint. X

They understand that instead of the plan of allotting to a depositor the proportion of salt his application would entitle him to receive, he can now command the entire quantity he wishes to engage, provided he tenders the full amount of purchase money, the distribution being made not on the principle already commented on, but on—what is submitted as being infinitely worse—the principle of “first come first served,” of satisfying the earliest applicant to the full extent of his requirements without reference to the possible wants of others. The Committee are credibly informed that on the occasion of the sale of Government salt last week a very considerable portion of the Balasore salt was allotted to one purchaser, who, by some unexplained facility, obtained early intelligence of the intended sale and made early arrangements for tendering the necessary amount to the Treasury. They submit that such a preferential distribution should have been an impossibility; and that proper precautions would have rendered it so. The mere posting at the Treasury or at the Board's Office of the Notification of the Board of Revenue and its publication in the *Gazette* do not, in an directed to do, constitute an adequate notice to the public generally; and in the present instance the letter means of inviting the public attention to the proposed sale would appear to have been altogether unnecessary, since all the salt had been allotted to the parties who had availed themselves of the information posted at the Board's Office or the Treasury the pre-

vious day, and so rapidly had the allotments been made that to the certain knowledge of the Committee a tender was refused the day before the notification appeared in the *Gazette*. In so important a matter the mode of issuing the notice adopted by the Board was insufficient and objectionable. The reasons are obvious; and the Committee therefore urge His Honor to consider the expediency of not allowing so unjust and injurious a system to continue unreformed, and of adopting in the sale of Government salt the system adopted in the sale of Government opium, viz. public competition and ample public notice of intended sale. No objection presents itself to this plan as far as the Committee can understand it; but if that cannot be adopted they apprehend no objection would be in the way of permitting the sale of salt at any time, (if in store) to any person, and in such minimum quantities as would admit of a larger distribution among purchasers, thereby removing the objectionable plan of disposing of large quantities to a limited number.

The practical result of the system now in force is not only what the Committee have ventured to represent it, but also to throw into the hands of a small section of speculators the large profits which they realize from such operations, and which might with great propriety, especially at this season of financial pressure and public economy, be cast into the public Exchequer.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 186 (A.)

FROM

H. BELL, Esq.,

Under Secy. to the Govt. of Bengal,

TO

THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE,

Fort William, the 16th April, 1861.

Salt.

SIR,—I am directed by the Lieutenant-Governor to acknowledge the receipt of your letter dated the 9th instant regarding the system under which the Government salt sales are conducted, and in reply to state,

for the information of the Committee of the Chamber of Commerce, that the question of selling to the highest bidder, by tender or by Auction, at a minimum upset price equal to cost and duty, those sorts of salt for which the demand is so great that the regular system of constant daily sale to all comers is not readily applicable thereto, is at this moment under consideration.

2. On the occasion of the late sale which the Committee mention the Board of Revenue have explained that there was no exceptional or special sale of salt. The salt sold (comprising the manufacture of Balasore, Central Cuttack and Pooree) had been in the market, as deliverable at the Agency Ghats, and available in small or large quantities to all purchasers in Calcutta, for several months past. On this salt having found no purchasers, whilst it was deliverable at the Agencies, it was necessary to bring it up to Sulkea; and on its arrival at Sulkea it was thrown into the market for sale, deliverable at Sulkea, not under any exceptional system, but under the general sale system of the department. No tenders were required and no allotments were made. It was treated according to the general rules. The demand, however, was now so great, that it was all sold off before the end of the second day after it had been thrown open to purchasers.

3. The remarks and suggestions of the Committee on this subject will be forwarded to the Board of Revenue, and will be taken into careful consideration by the Board and by the Government in connection with the question of sale to the highest bidders which is now under consideration.

I have the honor to be,

Sir,

Your most obedient Servant,

H. BELL,

Under-Secy. to the Govt. of Bengal.

APPENDIX G.

CUSTOMS TARIFF.

Assimilation of the mode of Assessing Customs' Duty on Tariffed and Untariffed Goods.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 20th Nov., 1860.

H. L. DAMPIER, Esq.,

Offg. Secy. to the Board of Revenue.

SIR,—I am directed by the Committee of the Chamber of Commerce to address you with reference to the report of the Customs Commission, which has recently been approved of and published for general information by the Government of India.

2. In the tenth paragraph of that report the Customs Commission explain the principle by which they have been guided in fixing the valuations of goods tariffed at specific rates. Briefly that principle is, that the duty shall be charged on the *net cash value* of the goods in hand, at the time of importation.

3. But whilst this equitable principle has been applied to goods tariffed at specific rates, and is now as regards these goods actually in operation, no provision, I am instructed to point out, has yet been made for the application of the same principle to goods which not being classed are liable to duty *ad valorem*. Regulation VI. of 1832, which is yet in force provides—1st, that imported goods (not classed) shall pay duty according to the *market value* at the place and time of importation; and 2nd that when goods are taken over by the Collector for account of Government on the ground of assumed under-valuation duties shall be levied thereon from the consignees; in other words whilst tariffed goods are now avowedly assessed for duty at their *net cash value* only, goods not tariffed are liable to duty on their *gross market value* (i. e. inclusive of duty and trade discount) or if the Importer ventures himself to apply to his non-tariffed goods the principle which the Customs Commis-

sion have applied to his tariffed goods he incurs the risk of the Collector taking them over at such net valuation, and thus demanding from him the duty to which by this regulation they are liable.

4. The Committee feel assured that this anomaly has only to be brought to the notice of the Government to be at once corrected. They have reason indeed to believe that the Customs Commission have already decided on recommending the necessary amendment in the Customs Act, but as some delay may take place before their recommendations come under the consideration of Government, and as inconvenience may arise from the present state of the law, the Committee of the Chamber trust that instructions may be at once issued to the Collector that pending the passing of the new Act he permit the valuations for duty of goods not specifically rated to be arrived at in the manner adopted by the Customs Commission and approved of by the Government of India.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 20th March, 1861.

H. L. DAMPIER, Esq.,

Secretary to the Board of Revenue.

SIR,—In my letter of the 20th November last I communicated the views of the Committee of the Chamber of Commerce regarding the principle on which imported goods were assessed for duty, pointing out that while in the case of tariffed goods the duty was levied on *their net cash value in bond at time of importation*, no such provision had been made in respect to goods liable to duty *ad valorem*.

No reply having been received to that representation, I am desirous to bring the subject again to the notice of the Board in order that the Chamber may be favored with an early expression of the views of the Government.

The Committee submit that the principle upon which the values of *tariffed goods* were arrived at by the Custom's Commission and approved of by the Government should apply equally in the case of *non-tariffed*

goods, and that the deduction of 12 per cent. allowed in the one should for similar reasons be allowed in the latter case.

The Committee are informed that in many instances the re-adjustment of duties is materially delayed, and that the Collector of Customs refuses to pay importers' claims unless they consent to forego the disputed deduction. It is therefore of much moment that this question should be definitely disposed of, and the Committee trust the Board will be good enough to urge the Government for an early decision.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 556.

FROM

HON'BLE H. B. DEVEREUX,

Offg. Junior Secretary to the Board of Revenue,

TO

THE SECRETARY TO THE BENGAL
CHAMBER OF COMMERCE,

Dated Fort William, the 25th March, 1861.

Customs.

A. R. Young, Esq.

SIR,—I have the honor to acknowledge the receipt of your letter dated the 20th instant, on the subject of the assimilation of the mode of assessing Customs duty on tariffed and un-tariffed goods, and to inform you that the Board addressed the Government on the subject in November last; and have now again done so, and will inform you of the result immediately on the receipt of a reply from Government.

I have the honor to be,

Sir,

Your most obedient Servant,

H. B. DEVEREUX,

Offg. Junior Secretary.

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No. 731.

FROM

W. GREY, Esq.,
Secretary to the Government of India,

TO

W. S. SETON-KARR, Esq.,
Secretary to the Government of Bengal,

Dated, Fort William, April 16, 1861.

Home Department.

Sir,—I am directed to forward the accompanying copy of a letter* from the Chamber of Commerce received direct from the Board of Revenue, requesting an amendment in the Tariff should be made in which articles not classed in the Tariff should be valued for assessment of duty, and to state for the information of the Lieutenant Governor, that the Governor General in Council is of opinion that the request contained in the concluding paragraph of the Chamber's letter should be complied with, and instructions issued to the Collector of Customs that, pending the passing of a new Customs Act, he is to permit the valuations for duty of goods not specifically noted to be arrived at in the manner adopted by the Customs Commission and approved of by Government, that is to say, that duty shall be assessed upon the value of the goods in bond, ascertained in the manner described in paragraph 10 of the Committee's report and not upon the duty paid value.

2nd. In regard to the proposal of the Board that when goods are taken on account of Government in consequence of undervaluation the duty shall not be levied from the importer, as it is doubtful whether the Law as it stands will admit of this, I am directed to request that the Collector may be instructed not to take over goods on account of Government unless there is reason to believe that they are fraudulently undervalued, and that, when no fraud is apparent, the importer may be permitted to amend his valuation.

I have, &c.,

(Signed) W. GREY,

Secretary to the Government of India.

P. S.—Since the above letter was drafted the communications from No. 111A dated 11th March. the Government of Bengal noted on the No. 123A dated 20th March. margin have been received, the first enclosing copy of the Board's letter above referred to.

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No. 51.

Copy forwarded to the Board of Revenue for information and guidance with reference to their letters of the 13th February and 25th March last, and for communication to the Collector of Customs.

By order of the Lieutenant Governor of Bengal,

(Signed) J. D. GORDON,

Jr. Secy. to the Govt. of Bengal.

LIEUT. GOVERNOR'S CAMP, PARISNATH, }
The 25th April, 1861.

MEMO. No. 726.

Customs.

A. B. Young, Esq.

Copy forwarded to the Chamber of Commerce in continuation of letter No. 556, dated 25th ultimo.

By order of the Board of Revenue,

H. B. DEVEREUX,

Offg. Junior Secretary.

FORT WILLIAM, }
The 20th April, 1861.

APPENDIX H.

Report of the Customs' Committee, and the Administration of the Custom House.

No. 136 (A.)

From

W. S. SETON-KARR, Esq.,

Secretary to the Govt. of Bengal,

To

W. GREY, Esq.,

Secretary to the Govt. of India,

Home Department,

Fort William, the 16th March 1861.

Mrs. Rev.
Customs.

SIR,—With reference to Under-Secretary Lord H. U. Drowne's letter No. 125, dated the 18th January last, I am directed to forward, for the information of the Government of India, the accompanying copy of the report* furnished by the Customs Committee with the following observations and remarks of the Lieutenant-Governor thereon.

2. As to the site fixed for the new Post Office, it is very satisfactory to find that the Committee are unanimously of opinion that its reservation, in expectation of an enlargement of the Custom House premises becoming advisable at some future time, is unnecessary. The Lieutenant-Governor cannot feel the least doubt of the correctness of this opinion: for it is admitted that very much more available accommodation can at any time be acquired within the present Custom House premises, than they now afford, by a better arrangement of the buildings therein; whilst, for present purposes, the removal of the opium into the new opium warehouse will answer all requirements: and moreover it is manifest that when the trade of the port is largely increased, it will be the cheapest

and by far the most convenient way of meeting all wants, to adopt in part the London system of detached Custom House wharves and warehouses. The railways on both sides of the river will probably each require detached Custom house landing places, and warehouses for bonded goods; and such works as the floating wharves which an Association has it now in contemplation to construct, may be made to do all that an extension of the Custom house premises could do, with greater convenience to trade than a mere extension of these premises would afford.

3. The Public Works Department will be informed accordingly.

4. The above-mentioned private project will do what is recommended to be done by Government in paragraph 3 of the letter from the Secretary to the Customs Committee. The Lieutenant-Governor thinks that such works are much better left to private enterprise, when private enterprise is capable of performing them. But this point must await an answer to a reference which has been made to the Bonded Warehouse Association.

5. Mr. Bullen, in his able minute, objects to the abolition of the out-pass system; but it appears to the Lieutenant-Governor that the arguments of the majority of the Committee, of the Board, and of the Collector of Customs on that point are quite conclusive. Now that Customs duties are no longer little more than merely nominal, there seems no tenable ground for permitting a lax system to exist here, which exists nowhere else where a Custom House exists. Merchants cannot successfully maintain that what is insisted upon as a necessity in London and in Bombay is an unnecessary formality here.

6. But the Lieutenant-Governor thinks it will be right to afford trade the convenience of subsidiary landing and passing places, under Custom House control, to the fullest extent that may be requisite, such as are described by Mr. Spooner as existing at Bombay. On the one hand it seems to the Lieutenant-Governor indispensable for the security of the revenue that all goods should pass under the control of the Custom House, which will examine whatever it thinks fit; but on the other hand it seems to the Lieutenant-Governor a real hardship, especially in the case of heavy goods, to require any available loading and carting and unloading after the goods have once touched the shore.

7. The Lieutenant-Governor is inclined to think that the appropriation, though not necessarily the exclusive appropriation, of certain landing places for certain staples, would be a convenience.

8. The complaint made by Mr. Bullen of the Custom House ware-

"The Custom House premises are infested with white ants, and immediate measures should be taken to eradicate these destructive insects, the floors of the sheds and warehouses should be raised a few inches throughout and should be covered with a thick coating of dunmer or asphalt and the beams should be raised frequently with earth oil. In fact the Collector should be required to keep the premises under his charge in as good order as the premises occupied by the merchants, and he should be authorized to adopt whatever plan is generally considered by them to be most effective."

ment, and to the Board of Revenue, in order that immediate measures may be taken for keeping these store-rooms as free from all vermin as the best private store-rooms of the most careful merchants.

9. As regards the objection to the number of holidays, the Lieutenant-Governor is inclined to think that if the Custom House is opened on all the holidays kept at the General Treasury, it will be found that the non-attendance of the merchant's clerks will prevent much business being done, and the Lieutenant-Governor understands that there is some probability of the number of Treasury holidays being somewhat reduced. But as the Trades' Association and the Committee recommend the change, the Lieutenant-Governor is of opinion that it may be tried, with the reservation, however, of a few of the principal native holidays besides the four English holidays mentioned, otherwise the experiment would not have a fair chance. On some Hindoo festivals, the Lieutenant-Governor apprehends, all business is necessarily at a stand still in all native society.

10. As to the general complaints of the system in force in the Custom House, the Lieutenant-Governor concurs with the majority of the Committee. Allowance must be made for the novelty of the system, and it does not appear that any defective arrangement, or cause of needless delay, has been represented to the Collector which has not been readily and effectually remedied. The department is much indebted to Mr. Spomer for the practical improvements which his experience has enabled him to suggest, and which have met with all due attention.

11. As Mr. Bullen makes a great point of enlarging the rent free term, and Mr. Spomer is of opinion that it will be necessary eventually to extend that term under Rule II. from two to four days, the Lieut-

enant-Governor is of opinion that this enlargement should be conceded at once; and the Board have been instructed accordingly.

12. As to the want of proper facilities for landing and shipping goods, the Lieutenant-Governor agrees with Mr. Bullen; and *if private enterprise fails to afford such facilities in a manner worthy of such a port as Calcutta*, the Lieutenant-Governor is of opinion that Government should do so, of course reimbursing itself, as a private company would do, by reasonable charges for the accommodation afforded.

13. The Lieutenant-Governor is also of opinion that measures should be taken effectually to prevent the pillage of goods and their injury by weather whilst in the Custom House premises. He thinks the complaint on this head is just and reasonable. Goods in the Custom House should be as little liable to pillage as goods in the Bonded Warehouse. The Board have been instructed to make the necessary arrangements, immediately, for the remedy of these evils.

14. As to the complaint of frequent changes in the head of the Custom House, that is an evil which to a certain extent is unavoidable in this country equally in private as in public Offices. Since Mr. Bracken's retirement, at the conclusion of his service in India, he having held the office of Collector of Customs for a long term, and Mr. Young's consequent appointment early in 1855, there has been only one change, which could possibly have been avoided, namely, the appointment of Mr. Wilkins, *vice* Mr. Young promoted. Mr. Wilkins was forced home by extreme ill-health, under sick certificate, for a term which necessitated an acting appointment; and eventually, on his inability to return, the appointment permanently of Mr. Chapman, the present Collector. Short acting appointments in consequence of short leaves of absence, when usually the Deputy Collector takes charge, can hardly be objected to.

15. On heads 9, 10 and 11 of Mr. Bullen's valuable Minute no remarks are called for at present from the Lieutenant-Governor.

16. In conclusion, the Lieutenant-Governor is confident that the labor of the Committee in relation to the portion of their business herein discussed will receive the hearty thanks of the Government of India.

I have the honor to be,
Sir,

Your most obedient Servant,
(Signed) W. S. SETON-KARR,
Secretary to the Government of Bengal.

No. 140. (A.)

Copy of the above letter forwarded to the Bengal Chamber of Commerce, together with a copy of the Committee's Report, with reference to their Secretary's letter dated 26th ultimo.

W. S. SETON-KARR,

Secy. to the Government of Bengal.

FORT WILLIAM, }
the 16th March, 1861.. }

From Hon'ble A. Eden, Secretary to the Customs Committee, to the
Officiating Secretary to the Government of Bengal,—(dated the 8th
January, 1861.)

Sir,—With reference to your several letters as quoted in the margin,
No. 2257, dated 27rd Nov. 1850. I am requested by the Customs Com-
No. 4824, dated 22th Dec. " mittee to report to the following
No. 2842, dated 6th Dec. " effect:—

1st.—As to the accommodation of the Custom House.
2. The Committee after consulting the Collector of Customs and in-
specting the premises are satisfied that the site of the new Post Office
may, without causing the least inconvenience to trade, be appropriated
to the purpose for which it was originally set apart. The space within
the Custom House premises is ample for all purposes, the sheds now in
existence would hold all the goods which under proper arrangements
need come within the walls of the Custom House, and, even supposing
that this was not so, there is available space within the walls for nearly
doubling the amount of accommodation at present available. The Com-
mittee entirely agree with the Board of
No. 1172, dated 20th Dec. 1856. Revenue, whose letter is annexed, that
the warehousing of goods is not a proper use to which to put a Custom
House, and that it should be discouraged as much as possible.

3. The open space on the river side alluded to in the 11th paragraph
of the Board's letter above quoted was carefully inspected by the Com-
mittee, and they think that measures should be at once taken to fill in
this space and face it with a good brick wall by which means a large and
capacious wharf on the river side would be available for the public; the
Committee think it possible that the earth excavated from the new drains
might be made available for this purpose,

4. The new wharf so formed should be fitted up with travelling
cranes running on iron rails, the same as are in general use in most
railways; there should also be flights of steps or inclined planes from
the wharf to the water's edge, and a shed constructed parallel to the
existing shed on the land thus reclaimed.

5. The majority of the Committee (Messrs. Spooner and Eden) are
of opinion that all goods should be brought to the wharf, where the
Customs Officers should weigh such portions of heavy goods as they
might deem necessary, and which after payment of duty might at once
be passed to the importer's godowns; such goods as require accurate
appraisement being taken to the Custom House for that purpose.

6. Should experience prove that one wharf is not sufficient for the
trade of this port, one or more similar wharfs might be made on the
river side, each being placed under the charge of Custom House
Officers.

7. Mr. Spooner, who has been at the head of the Bombay Customs
Department for several years, states that at Bombay no goods are on
any account allowed to be sent direct from the ship to the merchant's
godowns, that there is one Central Custom House at which all duties
are paid, and at which goods requiring appraisement are appraised, but
that as it would be impossible for all of the trade of Bombay to pass
at one place, there are several subsidiary Custom Houses at which
goods are passed after duty has been paid on them at the Central Custom
House.

8. At all of the subsidiary Custom Houses there is a Custom Estab-
lishment. Some of the Custom Houses belong to Government, while
others belong to private individuals or Companies who levy fees on goods
passed at their premises. At some of the subsidiary Custom Houses
Government incurs no expense whatever, as the Customs Establishment,
although appointed by the Commissioner and under his control, is paid
for by the owners of the premises, who month by month send to the
Commissioner a certain fixed sum to defray the cost.

9. The majority of the Committee do not see why a somewhat similar
system should not be introduced at Calcutta.

10. The Custom House premises are infested with white ants, and
immediate measures should be taken to eradicate these destructive insects;
the floors of the sheds and Warehouses should be raised a few inches
throughout, and should be covered with a thick coating of tanner or
asphalt, and the beams should be rubbed frequently with earth oil. In

fact the Collector should be required to keep the premises under his charge in as good order as the premises occupied by the merchants, and he should be authorized to adopt whatever plan is generally considered by them to be most effective.

2nd.—As regards defects in the existing system at the Custom House.

11. The Committee invited an expression of the opinion of the Merchants and of the Trades Association on this point. The representatives of the principal Firms met the Committee, and stated what they considered to be defects in the system. The Committee recorded their complaints and forwarded them to the Collector for remark, a copy of the Committee's letter and also the Collector's reply thereto are appended to this Report. The Trades Association have also submitted their views in a letter which is appended herewith. The points referred to by them had already engaged the Committee's attention. The Committee think that the number of Holidays seems reasonable. The Committee think that the Customs should only be closed for business on Christmas Day, New Year's Day, Queen's Birthday, and Good Friday, as the constant closing on native holidays must prove a most serious obstacle to trade. The Collector could doubtless by distributing the work amongst his subordinates arrange to have this done.

12. On the whole the majority of the Committee are of opinion that the Merchants have no very great grounds for complaint against the system in force at Calcutta. There may and probably have been individual instances of inconvenience and hardship, but generally the Committee think that parties aggrieved might have obtained redress by application in the proper quarter. It is, the Committee think, scarcely just to blame the Collector for the acts of his subordinates which are never even brought to his notice.

13. The Merchants complain of the harassing and injurious process to which their goods are subjected in the Appraising Department. The Committee fear that there may be some grounds for dissatisfaction on this head, but it does not appear that the matter has ever been properly laid before the Collector, and the Committee are satisfied that if it had been it would have received Mr. Chapman's immediate attention.

14. The majority of the Committee concur in the views of the Board of Revenue as expressed in their letter (No. 1473, dated the 20th Dec. 1860) that the real and main cause of the dissatisfaction of the merchants is the abolition of the out-pass system, and they think the reasons

alleged by the Board of Revenue against the re-introduction of that system sufficient and conclusive.

15. Such improvements in the details of conducting the duties of the Custom House as were suggested to Mr. Spooner by his own experience were brought to the notice of the Collector, and will doubtless obtain from him all the consideration they require.

16. As regards the alleged insufficiency of the rent free period allowed under Rule 2nd for the deposit of goods under cover within the Custom House, the Committee think that the

cause of dissatisfaction on this point has arisen from the merchants having neglected to avail themselves of the conditions of Rule 4th which especially exempt goods from wharfage rent when they are delayed on account of the inability of the Customs Officers to pass them. The majority of the Committee would suggest that the Collector should be informed that if he should at any time be of opinion that practically the "rent free period of two days" is found to be too short, he should recommend the period to be extended. Mr. Spooner is of opinion that eventually it will be found necessary to extend the rent free period allowed under Rule 2nd from two to four days. It appears to Mr. Spooner that very frequently it must be impossible for a merchant to clear his goods within the prescribed period, and especially so in respect to fancy goods or goods the value of which has not been specially provided for in the tariff, and hence, therefore, that merchants are compelled to pay a fine not on account of any voluntary act of their own, but because they are compelled to bring their goods to a certain prescribed place, and are unable to clear them within the prescribed period. Mr. Eden, however, is of opinion that there are at present no sufficient data to warrant any such recommendation. The returns submitted by the Collector show that goods can, with the greatest ease, be cleared within forty-eight hours. The 4th Rule provides that where this cannot be done on account of the press of business at the Custom House no rent is demandable, and Mr. Eden thinks that where inability to clear goods arises solely from press of business or want of accommodation in the merchant's own office, it is only right that he should pay the same rate of rent that he would have to pay if his goods were in a hired warehouse; the present single wharfage rent is precisely the same as the Bonded Warehouse rate. It is clearly proved, Mr. Eden thinks, in the Collector's Report on Messrs.

Gladstone and Wylie's case that this complaint of the rent free period being too short has been raised on very insufficient grounds, and that so far from the wharfrage rents being an exorbitant tax merchants are ready to pay it for a long period after they have actually got permission to clear their goods.

17. Mr. Bullen's views on these subjects are submitted in a separate Minute. He notices the following points:—

- 1st.—This abolition of the out-pass system. Paragraphs 1 to 6.
- 2nd.—Modified system of out-pass in respect to tariffed goods. Paragraph 7.
- 3rd.—Goods of a mixed character to be opened as seldom as possible. Paragraph 8.
- 4th.—Appraisal of goods. Paragraph 9.
- 5th.—The want of proper facilities for landing and shipping of goods. Paragraph 10.
- 6th.—Existing Wharfrage Rules too stringent—extension of rent free period proposed. Paragraph 11.
- 7th.—Damage sustained from white ants. Paragraph 12.
- 8th.—Pillage of goods while lying in the Custom House premises. Paragraph 13.
- 9th.—The Collector and Deputy Collector too frequently changed. Paragraph 14.
- 10th.—Trade Returns. Paragraph 15.
- 11th.—Existing rates of Import duty too high. Paragraph 16.

18. The whole of the 11 headings, except 9, 10 and 11, touched upon by Mr. Bullen, have been noticed in detail either by the majority of the Committee or by the Board of Revenue

in whose views they have already expressed their general concurrence. Heading No. 9 is doubtless a difficulty which causes at times considerable inconvenience to the public, but the majority think that it is probable that the frequent changes of late have been forced upon Government by unavoidable circumstances. Heading No. 10 relates to a subject on which a special report has been called for by the Government of India. Heading No. 11 refers to matters upon which the opinion of the Committee was not asked, and the majority think it would be out of place for them to express any opinion on the subject.

From the Secretary to the Calcutta Trades' Association, to Hon'ble A. Eden, Secretary to the Customs Committee,—(dated the 29th December, 1860.)

Sir,—I have the honor to acknowledge the receipt of your letter of the 14th instant, intimating that the Customs Committee are ready to receive any representations the Members of the Trades' Association may desire to make as to the Custom House arrangements.

In reply, I beg to inform you that your letter was laid before the special meeting of our Committee convened for the purpose of making these representations as desired by you, and I am directed in the first place to convey to you the regret of the Committee that more time has not been given to submit their representations, the brief interval from the receipt of your letter to the time appointed to send a reply does not permit a reference to the general body of the trade and thus precludes the collection of much valuable information and suggestions from many of our Members, which would have materially assisted the Committee. I am also desired to bring to your notice what appears to our Committee to be an oversight in not having one of our body to represent the Association on the Customs Committee, as they feel assured much information might be thus obtained and many enquiries satisfied which may arise during the progress of the discussions in your Committee.

In the absence of such arrangement I am instructed to submit the following opinions and suggestions which the Committee of the Trades' Association think will meet the views of those they represent; these have been collected from complaints which have come to their knowledge for several months past.

1st.—The Committee would wish to point out the great inconvenience and loss occasioned by the impediment to business caused by the closing of the Custom House on native holidays, they are aware that this matter cannot well come under discussion by your Committee, as these holidays are permitted by Government in all their offices and are not peculiar to the Custom House, but the Committee of the Trade Association would suggest that your Committee do strongly urge this matter on the attention of the Government, as a source of great inconvenience, of loss, and general stoppage to all business connected with the shipping. Representations from your Committee jointly with those from other quarters would no doubt tend to the curtailment of these holidays; this the Committee believe can be done without in any way interfering with the days strictly required for religious observances. I am further desired to

rate on this point that in Bombay and Madras the holidays are not so numerous as those permitted in Calcutta.

3rd.—The Committee would suggest a modification of the present in-pass system. They are of opinion that the Collector should have discretionary power in permitting the passing of goods of a bulky nature direct from the ship; they believe there would be a sufficient check on any attempts to defraud Government if the Collector or Appraiser selected any number of packages promiscuously of each invoice; these only to be brought to the Custom House, if found to correspond with the invoices, to be valued, and the remainder of the shipment passed direct from the ship; it must be obvious that it is inconsistent and can in no way benefit Government to land goods of a bulky nature liable to a fixed duty without reference to the value; the additional expense of carriage, &c., is in all instances doubled, the packages become liable to wharf rent after a fixed time, the breakage and damage is very considerable, the inconvenience of waiting for the landing of an entire shipment before the goods can be passed and a single case obtained is very serious and productive of loss in time bargains or engagements.

Should it, however, not be deemed advisable to restore the out-pass system, even partially as suggested in the foregoing paragraphs, I am desirous to point out that the inconvenience and loss by breakage caused by the landing of goods at the Custom House would be very much lessened if the Government would erect suitable wharves, jetties and landing-stages with requisite appliances for landing goods. These with a tramway to convey packages without injury into the Custom House would in a great measure obviate the inconveniences complained of which are at present caused by the in-pass system.

3rd.—The Committee would also suggest that fixed rules and regulations be issued to the Appraisers for their guidance in the valuation of goods to ensure more uniformity in this department and to avoid uncertainty in the valuation which they believe is caused mainly by the inexperience of the Appraisers.

4th.—The Trade Association are of opinion that should one of the objects of your Committee be to point out to Government means for the enhancement of the revenues from the Customs duties, that an assimilation of the Export to the Import duties would materially tend to this result and offer no check to production or trade.

5th.—In conclusion I am desirous to express the hope of the Committee of the Trades' Association that your Committee's Report to Govern-

ment will be published with as little delay as possible for general information.

From HOSNUR A. EMMET, *Officiating Junior Secretary to the Board of Revenue, to the Secretary to the Customs Committee*,—(No. 1473, dated the 20th December 1860.)

SIR,—With reference to the Under-Secretary to the Government of Bengal's letter to your address, No. 3657, dated 23rd ultimo, copy of which was forwarded to this office by endorsement, I am directed by the Board of Revenue to suggest the following points as deserving the attention of your Committee.

2. *The system of landing and passing goods at the Custom House.*—Previous to May 1860 importers were allowed the privilege of removing duty paid goods direct from the ship's side to their own warehouses. The expediency of this system had been the subject of periodical discussion, but on the whole it appears to have been considered that taking into consideration the low rates of duty then in force, and the large increase of establishment which the abolition of the system would involve, there were sufficient reasons for hesitating suddenly to alter it.

3. When, however, under the new Customs Laws the rates of duty were doubled on some classes of goods and quadrupled on others, it became apparent that immediate steps must be taken to change a system under which in practice no control whatever was exercised by the Custom House over importers, to whom it was left entirely to state the nature of the goods they imported, the value on which duty was to be assessed, and indeed to pay just what duties they chose.

4. It may readily be admitted that there was no reason to doubt that as a rule the principal houses of business fairly and honestly to the best of their ability paid the amount of duty actually due upon their importations. But when different descriptions and classes of goods become liable to different rates of duty it may, without casting any slur upon the mercantile body, be very reasonably supposed that in cases of doubtful classification this class of importers even would not decide with regard to their own goods with such impartiality as the Customs officers could have done. But in addition to the large trading firms very considerable importations are made by other traders upon whose conscientious self-assessment such reliance could certainly not be placed. And honest traders were consequently placed at a great disadvantage as compared

with the careless or dishonest trader, whilst Government was deprived of a very considerable portion of its dues.

5. So far as real and effectual control was concerned it might just as well have been left to the merchants to return annually the amount of their Customs duties in the same manner as they now do the Income Tax, and this without the same check that is exercised in the case of Income Tax. The privilege of self-assessment of duty is one that exists in no other port in the world, and it is one which is utterly inconsistent with an equitable and fair imposition of duty on all classes of goods. The actual extent to which the Government revenue suffered from the system it is impossible to say, as there are of course no means of telling what really was and what was not imported. As far as the knowledge of the Customs officers is concerned, every bale alleged to contain cotton piece goods may have contained velvet or satin.

6. The consideration of the extent to which fraud was carried on would now be profitless, the fact remains the same that whether the actual loss sustained by the Revenue was great or small, the absence of restraint cannot have failed to act as a very strong incentive and inducement to fraud. The interests of the regular and honest trader equally with those of Government required that a system, the tendency of which was to produce and foster fraud and screen and favor the negligent, dishonest or unscrupulous importer, should be discontinued, and accordingly its abolition was directed in the Government of Bengal's letter No. 1648, dated 8th July 1859, paragraph 4 of which is extracted:—

"The Lieutenant-Governor is convinced that to secure to Government the full amount of Customs duty to which it is entitled, it is absolutely essential that all imported goods should be landed at the Custom House, and subjected to inspection before leaving the premises. Every package should be liable to examination; but it is not necessary that every package or any large proportion of the packages should be actually opened and examined, or that as a general rule imported goods should be unladen at all and deposited or detained at the Custom House."

7. The new system actually came into force in February, and it now appears to be the main object of the mercantile body to bring about a recurrence to that system. This the Board most strongly deprecate, they have heard not one sound or even plausible argument in its favor. The objections urged against the new system seem to be, that it causes unnecessary delay, and harassing interference; that it is an unwarranted imputation on the fair dealing of the merchants, and that it involves extra expense in landing goods.

8. On the first introduction of every system there are always doubtless a number of petty obstacles to be overcome and difficulties to be met; and the substitution of a restraint of any description in the lieu of a system of perfect freedom would naturally be unpopular with those affected by the change; but the Board believe that enquiry will at once shew that the delay is mainly attributable to the negligence of those employed by the merchants to conduct their business with the Custom House; that as a rule there has been no interference beyond what is absolutely necessary to secure the Government Revenue; and they think that the merchants can complain of the adoption of necessary precautions against fraud by dishonest persons as an imputation against their body generally with no more reason than they can argue that the presence of a Police force in the city is a general imputation against the character of all the residents therein; the object is the same—to protect the honest and check the dishonest.

9. Whether the collection of Customs duties is a harassing mode of raising Revenue or not, is a question which need not be discussed, but if Revenue is to be raised in this manner proper and efficient means must be resorted to to check fraud, and the only manner in which this can be done is by insisting upon all goods which are liable to duty being brought to the Custom House wharves, to be there inspected, assessed, and then passed with all possible despatch to the Importer's Warehouses.

10. It is to be regretted that the change of system should have increased the charges for landing goods, but the Board anticipate that further experience in its working and increased accommodation and facilities for landing and passing goods at once from the wharf without taking them inside the Custom House walls will obviate this evil. Under any circumstances the Board are satisfied that a return to the old system is altogether out of the question.

11. *Custom House Accommodation.*—The next point is the accommodation at the Custom House. In consequence of the extraordinary accumulation of goods arising from the state of trade last year, a piece of land which has been selected as a site for the erection of the new Post Office was temporarily made over to the Collector of Customs, and iron sheds were constructed there. It is of the greatest importance that this plot should now be given up for the purpose for which it was originally intended, and this in the opinion of the Board may be done at once, provided steps are taken to fill in and otherwise improve the

Custom House wharf. Sheds and offices should be erected on the wharf, the front should be filled in and faced with brick, and steps should be made down to the water's edge, a portion of the establishment could then be stationed on the wharf and heavy goods would be passed at once without ever being taken inside the walls.

12. If after this further accommodation is found necessary there is ample room in the Custom House premises for the erection of sheds either on fresh sites or on the site of the present sheds for which two or even three storied ranges might be substituted. The Board, however, are of opinion that the warehousing of goods is not a purpose to which a Custom House can be legitimately put, and this use of these premises should be discouraged as much as possible by the imposition of heavy warehouse rents. It should be left to private enterprise to provide accommodation of this sort, and Government cannot, the Board think, be reasonably called upon to find more room than is necessary for the purpose of assessing and levying duty on goods. The opium godowns were partly made over last year to the Custom House as a temporary measure, and it was hoped that the new godowns would have been ready to receive the drug before this, in which case, the whole of the godowns would have been permanently transferred to the Customs Department. The godowns are not, however, yet quite ready and their transfer must therefore be delayed until the provision of next season is received. In the meantime the Collector might make use of the new opium godowns for the storage of beer and any other goods which are not liable to damage by exposure to slight damp.

13. Understanding that the merchants were complaining of the want of accommodation at the Custom House and of the mode in which goods are now passed, the Board in August last called upon the Chamber of Commerce for an expression of the grounds of this dissatisfaction. The reply which was received is herewith forwarded for your Committee's perusal. The objections raised by the Chamber are to the manner in which duty is levied. The object sought appears to be a return to the out-pass system on which the Board have already expressed their opinion. There are complaints that goods are damaged by white ants, that some of the godowns leak and that there have been instances of pilfering; no specific cases, however, are mentioned. Measures have long since been taken to obviate these evils so far as the remedy is in the hands of the Officers of Government. A corrugated iron roof is now being substituted for the shingle roof which leaked, the other roofs

have been repaired, and experiments are now being tried by the Department of Public Works with a view to getting rid of the white ants.

14. Nearly all buildings of this description in Calcutta are infested with these destructive animals, but the damage which they have done to the goods in the Custom House is principally owing to the conduct of the merchant's servants, who in spite of the frequent warnings of the Collector and his subordinates persist in piling bales and boxes in immediate contact with the walls. If a space was left between the bales and the walls and a good flooring of dammer or asphalt given to the godowns there would be no complaints of white ants, and as soon as the report of the Department of Public Works is received immediate measure will be adopted to remedy what is wrong in the construction of the sheds.

15. As to the alleged delay in passing goods the Board can only say that so long as it is notoriously the fact that some merchants allow piles of bales to lay on the Custom House premises for a whole month after the duties are paid, and the warrants for the clearance of the goods are in their own hands, it is not reasonable to attribute delay to the Customs officers.

16. As regards the allegation that there is considerable pilfering, theft, and breakage in the Custom House premises, the reply simply is that all goods are lauded, stored, and piled solely by the merchant's own workmen. They are guarded day and night by his own servants from the moment of entry to the time of clearance, breakage is therefore attributable to the carelessness of the persons the merchant employs to laud his goods, and theft or pilfering to the negligence or collusion of his own guards, and it must be borne in mind that if merchants would only pay duty and clear their goods at once they would be exposed to none of these risks.

17. It is complained of by the Chamber that in such cases as have been brought to the notice of the Customs Authorities, merchants find that they have no redress and no means of protecting themselves. But the remedy is clearly with themselves, as they alone had the selection and control over their own servants.

18. Another question deserving the Committee's attention is the rate charged for wharfage rent, and the rent-free period allowed for goods lying on the wharf. It is stated that the rates are excessive and that the rent free period is too short, as the Customs officers are unable to

clear the goods within the time allowed, and thus merchants are compelled to incur expense under circumstances over which they have no control. To this, however, the Board would reply that the rates were purposely raised and the rent-free period reduced in November last, to put an end to the system under which importers made a convenience of

the Custom House premises because they found it cheaper to leave their goods there than to place them in warehouses in the town. If goods are delayed from the inability of the Officers of the Customs to pass them they are under Rule 4 exempt from any charge for wharfage whatever. I am to refer you to the correspondence which passed on the subject at the time.

13. The Board will be happy to furnish the Committee with any further information which they may call for.

From HON^{BLE} A. EDEN, *Secretary to the Customs Committee, to the Collector of Customs, Calcutta*,—(dated the 15th December, 1860.)

SIR,—In conformity with the instructions conveyed in the Government letter No. 3849, dated 6th December, the Customs Committee, with a view of ascertaining the truth of the alleged defects in the arrangement of the Custom House, appointed yesterday to receive from the merchants a statement of any instances in which they had suffered from these defects.

Several representations were made to the Committee, the substance of which was as follows:—

1st.—That the rent free period allowed for goods lying on the wharf is insufficient, as it is impossible to clear goods within that time.

2nd.—That the Appraisers, more especially a native named Teecoovrie, are in the habit of detaining goods for several days, and of taking them to the lazar and to brokers of other firms for the purpose of ascertaining their value, and that in consequence of this practice the proprietors of new classes of goods suffer considerable injury from the publicity which is given to their importations, patterns and sketches being sent to England by other parties for the purpose of obtaining similar goods.

Messrs. Gladstone, Wylie and Co. complain that 7 per cent. of their goods are opened and examined.

Messrs. Dürschmidt and Grob submitted the following case:—“We had for instance a lot of ninety-nine dozen Brandy to pass. The bottles were very small, we wanted to have them gauged, which was granted with the order to open thirty cases. The cases are exactly alike and made to fit the bottles, no larger ones could have been put into such a case, nor is there any higher duty than on Brandy. Why then this wholesale opening of packages which renders them worthless?”

That in a consignment of woollens belonging to the same firm 10 per cent. thereof were ordered to be opened and measured, and that owing to the pieces being thus opened and pulled about, great loss was sustained.

That the Custom House is not open early enough, and that it should open at 10 A. M., receive money up to 3 P. M., and carry on other business till 5 P. M.

That the Appraisers, with the exception of Mr. Dixon and one or two others, are not conversant with the duties of their office, and have not that accurate knowledge of the state of the markets which could alone qualify them at once to appraise goods.

The Committee before forming a definite opinion as to the justice of these complaints, would be glad to receive from you any remarks which you may wish to offer with regard to them. They would also wish to be favored with a copy of any instructions which you may have issued to the Appraisers as to the course which they shall pursue in arriving at the value of goods.

It has been suggested to the Committee that in the case of new classes of goods, the value of which is not known in the market, the goods might be passed on deposit, the duty being subsequently adjusted on the account sales. The Committee would be glad to receive your opinion on this point also.

From C. CHAPMAN, *Esq., Collector of Customs, to the Secretary to the Customs Committee, Calcutta*,—(No. 683, dated the 29th Dec., 1860.)

SIR,—I have the honor to acknowledge the receipt of your letter of the 15th instant, forwarding for my information and for any remarks I might wish to offer, the substance of certain representations which were made by some of the merchants at a meeting held by the Committee.

2. The representations were seven in number and these I now proceed to notice separately.

1st.—*That the real free period allowed, &c.*—I deny this in toto. It is quite possible not only to pass goods in two days but in one. The proof is that several houses do pass their goods within this period, and pay little or no wharfage; and if these houses can do this, others can do so, for the same facilities are given to all. In further proof of this, I have had a statement prepared, exhibiting the entire number of import chellans which paid duty on four working days in the month of September last. This statement will show the Committee the length of time each chellan took from the date of its presentation to that of the payment of duty. The Committee will on inspecting this statement find that with few exceptions the goods were appraised and the duty calculated on the same day, and that where delay has occurred it has been entirely through the neglect of the merchants' sicers. In some instances the chellans after presentation have been taken away by the sicers and kept probably until the goods were landed, while in others the delay has been in the payment of duty. In neither of the above can the Custom House be considered in fault. I am opposed to any alteration of the present wharf rules.

2nd.—*That the Appraisers, &c.*—The statement above alluded to by me is a sufficient reply in regard to the allegation that goods are detained by the Appraisers for days. I also annex a copy of Mr. Dickson's answer in reference to the alleged practice of constantly sending out samples into the bazaar. Mr. Dickson admits that he has occasionally sent out samples, but only with the consent and on the solicitation of the parties themselves.

3rd.—*Messrs. Gladstone, Wylie and Co., &c.*—Messrs. Gladstone, Wylie and Co. are wrong in their statement. I have had the whole of their chellans for the past three months examined, and the accompanying statement will show that less than 4 per cent. of their packages have been opened. It must be clearly understood that by making use of the word opened I do not intend the Committee to assume that 4 per cent. of their goods were disturbed. For in the case of bales containing grey goods and twist a small opening is made at the seam, and the goods are not disturbed if the small portion visible is of the same quality as the sample. If Messrs. Gladstone, Wylie and Co. had any real cause of complaint on this point and had addressed me I would at once have caused an enquiry to be made.

4th.—*Messrs. Dürschmidt, Grob and Co., &c.*—Messrs. Dürschmidt, Grob and Co. themselves applied to have the contents gauged on ac-

count of the bottles being smaller than usual. Mr. Cockburn, when Officiating Collector, ordered thirty cases to be opened and to gauge two only if the bottles were all of one size. Messrs. Dürschmidt, Grob and Co. made no objection at the time; and they done so, and mentioned to Mr. Cockburn that all the cases were of the same size, I dare say he would have amended his order. This is an exceptional case and has no reference to any defect in the system.

5th.—*That in a consignment of Woolens, &c.*—This allegation is replied to by Mr. Dickson in paragraph 3 of his statement herewith annexed. Mr. Cockburn may have passed an order to open 10 per cent. The order is, however, not on record. On enquiry I find that one bale out of ten, for which an application had been made, was opened. The Appraiser, who opened it, states that there was a dispute in regard to the number of yards, but on the dispute being settled, the number of yards mentioned in the invoice was admitted, and that no measurement took place. I see no cause for complaint in this.

6th.—*That the Custom House is not open early enough.*—The Custom House is open daily at 10 o'clock. At $\frac{1}{2}$ past 10 A. M. the attendance books are sent up. Money is received daily until 3 P. M. On Saturdays and on the day before every holiday an extra half hour is given and a portion of the establishment remain at the office until 5 P. M. There would be no difficulty in having the whole establishment present by 10 A. M. if the merchant's sicers could be brought to attend, but they seldom come to the Custom House before 10 $\frac{1}{2}$ or 11 A. M. and many much later. I have myself mentioned this to some of the merchants.

7th.—*That the Appraisers with the exception, &c.*—This statement is in some degree correct, but it is quite out of the question to suppose that all the Appraisers can be fully conversant with the value of piece goods, &c., or that I could procure fully competent Appraisers to enter the office on the present rates of remuneration. Any gentleman possessing a first-rate knowledge of piece goods can command a high salary, and as long as the Head Appraiser and some of his assistants are fully up to their work, I do not see what cause for complaint there can be. Practice alone can make a man a good Appraiser, and the Juniors in the Department must have some time to learn their work. I have clearly shown to the Committee that there is no delay in the Appraiser's Department, and that their work is got through with regularity and despatch. There has of late been a great change. Piece goods which were formerly tariffed are now *ad valorem*, and consequently the

majority of the Appraisers had no particular object in making themselves acquainted with the quality and value of these goods. They are now under the able supervision of the Head Appraiser, and I have no doubt that in the course of a short time all will be equal to the work assigned to them.

3. In reply to the 4th paragraph of your letter, I beg to state that, as a rule, passing goods on deposit has been strictly prohibited by the Board, that is to say where the values can be ascertained. I see no objection to pass new classes of goods on deposit in cases where the Appraiser states that he is unable to fix a value, the importers agreeing to pay duty on the amount sales by Public Auction within a reasonable period. This to be limited strictly to the first importation of such goods. A Clause to this purport might be entered in the draft of the new Customs Act now with the Committee.

4. I have, as requested by the Committee, the pleasure to enclose a copy of the rules which were framed by me for the guidance of the Appraisers. The order about landing forty or fifty bales has not been enforced as it was found to entail delay. Verbal instructions were subsequently given to the Appraisers to select from smaller numbers the cases or bales they might wish to examine: The present system appears to answer very well.

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*General Rules for the guidance of Appraisers, by C. CHAPMAN, Esq.,
Collector of Customs,—(No. 45, dated the 1st May 1860.)*

The great change in the mode of passing goods on importation, occasioned by the modification of the out-pass system, renders it necessary that the Appraisers should, instead of being located at one place as at present, be stationed at different parts of the Custom House premises.

2. The increase to this establishment has rendered a measure of this nature feasible. Until further orders, therefore, the Collector has determined to turn a portion of the wharf controller's residence, and one of the packa godowns in the new square, into offices for the Appraisers.

3. The Head Appraiser will, as a matter of course, remain in the present office, and he will, from time to time, make such arrangements regarding the disposition of the Appraisers, so as to avoid any pressure of work at any one place. Whenever any changes are necessary, the Head Appraiser will report the same for the Collector's approval. The native establishment will be proportionately allotted.

4. The Head Appraiser is not expected to examine any packages himself. His duty is to supervise the work, and see that the other Appraisers do their duty. He will act as a referee, and the other Appraisers, when in doubt, will apply to him. The Head Appraiser will keep himself fully acquainted with the changes in the market value of goods, and will report immediately to the Collector any misconduct on the part of those subordinate to him.

5. The Collector trusts that this division of the Appraisers into separate offices, will not only facilitate the general work, by bringing them nearer to the goods, but that it will afford to them the means of more readily examining the contents of packages and cases. Where cases containing gunn stores and miscellaneous articles are to be examined, the whole of the contents must be looked at and appraised. The Collector will not allow of any cursory examination, and, in all cases, where an Appraiser states that he has opened and examined the contents of any case, the Collector will deem such a statement as conclusive proof that the contents have been fairly examined, and he will hold the Appraiser strictly responsible in all such cases.

6. By the above orders, the Collector by no means directs that every case or package should be opened, but he wishes to point out to the Appraisers, that whatever is examined, must be thoroughly done, and that the examination be real and not superficial. In regard to piece goods or made twist, the Appraisers will be able to judge by opening one or two bales or cases taken at hazard, whether the contents have been properly described, and they will be cautious in ascertaining that the others agree in size and appearance. In all cases of doubt, they will at once open and examine or refer for orders.

7. Supplementary and detailed rules for the guidance of Appraisers in regard to the staple imports will be furnished them as soon as the Collector has been enabled to judge of the working of the new system. In the meantime, as delay might be occasioned to the importers, the Collector rules that where a portion of a consignment, say forty or fifty bales out of 200, are landed, and the consignees wish to pay duty on the whole consignment, they will apply to pass the 200, and mention that out of this, fifty bales are in cargo or landed in section 1 or 2. The forms will be gone through, and the perwannah, after the fifty bales have been passed, must remain in the hands of the wharf controller, in order that the remainder of the bales may be checked off as landed and passed through the Custom House.

8. The checking officer, if he has reason to doubt that the bales do not correspond in regard to size, &c., will at once report to the Collector, Deputy Collector, or Assistant Collector, who will issue such orders as may be deemed necessary for the further examination of these packages.

9. It is distinctly to be understood that if at any time it is brought to the notice of the Collector that any portion of a consignment which has been passed in the above-mentioned manner, be taken direct to the consignees' godowns, without being noted off on the back of the pass, the privilege now allowed will be rescinded, and no goods belonging to such consignee will be passed until the whole consignment is reported actually on the wharf.

Memorandum by J. DICKSON, Esq.

I have the honor of submitting for the Collector's consideration the following remarks on the Board's letter of 15th instant:—

1st.—As no goods can be taken out of the Custom House without an order in writing, a reference to the gate-keepers is the most effectual means of testing the correctness of the representation made to the Customs Committee charging "Appraisers with the habit of taking goods to the bazaar or to the brokers of other firms for the purpose of ascertaining their value." As I have rigorously insisted on and carried out the system of my assistants referring to me for settlement all cases where any doubts or disputes concerning values arise, I am confident that no Appraiser would take such a step as that complained of without my sanction. That I have on occasions sent out samples to the bazaar I admit, but those samples were sent out not for my information or satisfaction, but in compliance with the solicitations of importers who proposed this step with the view of testing the correctness of their statements, a step the result of which, I am happy to say, has invariably been to confirm my valuations and to satisfy the importers of the incorrectness of theirs. When importers acting in good faith, declare values which are considered too low, and propose enquiry being made in the bazaar as the most amicable and satisfactory means of settling the difference of opinion, I beg respectfully to say that I see no good reasons for refusing compliance with their request. The injury alleged to have arisen from the publicity which is given to importations of new classes of goods by the Appraisers sending them to the bazaar, &c., is a mere myth. I have as yet seen no goods imported with which I have not been familiar

for years at home. The charge of Appraisers detaining goods for days for the purpose of ascertaining their value is equally fallacious with the preceding, and I am confident that every case of alleged detention on the part of the Appraisers would be found on investigation to be actually due to importers themselves or to their servants. I am not aware of the position held by Tincovery prior to my appointment, but since then I scarcely think that he can be considered an "Appraiser," in as much as soon after joining I considered it necessary strictly to prohibit him and another native named Sreenauth Seia from any interference whatever with the current business of the department and to confine them to their proper duties of subordinate assistants and of collecting information from the bazaar.

2. Messrs. Gladstone, Wyllie and Co. are incorrect in the representation made to the Customs Committee that 7 per cent. of their packages are opened and examined; the annexed extract will show that exclusive of out-pass and gaging chellans, for matats, beer, &c., a fraction under 4 per cent. of their packages were opened during the three months ending 30th November 1860.

3. The representations made by Messrs. Durrschmidt, Grob and Co. to the Customs Committee that 10 per cent. of a consignment of woollens belonging to them was measured by any one or by the order of any one connected with this department is incorrect. An order to that effect was certainly given in consequence of deception practised by the head of the firm in person when clearing another parcel of woollens a few days previously, but was subsequently withdrawn on the earnest representations made by the firm of the loss that would accrue from its being carried into effect.

Memorandum by J. N. BULLEN, Esq., on Calcutta Custom House grievances—(dated the 1st January 1861.)

The following are the grievances of which the merchants complain in connection with the administration of the Customs:—

2. The merchants complain that this privilege was withdrawn without sufficient grounds. Exceptional cases of abuse of the privilege may have occurred, but the abolition of the out-pass system. it is believed they were extremely rare, and at any rate the proper remedy would have been the imposition of heavy penalties on particular offenders, not a penalty which falls equally on the

careful and honest and the careless and tricky importer. Had the penalties reached even to confiscation of the goods attempted to be improperly dealt with, the justice of such a course would not have been impugned by the mercantile body. It is argued by the Board of Revenue that under the system of out-pass it is impossible to say to what extent frauds were committed; that sales stated to contain grey piece goods might have contained silks or velvets. But even if it could be supposed for a moment that the honorable body of men composing the mercantile community of this city would be guilty of systematically defrauding the Government, it is simply impossible in practice that such frauds could have been committed without detection. In support of the truth of the merchant's declaration of the contents of the packages which he applied to pass, the Collector could, and in practice always did, require the production of original invoices. It may be said that this was no proof; that if fraud was intended fraudulent invoices could have been prepared. This may be admitted, but I would ask if there is a single case on record of the declared contents of the packages being found to differ from the actual contents, when on the sudden withdrawal of the privilege of out-pass it became necessary to send all goods to the Custom House for examination? If there are none such on record, the fact, indeed the irresistible, inference is that no such frauds as were aimed at in this measure were in fact practised; and whilst I express my belief that no such cases are on record I express also my belief that many instances have occurred of merchants voluntarily coming forward to correct errors in calculation of duty, &c., which have been made by the Custom House to its own prejudice.

3. But it is said, we will admit that the great body of importers dealt fairly and honorably with the Custom House, no imputation on their integrity was intended by this measure, but there are some traders who may not at all times have been so honest, and under such a system there were peculiar facilities for the perpetration of frauds, which, if taken advantage of, would give the dishonest an advantage over the honest trader. Further it is said that no such system exists in any other part of commercial importance in the world. I am not prepared to say whether such a system does or does not exist in other ports, but it must be remembered that the circumstances also are here peculiar. In scarcely any other port in the world have the customs a preventive officer stationed on board a vessel from the time of her arrival to the time of her departure. In no other port perhaps are goods so much

exposed to damage particularly during the rains, owing to the imperfect facilities for landing them. And so for as England may be quoted as a precedent it must be borne in mind that English legislation and English practice are deeply tinged with the idea, which prevailed a few decades ago, that if all traders were not rogues it was only because they lacked opportunity of becoming so. The English standard is, in this respect, not one which a liberal and progressive administration should adopt in framing rules for the present day. As to the allegation that dishonest traders might, through the lax administration of the Custom's laws, have obtained an advantage over the honest trader, this might have been a good argument if put forward by the merchants themselves. The merchants may be trusted to be sufficiently alive to their own interests in this respect, and that no such complaints were put forward is but another proof that such frauds were not committed.

4. Finally, it is said, the abolition of the out-pass system, and the greater check under which the operations of merchants were thereby brought, was no greater imputation on the integrity of the merchant than is the establishment of a police force an imputation on the loyalty or integrity of any citizen,—both are required as a check on the dishonest only. I have never heard the new system seriously complained of on this score. I don't think it ever seriously entered into the head of any importer that the abolition of the out-pass was a slur on his individual character, or that it was intended as a slur on the mercantile body collectively. What *was* felt as a grievance is that, whilst acting loyally and fairly towards the Custom House, he should be subjected to harassing supervision; that his goods should be obliged to be deposited in particular, and—to many importers whose warehouses are distant from the Custom House—inconvenient places, where they were, in addition, inadequately protected from damage by vermin and the elements, and from plunder. This, when in his own mind the importer knew he had never dealt otherwise than loyally with the Custom House, was felt as a grievance, just as it would be felt a grievance by any man conscious of his own integrity who should find his footsteps dogged, and his every movement under the surveillance of a policeman, not as punishment for a crime committed by himself, but because it was supposed that others might have committed not a crime and therefore that he might commit one also.

5. These are the views which the merchants entertain respecting the out-pass system. They consider that under that system the frauds which it is presumed were committed were not committed, or only com-

mitted, if at all, to a most insignificant extent. They believe that if the Collector required in every case the production of original invoices, and exercised his right of entering goods to be brought at any time to the Custom House for examination, and punished with the severest penalties every attempt at fraud which might be discovered, the Government Revenue would be as safe as at present, and the merchant be released from the annoyance of which he now, as he conceives, justly complains.

6. I do not touch on the financial part of the question, although an argument might be founded on the improbability of such smuggling as the present system may be supposed to prevent, having ever reached a point which occasioned so great a loss to the revenue as the charge for the additional establishment entertained for its suppression, which I believe amounts to more than 50,000 rupees per annum.

7. If, however, Government will not consent to re-establish the system of out-pass as it formerly existed, then the merchants ask for a modified system of out-pass under which all "tariffed" goods, and

^{2nd}—Modified system of out-pass in respect to tariffed goods proposed.

all staple *ad valorem* goods, such as bleached shirtings, jaconets and musls, grey jaconets and musls, prints, colored goods, &c., should be passed on a certain percentage being brought to the Custom House for examination. For instance, A. has 100 bales of grey shirtings, and B. fifty bales of grey jaconets, and C. twenty cases of turkey red cambrics per ship or ships. Each presents his "challan" accompanied by original or certified copies of invoices, and applies to pass them at such and such a weight and value. The Collector should thereupon order that two per cent., or five per cent., or ten per cent., or twenty per cent. if necessary, of the respective shipments, should be brought to the Custom House for examination. If on examination they were found to correspond with the declaration of the importer, he should then on payment of the duty be given a duty-paid *perwannah* entitling him to land the remainder of the goods at any wharf which he may name, and not be under the necessity of bringing them to the Custom House. At these wharves one or more Custom House officers might be stationed, whose duty it should be to see that the goods which are protected by these duty-paid *perwannahs* and no others are landed and removed by the importers, but this duty should be performed whilst the goods are being taken from the boats to the carts, and the importer should not be compelled to deposit his goods on the wharf for examination, because practically it is found that this necessitates their detention

at that wharf a whole day, causing additional expense besides exposing them to plunder and damage. If sheds were erected at these wharves the examination or weighing of tariffed goods, or the appraisement of such proportion of *ad valorem* goods as might be ordered for examination, might be conducted at these sheds without the necessity of bringing any portion to the Custom House, and this measure is one which I would recommend. These establishments would be in fact branch Custom Houses.

8. This is the way in which I would recommend that staple goods should be dealt with. Goods of a mixed character, of which the value was not easily ascertained, might, as now, be taken to the Custom House. But even these should, I think, be opened as seldom as possible. When importers of known respectability tender original invoices as proof of contents, and produce samples which they declare to represent the contents of the cases, they should, as a rule, be accepted. But I have no wish, and no respectable merchant has a wish, to restrict the action of the Customs authorities where they have reason to suppose fraud is intended. In such cases let every package be opened and the severest penalties be imposed when the intention of fraud is satisfactorily established. The merchants have no wish, even if it were not against their interest, to screen the unprincipled. All they ask is that they shall not be subjected to vexatious interference and restrictions whilst they are pursuing an honorable and straight-forward course of dealing, merely because it is supposed that if this surveillance was not imposed some dishonest persons might take advantage of it.

9. In connection with the appraisement of goods I would add that complaints are made of delay in that department of the Customs owing to the Appraisers not being competent judges of the values of goods which come before them. It is stated that frequently goods are sent by them into the bazar that their value may be ascertained, which is objected to, and I think with reason, by the owners of such goods. This might, to some extent, be avoided if the different Appraisers took certain classes of goods, say one, prints; another, plain fancy goods; another, plain staple goods, as bleached shirtings and jaconets; and so on. By constant attention to particular goods they would be more *au courant*, as to their value than if they were one day called on to appraise one class and another day another. But if the importer's own

^{4th}—Appraisement of goods.

declaration of value were generally taken there would be less ground of complaint. The Custom House has sufficient security, in the power reserved to it to take over goods on account of Government at the declared value, that goods will not, as a general rule, be attempted to be passed below their real cash value.

10. The next grievance is the want of proper facilities for landing and shipping goods. Every one will admit that the landing places for goods are a disgrace to any tenth rate port far less to a port of the commercial importance of Calcutta; and inexcusably so, for there is no reason that I am aware of which prevents the construction of wharves either brick faced or on piles to a sufficient distance beyond low water mark as to allow boats to range alongside and discharge at any state of the tides. The destruction of property which now takes place, owing to the absence of any proper facilities for landing and shipping valuable goods, is really lamentable. I hope the Commission will be unanimous in strongly representing this subject to the attention of Government. The first measure which should be undertaken is the construction of a wharf running parallel with the Custom House, projecting as far as the crane jetty already existing, and extending as far as the Banksall Bathing Ghaut. On the land thus reclaimed a shed parallel to the present shed should be constructed, and there should be small cranes for landing goods at all states of the tides erected on the wharf.

11. The next grievance is the wharfage rules now in force. One clear day is allowed for goods in the Custom House shed, and two clear days for goods within the Custom House, after which they become liable to wharf rent, and it is complained, particularly in the case of fancy goods—the appraisement of which is not expeditiously made by the Customs, that practically goods cannot be cleared within that time. It is desirable of course that the rules should be sufficiently penal to prevent the Custom House being made a convenience of by merchants for warehousing their goods, but at the same time a reasonable time should be given here to pay duty and clear them. The rules should not be so framed that they inflict a tax on the importer from which he cannot by any effort of his own escape (as it is stated they practically now do) and become a source of profit to Government which it was never intended they should be. I recommend that the time during which goods outside the Custom House

should be allowed to remain rent-free should be extended to two days, and inside the Custom House to four days. But if the modified system of outpass I have suggested be allowed by Government, I do not think any alteration in present rules necessary, because practically all the principal importers would take the larger portion of their goods from the boats to the carts without depositing them on the Custom House wharf or premises at all.

12. Finally there is the grievance of the damage sustained by goods whilst in the Custom House premises from white ants, and the loss arising from pillage.

7th.—Damage sustained by white ants.

It may be true that importers' goods would be less liable to damage from white ants if their servants were more careful in obeying the injunctions of the Collector to stow the goods clear of the walls. But the primary cause of the damage is the presence of the white ants themselves. It is a scandal, to whatever department the responsibility attaches, that the Custom House premises have not long since been entirely purged of these destructive insects. If energetic endeavors to exterminate them had been used they would long since have disappeared. They may be said not to exist in private warehouses. In the Bonded-warehouse the Association itself takes the risk of all damage arising from them and indemnifies the parties whose goods may be attacked; yet, although there are thousands of packages always stowed there, the claims on the Association from this cause have for many years been merely nominal. If the same care were exercised by the Government as private persons and associations exercise when their own interests are at stake, the same result would be produced. If Government were to declare itself liable for damage arising from such causes, and would intimate to the Collector that all losses which it might be called on to pay would be retrenched from the salaries of those to whom the neglect of proper precautions to prevent the damage could be traced, I believe the Custom House premises would in three months be as free from white ants as any private warehouse.

13. There remains the question of pillage whilst goods are lying within the Custom House. It is true that this pillage is carried on whilst the goods were or should be in the custody of the merchants' own servants, and consequently such pillage could not take place without their connivance or criminal neglect. Not the less, however, does it seem to me discreditable that such pillage should be possi-

8th.—Pillage of goods while lying on the Custom House premises.

ble in premises guarded by Government sentries; and as existing safeguards are evidently inefficient, I think some other measures should be devised as will effectually prevent goods being plundered whilst lying within the precincts of the Custom House.

14. The merchants desire also to take this opportunity of recording an opinion that it would be equally to the advantage of Government and of the mercantile body if in future appointments to the higher offices in the Customs gentlemen should be selected who may be found to possess particular qualifications for the appointment, and who may

59.—The Collector and Deputy Collector too frequently changed.

A. R. Young,
J. H. Young,
J. G. Campbell,
C. D. Williams,
C. Chapman,

agree on joining the Customs Department to remain in it for a stated period. No charge is made against the gentlemen now filling the offices in question, but it is remarked that

since the departure of Mr. Bracken in 1854 there have been no less than five appointments to the office of Collector, besides acting appointments, and it is not reasonable to suppose that inconvenience has not attended these frequent changes. The merchants think the administration of the Customs sufficiently important to warrant its being made a distinct service in the same way as the financial service is now constituted; and they think that if qualified officers cannot be found within the covenanted service, who would be willing to accept appointments in that department on the condition of promotion only within that department, the appointments should be thrown open to outsiders of proved abilities.

15. As regards trade returns, the merchants are generally satisfied with Mr. Bonnard's publications from the

160.—Trade returns.

figures given, in which they are enabled to frame their own tables. They have reason, however, to fear that these returns are not always accurate, and, as their value principally depends on accuracy, they are open to exception in this respect. The reasons for doubting the accuracy of the returns are that the results of the twelve months aggregated from the monthly returns are frequently found not to agree with the statements given in the annual publication, also prepared by Mr. Bonnard, and that often neither are found to agree with the returns published for the same periods by the Board of Revenue. It is suggested that these publications of Mr. Bonnard should be made official publications in future, their correctness being certified to by the Collector who should be responsible that they are free from errors. But over and above this a statistical department should be formed as a regis-

ter part of the Custom House staff, whose duty it should be to prepare regular monthly, quarterly, and annual comparative returns of trade and navigation. The English Board of Trade returns, which are the fruit of many years' experience, might be taken as a model, subject to such modifications as are required to adapt them to the trade of Indian ports.

16. I hope the Commission will not separate without recording an expression of opinion against the expediency of retaining the present rates of import duty.

11A.—Existing rates of import duty too high.

It may not be easy to connect the present and late severe depression of trade in the two great staples of cotton goods and metals with the enhancement of duties from 5 per cent. to 10 per cent., but it is undeniable that this enhancement has greatly aggravated the losses of importers. An extra duty of two to four annas per piece on 40 yards of shirting may be only a fraction of an anna per dhootie, but by the same argument an increase of 2s. or 3s. per cwt. in sugar is only a fraction of a penny per pound. Nevertheless in practice it has always been found that a reduction of even a single shilling per cwt. in sugar has always been followed by a very sensible increase in consumption, in the same way as an increase of 1s. in the duty has always been productive of a contrary result. The necessary conditions of a healthy trade is cheapness, without it consumption either becomes stationary or retrogrades. It is doubtful whether the cotton piece goods trade can permanently bear a duty of ten per cent. It must be borne in mind that it is not as if the consumers of this country were entirely dependent on imported cotton goods. The imported goods form as yet but a very insignificant proportion of the whole consumption of the country. If a fair field is given to them their superiority of make will enable them to compete with and gradually to displace the country-made cloth, even although the imported goods are weighted with heavy charges of carriage from the sea board to the interior. But if in addition to the charges of carriage they are also subjected to a duty of 10 per cent. at time of importation, a duty from which the native made cloth is exempt, it is doubtful if they can successfully compete with the native production. This is not a question of favor to be shown to English to the prejudice of native manufactures. If the latter can under-sell the former in a fair field well and good, the Manchester manufacturer must look for a market elsewhere: but if the superior skill and energy of the English manufacturer, his greater command of capital, and the advantages which he enjoys of steam machinery, (in which improvements are every day taking

place,) enables him to supply the natives of this country with a superior article at a lower rate than it can be made for in this country. It is not to the advantage of the country that he should be prevented from doing it by the imposition of heavy duties which neutralize and more than neutralize all his advantages of position. The genius and habits of the people of this country, its soil, and many other considerations, constitute it more an agricultural than a manufacturing country, and prosperity will more surely arise from allowing it to follow its natural course and to exchange with England the raw products for which England offers an almost inexhaustible market, than by a system of protective duties opposed to the experience and to the commercial legislation of the mother country. The cotton mills of Bombay may thrive with a protective duty of 10 per cent, but sooner or later this protective duty will be abolished, and Government will then have the pain of witnessing the destruction of an important interest called into existence and encouraged by its own legislation. A return to 5 per cent. will no doubt cause a present loss of revenue which can be ill-afforded, but a present loss is preferable to the permanent injury if not the destruction of a trade of so immense an importance to the interests of both countries.

True copies,

THOMAS JONES,

Register, Bengal Secretariat.

APPENDIX I. (1)

DUTY ON EXPORT OF SALTPETRE.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 23rd February, 1861.

W. GREY, Esquire,

Secretary to the Government of India,

Home Department.

SIR,—I am directed by the Committee of the Bengal Chamber of Commerce to forward to you for submission to His Excellency the Governor General in Council the following resolution which was unanimously adopted at a special meeting of the Members of the Chamber held on the 21st instant:—

“That this meeting considers it essential to the existence of the export trade of saltpetre from Calcutta that the duty of two rupees a maund be removed, and that the Committee of the Chamber be accordingly requested to address the Government, pointing out the injurious effects of such duty, and to apply for its repeal.”

In forwarding this resolution I am directed to make the following remarks:—

Previous to the 18th February 1860, a duty had been levied on the export of saltpetre from all Indian ports of 3 per cent. on a fixed valuation of Rs. 5-12 per maund, such duty being equivalent in sterling money to 9s.-6d. per ton.

On that date the late Right Hon'ble Mr. Wilson made on behalf of the Executive Government a financial statement to the Legislative Council recommending, amongst other measures, certain alterations in the rates of duty leviable on the importation and exportation of various articles, one of which alterations was an increase in the export duty on saltpetre to Rs. 2 per maund, or about £5-10 per ton. These alterations having been adopted by the Legislative Council at once became law, and from that date the above duty has been levied on the export of this article.

In introducing these measures into the Legislative Council Mr. Wilson stated that the Executive Government were in possession of information which fully satisfied them that the exceptional position of saltpetre would enable it to bear this duty. India, he said, had a virtual monopoly of the production, and consequently the imposition of an export duty would only have the effect of raising the price to the foreign consumer, without materially, if at all, curtailing the demand for an article of such necessary use, and without reducing the price to the producer in this country.

It is important to bear in mind that this was the principle at that time laid down by the Executive Government. The expediency of relieving of all export duties articles which came into competition in foreign markets with similar articles produced in other countries was fully recognised, and in deference to that principle the duty on tea, hemp, hides, &c. was wholly removed, as had already been the case with raw silk. It was admitted that such duties were a direct tax on the producer, reducing to the full extent of the duty the price which the buyer for a foreign market was enabled to pay for such articles, and consequently by limiting the demand, acting as a discouragement to increased production, and, through such production, to the development of the internal resources of the country.

The Committee of the Chamber dwell particularly on this point because on it the expediency of this enhancement was made wholly to rest. So far however from India having an entire monopoly of the production of this article, and the export duty being in consequence cast on the foreign consumer, as was assumed would be the case, the accompanying papers, which the Committee submit for the information of His Excellency in Council, prove conclusively that under the protection of the high price at which Saltpetre is, in consequence of this duty, laid down in foreign markets, the manufacture of artificial saltpetre has been commenced on a large scale, and that, notwithstanding a considerable advance in the salts used for this conversion, it can still be produced at from £5 to £6 per ton below the price at which it has for many months been possible to lay down Bengal saltpetre in the home markets.

The manufacture of this artificial saltpetre has, up to this time, been confined to France, but should the present duty be maintained works for conversion will unquestionably be also erected in England. Whether however the artificial article is produced in England or on the Continent the effect by displacing from consumption an equal quantity of Bengal

saltpetre is alike prejudicial to the manufacture of this country. Before the enhancement of the duty the Continent drew its supplies either from India direct or of Indian saltpetre from the London warehouses. The following figures will shew the falling-off in the exports of saltpetre to Foreign Europe from this port during the last three years, from January to December inclusive 1858—2,220 tons; 1859—627 tons; 1860—20 tons. The demand for saltpetre for France both here and in London has for some months wholly ceased. Instead of importing saltpetre from London that country has actually sent saltpetre to London, and French manufacturers have taken up large contracts for foreign Governments during the last three months, which will be supplied by artificial saltpetre instead of Indian saltpetre as has formerly been the case.

Shipments of saltpetre of good quality have also been made to England from Japan, and it is believed that the Brazils can and will supply the European market with considerable quantities of the same article.

The following figures shew the falling-off in exports of saltpetre from Calcutta to Great Britain and the Continent of Europe for twelve months ended 1st February, during which the high duty has been in force, as compared with the twelve months immediately preceding.

To England in 1859,	tons	17,083	
Foreign Europe "	"	330	
			tons 17,413
To England in 1860,	tons	11,050	
Foreign Europe "	"	13	
			tons 11,063

The deliveries from the English warehouses for home consumption and for exportation during the twelve months ended 31st December 1860, were 17,377 tons, against in 1859 22,070 tons.

Before the Russian war the ordinary price of fine saltpetre in this market ranged from Rs. 6-8 to Rs. 7 per maund, requiring, with average freight and exchange a selling price in London of £28 to £29 per ton. Owing to the enhancement which has since taken place in the value of labour, in the cost of carriage, and other incidental charges, it is believed that the article cannot now be profitably produced within £5 per ton of that price. At such a cost it would seem probable that Bengal saltpetre will have difficulty in maintaining a competition with the artificial saltpetre, whilst if it continues to be further weighted with an export duty of £5 per ton, it appears certain that it will gradually be wholly dis-

placed from the European markets. A valuable trade to all connected with this country whether as producers, merchants, or ship-owners will thus be entirely lost, and once lost it will probably never be regained.

Under these circumstances the Committee beg to solicit for the subject the earnest and early consideration of His Excellency in Council. However correct it may have been to assume at the time this measure was passed that India had then a practical monopoly in the supply of this article, it is, the Committee venture to submit, now clearly proved that such monopoly no longer exists; that through its effects an important branch of trade, employing annually a capital of over three quarters of a million sterling, is in great jeopardy, and that the only means of preserving it to this country is by at once placing this article on the free list as a raw product, where it undoubtedly would have been placed by the late Mr. Wilson had he at the time foreseen the competition to which its production it is exposed with the manufacture of foreign countries.

I have, &c.,

H. W. L. WOOD,

Secretary.

EAST INDIA AND CHINA ASSOCIATION,

Liverpool, 9th January, 1861.

To

THE SECRETARY OF THE CHAMBER OF COMMERCE,

CALCUTTA.

Sir,—I have had the pleasure to receive your letter of the 8th November last, having reference to the new tariff of duties at Calcutta, and have since also received the *Gazette Extraordinary*, with the official notice thereof from the Customs department, dated 9th November.

I have been directed to transmit the subjoined copy of a letter addressed by this Association to the Secretary of State for India, in reference to the high rate of duty now levied on saltpetre on its export from India, together with Sir Charles Wood's reply thereto.

The question seems to involve very important results, and will require the utmost exertions of your Chamber in endeavoring to obtain a modi-

fication of the duty, or it is believed by many here that East India saltpetre will be entirely excluded from use in Europe.

I have the honor to be,

Sir,

Your obedient servant,

T. M. MYERS,

Secretary.

EAST INDIA AND CHINA ASSOCIATION,

Liverpool, 14th December, 1860.

/To

THE RIGHT HONORABLE SIR CHARLES WOOD, M. P., &c., &c.

Sir,—I am requested by the Committee of this Association to bring under your notice, previous to the departure of Mr. Laing for India, the injurious effects which are likely to arise from the continuance of the high export duty now imposed upon saltpetre in India, amounting to 20 per cent. on its first cost of production there, the immediate consequence of which has been to check its production in Bengal, and to enhance the value in this country to an extent which offers a premium to its manufacture from the cheaper articles of nitrate of soda and sulphate of potash, and already contracts have been made in France, where the substitute has been manufactured, to supply large quantities at rates even lower than it can now be imported from India into this country, and which, if encouraged by the continuance of the existing export duty, will probably supersede its production in India altogether.

The obvious effect of which will be to deprive the merchant in this country of an important item of returns for British manufactures sent out to India, the importer of the advantages of dealing in an article of such considerable consumption, and the ship-owner of a valuable amount of freight.

Under these circumstances the Association respectfully submit for your favorable consideration the policy and necessity of reducing the present export duty on saltpetre to the moderate rate at which it stood previous to the late augmentation by the Government of India.

I have the honor to be,

Sir,

Your most obedient servant,

GILBERT MacMICKING,

Chairman.

INDIA OFFICE, S. W.

January, 1861.

SIR,—I am directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 14th ultimo, representing that injurious effects have followed the imposition of an increased duty on the export of saltpetre from India, and soliciting that it may be reduced to its former amount; and I have to acquaint you, in reply, that a copy of your letter will be forwarded for the consideration of the Governor-General of India in Council.

I am,

Sir,

Your obedient servant,

HERMAN MEREVALE.

THE CHAIRMAN,

East India and China Association, Liverpool.

Copy of a letter, with the accompanying Statistics, sent to the RIGHT HONORABLE SIR CHARLES WOOD respecting the position and prospects of East India Saltpetre, as affected by the new Export Duty, and by the greatly increasing manufacture of Saltpetre by artificial means.

17, SISH LANE,

15th December 1860.

To

THE RIGHT HONORABLE SIR CHARLES WOOD,

Secretary of State for India.

RIGHT HONORABLE SIR,—We, the undersigned refiners, consumers, importers, and exporters of saltpetre, the produce of India, think it necessary to acquaint you that the consumption of this article is being materially interfered with in consequence of the high price, which is largely brought about by the export duty recently imposed upon it in India, and by the rumour that there is to be a further increase.

Under these circumstances we beg to point out to you the fact that the French and other Governments have, for some time past, been using, as a substitute, an artificially manufactured article, consequently interfering with this staple from India and a very important trade here; and, at the same time, giving encouragement to the produce of South America, to the loss of our own Colonies.

This matter has been prominently brought before our notice at the present moment by the actual purchase by the Sardinian Government of 460 tons of this manufacture from a French house in Paris, which would otherwise have been drawn from the supplies from India.

We therefore beg to submit to you the necessity of an immediate reconsideration of the subject of the duty, as we are certain that this Indian staple cannot maintain its position in the face of this increasing new process of manufacture.

In presenting these facts to your notice, and to which we could add much in detail, we should be glad to wait upon you at any time you might appoint, which we venture to suggest might be desirable before the departure of the Right Hon'ble the newly appointed Minister of Finance for India.

We have the honor to be,

Right Hon'ble Sir,

Your most obedient and humble servants,

Signed by

BRANDRAM BROTHERS & Co., 17, *See Lane.*
 RICHARDSON BROTHERS & Co., 17, *St. Helen's Place.*
 FORSTER & Co., *Battersea.*
 CURTIS'S & HARVEY, 74, *Lombard Street.*
 Wm. JAMESON & SON, 6, *Fen Court.*
 G. H. & J. F. WULFF, 6, *Line Street Square.*
 PIGOU'S & WILKS, 34, *Throgmorton Street.*
 JOHN HALL & SON, 23, *Lombard Street.*
 J. C. IM THURN & Co., 160, *Leadenhall Street.*
 ENGSTROM, NEAME & Co., 112, *Bishopsgate Street.*
 WATTENBACH, HEILGERS & Co., 14, *Mincing Lane.*
 J. C. ROHRWEGGER & Co., 7, *Fen Court.*
 J. MAURENBRECHER & Co., 11, *Mark Lane.*
 COX, OELRICH & Co., 18, *Mark Lane.*
 AUGUSTUS FABER & Co., 60, *Mark Lane.*
 MATHESON & Co., 3, *Lombard Street.*
 CRAWFORD, COLVIN & Co., 71, *Old Broad Street.*
 GREGSON & Co., 14, *Austin Friars.*
 FORBES, FORBES & Co., 9, *Wing William Street.*
 KETTLEWELL, BULLEN & Co., 9, *Moorgate Street.*
 ALFRED BOURNE & Co., 31, *Clement's Lane.*
 GAMA & Co., 21, *Gresham House.*

MAIZE & Co, 78, Mark Lane.
 J. C. AZEMAR & Co, 40, Mark Lane, Chambers.
 J. H. SCHROEDER & Co, 145, Leadenhall Street.
 KNOWLES & POSTER, 40, Moorgate Street.
 JOHN GEORGE BEHREND'S & Co, 14, St. Mary Axe.
 RALLI & MAVROJANI, 1, Jeffrey Square.
 SUSE & SIBETH, 35, Lime Street.
 STONDET, MEYER & Co, 3, St. Helen's Place.
 J. GERRARD WICH, 11, Bury Court.
 DAVID SATOW & Co, 6, Idol Lane.
 WEBER & BIDDULPH, 18, Philpot Lane.
 SCHROEDER & BORRINGER, 21, Mincing Lane.
 RALLI & Co, 25, Finsbury Circus.
 SCHILIZZI & Co, 37, Finsbury Circus.
 JAMES WYLD & Co, 2, King William Street.
 ROBERT BENSON & Co, 62, Gresham House.
 ROBERT SMITH & Co, St. Michael's House, Cornhill.
 JOHN SIMMONDS, Battersea Fields (Refiner).
 P. & C. VAN NOTTEN & Co, 3, Lime Street Square.
 FINLAY, HODGSON & Co, 8, St. Helen's Place.

STATISTICS OF SALTPETRE.

	1860.	1859.	1858.	1857.	1856.
	Tons.	Tons.	Tons.	Tons.	Tons.
Imports into London to December 5th	11,810	17,330	9,560	16,928	14,651
Consumption, including exports to December 5th	11,949	16,340	12,148	11,607	15,913
<i>Total Exports from Calcutta, twelve months, ending 30th November.</i>					
	1859.	1858.	1857.		
	Tons.	Tons.	Tons.		
To Great Britain.....	18,804	13,768	12,183		
To France.....	494	1,318	1,780		
To America.....	7,255	6,402	6,903		
	26,553	21,488	25,866		

Total Exports from Calcutta, first nine months of this year, as compared with last year.

	1860.	1859.
	Tons.	Tons.
To Great Britain.....	8,789	13,597
To France.....	29	529
To America.....	6,114	5,978
To China.....	857	1,476
	15,789	21,580

The foregoing statistics show that the consumption, notwithstanding the war in Italy this year, has fallen off to the extent of 4,400 tons, although the price has ruled on the average £2 to £3 per ton lower.

It will also be observed that the exports from Calcutta to France, which in 1857 amounted to 1,780 tons, and in 1858 to 1,318 tons, fell off in 1859 to 494 tons, and this year the quantity is only 20 tons, while the total exports to all parts, for the first nine months of this year, exhibit a falling off of 5,800 tons, as compared with the same period last year; the quantity also from Bombay has been less than half, while from Madras the export has almost entirely ceased.

A small shipment has come in from Japan, of very good quality, and more may be expected; it is also stated on good authority that Saltpetre may be looked for from the Brazil, on the completion of one of the Railways now in progress, samples of very good quality having been received and analysed.

These facts all tend to prove the injurious effect of the new duty in enhancing the price, and thereby encouraging the manufacture of the new substitute.

Copy of a Letter from Messrs. E. F. Teschemacher and J. Denham Smith, the assayers of saltpetre, regarding the position of manufactured saltpetre, now so greatly coming into use, as compared with that of the native product of India.

16, PARK TERRACE, HIGHBURY, LONDON,
 20th December, 1860.

Messrs. BRANDRAM BROTHERS AND Co.

GENTLEMEN,—Permit us to thank you for the opportunity you have given us of considering your letter to the Secretary of State for India.

It seems to us that the memorialists occupy an unassailable position. They are running a race with the Foreigner, weighted with an impost, whether of export or import matters not, upon a RAW MATERIAL, from which the latter is free.

Had not this export duty on saltpetre from India been levied, and had the foreign manufacturer been then enabled to compete successfully with the British importer and refiner, you would have had no just ground for complaint or remonstrance; then the competition would have been fair and equal; but if an export duty is to be paid in India, and no equivalent import duty on saltpetre of foreign make is to be levied in our ports, we maintain that the Indian and Home trade is subjected to an unjust surcharge upon a product the regular and constant supply of which is essential to the defence of the Empire.

Were Bengal or the Indian Peninsula the sole known sources of saltpetre, duties might, doubtless, be levied on the raw material either at Calcutta and Bombay, or London and Liverpool, and the result would simply be a check to the consumption to the extent of the excess; and as India has hitherto been the principal source of saltpetre, we can readily understand that Government, in sanctioning the levy of the existing export duty on this product, has acted on the belief that to India, and to India alone, the world can look for a supply of saltpetre; whereas, as you point out, not only do other sources, and these foreign to the Empire, exist in nature; but also that the result of levying a duty on, and thus raising the price of, saltpetre, apart from its cost of production and merchant's profit, is to create a new trade in the artificial article on the Continent, and, by the stimulus given to this trade by the imposition of the Indian duty, injure, if not destroy, the trade in saltpetre between this country and India.

To manufacture artificial saltpetre, here or abroad, with nitrate of soda, as formerly, at 17s. to 22s. per cwt., and potash salts at ordinary prices, with Bengal saltpetre ruling at 53s. to 30s. per cwt., would not pay, or, at any rate, be too close a trade for any to follow.

Byt let alkali (soda ash) be comparatively dear, and wood, the chief fuel of the country, a state of things affording an abundant supply of potash salt, from the wood and sea-weed ashes (Birilla, sal-de-vance, &c.), and which exists in France, the Channel Islands, and some parts of Germany, and add to this supply of the potash-basis nitrate of soda at 12s. to 15s. per cwt., with Bengal saltpetre ruling from 36s. to 45s. per cwt., and you at once obtain conditions under which the artificial production of saltpetre becomes a most profitable trade. It so happens

that this trade can be more profitably pursued on the Continent than in these islands, since not only has the foreign manufacturer, from the wood and sea-weed ashes, a much larger supply of the potash-basis available for his use than can be procured by the English maker; but he has not, like his English rival, to contend to the same extent with another manufacturer, that of Alum, for this potash-basis, a trade which consumes large quantities of potash salt, and which is carried on in this country on a very large scale, alum being the principal mordant used by the calico printers and dyers.

Again, were a further and additional duty to be levied on Bengal saltpetre, a corresponding rise in price must take place here, followed by a gradual cessation of imports, since it could no longer be profitably imported. Under such additional stimulus to the artificial production of saltpetre, the produce of the Canadian and Russian forests—potashes and pearlashes—could be profitably employed in this manufacture, and the Indian production and trade in saltpetre thus be utterly extinguished.

Thus, the saltpetre duty not merely tends to produce an artificial increase of the price of saltpetre, and to disturb regular mercantile action, but it also acts as a direct bounty to the foreign maker of artificial saltpetre, in his favor, and against the Indian or English producer, importer, and refiner, and this to the exact amount of the duty levied in India.

We remain,

Your faithful Servants,

E. F. TESCHEMACHER AND J. DENHAM SMITH.

EXTRACTS FROM PRIVATE LETTERS.

LONDON, 3rd January, 1861.

"1. Our subsequent advices would inform you of the almost total stagnation in our saltpetre market, consequent on the successful manufacture of artificial saltpetre by the French. We confirm the tenor of our last on this subject, and learn since that the French manufacturers are supplying Germany and almost all the north of Europe, as well as Spain, and there is considerable agitation on this subject in London, Birmingham, Liverpool, and Manchester, as well as Glasgow, and the opinion becoming almost generally prevalent that, when the full effect of this is

felt in India, the price of Bengal saltpetre will decline to 25s., and some think even lower.

"2. That the excessive export duty in India is, as surely as any thing can do, destroying the exports of petre; that France, from 1840 to a very recent period, took about 2,000 tons direct from Calcutta, besides a large quantity from England; that French trade is entirely at an end. France is now beginning to send manufactured petre to England. I have an offer from a French house to supply me with 1,000 tons of pure petre annually. The French and Sardinian Governments have entered into large contracts for the artificial petre. It is stated, with great circumstantiality, that this house in France made £7,000 profit in this manufacture, from 30th June to 31st December last. I am offered the patent, with a guarantee, to produce the petre pure at £28 to £30 per ton (exclusive of patent right) in any quantity.

"That a manufacturer at St. Helens, who has for some time directed his attention to this subject, (from whom I have had small parcels to test practically by converting into powder,) is now enlarging his works considerably, so as to make twenty tons a week—this is the quantity he seriously named to me, and that the result of my trials with this petre are perfectly satisfactory.

"That before the Russian war our purchase of petre, in Liverpool, averaged for many years £27-3 per cwt., that then nitrate of soda was £17 or 18 per cwt., and Bengal petre defied competition; that now all this is changed, the normal condition of Bengal petre (apart from all duty) would be several pounds higher, say perhaps £34, while nitrate of soda is even lower than formerly; that, consequently, it would be as much as Bengal petre could do to meet competition without duty; but that with a duty of £6 per ton it was simply impossible—this £6 per ton is a bounty for the artificial petre.

"That if the duty were at once taken off it might crush the artificial petre, but that, if delayed, the latter would obtain so firm a position, that it would be too late. That this was not a question of revenue to India; that though they might, for a short time, receive such, it would be by a gradual process of destroying this staple, and, consequently, eventually they would not receive the revenue at all. This destruction will not be immediate, but gradual, though certain."

LOSNOX, 10th December, 1860.

"3. Our saltpetre market here has been and continues in a very peculiar position, and a large reduction in price must inevitably take

place shortly, in consequence of the French house at Granville manufacturing so largely artificial petre, that it is now even introduced among the gunpowder manufacturers.

"Two large contracts for Foreign Governments have lately been taken up by this French house, one for 450 tons for the French Government, delivered at £40 per ton; and the other for 400 tons, for the Sardinian Government—the price at which this has been taken we have not been able yet to learn, but shall know in a few days.

"The trade here is getting up petitions to the English Government to re-consider the tax on saltpetre, and which, we feel convinced, they will never be able to maintain, or it will drive the whole trade out of the Calcutta market, and has already done incalculable mischief to this staple from that country.

"We learned that samples have been received from Brazil of nitrate of potash of very fine quality, and which have been submitted to Teschemacher, who has reported it to be nitrate of potash, of refraction 3 to 3½ per cent., which can be obtained in very large quantities. This cannot fail to materially diminish the consumption of Calcutta saltpetre. Samples have been shown to Sir J. Emerson Tennant, the Secretary to the Board of Trade, who replied that the Government had been sometime informed of the circumstance, but did not wish that it should be made public.

"Fine saltpetre is also finding its way from Japan, and has sold well in the London market."

FROM LAING AND MERRIDEW'S CIRCULAR, JAN. 1, 1861.

SALTPETRE.—In the absence of any great political excitement having a tendency to influence the consumption of this article, and, in common with most other commodities, a freedom from speculative operations, the market for saltpetre has been exempt from those frequent and important fluctuations in prices which have characterised it for many previous years. The extreme variation between the highest and lowest points during the past twelve months has not exceeded 5s. per cwt.

The statistics of the article have presented several novel features. The imports have fallen off very considerably, the deficiency, compared with those of 1853, being no less than 5,350 tons. This diminution in the supply is generally attributed to the imposition of an export duty at all the ports of British India of 2 rupees per maund, or equivalent to nearly 16 per cent. of its average value at Calcutta, and ranging be-

twen 20 and even 50 per cent., according to quality, for the native manufacture, shipped from Bombay and Kurrachee. There must, however, be other circumstances, apart from the duty on export, which have tended to reduce the imports into Great Britain during the past year, inasmuch as stocks at Calcutta have not accumulated beyond their usual extent, whilst prices here, at the same time, been maintained at a point fully equal to the average of late years. Keeping these facts in view, the reduction in the shipments would appear rather the result of a diminished manufacture than of the repressive influence of a large export duty, which, however much it may enhance the cost to the consumer, has not at present apparently tended to lower current values at the places of production.

Concurrently with a diminished supply, the consumption will be found to have fallen off to an extent so closely equivalent to the reduction in imports, as to leave our stock as nearly as possible on a par with that in existence at the corresponding period of 1860. It is this diminution in the deliveries that forms the most important feature connected with the market during the past year, far more than would appear at the first glance, dependent upon the cause which more than any other has led to this result, which is beyond all doubt the competition of a substitute for saltpetre manufactured from a combination of nitrate of soda and muriate of potash, which has, to an extent, not fully appreciated until within the last few months, displaced the use of the produce of the East Indies. The principal seat of this manufacture is in France, but it is also carried on extensively in Germany, and the requirements of Europe, which had previously been drawn from our own stocks, are now almost entirely supplied from this new source. The French makers appeared to have monopolised the trade of Italy, not less than 600 tons having been delivered under contract to the Sardinian Government during the past year. The Spanish Government are also understood to manufacture their own saltpetre from the above named materials. Some imports have been received into Great Britain at a price below that at which our home refiners are enabled to sell their produce.

That the home consumption of saltpetre has been fully equal to, if not in excess of that of former years, there cannot be a question. The deficiency in the deliveries has therefore arisen entirely from the absence of Continental orders, and so long as prices are maintained at their present currency, we cannot expect to regain our lost export trade, whilst, at the same time, it is next to a certainty that the manufacture

of the substitute for the imported article will be taken up extensively in Great Britain, and thus eventually a further quantity of East India saltpetre will be displaced from our Home trade.

The best proof (were such wanting) of the increase in this new branch of chemical manufacture, is the rise in prices of muriate of potash, which, from £15 per ton (the quotation on the 1st January last) has advanced to £23. The supply of nitrate of soda having been unusually large during the past year, prices of that article have been kept down in consequence, and now rule from £13 to 14 per ton. In order that importers of saltpetre may be aware of the cost of the article with which they are now brought into competition, the following statement may be relied upon as to its correctness. Making allowance for the usual amount of impurities contained in the above-named articles, (in muriate of potash 20 per cent., and in nitrate of soda 6 per cent.) and, including the most moderate allowance for labor and other expenses of manufacture, 112 lbs. of each are required to produce one hundred weight of nitrate of potash, or saltpetre. The residuum consists of muriate of soda, or common salt, which, as an article of commerce, is next to valueless. The cost will then be found to be as nearly as possible £6 per ton below the prices at which our English refiners are enabled to sell their produce, and even more as compared with the rates which have been current in the Calcutta market for rough saltpetre during the past year. This margin of £6 per ton is about the equivalent of the 2 rupees per mound lately levied on exports at the Indian ports, and which is now found to act as a protection to the manufacture of a spurious article. The policy of maintaining so high a rate of duty becomes a serious question, when its retention threatens to annihilate a large portion of the trade in the article upon which it is levied.

No. 438

From

W. GREY, Esq.,

Sey, to the Govt. of India,

To

H. W. I. WOOD, Esq.,

Sey, Bengal Chamber of Commerce,

Dated Fort William, the 5th March, 1861.

Home Department.

Sir,—I am directed to acknowledge the receipt of your letter dated

the 23rd ultimo, forwarding for submission to the Governor General in Council copy of the following resolution which was unanimously adopted at a special meeting of the Chamber of Commerce held on the 21st idem:—

“That this meeting considers it essential to the existence of the export trade of saltpetre from Calcutta, that the duty of two rupees a maund be removed, and that the Committee of the Chamber be accordingly requested to address the Government, pointing out the injurious effects of such duty, and to apply for its repeal.”

2. This resolution and the arguments by which it is enforced in your letter have been attentively considered by the Governor General in Council, and I am instructed to state that while His Excellency in Council regrets the necessity of maintaining any taxation on articles of commerce, he is unable in the present position of the finances to give up a considerable source of revenue, which was recently imposed as an equivalent for other important reductions of export duties, without conclusive evidence of its necessity.

3. In the present instance the Governor General in Council cannot admit that any such evidence exists. The selling price of saltpetre in Calcutta, he observes, notwithstanding the increased export duty, has risen above the average of former years by an amount far exceeding what can be accounted for by the general rise in wages and the consequently increased cost of production, and this being the case it is clear that it is not the export duty of two rupees a maund which is alone responsible for the diminished export and the competition of new products. Were the price of saltpetre in India to go back to a rate more in proportion to its old level previously to the Russian war, the Governor General in Council does not see any reason to doubt that Indian saltpetre, even with the present export duty, would maintain a preference in the open market over any other product, though Foreign Governments may very probably from political motives continue to encourage the artificial manufacture of the article, and make contracts with their own manufacturers in preference to remaining wholly dependent upon the English market. With respect also to what is stated in your letter regarding shipments of good saltpetre having been made to England from Japan, I am desired to point to the circumstance that the exports from Calcutta to China have considerably increased, which seems to negative the idea of any large supply being available at a cheap rate from Japanese sources.

4. For the above reasons, the Governor General in Council is not prepared at present to make any change in the duty on saltpetre. But if, after the price shall have returned more nearly to the level of former years, it should appear, by a continued falling-off of exports, that East Indian saltpetre is really exposed to the competition of an intrinsically cheaper article from other sources, the Government will be quite prepared to re-consider the question.

I have the honor to be,

Sir,

Your most obedient servant,

W. GREY,

Secy. to the Govt. of India.

APPENDIX I. (2)

IMPORT DUTIES.

MANCHESTER CHAMBER OF COMMERCE,
16th November, 1860.

To
THE SECRETARY OF THE
BENGAL CHAMBER OF COMMERCE,
CALCUTTA.

SIR,—Herewith I have the honour to transmit copies of resolutions unanimously passed by the Board of Directors on the subject of the Indian import duties, and I am instructed to invite the support and co-operation of the Council of your Chamber in urging upon the Government both at Home and in India the adoption of the principles therein contained.

I am,
Sir,
Your obedient Servant,
HUGH FLEMING,
Secretary.

INDIAN IMPORT DUTIES.

At a meeting of the Board of Directors of the Manchester Chamber of Commerce, held on Thursday, the 15th November 1860,

EDMUND POTTER, Esq.,

President, in the Chair.

It was unanimously resolved:—

1. That this Chamber is of opinion that the Indian duties, so far as regards yarns and manufactured goods, ought to be simply *ad valorem* on value at the port of entry; ample security against, and punishment

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for, fraud being afforded. They base this opinion on the fact that the very large proportion of such imports must of necessity be for low class consumption; upon such specific duties press heavily; and being fixed, though only for a period, they do not yield to variations in cost, and therefore prevent a healthy and natural cheapness.

2. That this Chamber protests against the present duty on yarns and manufactured goods as creating a protection to native spinning and manufacturing, as an oppressive tax on the consumption of the masses, as inoperative for permanently increasing revenue, as well as pernicious and inconsistent on the part of a nation pledged to the maintenance of free-trade principles.

3. This Chamber resolves to press these views on the Home and Indian Governments, and to solicit the aid of the Chambers of Commerce in both countries to enforce them, so as to obtain the adoption of a sound system of levying duties, and a reduction of such duties to a point that will foster the operations of commerce, without even the appearance of protection.

(Signed) EDMUND POTTER,

President.

Extracted from the Minutes.

HUGH FLEMING, Secretary.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 8th January, 1861.

HUGH FLEMING, Esq.,
Secretary, Chamber of Commerce,
Manchester.

SIR,—I have had the pleasure to receive your favor of the 16th November giving cover to copies of resolutions passed by the Manchester Chamber of Commerce on the subject of the Indian import duties.

With regard to the first of these resolutions you will have learnt from the report of the Customs Commission, transmitted by the mail of 9th November, that material alterations have been made both with respect to the valuations of yarn and grey cotton goods and the mode of levying duty thereon. The practice prevailing in Bombay has been introduced here, and yarn and grey goods are now valued by weight for duty, while

bleached, dyed, and fancy goods, the weight of which is no test of value, are subject to duty on the market rate at time of importation.

These changes will it is believed result satisfactorily both to Government and the importer.

The second resolution involves the question of reduction of rate of duty; and although this Chamber would gladly see the reduction have effect at the earliest possible period the improved financial position of the country would permit, they are under the impression that the Government of India are not at present prepared to forego the higher duty, and that no consideration of the desired change would be entertained till Mr. Wilson's successor has had the opportunity of judging of its expediency.

I am, &c.,

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 7th March, 1861.

HUGH FLEMING, Esq.,

Secretary, Chamber of Commerce,

Manchester.

DEAR SIR,—It was the intention of this Chamber to address the Government of India on the subject of import duties with the view of endeavoring to obtain a reduction to the former scale, but in a recent communication on the question of removing the duty of 2 Rs. a munda on export of saltpetre, the Governor General in Council having expressed his inability to forego even that source of revenue in the present position of the finances of this country, the Committee are of opinion that it would be utterly hopeless to press on His Excellency's attention the greater measure of modifying the import duties, and they therefore, for the present, abandon that intention. Hereafter when the finances of India are in a more hopeful position the Chamber will reconsider the question for such action as may be determined upon.

I am, &c.,

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 4th May, 1861.

HUGH FLEMING, Esq.,

Secretary, Chamber of Commerce,

Manchester.

SIR,—On the 27th of last month the Hon'ble Mr. Laing submitted to the Legislative Council on behalf of the Government of India the Budget of India for the year 1861-62, copy of which I have the pleasure to hand you under separate cover: and I have the satisfaction to announce that the duty on cotton twist and yarn has been reduced to 5 per cent. with effect from the 29th April. But the duty of 10 per cent. on British manufactures is continued, Mr. Laing being unable to propose a reduction without a prospect of replacing from other sources the revenue derived from the existing duty.

I am, &c.,

H. W. I. WOOD,

Secretary.

APPENDIX J.

Engagement of the Ship "Salamanca" by the
Marine Department.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 27th Dec., 1860.

H. HOWE, Esq.,

Secretary to the Superintendent of Marine.

SIR,—The Superintendent of Marine is probably aware that the circumstances under which the ship *Indomitable* was engaged some time last year for the transport of troops to China formed the subject of complaint by the Chamber to the Government of India; and under the representation conveyed by Mr. Secretary Grey in his letter of 31st October 1859, the Committee were confident that the usual practice of the Marine Office would not be again departed from: but it has been reported to the Chamber that the ship *Salamanca* has very recently been engaged for the conveyance of soldiers' wives and families to England without the usual public invitation of tenders, and I am directed by the Committee to inquire if they have been rightly informed; but if otherwise, and the ship has been taken up by tender, I am instructed to ask for the date of the usual notification.

I have, &c.,

H. W. I. WOOD,

Secretary.

No. 18244.

To

H. W. I. WOOD, Esq.,

Secretary to the Bengal Chamber of Commerce.

SIR,—I have the honor by direction of the Superintendent of Marine

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to acknowledge the receipt of your letter of the 27th instant regarding the engagement of the ship *Salamanca*.

I have the honor to be,

Sir,

Your most obedient servant,

H. HOWE,

Secretary.

FORT WILLIAM,
MARINE SUPPLY OFFICE,
The 29th December, 1860.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 12th January, 1861.

W. GREY, Esquire,

Secy. to the Govt. of India,

Home Department.

SIR,—In your letter of 31st October 1859 you informed the Superintendent of Marine that, in the opinion of His Honor the President in Council, what was stated to be the usual practice of the Marine Office—viz: to engage all tonnage by public tender—should be departed from as seldom as possible, and only upon the clearest grounds of advantage to the public service.

This intimation was communicated to the Superintendent in consequence of a representation of the Chamber of Commerce (submitted in my letter of 27th of the preceding month) that the practice prevailed in the Marine Department of taking up ships for transport service, or other Government employment, without publicly advertising for tenders in the usual way: and the charter of the ship *Indomitable* was instanced in support of the Chamber's complaint.

The orders which were passed on that occasion by the President in Council were considered by the Chamber sufficiently explicit and in a great measure prohibitive of the system which occasioned so much dissatisfaction to parties interested in shipping, and it was hoped that in all future requirements for the public service tonnage would be engaged by public tender only.

In a case which has however been recently brought to the notice of the Chamber they are informed that the general rule laid down for the guidance of the Marine Office has not been duly observed; and although the Superintendent has, by your letter already quoted, the discretionary power of arranging otherwise than by public tender, but limited to the clearest

grounds of advantage to the public service, they are of opinion that he has not been justified in its exercise in the instance now submitted. The ship *Salamanca* was reported as having been taken up *privately* for the conveyance of European women and children to England; and as there was no reason to suppose that that vessel was more eligible for such purpose than many other ships in the river which were open to engagements of that nature, great dissatisfaction was expressed with the manner in which that alleged engagement was made, and the matter was referred to the Chamber of Commerce for inquiry. Accordingly by direction of the Committee I addressed the Secretary to the Superintendent of Marine in a letter copy of which I have the honor to annex for your information. That communication has been acknowledged by the Superintendent of Marine, and a copy of his letter is also annexed.

In placing this correspondence in your hands, I am instructed to request you will move the Honourable the President in Council to favor the Chamber of Commerce with the information which they have not been able to obtain from the Superintendent of Marine.

I have, &c.,
H. W. I. WOOD,
Secretary.

No. 183.

FROM

W. GREY, Esquire,
Secy. to the Govt. of India,

TO

H. W. I. WOOD, Esquire,
Secy., Bengal Chamber of Commerce,
Dated Fort William, the 29th January 1861.

HOME DEPT.

Sir,—In reply to your letter dated the 12th instant, on the subject of the engagement of the Ship *Salamanca* by the Marine Department, I am directed to forward for the information of the Chamber a copy of the correspondence noted on the margin.

I have the honor to be,

Sir,

Your most obedient servant,
W. GREY,
Secy. to the Govt. of India.

No. 134.

FROM

LORD H. ULICK BROWNE,
Under-Secretary to the Government of India,

TO

COMMANDER J. RENNIE, C. B.,
Superintendent of Marine,

Dated Fort William, the 18th January, 1861.

HOME DEPARTMENT.

Sir,—I am directed to forward the accompanying copy of a letter of the 12th instant from the Secretary to the Bengal Chamber of Commerce with enclosures, relative to the engagement of the *Salamanca* for the conveyance of soldiers' wives and families to England.

2. The President in Council requests that you will submit an explanation as to the engagement of the ship, and that you will state your reasons for making so curt and uncivil a reply to the Chamber of Commerce.

I have the honor to be, &c.,
(Signed) H. U. BROWNE,

Under-Secretary to the Government of India.

From Commander J. RENNIE, C. B., *Superintendent of Marine, to W. GREY, Esquire, Secretary to the Government of India, No. 760, dated the 22nd January 1861.*

I have the honor to acknowledge Under-Secretary Lord H. Ulick Browne's letter No. 134, of the 18th instant, transmitting copy of a letter from the Secretary to the Bengal Chamber of Commerce, with enclosures, relative to the engagement of the *Salamanca* for the conveyance of soldiers' families to England, and in which I am requested to submit an explanation as to the engagement of the ship, and to state my reasons for making so curt and uncivil a reply to the Chamber of Commerce.

2. In compliance with the foregoing I beg to report, for the information of the President in Council, that on the 12th ultimo public tenders were invited for the conveyance to England of about 300 invalids, and that the Agents of *Salamanca* submitted an offer for this party which

was considerably below all the other tenders, but in consequence of a mistake on the part of the Officer who filled in the report of the survey held on the vessel, I was obliged to decline the tender.

3. On the same morning that the survey reports were sent in by the Committee, a letter No. 5439, from the Quarter Master General, was received, transmitting copy of a letter No. 350, from the Officiating Secretary to Government of India, Military Department, and requesting me to make the necessary arrangements for the transport of the families therein alluded to.

4. In the Military Secretary's letter, the Quarter Master General is requested to make arrangements "at once" for the despatch to England of all the men, women, and children of Her Majesty's 3rd Buffs and 87th Fusiliers, and in the Quarter Master General's letter, No. 5439, he particularly draws my attention to the *Salamanca* as a vessel likely to answer the purpose for which tonnage was required.

5. As the *Salamanca* would, but for the blunder already reported, most assuredly have been engaged for the 300 invalids in consequence of the tender of that vessel having been the most reasonable of all submitted, and knowing that her fittings, &c. had been most particularly cared for by the emigration commission in England, I at once complied with the Quarter Master General's suggestion, and addressed the agents of the vessel to ascertain on what terms they would be prepared to offer the vessel for the conveyance of the families to England.

6. To this letter the agents replied on the 17th ultimo, stating the terms, which being considered reasonable were accepted.

7. On the 28th ultimo, the Quarter Master General in his letter No. 5530 intimated that he was unable to ascertain the exact number of the families of the 3rd Buffs and 87th Fusiliers, and suggested for the reasons stated that 300 invalids for whom requisition for transport was sent to me on the previous day may be allotted to the *Salamanca*, and tenders called for hereafter for the families.

8. To this proposition the agents of *Salamanca* consented upon certain conditions which were considered reasonable, and the vessel has been secured for the invalids.

9. The foregoing is a plain statement of the circumstances under which the ship *Salamanca* has been engaged by me for the conveyance of troops to England; every step in the proceedings has been already submitted through the officiating Secretary to Government for the consideration of the President in Council, and has received his approval.

10. With reference to the communication made by me to the Secretary to the Chamber of Commerce which His Honor in Council has been pleased to designate curt and uncivil, I beg to report that having received most unquestionable testimony that the circumstances of the engagement of the vessel had been communicated to the Secretary of the Chamber of Commerce three days prior to the writing of the letter addressed to me, I could give him (had I felt inclined to do so) no information he did not already possess, and his request to me under the circumstances to inform him of the date of the usual public notification was considered to be simply an impertinence.

11. I am even now at a loss to know what other reply I could have returned to his communication than the one sent.

12. I beg further to state with reference to the 2nd and 3rd paragraphs of the letter of the Secretary to the Chamber of Commerce to the address of Mr. Secretary Grey, that the assertion therein contained, as submitted in their letter to Government, dated the 27th September, 1853, to the effect that the practice prevailed in the Marine Department of taking up ships for transport service without publicly advertising for tenders in the usual way, is entirely groundless and incorrect.

13. No such practice prevailed in this department; the practice was altogether the other way, but in special cases where the interests of the State demanded it, the usual practice has been departed from always with the approval of Government.

14. The case of the *Indomitable*, which is quoted by the Chamber, was a special one, the arrangement having been entered into at the express desire of the then Head of the Government, and it was approved of by Government after the representation of the Chamber; and with reference to its remarks that the orders which were passed on that occasion were considered in a great measure prohibitive of the system which occasioned so much dissatisfaction to parties interested in shipping and that it was hoped that in all future requirements for the public service tonnage would be engaged by public tender only, I can only say that the proceedings of individual firms constituting the Chamber of Commerce are strangely inconsistent with this expression of their constituted public organ.

15. There is scarcely a mercantile house in this city, connected with shipping, that does not offer me ships, and endeavour to get them taken up without public tender.

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16. It would indeed save me from much interruption and annoyance, if the gentlemen, who complain of me in their collective capacity as a Chamber, would abstain as individuals from the practice they collectively deprecate.

No. 188.

FROM

W. GREY, Esquire,

Secy. to the Govt. of India.

TO

COMMANDER J. RENNIE, C. B.,

Superintendent of Marine,

Dated Fort William, the 29th. January, 1861.

Home Department.

Sir,—I am directed to acknowledge the receipt of your letter No. 769, dated the 22nd instant, and in reply to inform you that the President in Council considers your explanation of the circumstances under which you engaged the *Satmanca* to be perfectly satisfactory.

2. The President in Council remarks with regret that the same cannot be said of the reasons which you give for answering the Chamber of Commerce by a bare acknowledgment of their Secretary's letter. Mr. Wood's letter was civilly expressed, and the information sought was such as you might have unobjectionably given, and you ought therefore to have answered the inquiries of the Chamber.

3. Even if you felt yourself precluded from giving the information which the Chamber of Commerce applied for, you should have replied to that effect in courteous terms.

I have the honor to be,

Sir,

Your most obedient servant,

(Signed) W. GREY,

Secy. to the Govt. of India.

CXXIX

BENGAL CHAMBER OF COMMERCE,

Calcutta, 6th Feb., 1861.

W. GREY, Esq.,

Secretary to the Government of India,

Home Department.

Sir,—I am directed to acknowledge the receipt of your letter No. 189 of the 29th ultimo on the subject of the engagement of the ship *Satmanca* by the Marine Department.

2. In submitting for the consideration of the Hon'ble the President in Council the circumstances under which, by direction of the Committee of the Chamber, I had the honor of addressing you in my letter of the 12th ultimo, I purposely refrained from any comment on the nature of the acknowledgment received by the Chamber from the Superintendent of Marine, satisfied that His Honor in Council would not fail to be struck with the discourtesy exhibited by the Superintendent, and that the expression of His Honor's disapprobation would be duly conveyed.

3. The Committee have not been disappointed in this respect, and they note that a fitting reproof has been administered.

4. Unmindful however of the exception taken by the President in Council to the curt and uncivil manner in which the Chamber's reply was barely acknowledged by the Superintendent, Commander Rennie aggravates that offence by characterizing the Committee's inquiry—through their Secretary—as “simply an impertinence.” This impropriety of expression may possibly have arisen in a moment of irritation produced by the alleged interruption and annoyance alluded to in the closing paragraph of the Superintendent's letter; for the Committee cannot believe that it was made designally as an affront to the Chamber: but be the cause what it may the Committee deem it due to themselves and the community whom they represent to record their protest against the application of such an expression to the inquiry which the Chamber thought proper to make.

5. Whatever may be the shortcomings of the members of the Chamber collectively or individually it has been the special care of their representatives so to conduct their official correspondence that no possible objection could be raised to its tenor or tone; and until intimated to the contrary in this instance they were happy to think that they had

been successful in commanding respect for their references, if only on the ground of the becoming manner in which they were submitted.

6. I now proceed to notice the other points of the Superintendent's letter. In the 10th para. it is stated that the information asked for was not given to the Chamber as the Superintendent had unquestionable testimony that the circumstances of the engagement of the yessad had already been communicated, and that he could give no information which the Chamber did not already possess. In reply I am to remark that the circumstance of the Committee being already in possession of information on the subject, obtained from one of its own members, was no bar to an official inquiry or to an official answer; and if that answer conveyed no other information than that which the Superintendent assumed the Committee had already obtained, they would at all events have had a reply—to which they were entitled—and there would have been no ground of complaint in that respect.

7. It was considered necessary however to apply formally to the Superintendent, as the Committee could not, on the information privately obtained, frame a satisfactory reply to the inquiry which had been officially submitted to them; and if the statement of the circumstances attending the engagement of the *Salamanca* since furnished by the Superintendent of Marine, containing particulars of which the Committee were not fully aware, had been given briefly in the first instance, the Committee would probably have been satisfied with the explanation.

8. With regard to the practice of engaging tonnage in the Marine Department, as noticed in the Chamber's letter of 29th September, 1859, the Committee stated what they believed to be the case, and the circumstance, as remarked by the Superintendent, of individual firms offering ships and endeavouring to get them taken up without public tender would appear to warrant the conclusion that the practice of engaging tonnage by public tender had relaxed into an opposite system by frequent exceptions to the rule: for if there was a well understood system and strictly observed such applications from individual firms could not be entertained and consequently would never be made.

9. Whatever may be the proceedings of individual members of the Chamber the Committee, as representatives of a large majority of the commercial community, repeat their recommendation that tonnage for public service should be engaged by public tender only; and they submit that this should be the invariable practice without any departure

from it under any circumstance, for they believe that the necessity can never arise for engaging by private arrangement tonnage for the public service which could not be as expeditiously arranged for by inviting public tenders. All interests would thus have an equal chance of success; and disappointed applicants would have no cause of complaint against an equitable system of public competition.

I have the honor to be,

Sir,

Your most obedient servant,

H. W. I. WOOD,

Secretary.

No. 307.

From

LORD H. ULICK BROWNE,

Under-Secy. to the Govt. of India,

To

H. W. I. WOOD, Esq.,

Secy. to the Bengal Chamber of Commerce,

Dated Fort William, the 15th February, 1861.

Home Department,
Marine.

Sir,—I am directed to acknowledge the receipt of your further letter dated 6th instant on the subject of the correspondence between the Superintendent of Marine and yourself regarding the engagement of the ship *Salamanca* by the Marine Department.

2. In reply I am desired to state that the President in Council quite concurs with the Committee of the Chamber as to the impropriety of the expression used in the letter from Commander Rennie of which they complain, and His Honor in Council directs me to say that a condemnation of it was implied in the letter to the Superintendent in which he was told that his reasons for giving so objectionable a reply to the Chamber's request were unsatisfactory.

3. With reference to the concluding part of your letter I am directed to inform the Committee of the Chamber that the Superintendent has

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been desired to observe strictly the rule laid down in 1859 regarding the engagement of tonnage for the public service, viz., that the practice of engaging all tonnage by public tender is not to be departed from except upon the clearest grounds of advantage to the public service.

I have the honor to be,

Sir,

Your most obedient servant,

H. ULICK BROWNE,

Under-Secy. to the Government of India.

APPENDIX K.

Extension of the Provisions of the Imperial Passengers' Act of 1855 to the Carriage of Passengers from India.

No. 1806.

FRONT

LORD H. ULICK BROWNE,

Under-Secy. to the Government of India,

To

H. W. I. WOOD, Esquire,

Secy. to the Bengal Chamber of Commerce.

Dated the 21st September, 1860.

Home Department,
Marine.

Sir,—I am directed to draw the attention of the Chamber of Commerce to the accompanying copy of papers relative to the question of extending the provisions of the Imperial Passengers' Act of 1855 to the carriage of Passengers from India, and to request that the Chamber will favor this Government with any suggestions they may wish to offer should it be the opinion of the Chamber that legislative action in the matter would be desirable.

I have the honor to be,

Sir,

Your most obedient servant,

H. ULICK BROWNE,

Under-Secy. to the Government of India.

X

FROM

LORD H. ULICK BROWNE,

Under-Secy. to the Government of India,

TO

H. W. I. WOOD, Esquire,

Secretary to the Bengal Chamber of Commerce,

Dated Fort William, the 28th December, 1860.

Home Department.

SIR,—I am directed to draw your attention to my letter No. 1806, dated the 21st September 1860, and to intimate that the Government of India will be glad to be favored with the opinion of the Bengal Chamber of Commerce on the question therein alluded to.

I have the honor to be,

Sir,

Your most obedient servant,

H. ULICK BROWNE,

Under-Secy. to the Government of India.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 5th January, 1861.

LORD H. U. BROWNE,

Under-Secy. to the Government of India,

Home Department.

MY LORD,—I am directed by the Committee of the Chamber of Commerce to acknowledge receipt of your letters of 21st September and 28th December 1860, and to state that in their opinion it would be expedient to extend the provisions of the Imperial Passengers' Act of 1855 to the carriage of passengers from India.

I have the honor to be,

My Lord,

Your Lordship's most obedient servant,

H. W. I. WOOD,

Secretary.

APPENDIX I.

Transmission of Commercial Intelligence by Telegraph to Galle.

TO

H. W. I. WOOD, Esq.,

Secretary to the Exchange, Calcutta.

DEAR SIR,—We have the pleasure to annex an extract from a letter received by the last mail from Mr. T. Clark, Agent at Galle for Reuter's Telegraph Office, London, and shall be glad if you can meet his wishes.

Yours faithfully,

ROBERT CAMPBELL AND CO.,

Agents at Calcutta for Reuter's Telegraph Office.

13, WRITERS' BUILDINGS,

Calcutta, November 27, 1860. }

Extract from a letter from T. Clark, Esq., Galle, dated 7th November, 1860, to Robert Campbell and Co.

"Will you kindly request the Secretary of the Exchange Rooms to send a public message after every mail steamer, in time to be despatched to England from Galle, say six days after the P. & O. steamer leaves the river."

"Should it reach Galle in time, as was always the case formerly, I will send it on free through 'Reuter's' Office, and it will be very acceptable intelligence to the mercantile community in London."

BENGAL CHAMBER OF COMMERCE,

Calcutta, 29th November, 1860.

W. GREY, Esquire,

Secretary to the Government of India.

Home Department.

SIR,—Mr. T. Clark, Agent at Galle for Mr. Reuter's Telegraphic

Office in London, has applied to the Chamber of Commerce for a summary of commercial intelligence to be telegraphed to him so as to overtake the mail steamer at Galle, about six or seven days after her departure from Calcutta; Mr. Clark will undertake to send it on free through Reuter's Offices, and he says it will be very acceptable intelligence to the mercantile community in London.

The Committee of the Chamber will be glad to prepare a short *précis* of commercial intelligence as requested, on the understanding that it is transmitted free from Egypt to London, and there published for general information.

And I am instructed to submit this proposition for the favourable consideration of the Hon'ble the President in Council and to request His Honor will be pleased to permit such bi-monthly summary to be telegraphed from Calcutta to Galle as a public message free of charge.

I have the honor to be,

Sir,

Your most obedient servant,

H. W. I. WOOD,

Secretary.

No. 2374.

FROM

LORD H. ULICK BROWNE,

Under-Secretary to the Government of India,

TO

H. W. I. WOOD, Esquire,

Secretary, Bengal Chamber of Commerce,

Dated Fort William, the 10th Dec., 1860.

Home Department.

Sir,—I am directed to acknowledge the receipt of your letter dated 29th ultimo, on the subject of an application from the Agent at Galle for Mr. Reuter's Telegraph Office, for a summary of commercial intelligence which he wishes to be telegraphed to him so as to overtake the mail steamer at Galle about six or seven days after her departure from

Calcutta, and which he engages to send on free for, the information of the mercantile community in London.

2. The Chamber requests that such summaries may be telegraphed from Calcutta to Galle as public messages free of charge.

3. In reply I am directed to state that the President in Council is pleased to comply with this request, on conditions similar to those on which the commercial messages from England pass between *Dombay* and *Calcutta*, viz. that they shall be published for general information on arrival in England, and shall not exceed 160 words on each occasion.

I have the honor to be,

Sir,

Your most obedient servant,

H. ULICK BROWNE,

Under-Secy. to the Govt. of India.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 14th December, 1860.

MESSRS. ROBERT CAMPBELL & CO.,

*Agents for Reuter's Telegraph Office,
Calcutta.*

DEAR SIRS,—I have the pleasure to hand you the accompanying printed copy of a letter to my address from the Under-Secretary to the Government of India, from which you will learn that in compliance with the Chamber's application, based on your letter of the 27th ultimo, and Mr. Clark's request as annexed thereto, the Government have sanctioned the free transmission from Calcutta to Galle of a summary of commercial news to overtake the Calcutta mail steamer at the latter port, on the understanding that such summary is telegraphed as public news, and transmitted by Reuter's Offices to London and there published for general information.

In compliance with the request made by Mr. Clark the Chamber will prepare a summary of news, and telegraph it so as to reach him in time for despatch to England by each mail steamer at Galle; and this arrangement will have effect from the departure of next steamer from Calcutta.

Yours faithfully,

H. W. I. WOOD,

Secretary.

CXXXVIII

REUTER'S TELEGRAPH OFFICE, LONDON.

CHIEF OFFICE OF THE EASTERN BRANCH,

Point de Galle, Ceylon, 4th January 1861.

H. W. I. WOOD, Esq.,

Secy., Bengal Chamber of Commerce,
Calcutta.

DEAR SIR,—Messrs. R. Campbell and Co. have sent me a copy of your letter of the 14th December from which I learn that, on the application of the Chamber, Government have sanctioned the free transmission of a summary of commercial intelligence to overtake the Calcutta mail at Galle.

I have to thank you for obtaining this highly valuable concession, and to acknowledge the receipt of the first message in good time for the *Colombo*, which was sent forward to Mr. Reuter.

I have the honor to be,

Sir,

Yours faithfully,

THOMAS CLARK,

Managing Agent.

P. S.—I am much surprised that private parties do not avail themselves of Mr. Reuter's Offices for the transmission of messages to London which precede the mail via Marseilles.

T. C.

APPENDIX M.

Fraudulent Depreciation of Current Rupees.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 5th January, 1861.

COLONEL R. BAIRD SMITH, C. B.,

Master of the Mint, Calcutta.

SIR,—It has been brought to the notice of the Chamber of Commerce that the weight of rupees has been seriously depreciated; in some instances the loss has been found to be as much as four and six annas without actual disfigurement of the coin: It is believed that this is brought about by using rupees in the electrotype process, and that the practice is on the increase.

This involves considerable loss and very serious inconvenience, for commercial interests suffer both by the delay occasioned by the necessity of weighing every rupee and by the expense incurred in providing people to weigh.

Under these circumstances I am directed to represent the matter for your consideration and the adoption of such measures as you may think best calculated to put a stop to the practice in question.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 531 or 1860-61.

FROM

COLONEL R. BAIRD SMITH, C. B.,

Mint Master.

TO

H. W. I. WOOD, Esq.,

Secy. to Chamber of Commerce.

SIR,—I have the honor to acknowledge the receipt of your letter of

the 5th instant calling my attention to the great inconvenience, delay, and loss caused to the mercantile community by the fraudulent depreciation of the weight of current rupees, and requesting me to take such measures as may seem best calculated to put a stop to the practice in question.

2nd. It is probably known to most of the Members of the Chamber of Commerce that the whole coinage of the Mint is delivered to the General Treasury, where before receipt it is carefully tested by weight and tale. After satisfactory receipt by the Sub-treasurer, the responsibility of the Mint ceases, and on issue of the coin for general circulation its protection devolves on the Police authorities, under the laws provided for the purpose, which will be found in full detail in Chapter XII. of the Penal Code. This explanation will satisfy the Chamber, I hope, that I am not competent to assist them in a direct way in stopping the practice, but in such manner as I can I will do so most willingly.

3rd. The prevalence of the fraud came under my special notice so far back as September 1853, in consequence of the delivery of a large number of these depreciated coins at the Mint as bullion. The matter was then reported by me to both the Mint Committee and the Commissioner of Police. The number of cases of prosecution for fraudulent dealings with the coinage is, I think, sufficient to shew that the Police Authorities are fully aware of the importance of the matter, and make their influence felt. Still the information I have received supports the conviction of the Chamber as expressed in your letter that the practice of "sweating" rupees by some special means is a growing one.

4th. I have carefully examined a great number of these rupees with the view of discovering from their external appearance what these means are, and to the same end I have had experiments made both by the Electro-galvanic process and by the action of dilute nitric acid. Though the former is known and practised by natives in Calcutta, I did not find satisfactory evidence of its having been used on any of the rupees examined by me, while the evidence as to the general use of the nitric acid process was most conclusive. It is by this means therefore, that I think by far the largest portion of the injury to the coinage complained of is done, though the more refined method may occasionally be used.

5th. I will again bring the matter to the notice of the Mint Committee and will forward a copy of your letter for their consideration and

orders, and I trust the results may have some influence in checking what is justly represented as a very serious evil.

I have the honor to be,

Sir,

Your most obedient servant,

R. BAIRD SMITH,

Mint Master.

CALCUTTA MINT,
The 12th January, 1861.

No. 623 of 1860-61.

FROM

CAPTAIN H. HYDE, ENGINEERS,

Offg. Mint Master,

TO

H. W. I. WOOD, ESQUIRE,

Secretary to the Bengal Chamber of Commerce.

SIR,—With reference to my predecessor's letter No. 531 dated 12th January 1861, I have the honor to forward herewith copy of proceedings of the Government of India in the Financial Department dated 15th February 1861, being the result of a reference made to the Mint Committee on the subject, and I trust that the measures adopted by Government will have some effect in checking the very serious evil complained of by the Chamber.

I have the honor to be,

Sir,

Your most obedient servant,

H. HYDE, *Capt.*

Offg. Mint Master.

CALCUTTA MINT,
The 2nd March, 1861.

FINANCIAL DEPARTMENT,
Fort William, 15th February, 1861.

RESOLUTION.

It appears to the Hon'ble the President in Council, that nothing more

From Col. R. Baird Smith, C. B.,
Mint Master, Calcutta, to the Secretary
15 the Mint Committee, Calcutta,
No. 59 dated 14th January 1861.

From H. W. L. Wood, Esq., Secretary
to the Bengal Chamber of Com-
merce, to Col. R. Baird Smith, C. B.,
Master of the Mint, Calcutta, dated 24th
January 1861.

From Col. R. Baird Smith, C. B.,
Mint Master, Calcutta, to H. W. L.
Wood, Esq., Secretary to Chamber of
Commerce, No. 523 dated 14th Janu-
ary 1861.

Docket No 157 dated 27th January
1861, from the Secretary to the Mint
Committee, to the Secretary to the Gov-
ernment of India, in the Financial
Department.

engaged in the fraudulent work of depreciating coin.

Ordered, that a copy of the above be sent to the Home Department,
together with the above correspondences, for the purpose indicated, in
continuation of Financial Resolution No. 1865, dated the 11th March
1859.

Ordered, also, that a copy of the Resolution be sent to the Mint
Committee, Calcutta, for information.

(A true Extract.)

(Signed) C. H. LUSHINGTON,
Secy. to the Government of India.

(True Copy.)

H. HYDE, *Capt.*,
Offg. Mint Master.

APPENDIX N.

Condition of the Public Roads in the business part of the
Town.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 1st December, 1860.

ROBERT TURNBULL, Esq.,

Secy. to the Municipal Commissioners.

Sir,—I am instructed by the Committee of the Chamber of Commerce
to draw the attention of the Municipal Commissioners to the condition
of the public roads, especially in the business part of the Town.

Frequent complaints have been made with regard to the numerous
obstructions which block them up and prevent that free and uninterrupted
passage which should always be maintained in public thoroughfares.
Crowded as they are in consequence of a large and daily increasing
traffic it is essentially necessary that some well ordered arrangements
for keeping the roads clear should be introduced and enforced. The
extension of the foot-path system would be attended with advantage,
and the observance of a properly defined "rule of the road" would
materially lessen the inconveniences which now arise from the want of
regulations which are absolutely necessary for their prevention.

The Committee of the Chamber submit this matter for the considera-
tion of the Commissioners and they trust that, with the co-operation of
the Commissioner of Police, arrangements will at once be made by which
the streets will be kept free from the obstructions which now impede the
traffic of the town.

I have the honor to be, &c.,

H. W. L. WOOD,
Secretary.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 1st December, 1860.

S. WAUCHOPE, Esq., C. B.,

Commissioner of Police.

Sir,—I am instructed to hand you the accompanying copy of a letter addressed to the Municipal Commissioners regarding the necessity of introducing some system by which the streets in the business part of the town may be kept clear of the numerous obstructions which now impede the traffic passing through them. The Committee of the Chamber of Commerce submit that directions for preserving, at all times, a free and uninterrupted passage through public thoroughfares are essentially required; and they have no doubt that with the co-operation of the Municipal Commissioners and the means at your own disposal you will be able to maintain a degree of order and regularity, the want of which seriously inconveniences the traffic of the town.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 834.

6th December 1860.

FROM

S. WAUCHOPE, Esq., C. B.,

Commissioner of Police,

Calcutta,

TO

THE SECRETARY TO THE BENGAL CHAMBER OF COMMERCE,

Calcutta.

Sir,—I have the honor to acknowledge the receipt of your letter dated the 1st instant relative to the obstructions in the business part of Calcutta.

2. These are of two descriptions, 1st the obstruction of the road

caused by carriages and carts, the drivers of which either keeping to no particular side of the road prevent a free passage to others or place their vehicles across the streets so as to block them up; 2nd—the placing bales of goods, boxes or other articles on the streets, thereby obstructing them.

3. With reference to the first, I have the honor to remark that there is at present no law in Calcutta by which the Police can compel drivers of vehicles to keep to any particular side of the road. It is true that if any accident happens the driver on the wrong side of the road can be compelled in the Small Cause Court to pay the damages which may have been caused, but serious accidents from collisions are so rare and so much delay is caused by prosecuting in the Court, that most people prefer paying the damages rather than lose their valuable time by attending to prosecute. The Legislative Member for Madras has promised to insert a clause in the amended Police Act, which I hope will be passed in a few days, compelling drivers of all vehicles to keep to the left or near side of the road, and this I think will, if properly worked, answer all purposes.

4. With regard to carriages standing in streets and thus obstructing the thoroughfares, I am afraid that no remedy will be found until an Act of the Legislative Council is passed for the regulation of hack carriages, which would give me power to appoint stands, where vehicles let out for hire would be compelled to remain in regular order. Under the present law, unless the driver leaves his vehicle, so as to cause an obstruction, he cannot be touched by the Police. At the request of the late Mr. Leggett, I submitted a draft Act on this subject to the Legislative Council, and this with modifications has been before the Council for many months.

5. The present Police Act contains no provision against placing goods, or other articles on the streets unless they are for sale, but a penalty will be provided for this in the Amended Police Act.

I have the honor to be,

Sir,

Your most obedient servant,

S. WAUCHOPE,

Commissioner of Police.

FROM

THE SECRETARY TO THE
MUNICIPAL COMMISSIONERS,

TO

H. W. I. WOOD, ESQUIRE,
Secretary to the Bengal Chamber of Commerce,
Calcutta,

Dated the 13th December, 1860.

SIR,—I am directed by the Municipal Commissioners to acknowledge the receipt of your letter, dated the 1st instant, drawing attention to the condition of the roads, especially in the business part of the Town, to the numerous obstructions which block them up and prevent free and uninterrupted passage, and suggesting the advantages that would result from the extension of foot-paths, and a properly defined "Rule of the Road."

2. In reply I am desired to observe, that the condition of the Town roads in general, and of those in the business part of the Town in particular, has for years past been a source of much anxiety to the Commissioners. In the Annual Reports for the last three years, the difficulties which the Department experiences in this respect have been fully pointed out to Government, and indeed the apprehensions which were entertained regarding the future have been fully verified, for there is no denying that whilst the Town roads are getting worse from year to year, the means to put them into effectual repairs are becoming less and lesser owing to circumstances, however, which are entirely beyond the control of the Commissioners.

3. The Statements submitted to Government in the Annual Reports of the Commissioners met with due consideration, for, as it became clear that the importation of stone ballast into this port fell considerably short of the annual requirements of the Conservancy Department whilst the demands on the part of the suburbs and the neighbouring district towns increased, His Honor the Lieutenant Governor thought that the deficiency in the importation from abroad might, in a great measure, be met by the establishment of a penitentiary somewhere near a rock up the river, whence broken stone could be conveyed to Calcutta in return boats at a reasonable rate of freight. After collecting all the statistics bearing on this proposal, it was however found that even by paying a

considerably enhanced cost for such broken stone, the measure was, in financial respects, altogether impracticable.

4. Whilst the Commissioners were engaged in devising some other means for overcoming the difficulties under which they were labouring, the Grand Jury made a presentment to the Supreme Court concerning the very bad state of the roads, and a copy of such presentment has been forwarded to the Commissioners for their report. Copy of the Commissioners' reply, marked A, is herewith enclosed for the information of your Chamber. On the facts therein pointed out the Commissioners need not further dwell, for it is clear that it is an absolute impossibility to effect all the repairs necessary, when the annual importation of stone ballast is only 32,000 tons to meet the requirements of public departments amounting to nearly two hundred thousand tons, and when the price of bricks and labor have become so greatly enhanced.

5. On the receipt of the reply above referred to, Government reopened the question of procuring a supply of broken stone from some rock near the river, and, moreover, the Commissioners have been called upon to consider the practicability of paving the principal commercial thoroughfares over which there is heavy cartage passing. Owing to the necessity of collecting various information on that subject, no definite opinion could yet be arrived at; and I am directed to mention this circumstance, merely with the view to show that Government as well as the Commissioners do not lose sight of the importance and necessity of making arrangements for procuring material for putting the stone-roads of the Town into an efficient state of repair, or for devising means by which existing difficulties could be met. A copy of the letter from Government, marked B, is annexed.

6. Pending these enquiries, however, the Commissioners did not

waive the claims and rights of the Town to the proper maintenance of the public roads.

They observed that the Suburban authorities obtained an undue proportion of stone metal, and that, in violation of the distinct orders of Government, stone ballast was obtained and landed by parties in no way authorised to do so or entitled, to it. A remonstrance was therefore submitted to Government, and a prohibition of the interference of other parties solicited. From

Letter from Secretary to Municipal Commissioners, No 3258, dated 2nd June 1860, to Secretary to Government.

Letter from Secretary to Government to Municipal Commissioners, No. 3267, dated 16th August 1860.

Letter from Secretary to Municipal Commissioners to Secretary to Government, No. 3268, dated 27th August 1860.

Letter from Secretary to Government to Municipal Commissioners, No. 4224, dated 6th November 1860.

the correspondence noted in the margin, marked C, copies of which are herewith annexed, your Committee will observe that the Commissioners have been successful in their remonstrance, and though such will not tend much to increase the quantity of stone metal at their disposal, yet it will establish a fair proportion of the claims of the various departments requiring the material, and prevent that competition by which not Government alone but rate-payers would be the greatest sufferers. You will also observe that the proposal of repairing such of the existing stone roads as are not important thoroughfares with vitrified bricks, has met with the sanction of Government. This measure is now in course of being carried out.

7. But whilst the Commissioners had endeavored to show that the present condition of the public roads must be chiefly ascribed to causes over which they have little or no control, and that moreover Government have given every consideration, and acted upon every suggestion of the Commissioners, they would desire to point out that in matters of public utility, and especially in one of such commercial interest as the thoroughfares in the commercial part of the town, they must look forward to the friendly co-operation of those who have it in their power to afford material aid. It is an undeniable fact that stone ballast imported from abroad, and to which, under the orders of Government, the Commissioners alone are entitled, has been sold to contractors of suburban roads, whereby the Commissioners have been forced into competition, and have now to pay for stone formerly obtained gratis, whence it follows that the same sum of money which formerly would have been sufficient for the repairs of a certain length of road is now hardly adequate to defray the cost of little more than half the same length. The Commissioners are not aware whether the disposal of stone ballast rests solely with the Commander of a vessel, or whether the agent has any voice in the matter. If the former be the case there are at present no means of compulsion; but in the latter alternative the Commissioners think that the necessities of the town should not be lost sight of. The position of a consignee of a vessel is fully understood by the Commissioners. He is bound to protect the interests of the vessel entrusted to his care; at the same time the advantages of good roads facilitating the conveyance of imports and exports from and to the river's bank must greatly outweigh the trifling sum realised by the sale of stone ballast, and, surely, with the distinct orders of Government, that no one but the Commissioners are to land stone ballast from vessels in the river, no hesitation

can exist to afford co-operation in seeing such orders carried into effect for the benefit of the town.

8. I am furthermore desired to point out to you that, by adopting this suggestion, an inconvenience will be obviated which must necessarily arise in the course of time. By giving stone ballast to those who offer the highest price for it, an article hitherto offered gratis obtains a market value regulated by the extent of the demand for it. There are many ships in the course of the year, leaving this port, requiring stone ballast, which hitherto has been supplied at the mere cost its landing involved. It is evident if the stone ballast has to be paid for in the first instance, that cost must be recovered on its re-exportation, and there is no objection to prevent the Commissioners fixing such price upon it as the extent of demand may render advisable. A competition will thus be created in a quarter least expected, and, comparing the urgent necessity of a ship carrying troops, which cannot depart without a sufficient quantity of stone ballast, and that of a vessel which must discharge the same before receiving her export cargo, it is to be apprehended, that the Commissioners would be in a position to exact prices which would more than make up for the cost they have to pay for the imported raw material. It is by no means the intention of the Commissioners to adopt such a course; their object in alluding to this matter at all is merely to point out that if the value of stone ballast, on importation, is henceforth to be regulated by the extent of demand, they have an unquestionable right to fix upon the same principle its value when required for re-export.

9. With regard to the numerous obstructions of the public roads, especially in the business part of the Town, and which block them up and prevent free and uninterrupted passage, I am directed to observe that the Commissioners have no jurisdiction and no legal power to interfere whatever, but they concur entirely in the complaints made by the Chamber, and in their suggestion as to a "rule of the road." The obstructions caused by the excavations and drainage works the Board are fully aware, form a serious evil and add very much to the inconvenience of the public; this, they fear, is unavoidable, but they hope it is only temporary, and their best efforts are directed to the speedy execution of the works, to ensure which the Engineer will again be addressed.

10. The construction of foot-paths, as adverted to by your Committee, will however tend in some measure to rectify the evil complained of. The extension of these sideways has been determined by the Commissioners a long time ago, having recommended itself by various consi-

derations. With the drainage works in progress, the simultaneous construction of foot-paths saves a considerable portion of the expense that would have to be incurred in cutting away, perhaps to some distance, the earth thus excavated, whilst such sideways will afford a relief and comparative safety to those passengers who have to travel on foot among a crowd of carriages and other vehicles coming from opposite directions. Another advantage will be gained, that, by placing the gas lamp-posts along the edge of the foot-path, they will be at such a distance from the wall, as to yield the most effective illuminating power. The extension of foot-paths can, however, only be the work of time, as only a specific sum is annually available for that purpose.

11. The Commissioners have entered into these details with a view to convince your Committee that every effort is made to succed, as far as it lies in their power, the requirements of the commercial part of the town, and they trust that your Committee will bring the necessity of friendly co-operation with regard to the importation of stone ballast to the favorable notice of the merchants of this city.

I have the honor to be,

Sir,

Your most obedient servant,

ROBERT TURNBULL,

Secretary to the Municipal Commissioners.

(A)

No. 3323.

FROM

THE MUNICIPAL COMMISSIONERS
FOR THE TOWN OF CALCUTTA,

TO

THE HON'BLE J. P. GRANT,
Lieutenant-Governor of Bengal.

Dated the 15th August, 1860.

Public Roads.

HON'BLE SIR.—We have the honor to acknowledge the receipt of a copy of a presentment made by the Grand Jury to the Supreme Court at the late Criminal Sessions, concerning the very bad state of the public

roads, forwarded to us for report by Mr. Under-Secretary H. Bell, with his docket No. 3815, dated the 21st ultimo.

2. This presentment is worded as follows:—

“The Grand Jury present to the Supreme Court at the present Sessions the very bad state of many of the public roads in Calcutta, and they observe particularly that of late years they very soon get out of order after repairs, so much so that the art of road-making appears to have been lost in Calcutta. Some of the Grand Jury have been more than twenty years in this place, and can say, from experience, that in former years the roads continued to be good for a much longer period after repairs than is now the case.”

3. It will thus be observed that the presentment contains four distinct charges, *viz* :—

a. That many of the public roads are in a very bad state.

b. That of late years the roads very soon get out of order after repairs.

c. That the art of road-making appears to have been lost in Calcutta.

d. That twenty years ago the roads continued to be good for a much longer period after repairs, than is now the case.

4. We shall reply to these charges *seriatim*, but before offering any explanation, we beg permission to observe that, had the Grand Jury accompanied their presentment with any suggestions, by which the difficulties under which we are labouring could be overcome, we should have been most thankful, and used our best endeavours to carry them out, if practicable. It is hardly to be presumed that the Grand Jury could have been quite ignorant of such difficulties, for our proceedings have been regularly published in the local papers, and moreover copies of our general report for the past year, which contains all the details concerning the public roads of the town, have not only been readily given to whomsoever applied for the same, but have, in this instance, been sent specially to several of the gentlemen who composed the Grand Jury at the late Criminal Sessions of the Supreme Court.

5. With regard to the first charge, it is undeniable that many of the public roads are in a very bad state, and that they require thorough new layers. We much regret this, and have done all in our power to obviate the inconvenience, but to no effect; as for all such new layers, both more money and material than we are able to obtain, are indispensably necessary. Whatever the financial resources of the town may be, they cannot be applied towards one particular purpose alone, but must be apportioned to the different requirements of the Metropolis, and hence it follows that

only a certain fixed sum can annually be rendered available for a specific purpose. The expenditure under the heads to which it is apportioned must be kept strictly within its assigned limits, especially as the estimates of the requirements of the year are not based upon funds actually at our disposal, but upon prospective income. Were we to depart from this rule we should feel ourselves greatly embarrassed, because any expenditure under one particular head in excess of the estimate would curtail the means available for defraying the estimated expenses under another. The principal items which absorb a large portion of the annual municipal income are the conservancy of the town, and the making and repairing of roads. For the former Rupees 1,20,000 have been set apart, and Rupees 1,00,000 for the latter. Considering the other requirements of the town, no greater portion of the municipal resources could have been apportioned for these specific purposes, and it must be obvious that had these fixed proportions been exceeded it could have been done so only to the detriment of either one or the other, and it may be a matter of doubt whether the inhabitants would suffer more from bad roads or from an inefficient cleansing and scavenging of streets and drains.

6. The average sum expended from 1854 to 1856, for making and repairing roads, was Rupees 7,00,000 per annum. When Acts XIV, XXV, and XXVIII. of 1856 came into operation, and the revised valuation and assessment of the Town not only held out a prospective increase of the municipal income, but it became evident that, even after setting aside the prescribed annual sums of Rupees 1,50,000, and Rupees 30,000 for drainage and water supply, there would be still remaining an available surplus, our first object was to apportion such surplus towards the principal requirements of the Town, and such apportionments were increased from year to year according to the increased revenue derived from the Town. Thus, in 1857, Rupees 90,000 were expended for the public roads; Rupees 93,000 in 1858, Rupees 98,000 in 1859, and the estimated expenditure for the current year is Rupees 1,05,000. Large as this sum may appear, it is but a fraction of the amount which would be required to put the public streets into an efficient state, as we shall show in a subsequent paragraph.

7. The worst is, that, notwithstanding so heavy an outlay, the return obtained is actually less than in former years. In 1854, seventeen miles and six furlongs of Town roads received either new layers or partial repairs, at a cost of Rupees 69,437-7-4; during the past year, the length of roads having new layers and partial repairs was by five furlongs less, and

involved an outlay of Rupees 97,542-11-8, being an increase of above 40 per cent. This we could in no way prevent, since labor, material, and every thing has become so greatly enhanced in value. In 1854, the cost of landing stone ballast was 6 annas per ton; it is 11½ annas at present. Six years ago, the price of 1st quality khaoh was rupees 17 for 500 cubic feet, and rupees 13 for 2nd quality khaoh; at present we have to pay rupees 25-5 for the former, and rupees 17-14 for the latter. The cost of stone broken at the House of Correction has, under the orders of Government, been raised from rupees 21 to rupees 30-11 per 100 ferrals. Thus the additional sums rendered available for the repairs of roads have been more than absorbed by the increased cost of labor and material, and the result is, that, though in 1859 rupees 28,000 more have been expended for that purpose than in the year 1854, the length of roads repaired during the latter period is actually six furlongs less.

8. But even were a larger sum available for the repairs of the public streets, we should have to contend with the difficulty of procuring the raw material. We have in our annual reports for the last three years continually pointed out the great inconvenience likely to result from the importation of stone ballast being quite inadequate for the requirements of the town, especially since the demand for the same for the suburban roads has greatly increased. Since then other parties have entered into competition, and though under the orders of Government we alone are to land all the stone ballast brought to this port, still we have no power to compel Commanders of Vessels to deliver it to us, if they find it to their interest to dispose of it to other parties. The necessity of making some arrangements for procuring a supply adequate to the requirements of the town and the suburbs, as well as of several other departments, appears to have been fully recognised, for on the 14th November last we were requested by your Honor to state the price which the town could afford to pay for stone broken by prisoners at some spot on the river, where the stream passes near rock, and whence it could be imported down-stream in return coal-boats and other craft.

9. Whilst thus the demand for stone ballast has become more general, its importation has on the other hand greatly fallen off. In 1855 the quantity imported was 52,701 tons. Since then it has gradually decreased from year to year, till in 1859 it dwindled down to 33,000, being a decrease of nearly 20,000 tons. Out of last year's quantity we received only 16,000 tons, and as this contained nearly one-third of soft stone,

which is of comparatively little use, it is evident that what remained might, considering the demands of the Town, not inappropriately be called "a mere drop in the ocean." Moreover a considerable quantity of the ballast brought to this port was taken away by the China Expedition Transports. Other parties are likewise in the habit of obtaining some of the stone ballast, which comes to the port, for suburban roads and other purposes in spite of the Government orders to the contrary, and our endeavours to prevent it. We would draw attention specially to this point in our Surveyor's Report, which will be found appended, marked A.

10. With regard to *khank* the same difficulties prevail. With a demand which the market is unable to supply, the price of bricks has risen to almost a fabulous rate, whilst their quality itself has greatly deteriorated. It is admitted on all hands that bricks manufactured in former years and sold at rupees five a thousand were superior to those which now find a ready market at rupees nine, and yet such is the demand for the article that what in former years would have been most decidedly rejected is now unhesitatingly taken, because there are no means of securing a supply from any other source. With a view of obtaining the necessary quantity of *khank* for the repairs of public roads, we invited tenders, limiting neither price nor quality. Though the advertisements were published for several weeks, not a single tender was received, and on enquiry into the cause of this singular absence of enterprise, we were told that no one was disposed to bind himself to supply *khank* for a fixed period, as long as he found ready purchasers for the very worst quality of bricks at highly remunerative prices. Until we are able to procure a suitable spot of ground near the Town, and make our own "jamna" or vitrified *khank* of a quality which does not immediately pound up into powder, we fear the Town roads cannot be made to resist for any length of time the present enormous traffic upon them. To establish such a brick field capital is required, and suitable soil for making bricks, which it is most difficult to obtain within reasonable carting distance. A definite proposal on this important point will shortly be submitted.

11. There is one cause more, which even at this moment operates as a powerful drawback upon more extensive repairs of the public roads. The rolling of new layers as well as of partial repairs of streets is generally effected by our establishment, and for that purpose a portion of the cattle kept at our *Gawkhannahs* is especially employed. This cattle consisted of stray Brahmini bulls procured from the villages of the

surrounding districts, the price of which averaged about rupees five a-head. Under the orders of Government that source of supply has been discontinued, and we are now obliged to draw for our requirements on the open market, and hence have to pay a much higher price. A larch of Commissariat bullocks "not longer required" was lately sold by public auction, and for the number purchased on account of the Conservancy Department we had to pay rupees twenty-five a-head. It is perhaps somewhat singular that among that batch there were five Brahmini bulls, so that in fact it would appear that although these useful animals must not be caught or bought in the Mofussil districts for Conservancy purposes there is no objection to their being employed in the Commissariat Department, and sold when no longer required on behalf of Government; but it may be presumed that, if the apprehensions of a late Magistrate of Baraset be well founded, (which we do not believe to be the case), the capture of stray Brahmini bulls, whether sold to one department or the other, must be equally obnoxious to the mind, prejudices, and feelings of the Hindoos.

12. We have in the foregoing paras. endeavored to account for the existing bad state of the roads, and our inability to remedy the evil. We have only one point more to advert to. Were the roads in that portion of the Town under Conservancy management alone, in a bad state, we admit that the public would not only have a just cause of complaint, but also the right of demanding an explanation. Unfortunately the public roads are in a sad state everywhere. The Barrackpore road is almost impassable; the Diamond Harbour road is a succession of hills and valleys; the residents of Garden Reach complain about their roads; and the inhabitants of Inataly follow in their wake. About the roads at Towrah complaints appeared in the local papers; and in fact, there is one universal outcry against the state of the roads and yet the difficulty is everywhere the same—no money, no material. The difficulties we experience are identical with those experienced everywhere, and surely if the public would come forward with some practical suggestions by which these difficulties could be overcome, it might prove of more advantage.

13. We now proceed to reply to the second charge of the Grand Jury, viz. "that of late years the roads very soon get out of order after repairs." This verdict of the Grand Jury leads to two surmises, either that the Jury could not have been unanimous in opinion, or, if so, that those gentlemen, to whom copies of our Annual Reports are regularly and especially sent every year, never read them. In para. 64 of our

Report for 1858, the following remarks were submitted on the subject of repairs of public roads:—

“ The repairing of roads in this city is attended with two very great difficulties, of which one can only be overcome at the expense of the other. In this climate, where the rains are confined to a particular season of the year, the construction and thorough repairs of roads are greatly dependent upon artificial means of irrigation. It is generally admitted that to construct a road or street of permanent durability, the whole width of it ought to be covered at once with a layer of stone, and instead of being immediately provided with binding cement remain without it for a considerable time, in order to allow the stone by the pressure of the roller, and of such carriages as cannot avoid passing over the same, properly to settle, whilst each fall of rain or artificial means of irrigation tends either to fill up existing crevices or make additional room for the stone to settle more fixedly. Roads similarly constructed will last for a very long period, but the inconvenience therefrom arising in streets of great traffic is such as almost to preclude the adoption of that plan. The inconvenience may be slightly obviated, by constructing the road only half its width, a time, but experience has proved, that in such cases the particular curve necessary to streets is seldom perfect, and that moreover a complete junction of the curves is never attained. To hurry through new layers, by at once rolling and binding them with cement, certainly overcomes all the inconvenience for the time, but it is in the end the most unsatisfactory and most expensive way of making or repairing roads, as there is no durability. To put a stop to the outcry raised against the inconvenience caused by the new layer of stone in Chowringhee road, we ordered a portion thereof to be at once rolled, and bound with cement, and the result is exactly what we anticipated. Though little more than a year has elapsed since its completion, that particular portion is again in almost the same state as it was before, and indeed the money has been expended to but little purpose. It appears to us that to allow a longer time for the proper construction of any road or street would in the long run entail much less inconvenience than the repeated partial repairs rendered necessary by their defective construction in the first instance.”

14. Under Section 88 of Act XIV. of 1856, we have the power of fixing bars across any street during its repairs, to “ prevent the passage of carriages, carts, or other vehicles, cattle or horses, whilst such works

are carried on.” These powers we have studiously avoided of exercising, and our constant endeavor was to cause as little inconvenience to the public as possible. In one instance, however, it was deemed necessary to enforce that clause of the Act, because we were convinced that whatever the temporary inconvenience might be it would in the end prove a benefit to all. In England not the least hesitation would be shown in shutting up a public thoroughfare whilst under repairs; in India the convenience of the public must be first consulted on the plan of the climate.

15. The third charge of the Grand Jury is that the art of road-making appears to have been lost in Calcutta. So far from such being the case, we may assert that instead of being lost it is better understood and better attended to. In repairing roads, fixing gas-lights, and constructing foot-paths, we neither act upon the impulse of our views, nor upon the antiquated routine rule of the Department, but our object is to adapt the improvements of Europe to the requirement of this city, with particular regard to the difference of climate, season, and habits of the people. With these views we have subscribed to and receive by every mail periodicals bearing on these subjects, and before finally adopting any new plan that may have been attended with perfect success at home we invariably try it here first as an experiment. Now as far as these experiments refer to road-making, we are more than ever convinced that in order to make or efficiently repair the public roads the operations ought to be confined either to the rainy season, or carried on during the other stages of the year with the assistance of artificial irrigation. New layers moreover should not be covered over with binding cement, which destroys the proper consolidation of the metal, so as to ensure a smooth and durable surface. In England we have it on the authority of Sir Henry Parnell, one of the best writers on the subject, the covering over of the metal should never be attempted, except where we are compelled by the pressure of the public voice to do so, and the consequence is the road will not last as it should do. Either of these alternatives is perfectly feasible; but as long as a consideration for the convenience of the public must give way to the only acknowledged efficient mode of repairing streets, it cannot, after what we have stated in our Annual Report for 1858, be a wonder that the public roads of this Town get so soon out of order after they have been repaired.

16. In the 4th and last charge which the Grand Jury have preferred against us, those of the members who “ have been in this place for up-

wards of twenty years" appear to have overlooked the fact that the present traffic of the Town wears a very different aspect from what it did twenty years ago. In those times a conveyance could only be sported by few, and several of the identical gentlemen who constituted the late Grand Jury at that period either resorted to palanquins, or walked through the streets. Times have changed; the economy of time is better understood, and palanquins are greatly superseded by conveyances of every description. In the first quarter of 1857 the number of registered conveyances let on hire was 2,900; in the same quarter for the current year it is nearly 4,500. Palanquin bearers do not deteriorate public roads, but vehicles do, and surely every body must comprehend that roads traversed by 4,500 registered vehicles, irrespective of the large number of private conveyances, are subject to infinitely greater wear and tear than if only trodden upon by foot passengers. The Imports and Exports of the Port have quadrupled, and the consequent increased traffic by hackeries alone is sufficient to cut up the roads.

17. We stated in para. 6, that the amount set apart for the repairs of the town roads is a mere fraction of the actual requirements of this city. We have also shown that the quantity of stone ballast imported and rendered available to us is quite inadequate to the actual demand. That this is not an exaggeration, the statements submitted in Appendices B and C, an abstract of which appeared in our published proceedings, will fully corroborate. From Appendix B it will be perceived that the number of streets which ought to have new stone layers is eighty-nine, and that for that purpose not less than 436,564 ferrals of broken stone are required. Five ferrals being equal to a ton, it follows that in order to restore the public roads of the town, *eighty-seven thousand three hundred and thirteen* tons of hard stone ballast are absolutely necessary, being nearly three times the quantity of every description of stone ballast landed during the last three years, and more than five times the quantity allotted to us out of the annual importation. This is exclusive of broken stone required for partial repairs, and in itself would entail an outlay of Rupees 2,23,068-6-2, as shown in the same Appendix.

18. Appendix C exhibits the kloah roads requiring new layers. These amount to 140 streets and lanes, and would involve an outlay of Rupees 1,80,400, exclusive of the cost of rolling. Even if we had the means of defraying the estimated cost, it would be an impossibility of completing the work within one year, without rendering completely impossible some of the most frequented streets and lanes. There are no

less than 112 miles of streets and lanes in Calcutta to be kept in order, and it cannot be wondered if, with such a traffic and such a population, some of the streets are occasionally in bad repair.

19. The result of the statements referred to is that to put the public roads of this town in an absolute efficient state, we should have to incur an outlay of Rupees 2,23,068 0 0 for stone roads,

„ 1,90,900 0 0 for kloah roads.

Rupees 4,13,968 0 0, *exclusive of the expense for partial repairs*, so that the whole amount would not fall short of five lacs of Rupees. The total annual municipal income at present amounts in round number to eight lacs. Of these Rupees 2,00,000 are absorbed in connection with the new drainage works; Rupees 1,20,000 are appropriated towards the lighting of the Town; and Rupees 30,000 are set aside in accordance with the provisions of the Municipal Act for water supply. The amount therefore remaining available for *all* other requirements of the Town is Rupees 4,50,000, so that, in fact, if the whole of this sum were appropriated for roads alone, it would not be sufficient to cover the expense of putting into an efficient state those roads which at present require either new layers or partial repairs; and even if the whole amount could be rendered available, it would be impossible to procure the raw material itself, except at a cost which would defy the very object in view.

20. We have entered into these details, in order that the difficulties under which not only ourselves but all others in charge of public roads within and without the Town are labouring may be fully understood. In these details there is nothing that has not already been recorded in our published proceedings and the Annual Reports, so that the present letter is only a recitation of what has repeatedly been brought before the public in one shape or the other. We are always anxious to meet the wishes of the public and to obviate all complaints as far as practicable. Our Office is at all times open to every one; our proceedings and the manner in which the Municipal Funds are appropriated are published in the local papers; of the 10,000 letters and petitions received during the year not one remains unanswered; every complaint is strictly enquired into, and, as far as practicable, attended to; but with all this we cannot spend more money than we have at our disposal; we cannot repair roads without stone metal; in fact, we cannot achieve impossibilities; and if the late Grand Jury can devise any scheme by which

the interests of the Town can be better attended to we shall be most happy to put it into execution.

We have the honor to be,
 Hon'ble Sir,
 Your most obedient servants,
 (Signed) S. WAUCHOPE,
 " H. L. THUILLAER, Major, } *Municipal Commissioners.*
 " A. M. DOWLEANS,

APPENDIX A.

Report by the Surveyor to the Municipal Commissioners.

With reference to the presentment made by the Grand Jury to the Supreme Court, respecting the very bad state of the public roads of the Town, I beg to state that the complaint is a just one, especially with reference to the roads which are metalled with stone, and they are the principal thoroughfares in the business part of the Town. The cause of these roads being in a bad state is the want of metal to repair them properly. The statement already submitted to the Board shows that there are sixty-one roads which require new layers.

When the Municipal Commissioners were first appointed in 1847, I brought to the notice of the Board that the Suburban authorities had commenced stone metalling the roads under their charge, and that the material was being supplied from the House of Correction, which, if continued, would in course of time affect the Town roads, for the supply of stone ballast brought to this part was barely sufficient for the requirements of the Town and Maidan roads.

The supplies for the Suburban roads were not discontinued, and the portion allotted for the Town was not sufficient to keep the roads in a proper state of repair, consequently a number have only been partially repaired. These required layers, and it must be to this method of patch work to which the Grand Jury refer.

If the merchants of Calcutta, the majority of whom are on the Grand Jury, wish the town roads to be put into an efficient state, they must make arrangements to secure the whole of the ballast brought to this part for the use of the Town. Since the presentment was made, some of the merchants, instead of allowing the Commissioners to have the stone, have given it to the contractor employed by the Superintendent of the

Suburban roads. Unless some immediate steps are taken, several of the principal thoroughfares of the Town, for instance Chitpore road, Durmahatta street, and the Strand road, will have to be repaired with Khoah which, owing to the great traffic, will not last a season.

With reference to the Khoah roads, I beg to state that the traffic of the Town has so considerably increased that the description of material hitherto used does not last long, and the Commissioners must be prepared to give a higher rate to enable the contractors to prepare a better quality. At present they are supplying the best that can be procured in the market.

(Signed) J. ROWE,
Surveyor to the Municipal Commissioners.

(B.)

No. 5113.

FROM H. BELL, Esquire,
Under-Secretary to the Government of Bengal.
 TO THE MUNICIPAL COMMISSIONERS
 FOR THE TOWN OF CALCUTTA,
Dated Fort William, the 29th Sept., 1860.

Judicial.

GENTLEMEN,—I am directed to acknowledge the receipt of your letter No. 3323, dated the 15th ultimo, submitting a report on the presentment made by the Grand Jury to the Supreme Court at the late Criminal Sessions, concerning the very bad state of the public roads of the Town, and to request that you will review again the question of repairing the roads with stone, with reference to the altered prices of the metalling materials and increased traffic.

2. You are also requested to report for the information of the Lieutenant-Governor, whether you have ever considered the question of paving the great thoroughfares over which there is heavy cartage.

I have the honor to be,

Gentlemen,

Your most obedient servant,
 (Signed) H. BELL,

Under-Secy. to the Govt. of Bengal.

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(C.)
No. 3238.

FROM

R. TURNBULL, ESQUIRE,
*Secretary to the Municipal Commissioners
for the Town of Calcutta.*

TO

THE SECRETARY
TO THE GOVERNMENT OF BENGAL,

Dated 23rd June, 1860.

SIR,—I have the honor, by direction of the Municipal Commissioners, to solicit the favor of your submitting the following communication for the consideration and orders of the Honorable the Lieutenant-Governor of Bengal.

2. Under the orders of Government conveyed in Mr. Under-Secretary W. Seton-Karr's letter, No. 219, dated the 10th of February 1849, the duty of landing the stone ballast imported to this port was vested in the Municipal Commissioners for the Town of Calcutta, who, at the same time, were directed to make over to the order of the Chief Magistrate one-half of the quantity that may be landed.

3. The Municipal Commissioners, acting under these instructions, have accordingly entered into contracts for the landing of stone ballast from vessels in the river, making over to the Chief Magistrate one-half of the quantity landed, reserving the other half for the repairs of the Town roads. The small quantity of stone which has of late been received having led to an enquiry as to the cause, it has been reported to the Commissioners that large quantities are being landed by the Eastern Bengal Railway Company, the Superintendent of the Suburban roads, and the Executive Engineer Barrackpore division.

4. The Municipal Commissioners have, in the Annual Report for the past year, strongly pointed out the difficulties under which they are laboring, owing to the great falling off in the importation of stone ballast, and the increased demand for it, and it is evident that the interference of other parties not only leads to additional embarrassment, but creates a competition which it is highly desirable to avoid, especially if it be considered that out of the portion available for the Town the Commissioners have not unfrequently to supply ballast to out-going vessels, as was the case in the course of the present year with the ships taken up for the China expedition. The Commissioners would therefore respectfully

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solicit that His Honor the Lieutenant-Governor will be pleased to issue stringent orders to the parties referred to, prohibiting them from interfering and adding to the difficulties against which they have already to contend, as otherwise the repairs of the Town roads would be effectually put a stop to.

I have the honor to be,

SIR,

Your most obedient servant,

(Signed) R. TURNBULL,

Secretary to the Municipal Commissioners.

(C 2)

No. 3262.

FROM

LIEUTENANT-COLONEL C. B. YOUNG,

*Secretary to the Government of Bengal,
in the Public Works Department,*

TO

THE MUNICIPAL COMMISSIONERS, CALCUTTA,

Fort William, the 16th August, 1860.

P. W. Department,
Communications,
Hoops.

GENTLEMEN,—I am directed to acknowledge the receipt of your Secretary's letter No. 3238, of the 23rd June last, and with reference to paragraph 3 thereof, to state that, from a report by the Superintending Engineer, Presidency Circle, submitted through the Chief Engineer, it appears that neither the Executive Engineer of the Barrackpore division, nor the officiating Superintendent of the Suburban roads have landed stone ballast from vessels in the harbour, nor have they ordered it to be done.

2. With advenience to the 4th paragraph of the letter under acknowledgment, I am desired to say that the Lieutenant-Governor has observed that large quantities of stone ballast are being expended upon such unimportant streets as Harrington and Middleton streets in Chowringhee, a use of it which appears to the Lieutenant-Governor to be quite un-

necessary and only calculated to add to the embarrassments of which your Commissioners complain.

3. I am further instructed to observe that to employ such metalling upon streets so little used, except by a few in the immediate neighbourhood, while at the same time brick metal is used for a broad and important thoroughfare like the road leading from Park street to the Fort, which is so universally traversed, appears to the Lieutenant-Governor to be a manifest misapplication of material.

I have the honor to be,
Gentlemen,
Your most obedient servant,
(Signed) C. B. YOUNG, *Lieutenant Colonel,*
Secretary to the Government of Bengal,
in the Public Works Department.

(C 3)
No. 3368.

FROM

THE SECRETARY TO THE
MUNICIPAL COMMISSIONERS,

TO

LIEUT.-COLONEL C. B. YOUNG,
Secretary to the Government of Bengal,
Department Public Works,

Fort William, dated the 22nd August, 1860.

ROADS.

SIR,—I have the honor, by direction of the Municipal Commissioners, to acknowledge the receipt of your letter No. 3262, dated the 16th instant, stating, that from a report by the Superintending Engineer, Presidency Circle, it appears, "that neither the Executive Engineer of the Barrackpore division, nor the Superintendent of the Suburban roads " have landed stone ballast from vessels in the harbour, nor have they " ordered it to be done."

2. The Commissioners received a similar assurance from the two last named officers direct, but as, notwithstanding such assurances, large quantities of stone continued to be heaped up on the sides of the Chit-

pore and Barnagore roads, as well as along the Barrackpore road, it was evident that some person or persons for or on account of these officers, or their departments, were landing stone ballast from vessels in the river, in direct opposition to the orders of Government. The Commissioners being desirous of discovering who the actual parties were caused minute enquiries to be made, and the result is as follows.

3. A Sircar either in the employ of the Executive Engineer of the Barrackpore division, or in the pay of the contractor, did land stone ballast from several vessels in the river, and on one or two occasions actually paid a premium to the owners for the same. He represented himself as " Captain Elliot, the Barrackpore Executive Engineer's man," and thus, under false pretences, secured a supply of stone, which under other circumstances he would have failed to obtain. That this has been done without the knowledge of Captain Elliot, the Commissioners are fully convinced, but at the same time it shows the mischief that must arise if officers in charge of roads allow their servants or contractors to depart from established rules, and instead indenting for their requirements of stone metal upon the Commissioner of Police or the Municipal Commissioners, rely upon contractors, whose only means of procuring stone is by obtaining it surreptitiously from vessels in the river.

4. The Commissioners regret, that they cannot form a favorable opinion of the manner in which the Officiating Superintendent of Suburban roads has evaded giving a straightforward reply to their request for information. On the 25th of June last, a letter was addressed to that Officer, simply telling him, that the landing of stone ballast from vessels in the river was under the orders of Government confined to the Commissioners alone. On the 3rd of this month, or after the lapse of thirty-nine days, he in reply asserted, that none of the Government servants under him " had been receiving or taking stone ballast from the ships in the harbour," but as in spite of that assertion, the deposits of stone along the Chitpore and Barnagore roads went on increasing, Mr. Bremner was addressed again on the 4th instant, with a view to ascertain from him, whence the stone had been obtained, as the Commissioners were desirous of tracing the parties, who, in violation of the orders of Government, were landing from vessels stone ballast brought to this port. To this requisition, Mr. Bremner stated in reply, " that there are a " number of stocks of stones on the sides of roads in the Barnagore " Subdivision brought by contractor for the repairs of roads under " my charge, and as the party supplying me with stone metal has

"received advances from this office, the stone in question is the property of this Department."

5. Mr. Bremner, no doubt with a laudable zeal to put the Suburban roads under his charge into an efficient state of repair, was as anxious as the Commissioners are, to secure a sufficient supply of stone metal, but at the same time, there is no apparent ground for his giving an evasive reply to the question asked in the first instance, the object of which, was merely to carry out the standing orders of Government, and a departure from which must necessarily create a competition, which not only tends to establish a market value for a commodity hitherto obtained at the mere cost of landing, but which, if competition is allowed to interfere, will raise the price of stone ballast to a rate, which must entail a very heavy outlay for those roads, which are repaired at the expense of Government. The effect of this competition is already manifest, for in consequence of the great demand for stone metal for several of the Town roads, the Commissioners have been obliged to outbid the Suburban road contractor, and had to pay rupees 175 for 300 tons of stone ballast imported in the course of this week from the Mauritius.

6. The Commissioners are under the impression, that all the facts and orders of Government connected with the landing of stone ballast have not been laid before His Honor the Lieutenant-Governor of Bengal. In the year 1848, a discussion arose on this identical point, and on a representation made by Mr. Patton, the Chief Magistrate of Calcutta, Government, in Mr. Under-Secretary Seton-Karr's letter, No. 219, dated the 10th February 1849, ordered, that all the stone ballast imported into this harbour should be landed by the Municipal Commissioners, one half of such importation being made over to the Chief Magistrate's orders. These orders have ever since been strictly carried out, though they were against the interests of the Town. Stone ballast brought to this port varies in description, and some of it is hardly fit for purposes of our layers of streets. The moiety supplied to the Chief Magistrate consists of the best kind, and hence the portion which falls to the share of the Commissioners, comprises soft stone, which is comparatively of but little use, though the expense of landing it, is entirely defrayed out of the Municipal funds. It also must be borne in mind, that vessels leaving this port and requiring stone ballast, are supplied with it by this department, so that in fact the portion available to the Commissioners and fit for layers of streets, hardly exceeds one-third of the annual importation.

7. In reply to a recent presentment made by the Grand Jury of the

Supreme Court, the Commissioners have shown, that not less than *eighty-seven thousand* tons of stone metal would be required to put the existing stone roads of the Town into an efficient state of repair, and that quantity may be assumed to be the average of the annual requirements of this department. The Commissioners believe that the demands on the part of the department Public Works are of an equal if not of a larger extent, and it is therefore clear, that with an importation of only 32,000 tons, it is impossible to meet the requirements of even one department alone.

8. Under these circumstances, there is obviously only one course left to pursue, namely, to apportion the quantity monthly imported among the various departments, which His Honor the Lieutenant-Governor may consider entitled to a supply; and in order to obviate unnecessary competition, the Commissioners would respectfully suggest, that all Officers in charge of roads be restricted from receiving stone ballast from contractors, as it is evident that the latter can only procure it from on board of vessels importing it from Mauritius, and to which they are in no way entitled.

9. With regard to the second and last part, of your letter under acknowledgment, I am directed to observe, that as Middleton and Harrington streets were originally constructed with stone metal, and at a time when there was an abundance of stone ballast, the present repairs could not well be undertaken with khalah, unless such was made of vitrified bricks, which I fear however are not procurable. The road leading from Park street to the Port, as well as all the Malabar roads are not under the jurisdiction of the Commissioners, and therefore they venture no opinion regarding them, but the quantity of stone metal which has been expended upon so unimportant a Suburban road, as Moonsee Ganj road, leading from Kidderpore Bridge to Walgunge, could certainly have been much more advantageously applied than where it has been laid down.

10. It is however clear that with the increasing demand for stone metal, and the great falling off in the importation of stone ballast, the public roads of the Town must get worse from year to year, unless arrangements can be made for procuring a supply of stone from some other source. Of this, at present, there seems to be no likelihood, and therefore the only alternative left is to convert all such stone roads, as are not important thoroughfares, into khalah roads, using for that purpose jamma or vitrified bricks. This course however can only be carried out by the Commissioners manufacturing their own bricks, as apart

from the difficulty of procuring vitrified bricks in the market, the conversion of stone roads into khowah roads would create such a demand for bricks in general, that a considerable rise in their price might be anticipated.

11. There is moreover another consideration which renders such a measure highly desirable. As stone metal is quite out of question, all the roads, through which the new sewers are being constructed, will have to be restored with khowah, and for this purpose an enormous quantity of bricks will be required. The Commissioners' works at Kootrung yield 160 lakhs of bricks, of which about 10 lakhs, consisting of overburnt bricks, are supplied for the Town roads, the whole of the remaining quantity being used in connection with the drainage works now in progress. As this is hardly sufficient to meet the current requirements, it is evident, that in order to construct the high-level sewer from Entally to the Tangrahi Creek, as well as the reservoirs and other works connected therewith, arrangements must be made for a considerable additional supply of bricks and socketry. To depend upon the open market would be ruinous to all departments drawing their supply from such source, and moreover lead to certain disappointment. The Commissioners therefore are of opinion, that the safest and most economical plan would be, to purchase from 30 to 50 biggahs of ground to the east of Entally, and to manufacture their bricks under contract. The cost of carting them from there to the several depôts would be very moderate, and the advantage gained would consist in having at all times at disposal a large quantity of bricks of superior quality, for although made under contract, the manufacture would be under the control and supervision of the Commissioners.

12. The construction of the high-level sewer from Entally to Tangrahi Creek will render available a large quantity of soil which might be turned to good account. Places might be hired at various intervals along the sewer, where to deposit such soil and manufacture it into bricks, which could be conveyed by a temporary tramway over the high-level sewer to near the Canal. These bricks would not be of a quality sufficiently good for the construction of the sewer itself, but they would do very well for partial repairs of roads and lanes chiefly traversed by foot passengers.

13. The price of the ground which the Commissioners propose purchasing is very moderate, so that the area required could be procured at an outlay of 4,500 rupees. By entering into a contract for the supply of soil it would be obtained at a cheaper rate, and there is no doubt that,

by exercising a strict control, the Commissioners would obtain a better description of bricks at a cost considerably below the market rate. Should His Honor the Lieutenant-Governor authorize this proposal being carried out, the Commissioners will take immediate steps for the purchase of the land, and make such arrangements as will admit of the manufacture of bricks being commenced upon immediately after the cessation of the present rainy season.

I have the honor, to be,

Sir,

Your most obedient servant,

(Sd.) R. D. TURNBULL,

Secy. to the Municipal Commissioners.

(C 4)

No. 4524.

FROM

LIEUTENANT-COLONEL C. B. YOUNG,

Secretary to the Government of Bengal

in the Public Works Department,

TO

THE MUNICIPAL COMMISSIONERS OF CALCUTTA.

Fort William, the 6th November, 1860.

P. W. Department.

General,

Public Works.

GENTLEMEN,—I have the honor to acknowledge the receipt of your Secretary's letter No. 3368, dated the 29th August last, and in reply I am directed by the Lieutenant-Governor to state as follows.

2. Further enquiries having been instituted by the Superintending Engineer of the Presidency circle, with respect to the statements made in the first five paragraphs of the letter under reply, it appears that, although stone ballast has not been hauled from ships in the harbour either by the Executive Engineer of the Barrackpore division, or by the Superintendent of suburban roads directly, these officers have entered into contracts with native contractors who landed the ballast from ships

in the harbour, and supplied it to them. Practically this course does not differ from the plan of buying the ballast directly from the ship. This irregularity, as the Lieutenant-Governor is informed by the Chief Engineer, has now been put a stop to, and the making of further similar contracts has been prohibited.

3. Your Commissioners seem to be under the impression (paragraph 6.) that all the facts and the orders of Government connected with the landing of stone ballast have not been laid before the Lieutenant-Governor, and refer to Mr. Under-Secretary Seton-Karr's letter No. 219, dated the 10th February 1849, which directed that all the ballast imported into this harbour should be landed by the Commissioners, one-half of such importation being made over to the Chief Magistrate for the maintenance of the Esplanade and Suburban roads.

4. I am directed to refer to the more recent orders conveyed in Mr. Under-Secretary Dalrymple's letter No. 833, dated the 19th May 1850, under the operation of which the whole of the stone prepared in the House of Correction was to be made over to the Commissioners, with the reservation that a sufficient quantity should be retained for the requirements of the Esplanade and Garrison roads only. At the same time the fact of the Superintendent of Suburban roads having waived his claim to a share of the broken stone, owing to its greatly enhanced price arising from competition, was adverted to, and it was stated that apart from this fact the circumstance of the inhabitants of Calcutta being taxed for the maintenance of their roads, which the people in the suburbs were not, as well as the circumstance that the traffic in the streets of Calcutta was greater than in the suburbs, gave the claim on account of Calcutta a priority of consideration.

5. Since these orders were passed, the inhabitants of the suburbs have been taxed like those of Calcutta, for the maintenance of their roads; and the rule therein laid down is therefore not applicable to the present state of things.

6. There are four descriptions of roads which require more or less stone metal in Calcutta, and in its vicinity, *viz* :—

- 1st.—Calcutta Town Roads.
- 2nd.—Calcutta Mission Roads.
- 3rd.—Suburban District Roads.
- 4th.—Suburban Imperial Roads.

The funds for the first and third are provided by the inhabitants; the funds for the second and fourth are provided by Government.

7. The Lieutenant-Governor is of opinion that the proper principle now is to take the town and the suburbs together, and to give the stone proportionately, as far as it will go, to those roads, to whichever class they belong, over which the traffic is the greatest. It is not probable that under this principle any large proportion of stone will be available for the Suburban roads; but if so, the reason will be, because there is not so much traffic over the Suburban roads generally as over the town roads, and because, therefore, the suburban roads do not require stone ballast so much as other roads.

8. The Lieutenant-Governor observes that it would be very advantageous if all the Calcutta roads could be stone metalled; but as the supply of stone is very much less than the demand, it is impossible at present to effect this. Under these circumstances, there is, as stated in your 8th paragraph, only one course left to pursue, namely, "to apportion the quantity monthly imported among the various departments which the Lieutenant-Governor may consider entitled to a supply."

9. In order to carry out this principle of distribution, which he considers the most proper one, I am directed to say that the Lieutenant-Governor has placed the business of allotment in the hands of the Chief Engineer, from whom the Commissioners will receive a further communication.

10. Sufficient stone not being available to metal all the Town roads, you propose (paragraph 10,) to convert all such stone roads as are not important thoroughfares into khushi roads, using for this purpose vitrified brick.

11. As the present brick supply is hardly sufficient to meet existing demands, you propose to purchase about fifty bargains of 1md to the east of Intally, at a cost of about rupees 4,500 (four thousand and five hundred,) in order to burn bricks specially for the working of the plan proposed, as well as for other purposes connected with the Calcutta drainage works. To these measures, I am directed to say, the Lieutenant-Governor sees no objection.

I have the honor to be,
Gentlemen,

Your most obedient servant,
(Signed) C. B. YOUNG, *Lieut.-Col.*
Secretary to the Government of Bengal
in the Public Works Department.

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BENGAL CHAMBER OF COMMERCE,
Calcutta, 5th January, 1861.

R. TURNBULL, Esq.,

Secretary to the Municipal Commissioners.

SIR,—I am directed to acknowledge the receipt of your letter No. 3582 of the 13th ultimo in reply to my communication of the 1st idem. On the subject of the difficulty experienced by the Commissioners in procuring an adequate supply of stone ballast, and in respect of which they appeal to the Chamber to use its influence with commanders of vessels arriving in ballast to prevent it being made over to other parties, I am instructed to observe that it is clearly the interest of the consignees of such vessels that all stone ballast should pass into the hands of those who will employ it for the advantage of the public, but if the Commissioners merely offer to land it for nothing whilst another party may not only offer to land it for nothing but also pay for it, no agent or consignee can conscientiously or properly advise the Commander of a vessel—who has a very indirect interest in the state of the public roads—not to accept the more advantageous offer, and it is therefore suggested for the Commissioners' consideration whether it would not be better for them to recognise the fact that no man will willingly give away that which has a money value, and that they should pay a reasonable price to secure possession of what ballast they require when they are unable to get it for nothing.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

APPENDIX O.

Practice in the acceptance of drafts on the General
Treasury.

No. 124.

FROM

H. SANDEMAN, Esquire,

Offg. Civil Auditor,

TO

C. H. LUSHINGTON, Esquire,

Secretary to the Government of India,

Financial Department,

Dated Fort William, 4th April, 1861.

SIR,—I have the honor to annex a draft of a notification with reference to the acceptance of Bills of Exchange in this office on and after the 1st proximo, which I would be glad with the sanction of the Supreme Government to adopt and publish for general information in the *Calcutta Gazette*.

2. The system which at present obtains is for the holder of each bill to present a written receipt with the document, which receipt is after comparison signed and stamped and returned, to be presented on the following day when the bill is claimed: my objections to the system are that it appears to me to involve double work and delay on the one hand and unnecessary trouble to the public on the other.

3. The system which I advocate is founded on the practice which obtains in the Bank of England, with this additional convenience to the public, that when required bills may be immediately accepted and returned to the owners. I do not anticipate any great difficulty in this, as the number of bills is believed not to exceed a daily average of 150 to 200, and the large mercantile firms will probably adopt the box system.

4. I would deferentially beg to suggest that the opinions of the Auditor General and Sub-Treasurer as well as the Chamber of Commerce be taken on the suggestion, and to request that I may be early

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favoured with the decision of His Excellency the Governor-General in Council, in order that, if approved, the notification may appear in print before the expiration of the current month.

I have, &c.,

(Signed) H. SANDEMAN,
Offg. Civil Auditor.

No. 4184.

To the Bengal Chamber of Commerce with enclosure for report.
By order of His Excellency the Governor General in Council,

C. HUGH LUSHINGTON,
Secy. to the Govt. of India.

NOTIFICATION.

The following rules sanctioned by His Excellency the Governor General in Council will be observed in the office of the Civil Pay Master on and after the 1st May 1861, with reference to the acceptance of Bills of Exchange.

1. The granting of receipts for bills left for acceptance will be discontinued.
2. Parties presenting bills may either deliver them to the receiving clerk for immediate acceptance, or drop them into a box which will be furnished for that purpose, and labelled "bills for acceptance."
3. In the first case the bills will be immediately accepted and returned; in the latter holders should call for them on the following day.
4. Holders when calling for bills which they have left for acceptance will be required to describe them accurately, and it is recommended, as a safeguard against misdelivery or other fraud, that they should affix a private mark or number (to be changed daily or on each bill as they may think most advisable) on any corner or part of the bill. This will afford an extra and sure means of identification.
5. The acceptance box will be closed daily at 3 p. m. punctually (and on Saturdays at 1 p. m.) after which hour no bills will be received.
6. The acceptance box will be secured by a Bramah lock, and the

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key kept in the personal possession of the Civil Pay Master. It is requested that any unnecessary delays may be immediately reported to the Civil Pay Master.

(Signed) H. SANDEMAN,
Offg. Civil Pay Master.

(A True Copy.)

C. HUGH LUSHINGTON,
Secretary to the Government of India.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 18th April, 1861.

C. H. LUSHINGTON, ESQUIRE,
Secretary to the Government of India,

Financial Department.

Sir,—With reference to the modification of the system relating to the acceptance of drafts on the General Treasury as proposed by the Officiating Civil Auditor, and on which you request the report of the Chamber of Commerce, I am directed by the Committee to express their entire approval of the plan advocated by that officer, by which the despatch of business and consequently the convenience of the commercial public will be materially promoted.

I have the honor to be, &c.,
H. W. I. WOOD,
Secretary.

APPENDIX P.

Telegraphic Communication between Constantinople and
Baghdad.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 28th February, 1861.

W. GREY, Esquire,
Secretary to the Government of India,
Home Department.

Sir,—The Committee of the Chamber of Commerce have received with extreme satisfaction the intelligence of the completion of telegraphic communication between Constantinople and Baghdad, as reported by the Political Resident in the Persian Gulf to the Government of Bombay in his letter of 6th ultimo published in the *Calcutta Gazette* of yesterday. They cannot but regard this channel of communication between Europe and the British Empire in India as of the highest importance, and trust every facility will be afforded with the view to its speedy completion. In the meanwhile the Committee respectfully suggest for His Lordship's consideration that the experiment may be tried of transmitting to Bombay by any steamer available at Bushire intelligence received by telegraph at Baghdad, forwarded thence by water to Bassorah and by courier from that port to Bushire.

The Committee believe that there will be no difficulty in its transmission from Baghdad to Bushire by land and by water in about a week, and thence to Bombay by sea in about the same time that steamers take from Aden: thus bringing India and England through the Continent of Europe into intercommunication in about twelve days; and they repeat their hope that His Lordship in Council will be pleased to give the proposed experiment a trial whenever the opportunity may offer of a steamer proceeding from the Persian Gulf to Bombay; or in the event of a steamer leaving Bombay for Bushire that His Excellency the Governor be requested to prepare a summary of Indian intelligence to be forwarded, as

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an experiment, to the Political Resident at Bushire, with directions to transmit the same by the new line of communication.

I have the honor to be, &c.,
H. W. I. WOOD,
Secretary.

No. 461.

FROM

LORD H. ULICK BROWNE,

Under-Secy. to the Govt. of India,

TO

H. L. ANDERSON, Esq.,

Chief Secy. to the Govt. of Bombay,

Dated Fort William, the 4th March, 1861.

Home Department.

Sir,—I am directed by the Governor General in Council to forward the accompanying copy of a letter* dated 28th ultimo. the Secretary to the Bengal Chamber of Commerce, and to request that, with the permission of the Hon'ble the Governor in Council, the experiment therein suggested of communicating between England and Bombay and *vice versa*, by the use of the telegraph between London and Baghdad, may be tried when an opportunity offers.

I have the honor to be, &c.,
(Sd.) H. ULICK BROWNE,
Under-Secy. to the Govt. of India.

No. 570.

Copy of the foregoing forwarded for information to the Secretary to the Bengal Chamber of Commerce.

H. ULICK BROWNE,
Under-Secy. to the Govt. of India.

HOME DEPARTMENT, }
The 4th March, 1861. }

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Office, No. 1280

No. 42 of 1861.

From

A. K. FORBES, Esquire,
Acting-Secy. to Govt. of Bombay.

To

LORD H. U. BROWNE,
Under-Secy. to the Govt. of India,

Dated 28th March, 1861.

Political Department.

SIR,—I am directed by the Hon'ble the Governor in Council to acknowledge the receipt of your letter dated the 4th instant, No. 464, and in reply I am desired to state that any steamer available at Bushire will bring the first London message which the Political Resident in the Persian Gulf may succeed in bringing down from Baghdad, on its arrival there by the Turkish Electric Telegraph. His Excellency in Council proposes that the steamer should take the message direct to India by delivering it at Kurrachee instead of Bombay, the voyage from the Gulf to the former port being not only considerably shorter, but on a course which is beyond the reach of the violence of the monsoon.

No. 1006.

Copy forwarded to the Secretary to the Bengal Chamber of Commerce for information in continuation of endorsement, No. 570, dated the 4th ultimo.

By order,

H. U. BROWNE,

Under-Secy. to the Govt. of India.

HOME DEPARTMENT, }
The 18th April, 1861. }

APPENDIX Q.

Accidents to Shipping not duly reported in the Government Telegraph Gazette.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 15th December, 1860.

MAJOR C. DOUGLAS,

Offg. Supdt. of Electric Telegraphs in India.

SIR,—It has been represented to the Chamber that within the last few weeks several vessels have grounded on their way up and down the river, but that no report of their having done so was in all instances given in the Telegraph Gazette; and I am instructed to bring this matter to your notice in the hope that you will cause enquiry to be made into the reason of the omission, and that you will be good enough to communicate particulars for the Chamber's information.

The following cases of grounding—all since the 1st instant—do not appear to have been reported.

The "Diligentia" took the ground near "Debes Domingo's Point," and again on the following day on the Head of the Hooghly.

The "Ashburton" on the 3rd in Futah Creek, and on the 5th on the Kookrahatty Lamps.

The "Aganemnon" on the 6th was ashore for three hours on Shipgung's Sand abreast of Anchoring Creek, and the "Orion" on the 9th stranded on the back of Hog River Sand.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

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No. 8292.

From

MAJOR C. DOUGLAS,

Offg. Director General of Telegraphs in India.

To

H. W. I. WOOD, Esq.,

Secretary, Bengal Chamber of Commerce,

Calcutta, 27th March, 1861.

SIR,—With reference to your letter without number dated the 15th December, calling my attention to the circumstance that several vessels had lately grounded in the river Hooghly, "but that no report of their having done so was in all instances given in the Telegraph Gazette," I have the honor to forward for the information of the Chamber copies of correspondence with the Marine Department on the subject.

I am quite prepared and most anxious to offer every facility for the rapid transmission of all intelligence regarding accidents to the shipping which affect the interests of the mercantile community, but it is quite foreign to the duties of this department to collect such information, neither have we the means at disposal for such a purpose; I have however directed assistants in charge of river stations to report all accidents to the shipping that may occur within their observation, without waiting for any report that may be sent from the ships themselves, but these reports are most unsatisfactory from the imperfect knowledge of the assistants in such matters, in confirmation of which I annex copies of a correspondence with Messrs. Gladstone, Wyllie and Co. regarding the barque "Queen Margaret," and I fear that until some assistance can be given from the Marine Department, which does not appear at present probable, we must not look for any improvement in the direction pointed out in your communication.

I have the honor, to be,

Sir,

Your most obedient servant,

C. DOUGLAS, Major,

Offg. Director Genl. of Telegraphs in India.

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No. 8246.

To

CAPTAIN J. G. REDDIE,

Master Attendant.

Calcutta, the 20th December, 1860.

SIR,—In the *Englishman* of the 14th instant I observe the following passage in an editorial reporting the grounding of the ship "Orion": "we are assured that when the ship was on shore on the flat though she lay across and heeled over, and the man at the Semaphore at Hooghly Point was quite visible from the ship with a glass, the ship was not visible to the man, or at least he did not report her."

I shall be glad to learn if the position of the ship, when she took the ground off Hooghly Point, was such as to admit of her being seen from the Telegraph office at that station.

I have, &c.,

(Sd.) C. DOUGLAS, Major,

Offg. Director General of Tels. in India.

No. 3316.

To

MAJOR C. DOUGLAS,

Offg. Director Genl. of Tels. in India.

Fort William, the 29th December, 1860.

SIR,—With reference to your letter No. 8246 of this date I have the honor to inform you that by enquiries made by me of officers of the Pilot service I learn that when the "Orion" first grounded at the Anchoring Creek she was clearly visible from Hooghly Point Semaphore as being aground, but when she lay aground above Fisherman's Point she was not visible to any but Brood Semaphore.

I have, &c.,

(Sd.) JOHN G. REDDIE,

Master Attendant.

D 1

To

H. J. WALTON, Esq.,
Offg. Deputy Supt. of Tel. in Bengal.
Calcutta, 3rd January, 1861.

SIR,—I request you will call upon the assistant in charge of the Telegraph office at Hooghly Point to report why no information was sent by him relative to the grounding within sight of his office of the following ships on the dates specified.

- 1st December, "Diligentia," near Behee Domingo's Hole.
- 2nd " " " on the head of the Hooghly Sand.
- 5th " " " Ashburton," on Kookrahatty Lumps.
- 6th " " " Agamemnon," on Shipgunge Sand, abreast of Anchoring Creek.
- 9th " " " Orion," at Anchoring Creek.

(Sd.) C. DOUGLAS, Major,
Supt. of Tels., Eastern Division.

Order No. 139, dated 4th January, 1861.

The assistant in charge of Telegraph offices on the river Hooghly are directed to report by Telegraph all accidents to shipping that may occur within sight of their offices and without waiting for any report that may be sent from the ships concerned. These reports will have precedence as public news addressed to the officer in charge of the Calcutta office.

C. DOUGLAS, Major,
Offg. Director General of Tels. in India.

No. 8690.

To

CAPTAIN J. G. REDDIE,
Master Attendant,
Calcutta, the 31st January, 1861.

SIR,—I have the honor to inform you that a communication has been received from the Chamber of Commerce pointing out that during last

December four vessels grounded in the river Hooghly, of which no report was transmitted by Telegraph.

I have instituted enquiries as to the cause of this omission, and it appears that the "Ashburton" and

} The "Ashburton."
 " " " Agamemnon."
 " " " Orion."
 " " " Diligentia."

"Agamemnon" were not visible from the Hooghly Point station at the time they grounded, the former in Fultah creek and the latter on Shipgunge sand; and on the 2nd occasion of the "Ashburton" grounding on the Kookrahatty Lumps it appears that no report of the circumstance was given by the assistant at Hooghly Point in consequence of a misunderstanding between that office and the one at Kookrahatty.

In the case of the "Orion" it is stated in your No. 3316 of the 29th December "that when she first grounded at the anchoring creek she was clearly visible from the Hooghly Point Semaphore, but when she lay aground above Fisherman's Point she was not visible to any but "Brood Semaphore." It is not shewn how long she was aground in the first instance at Anchoring Creek, but it is clear that she could not be seen from the Telegraph Office at Hooghly Point when she lay aground above Fisherman's Point, and where it is presumed the more serious accident of the two occurred, and the assistant in charge at Hooghly Point states that she was not noticed as being aground anywhere while passing in sight of the office.

The "Diligentia" is reported to have grounded near Behee Domingo's Point on the 1st December, and again the following day on the Head of the Hooghly. But the office assistant does not seem to have been aware of the fact. He states "she might have grounded there, but we could not get any sign of it, she was quite straight, and the vessel did not signal anything regarding the case."

It appears to me most undesirable that the reports of accidents to the shipping should be trusted to the assistants in charge of our river offices, and I would suggest that important information of this nature should be supplied through the far more satisfactory agency of the pilot service.

It will be seen from the instances above detailed that under existing arrangements it must frequently happen that accidents will not be reported because they occur at points not visible from our offices, and, even when in sight of the stations, may frequently be omitted or reported in error through the ignorance of the assistant in charge on such matters and upon whose unsatisfactory reports we have to depend for the information

given to the public. I should be glad if any arrangements could be made whereby the pilots should be instructed to report to the nearest Telegraph office all accidents to vessels passing up and down the River Hooghly, whether they occur within sight of an office or otherwise. If such an arrangement can be made I will direct that all such reports shall take precedence and shall be transmitted free of charge as public news.

I have, &c.,
(Signed) C. DOUGLAS, Major,
Offg. Director General of Tels. in India.

No. 705.

To

MAJOR C. DOUGLAS,
Offg. Director General of Tels. in India,
the 4th March 1861.

SIR,—With reference to your letter No. 8690 dated 21st January last, requesting that some arrangement should be entered into by which pilots should communicate with the Telegraph officers on the occasion of ships grounding, I should be very happy to meet your views as far as I can, but we have had great difficulty in getting ships to show their numbers, and I doubt, if pilots even asked them, if the commander of the ship would pay attention enough to see the proper flags hoisted.

I have, &c.,
(Signed) JOHN G. REDDIE,
Master Attendant.

CALCUTTA, 6th March, 1861.

To

MAJOR C. DOUGLAS,
Supt. of Electric Telegraphs.

SIR,—We have the honor to call your attention to the following:—
2. In the 10 A. M. report of 28th ultimo there appeared a remark which we copy verbatim.

“The ship that was reported on the 22nd February lying on her beam “ends and aground in Gasper channel changed her position last night “from S. W. to N. W., nothing doing to rescue or unload her.”

2. The remark in question applied to the Barque “Queen Margaret” which was wrecked on the Gasper Sands on the 21st of last month, and induced us to send down the Master of the Barque at considerable expense, as we had to engage a steamer for his conveyance that he might take such measures as might appear expedient for the salvage of the wreck.

4. On his arrival there however he found that the report was without foundation in so far as that the vessel had *not* changed her position from S. W. to N. W., and further in so far as that nothing could be rescued or unladen from her the hull being under water at low tide.

5. We should be obliged by your causing enquiry to be made into this matter, and by your communicating to us the result.

We have, &c.,
(Signed) GLADSTONE, WYLLIE & CO.,
Agents, late Barque Queen Margaret.

No. 2582.

To

MAJOR C. DOUGLAS,
Offg. Director Genl. of Tels. in India.

SIR,—In reply to your No. 3024 dated the 7th instant, I have the honor to state that the position of the vessel in the Gasper Channel, therein alluded to, was ascertained by the assistant in charge at Saugor by personal observation.

I have, &c.,
(Signed) SEEB CHUNDER NUNDY,
*1st Class Inspector in Ch. Office of Deputy Suptl.
Govt. Tels., Bengal.*

(True Copies.)

C. DOUGLAS, Major,
Officiating Director Genl. of Tels. in India.

CALCUTTA, }
The 11th March, 1861. }

BENGAL CHAMBER OF COMMERCE,
Calcutta, 25th April, 1861.

W. S. SETON-KARR, Esq.,
Secy. to the Government of Bengal.

SIR,—In December last the Committee of the Chamber of Commerce had occasion to draw the attention of the officiating Director General of Telegraphs to the circumstance of the grounding of vessels and other accidents to the shipping in the river, below Calcutta, not being in all instances duly reported in the Telegraph Gazette, and they have been informed in reply that although Major Douglas is quite prepared and most anxious to offer every facility for the rapid transmission of all intelligence regarding accidents to the shipping which affect the interests of the mercantile community, it is quite foreign to the duties of his department to collect such information; neither has he the means at disposal for such purpose. He had however directed the assistants in charge of river stations to report all accidents that may occur within their observation without waiting for any report from the ships themselves; but from the imperfect knowledge of the assistants in such matters he fears that until some assistance can be given from the Marine Department he cannot look for any improvement in the direction pointed out by the Chamber.

In his representation of this subject to the Master Attendant Major Douglas remarks that it appears to him most undesirable that the reports of accidents to the shipping should be trusted to the assistants in the river offices of the telegraph, and suggests that important information of this nature should be supplied through the far more satisfactory agency of pilots in charge of vessels, who, he submits, should be instructed to report to the nearest Telegraph Office all accidents which may occur within sight of an office or otherwise, such intelligence having immediate precedence and being transmitted free of charge as public news.

The Master Attendant in reply expresses his willingness to meet these views as far as he can, but that he has had great difficulty in getting ships to shew their numbers, and doubts if commanders of vessels, even on the requisition of the pilot, would pay attention enough to see the proper flags hoisted.

As no further movement in this matter has been reported to the Committee of the Chamber they consider it necessary that the proceedings should be advanced without delay beyond the stage at which they have arrived, and I am therefore directed to make this representation to the Hon'ble the Lieutenant Governor in the hope that His Honor will pass

such orders as may be requisite for the early removal of the difficulties which impede the action both of the Master Attendant and the officiating Director General of Telegraphs.

Anxious as these officers are to carry out the suggestions submitted to them the absence of any authority under which they can proceed renders them powerless and frustrates their endeavours to promote the object of the Chamber, for the Telegraph Department is unable to act without the co-operation of the pilot service, and the pilot service is dependent on masters of vessels, who may or may not attend to their requisitions just as convenience or caprice may induce concession or otherwise.

The Committee of the Chamber are confident that the Government will not permit the continuance of such a system, and that His Honor will provide some means by which masters of vessels shall be bound, as public carriers, to conform to requisitions for public convenience.

It is important to the commercial public that accidents to vessels in their progress up and down the river should be made known without delay, and in order that the willing co-operation of the telegraph department and the pilot service may be as effectual as possible, it is submitted that masters of vessels be compelled to render all assistance in their power and in such manner as pilots in charge may direct.

I have the honor to be, Sir,

II. W. I. WOOD,

Secretary.

APPENDIX R.

Deputation of Colonel Baird Smith to the North-West Provinces.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 28th January, 1861.

W. GREY, ESQUIRE,
Secy. to the Govt. of India,
Home Department.

SIR,—I am directed by the Committee of the Bengal Chamber of Commerce to bring to the notice of His Honor the President in Council the depressed state of the trade between Calcutta and the large native marts in the N. W. Provinces, a subject however which the Committee do not doubt has already engaged His Honor's anxious attention.

2. Amongst those engaged in the trade it is considered that these markets have during the last two or three months taken from Calcutta a third to a half only of the ordinary quantity, and up to the present time there appears no indication of any early improvement in the demand.

3. The result of this partial closing of the most important outlet for British manufactures is a heavy accumulation of stock in the hands of importers, who have found it impracticable to dispose of their goods notwithstanding that the nominal prices are from 10 to 25 per cent. below the cost at which they can be laid down.

4. The cause popularly assigned for this depression of trade is the scarcity and high prices of food consequent on the partial failure of the last rain crops in some of the most important districts of the North West, the scarcity being greatly aggravated by the threatened deficiency of the cold weather crops owing to the limited area of land which, in consequence of want of rain, it was found possible to bring under cultivation.

5. The Committee recognise in these calamities a sufficient reason for a great falling off in the demand for the particular districts which are so afflicted; but—considering that the distress, though wide-spread, is still practically within certain limits, that beyond those limits there is not

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only comparative plenty, but that the more fortunate districts so situated are, it is understood, exporting their surplus stocks of grain on which they are realising large profits,—they think that other causes must be at work to produce so general a falling off in the demand for the N. W. Provinces.

6. The importance of arriving at a correct appreciation of the causes which have conducted to this depression of trade is however so great that I am instructed by the Committee of the Chamber respectively to suggest to His Honor in Council the expediency of deputing an officer to proceed at once to the North-west, especially to draw up a report on the actual state of those districts. The report should embrace—firstly, the districts in which, owing to the failure of the last rain crops or the threatened failure of the spring crop, or both, distress actually exists, and the extent to which trade may be expected to be permanently injured in those districts by depopulation, arising from emigration or from deaths; secondly, the state of the adjoining districts where there is no actual scarcity, and the extent to which, on the other hand, the prospects of trade in those districts may be affected by increase of population, owing to emigration from the distressed districts as also to the prosperity which should follow the increased prices which are being obtained for the surplus stocks of grain in course of exportation. Enquiries should also be directed to the extent of the stocks of grain which are actually available for consumption in the distressed districts, and in those adjoining from which supplies are being drawn.

7. Such a report drawn up by one conversant with the subject and having access to the sources of information which Government could place at his disposal would, I am instructed to say, be extremely valuable to the commercial public, and would enable them to judge with some degree of accuracy of the probability of an early revival of the important trade with the markets of the N. W. Provinces.

8. Should His Honor in Council be disposed to view favorably this application, I am instructed to add that if the services of Col. Baird Smith could be made available for this inquiry, the appointment would be one which would give satisfaction to the mercantile community. To great local experience of the districts in question Col. Baird Smith combines, the Committee believe, a very sound judgment on the commercial bearings of the question; and they feel sure a report drawn up by that able officer would be of great value to the Government as well as to the commercial public.

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9. Whilst employed on this mission Col. Baird Smith would have the opportunity of conferring with those gentlemen who are actively engaged in distributing the funds which are being raised for the relief of the distress existing in those provinces. Col. Baird Smith has been one of the foremost in calling attention to this distress and in suggesting practical measures for its alleviation; and the Committee are confident that it would be very satisfactory to those who have contributed to the funds in course of collection that that officer should have the opportunity also of personally judging in what manner they can be best applied.

I have, &c.,

H. W. I. WOOD,

Secretary.

No. 230.

FROM

W. GREY, Esq.,

Secy. to the Govt. of India,

TO

H. W. I. WOOD, Esq.,

Secy. to the Bengal Chamber of Commerce.

Dated Fort William, the 2nd February, 1861.

Home Department.

SIR,—I am directed to acknowledge the receipt of your letter dated the 28th ultimo, conveying a suggestion from the Committee of the Chamber of Commerce that Col. Baird Smith should be deputed to the upper provinces for the purpose of reporting on the effects of the famine prevailing in some of the districts under the Government of the N. W. Provinces and the Punjab.

2. In reply I am desired to inform the Committee that the President in Council has been pleased to assent to their proposal and to forward the accompanying extract (paras. 1 and 2) of the communication made to Col. Baird Smith on the subject.

I have the honor to be,

Sir,

Your most obedient servant,

W. GREY,

Secy. to the Govt. of India.

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Extract from a letter from the Secretary to the Government of India in the Home Department to Colonel R. Baird Smith, C. B., under date the 2nd February, 1861.

Para. 1. I am directed to communicate to you the accompanying letter which has been addressed to Government by the Committee of the Bengal Chamber of Commerce, and to inform you that the President in Council is desirous to avail himself of your services in the manner suggested by the Committee.

2. Accurate and comprehensive information regarding the state of the districts which are now afflicted with famine, as well as of those in their immediate vicinity, with special reference to the influence which the calamity may have upon the import trade of Bengal cannot fail to be of great value, and the President in Council agrees with the Committee of the Chamber in believing that the necessary enquiries for the purpose can be entrusted to no one more likely to conduct them in a manner which shall give satisfaction to all concerned than yourself.

(A true Extract.)

H. ULICK BROWNE,

Under-Secretary to the Government of India.

APPENDIX S.

Supply of Indian Cotton for England.

No. 258 (A.)

FROM
THE UNDER-SECRETARY TO THE GOVERNMENT OF
BENGAL,
TO
THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE,

Dated Fort William, the 6th March, 1861.

Reference.

SIR,—I am directed to forward to you the accompanying printed copy of a resolution recorded by the Governor-General in Council on the 28th ultimo, regarding the supply of Indian Cotton to England, and to request that the Chamber of Commerce will favor the Lieutenant-Governor with an expression of their opinions on the subject, and with any suggestions they may have to offer for giving a ready effect to the measures contemplated.

2. The local officers, where cotton is or can be grown, have been consulted on this subject.

I have the honor to be,

Sir,

Your most obedient servant,

H. BELL,

Under-Secretary to the Government of Bengal.

HOME DEPARTMENT,

The 28th February, 1861.

RESOLUTION.

His Excellency the Governor General in Council has had under his consideration the possibility of a greatly and suddenly increased demand for Indian Cotton in England, and he desires to draw

Supply of Indian Cotton to
England.

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the attention of each Local Government within the territories of which cotton-producing and cotton exporting districts lie to those measures whereby the power of India to meet such increased demand for cotton may be augmented by help of Government.

It is to be observed:—

First.—That no measure which places Government in the position of the private capitalist, cultivator, or speculator, or which in any way interferes with private enterprise, can be otherwise than permanently injurious in itself and detrimental to the object in view.

Therefore all attempts to stimulate cultivation or labor by any exertion of Government authority, directly or indirectly, are out of the question.

The same objection will apply to model farms and experimental cultivation conducted by officers of Government.

Secondly.—No measure will meet the object immediately in view unless it shall tell on the production of cotton during the next season, and on our means of getting that season's crop to port. This limitation will exclude from present consideration such projects as railways or canals which although the surest permanent means of increasing our power of export could be made to tell to only a very limited degree on the exports of the next few seasons. Moreover the attention of Government is already directed to promote these works to the utmost extent compatible with its financial means, and even so serious a calamity as an apprehension of a short supply of cotton in England could hardly add to the desire of the Government of India to advance them as rapidly as possible.

The question for consideration is, what can the Government do towards facilitating an immediate increase of production and towards improving the means of bringing the produce to port.

As to increasing production.

The solution of questions connected with the tenure of land, and with the law regarding contracts for the delivery of agricultural produce, which are now under the consideration of Government, may ultimately produce a very considerable effect on the investment of European capital in the cotton districts, but the result could not be immediate. More probably an immediate increase of the coming crop of cotton will depend on the rapidity with which information regarding the demand and prices in England can be communicated to the producers in the cotton districts, and on the removal of all impediments to intimate and

rapid communication between those who grow or collect the cotton in the interior, and the merchants who export it from the port of shipment. Directly and indirectly the Government may do something to promote these objects; especially if Agents of the mercantile community of our parts will visit the cotton producing districts, and do all that may be effected by personal intercourse to reduce the number of hands through which the produce must pass between the place of production and the place of shipment. There is also much valuable statistical information regarding the extent of cotton cultivation which it may be in the power of the Government officers to furnish from the public records, or to verify when obtained through other means.

The operations, in the interior, of the capitalists at our seaport towns may be facilitated by affording them the aid of the Government Treasury in their banking arrangements in those parts of the country where as yet no private banks have been established. The agents of respectable firms at the Presidency Towns might be permitted, under certain rules, to have their bills on the Presidency cashed at the Government Treasuries, paying no more premium than the actual cost of conveying the coin. This, without entailing expense on Government, might often prove a convenience to the merchants.

As to improving the means of bringing the produce to port.

It is by facilitating existing means of communication, even though it be in a rough way, that Government can best aid the merchant promptly without exceeding its legitimate functions.

Projects for bridged and metalled roads are not practicable within the next year or eighteen months; but there is a great extent of country capable of producing cotton, which is now not easily accessible to ordinary country carts, even during the fair season; and probably it is by improving the present country cart and pack-bullock tracks, and thus extending the mileage over which an ordinary load of cotton may be conveyed at a rate of 2½ or 3 miles per hour, that the export of the next season's crop may be most effectually aided.

In this view the Governor General in Council requests that each local Government will at once take measures to have the lines of traffic between their cotton-producing districts and the port of shipment, whether on sea or river, examined and reported on by a competent officer. This officer should note, in general terms, the extent and probable cost of any improvements required to bring the existing country cart tracks up to the standard just described. For the execution of the improvements the Government should select the nearest executive authority as

the one to be charged with the work; and where there is no such authority at hand, a special agency should be employed for the purpose; the only conditions being that the work to be undertaken should be capable of immediate execution.

For such purposes officers of high scientific attainments as engineers are not needed. An officer of judgment and energy, with a capacity for rapidly estimating the probable cost of the very simple works required, will be almost as useful as an accomplished engineer. In the event of any expenditure being required, which it is beyond the power of the local Government to sanction, application should be made to the Government of India for a special grant.

It would be very desirable that the officers employed to examine and report should be accompanied each by a member of whatever commercial community may be most interested in the produce of the district, who might observe and report on any obstacles, other than physical, which may appear to impede the cotton trade. The combined report of two such gentlemen, if well selected, would furnish information of considerable practical value regarding any province in which they might be employed.

The Government of India will be prepared to bear the charge of the travelling expenses of any gentlemen who might be deputed by commercial communities to accompany its officers.

It is not intended to discourage, on the part of those who may be engaged as above described, suggestions of any extensive or costly work which may promise to subsolve, in a large and more permanent manner, the great object in view, even though it may not admit of speedy execution, or be within the means of Government to sanction immediately.

ORDERED, that a copy of this resolution be communicated to the Governments of Madras and Bombay; to the Lieutenant Governors of Bengal, the North-Western Provinces, and the Punjab; to the Commissioners of Pegu, Nagpore, and Mysore; and to the Resident at Hyderabad.

Ordered further, that the Local Governments and Administrations be requested to communicate a copy of the resolution to the commercial communities at their chief towns, through the Chambers of Commerce, or otherwise; with an invitation of any suggestions which may occur to those practically interested, and which may aid more effectually to attain the great national object in view.

(Signed) W. GHEEY,
Secy. to the Govt. of India.

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BENGAL CHAMBER OF COMMERCE,

Calcutta, 23rd March, 1861.

H. BELL, Esq.,

Under-Secretary to the Government of Bengal.

SIR,—I am directed by the Committee of the Chamber of Commerce, to acknowledge the receipt of your letter No. 253 (A) of the 6th instant, with its enclosure, on the subject of a supply of Indian cotton for England.

With reference to the suggestion that it would be desirable that officers who may be employed to examine and report on measures in connection with the cotton trade should be accompanied by a member of the commercial community, I am instructed to state that Mr. Paterson Saunders, Senior, has submitted to the Chamber the offer of his services for employment in the duty proposed by his Excellency the Governor-General in Council; and that the Committee are of opinion that Mr. Saunders is well qualified for such a mission, and that his practical knowledge of the cotton trade and the country where it is produced, together with a large Indian experience, will enable him to render much valuable aid in attaining the object which the Government have in view.

I have the honor to be, &c.

H. W. I. WOOD,

Secretary.

No. 450 (A).

FROM

W. S. SETON-KARR, Esq.,

Secretary to the Government of Bengal,

TO

THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE.

Fort William, the 17th April, 1861.

REVENUE.

SIR,—I am directed to acknowledge the receipt of your letter dated the 23rd ultimo, and to state that, immediately on its receipt, the Lieutenant-Governor addressed the Government of India on the subject of the

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deputation of Mr. Paterson Saunders in a letter a copy of which is enclosed.

2. The Government of India, on the 13th instant, has sanctioned the recommendation made in the 5th paragraph of that letter, on the understanding that the period during which Mr. Saunders will be occupied on this enquiry will not extend beyond a few months. The Government of India has also approved of the plan of working recommended in the 6th paragraph of my letter of the 29th ultimo, and the several Commissioners have been informed accordingly, and have been requested to give Mr. Saunders all the assistance and information in their power.

3. On receiving a reply to this letter, the appointment of Mr. Saunders will be duly made and notified in the *Gazette*.

I have the honor to be,

Sir,

Your most obedient servant,

W. S. SETON-KARR,

Secretary to the Government of Bengal.

No. 373 (A).

FROM

W. S. SETON-KARR, Esq.,

Secretary to the Government of Bengal,

TO

W. GREY, Esq.,

Secretary to the Government of India,

Home Department,

Fort William, the 28th March, 1861.

REVENUE.

SIR,—With reference to the resolution passed by the Governor-General in Council regarding the supply of Indian cotton to England, a copy of which was received with your letter No. 412, dated the 28th ultimo, I am directed to report, for the information of the Government of India, that the Board of Revenue and the Chamber of Commerce were addressed on the subject, and their opinion and views requested with a view to giving a ready effect to the measures contemplated. No reply has as yet been received from the Board of Revenue, but the reply from the Chamber of Commerce to the requisition addressed to them is herewith forwarded.

F 1

2. I am desirous to remark that there is little in the general instructions of the Government of India which has much application to any of the Provinces under this Government, no one of which can be designated as especially a cotton producing country, though it is impossible to say how far cotton might be introduced into them if a rise of price were to make the speculation promising; and even at present prices it appears possible that cotton may become a flourishing staple in the Sunderbunds.

3. At present, therefore, it does not appear that roads of any description in the Lower Provinces, whatever other good effects they would produce, could be so directed as to have any material effect in at once drawing cotton to the port.

4. Cotton from the cotton country of Upper Central India, if it comes at all, will always pass through the Bengal Provinces by the Grand Trunk Road, the Railway, or the river.

5. With reference, however, to the letter from the Chamber of Commerce, if the Government of India approves, the Lieutenant-Governor thinks that the deputation of Mr. Paterson Saunders, Senior, to those provinces where there is a likelihood of cotton being produced in considerable quantities might be a useful measure. Such places are Assam, the Garrow Hills, the Sunderbunds, the Chittagong Hills, the south-west Frontier Agency, and the Darjeeling Morung, and the Lieutenant-Governor would propose that Mr. Saunders should be allowed a thousand rupees a month for this special duty to cover his expenses.

6. Mr. Saunders would be requested to communicate freely with the commissioners and other executive local officers, and if any local line of traffic could be immediately improved, so that it would bring more cotton into the market without delay, such improvement could be undertaken by the Ferry Fund Committee or the Magistrate. The Commissioners of divisions would be informed accordingly, and instructed to afford Mr. Saunders all the information in their power, and this arrangement will be better, the Lieutenant-Governor thinks, than sending a Government officer with Mr. Saunders.

I have the honor to be,

Sir,

Your most obedient servant,

(Signed) W. S. SETON-KARR,

Secy. to the Govt. of Bengal.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 27th April, 1861.

W. S. SETON-KARR, Esq.,

Secretary to the Government of Bengal.

SIR,—I beg to acknowledge the receipt of your letter No. 450 (A) of the 17th instant, which has been communicated to Mr. Paterson Saunders, Senior, and I am directed to forward the annexed copy of his reply for the information of the Hon'ble the Lieut.-Governor.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

66, CIRCULAR ROAD,

24th April 1861.

H. W. I. WOOD, Esq.,

Secretary to the Bengal Chamber of Commerce.

DEAR SIR,—I am in receipt of your favor of 22nd current with enclosures from the Secretary to the Government of Bengal.

I accept the terms proposed in the 5th paragraph of the Secretary to the Government of Bengal's letter to the Secretary to the Government of India, and, with reference to the condition stated in paragraph No. 2 of the Secretary to the Government of Bengal's letter to yourself, I have to say that I do not wish that the appointment be continued one day after my services may no longer be required.

A journey to Chittagong, the Garrow Hills, Assam, &c., will require some time for preparation. I must have a pinnace, crew, &c., I am also suffering from an accident, and I trust therefore some time will be permitted to me to get well and make the necessary preparations.

I am, Dear Sir,

Yours faithfully,

P. SAUNDERS, Senior.

APPENDIX T.

Statement of the Funds of the Bengal Chamber of Commerce from 1st Nov. 1860 to 30th April 1861.

To Office Rent	900 0 0	By Balance of 31st Oct. 1860 :-	
" Establishment	4,311 0 0	Cash in Bank of Bengal	5,056 15 8
" Charges General	5,030 6 3	Government Paper	7,500 0 0
" Printing Chamber's Half-yearly Report	638 12 0	" Subscriptions	10,066 15 6
" Subscription to the Famine Relief Fund	1,000 0 0	" Advertisement Fees	5,725 0 8
Balance :-	Rs. ... 8,889 3 3	" Interest for 6 months on 4 per cent. Govt. bonds	144 0 0
" Cash in Bank of Bengal	2,516 3 8	" Commission on Paper for 1860	102 0 0
Government Paper	7,500 0 0	" Net profits of 1860 Current from 1st Nov. 1860 to 30th April 1861	1,741 6 3
	10,016 3 8	Reserve	16,889 6 11
	Reserve... 16,889 6 11		

H. W. I. WOOD,
Secretary.

E. E.

CALCUTTA,
30th April, 1861.

Statement of the Import and Export Tonnage of the Port of Calcutta from 1st January to 31st December 1860.

FOR THE MONTH OF	IMPORT.										EXPORT.									
	BRITISH.		AMERICAN.		FRENCH.		ALL OTHER FOREIGN.		MONTHLY TOTAL.		BRITISH.		AMERICAN.		FRENCH.		ALL OTHER FOREIGN.		MONTHLY TOTAL.	
	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.
January	46	37,336	4	3,540	6	3,329	1	484	67	44,698	42	27,810	16	15,292	6	3,312	3	4,988	70	51,381
February	54	37,062	6	5,500	4	1,944	2	1,112	66	45,608	32	20,417	16	16,237	7	4,268	6	3,369	91	74,201
March	51	27,145	6	5,515	1	272	...	...	58	32,932	57	44,055	8	7,724	4	2,132	...	...	69	54,521
April	38	20,257	10	7,856	3	1,776	2	1,010	53	37,539	33	21,224	7	6,447	2	895	2	1,112	44	29,678
May	43	30,617	5	4,154	9	3,573	2	854	60	39,298	40	26,618	5	4,346	3	1,203	1	571	40	32,228
June	31	22,870	10	8,708	8	3,588	...	...	49	35,172	36	24,957	12	9,895	8	3,171	1	1,239	67	38,292
July	49	38,251	7	5,291	10	4,716	1	564	67	48,822	39	28,802	8	6,210	6	2,844	1	350	54	38,206
August	48	32,686	11	5,748	8	3,441	...	...	67	44,875	37	28,198	3	2,983	14	5,925	...	...	54	37,146
September	63	47,774	7	6,276	6	3,202	6	3,232	104	60,674	58	41,000	7	6,089	7	3,065	...	...	72	50,607
October	82	42,680	4	3,436	5	1,820	11	5,378	102	53,223	55	44,056	13	10,995	5	2,014	3	1,715	76	68,780
November	71	46,555	23	21,219	11	5,214	4	1,605	109	74,693	44	31,449	10	9,657	9	4,249	3	1,492	66	46,847
December	45	34,085	15	12,810	6	3,204	2	713	68	50,812	60	36,782	12	9,290	3	1,425	5	2,867	70	60,064
Total	641	423,323	108	93,202	79	36,269	31	15,552	809	608,346	553	406,450	117	104,105	74	34,033	31	17,203	775	662,391

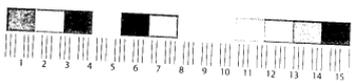
Statement exhibiting the Assets and Liabilities of the Bank of Bengal, Bank rates of Interest and Discount, and the value of Government Securities, and the Exchange on London and China, for the year 1860.

Bank of Bengal Balance.				Bank of Bengal Assets.				Exchange on London.				Interest Government Securities.		Rates of Exchange between Calcutta and Ceylon, and at 40 days' sight.	
Bank of Bengal Balance.	Bank of Bengal Assets.	Bank of Bengal Balance.	Bank of Bengal Assets.	Bank of Bengal Balance.	Bank of Bengal Assets.	Bank of Bengal Balance.	Bank of Bengal Assets.	Bank of Bengal Balance.	Bank of Bengal Assets.	Bank of Bengal Balance.	Bank of Bengal Assets.	Bank of Bengal Balance.	Bank of Bengal Assets.	Bank of Bengal Balance.	Bank of Bengal Assets.
48 Jan.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Feb.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Mar.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Apr.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 May.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Jun.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Jul.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Aug.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Sep.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Oct.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Nov.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1 Dec.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

* Bank of Bengal Closed during the Month of March 1860.

ARRIVALS. OVERLAND MAILS FOR 1860. DEPARTURES.

Last Day from London via.	By Steamers.		By Sailing Vessels.		By Steamers.	By Sailing Vessels.	By Steamers.	By Sailing Vessels.
	By Steamers.	By Sailing Vessels.	By Steamers.	By Sailing Vessels.				
January	18	20	22	24	26	28	30	1
February	18	20	22	24	26	28	30	1
March	18	20	22	24	26	28	30	1
April	18	20	22	24	26	28	30	1
May	18	20	22	24	26	28	30	1
June	18	20	22	24	26	28	30	1
July	18	20	22	24	26	28	30	1
August	18	20	22	24	26	28	30	1
September	18	20	22	24	26	28	30	1
October	18	20	22	24	26	28	30	1
November	18	20	22	24	26	28	30	1
December	18	20	22	24	26	28	30	1



Statement of Cash Balances in Government Treasuries in India for 1860-61.

	30th April, 1860.	31st May,	31st October,	30th Nov.	31st Dec.	31st January, 1861.	28th Feb.	31st March.	30th April.
Government of India.....				3,47,25,652	3,38,16,006	3,50,12,760	3,62,47,766	3,44,32,539	2,89,19,909
" Bengal.....				1,21,10,250	1,47,33,448	1,06,44,841	1,69,37,989	2,14,43,967	2,20,20,584
" N. W. Provinces.....				2,62,48,078	2,85,73,530	2,73,88,305	2,48,14,700	2,27,28,399	2,65,28,616
" Punjab.....				1,05,53,867	1,17,67,939	1,28,72,877	1,29,17,368	1,22,13,604	1,07,58,115
" Madras.....				1,69,06,756	1,11,66,320	1,20,82,000	1,38,84,282	1,74,59,000	2,33,86,724
" Bombay.....				2,70,81,775	2,61,73,306	2,31,66,516	2,42,77,837	2,67,71,835	3,12,54,230
Total Co.'s Rs.....	16,66,37,229	16,31,21,038	12,51,00,978	12,09,06,378	12,62,25,860	12,61,67,199	12,80,70,944	13,60,48,334	14,28,60,178

Statement of Receipts from Income Tax and Stamp Duty from 1st May—August 1860 to 30th April 1861.

	INCOME TAX.			STAMP DUTY.		
	1st August to 30th Nov. 1860.	1st Dec. to 28th February 1861.	1st March to 30th April 1861.	1st May to 30th November 1860.	1st Dec. to 28th February 1861.	1st March to 30th April 1861.
Government of India.....	4,21,000	4,11,000	3,70,000	2,05,000	1,19,000	65,000
" Bengal.....	1,53,000	4,56,000	12,15,000	17,17,000	13,46,000	14,37,000
" N. W. Provinces.....	1,08,000	7,06,000	8,10,000	9,16,000	5,38,000	6,31,000
" Punjab.....	18,000	88,000	1,34,000	3,16,000	1,61,000	1,36,000
" Madras.....	2,43,000	3,26,000	3,88,000	6,13,000	4,09,000	4,74,000
" Bombay.....	2,12,000	8,27,000	6,66,000	12,00,000	5,87,000	9,92,000
Total Co.'s Rs.....	11,62,000	28,26,000	35,83,000	49,67,000	31,60,000	37,35,000
Average per mensem, Co.'s Rs.....	2,50,400	9,42,000	17,91,500	7,09,571	10,53,333	18,67,500

MEMBERS OF THE CHAMBER OF COMMERCE.

Agabeg, Joseph.	Jenkins, Dearman and Co.
Anderson, W., Agent, Oriental Bank Corporation.	Johnson, P.
Apper and Co.	Kettlewell, Bullen and Co.
Argenti, Scelchiar and Co.	Kelly and Co.
Atkinson, Tilton and Co.	Ker, Duds and Co.
Balfour and Co.	Lally, Rennie and Co.
Bornahalle, John and Co.	MacKillop, Stewart and Co.
Cumin, H. and Lamouroux.	MacKinnon, Mackenzie and Co.
Carlsles, Nephews and Co.	Mackenzie, Lally and Co.
Carter, T. E.	Mackey and Co.
Colvin, Cowie and Co.	MacLachlan, J. E.
Crocker, Home and Co.	Muir and Co.
DeSouza, Thos. and Co.	Murray, Fielding and Co.
Dickinson Brothers and Co.	Morru, W. and Co.
Duff, Thos. Agent Borneo Company.	Morrays, II. do
Durrselmuill, Grols and Co.	Mosley and Hurst.
Eglinton, R. L., Agent, Chartered Bank of India.	Ogle, John and Co.
Ernsthausen and Oesterley.	Pearce, Macrae and Co.
Ewing and Co.	Peel, Bellairs and Co.
Elliott, John and Co.	Pennington and Co.
Fergusson, J. H.	Rehmoeller, G. and Co.'s Successors.
Fielding, Alexander, Agent, Commercial Bank of India.	Riesch, G., Manager Comptoir D'Escompte de Paris.
Fitzwilliam, W. S., Agent Chartered Mercantile Bank.	Robt and Co.
Forster, Rogers and Co.	Ralli and Mavrojani.
Forrester, Chas.	Ralli, P. T. and Co.
Gilhenders, Arbuthnot and Co.	Ram Gopal Ghose and Co.
Gilmore and Co.	Robert and Charriol.
Gladstone, Wylie and Co.	Schilizzi and Co.
Gordon, Stuart and Co.	Schneider, J. P.
Grindlay and Co.	Schene, Kilburn and Co.
Grant, Smith and Co.	Sham, Parile and Co.
Herriot, John.	Sham Chaud Mitter.
Haworth, W. and Co.	Stewart, W. C. and Co.
Henderson and Co.	Thomas, R. and Co.
Henderson, George and Co.	Wattacoch, Hellogers and Co.
Heron and Co.	Williamson, Brothers and Co.
Hoare, Miller and Co.	Whitney, Brothers and Co.
Jardine, Skinner and Co.	

MOFUSSIL MEMBERS.

Becher, Wm.—Gowhaty, Assam.	Hay, J. O. and Co.—Algeb.
Deverell, H.—Acherkewge.	Kenny, J. J.—Salem.
Cove, H. and Co.—Uruiter.	Malabar & Co.—Mirzapore.
Gale, John.—Pandoul.	Pallova & Co.—Aloucin.
Hamilton, Brown & Co.—Mirzapore.	Todd, Findlay & Co.—Aloucin.

RULES AND REGULATIONS
OF THE

BENGAL CHAMBER OF COMMERCE,

*Adopted at a General Meeting of the Chamber on
Monday, the 9th day of May, 1853.*

- First*..... That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."
- Second*..... That the object of the Chamber shall be to watch over and protect the general interests of Commerce; to collect information on all matters of interest to the Mercantile Community; to use every means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; to communicate with authorities and individual parties thereupon; to form a code of practice whereby the transaction of business may be simplified and facilitated; to receive references and to arbitrate between disputants, the decisions in such references being recorded for future guidance.
- Third*..... That it being highly desirable not to recognize any principle of exclusion, all persons engaged or interested in the Commerce or Shipping of Bengal, shall, upon payment of the Subscription and on signature of the Rules and Regulations, be admissible as Members in the manner hereinafter described.
- Fourth*..... That Candidates for admission, proposed by one Member and seconded by another, shall be

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- ballotted for, and a majority of votes shall decide the election.
- Fifth*..... That voting by proxy, or by Members whose Subscriptions are in arrears, be not allowed.
- Sixth*..... That the Chamber reserves to itself the right of expelling any of its Members; such expulsion to be decided by the votes of three-fourths of the Members of the Chamber.
- Seventh*.... That a majority of the firms constituting the Chamber shall be held sufficient to form any General Meeting, at which, although two or more partners of one firm be present, they are to count in voting as only one member, and no two members of one firm can be at the same time Members of the Committee.
- Eighth*.... That the monthly Subscription of each Member or Firm be Rupees 16, subject hereafter to increase or reduction as may be decided by a General Meeting.
- Ninth*..... That the business and funds of the Chamber shall be managed by a Committee of seven Members, consisting of a President and Vice-President and five Members, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Four to form a quorum; the Chairman, in cases of equality, having the casting vote.
- Tenth*..... That the Committee shall meet on such day of every week as it may fix as most convenient, for the purpose of transacting such

business as may come within the limits of the objects of the Chamber, and that its proceedings be laid on the table open to the inspection of Members, subject to such Regulations as the Committee may deem expedient.

Eleventh ... That vacancies in the Committee created by the absence of Members from the Presidency for two months, or by departure for Europe, or by death, be filled up at a General Meeting by a majority of the Members present thereat.

Twelfth ... That the Secretary be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.

Thirteenth... That the General Meetings of the Chamber be held from time to time as the Committee for the time being may deem necessary. That a Special General Meeting shall be called by the President, or, in his absence, by the Vice-President, or by his order on the requisition of any five firms, Members of the Chamber, to be held within five days subsequent to the receipt of such requisition.

Fourteenth. That all Proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

Fifteenth... That strangers visiting the Presidency may be introduced as Honorary Members for two months by any Member of the Chamber inserting their names in a book to be kept for that purpose.

Sixteenth... That the Committee be empowered to make Bye-laws which shall not be of any force until approved of by a General Meeting.

Seventeenth. That an Annual Report of the Proceedings

prepared; and, after being approved of at a General Meeting, printed and circulated.

Eighteenth. That the above Rules be added to or altered only by a majority of Members of the Chamber.

Nineteenth. That the foregoing Rules be printed, and an authenticated copy, subscribed by each Member on admission, be kept as part of the records of the Chamber. That printed copies be forwarded to Members of the Chamber, to the Secretary to Government, and to such other parties or authorities as it may be desirable to make acquainted with the objects and Rules of the Association.

⁶ *The Seventh Rule, as modified at a General Meeting of the Chamber, held on Monday, the 27th day of Nov., 1854.*

That any number of Members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber, for the despatch of ordinary business; but that no change in the Rules of the Society can be considered except at a General Meeting at which the majority of the Members of the Chamber shall be present.

† *The following Rules were adopted at a General Meeting of the Chamber, held on the 18th May, 1853.*

That the Subscription for individual Members of the Chamber be 10 Rupees per mensem, while those also carrying on business under any style or firm do pay 16 Rupees per mensem, as resolved at the Chamber's last Meeting.

That the Subscription for Messrs Members be two Gold Mohurs or 32 Rupees per annum.

