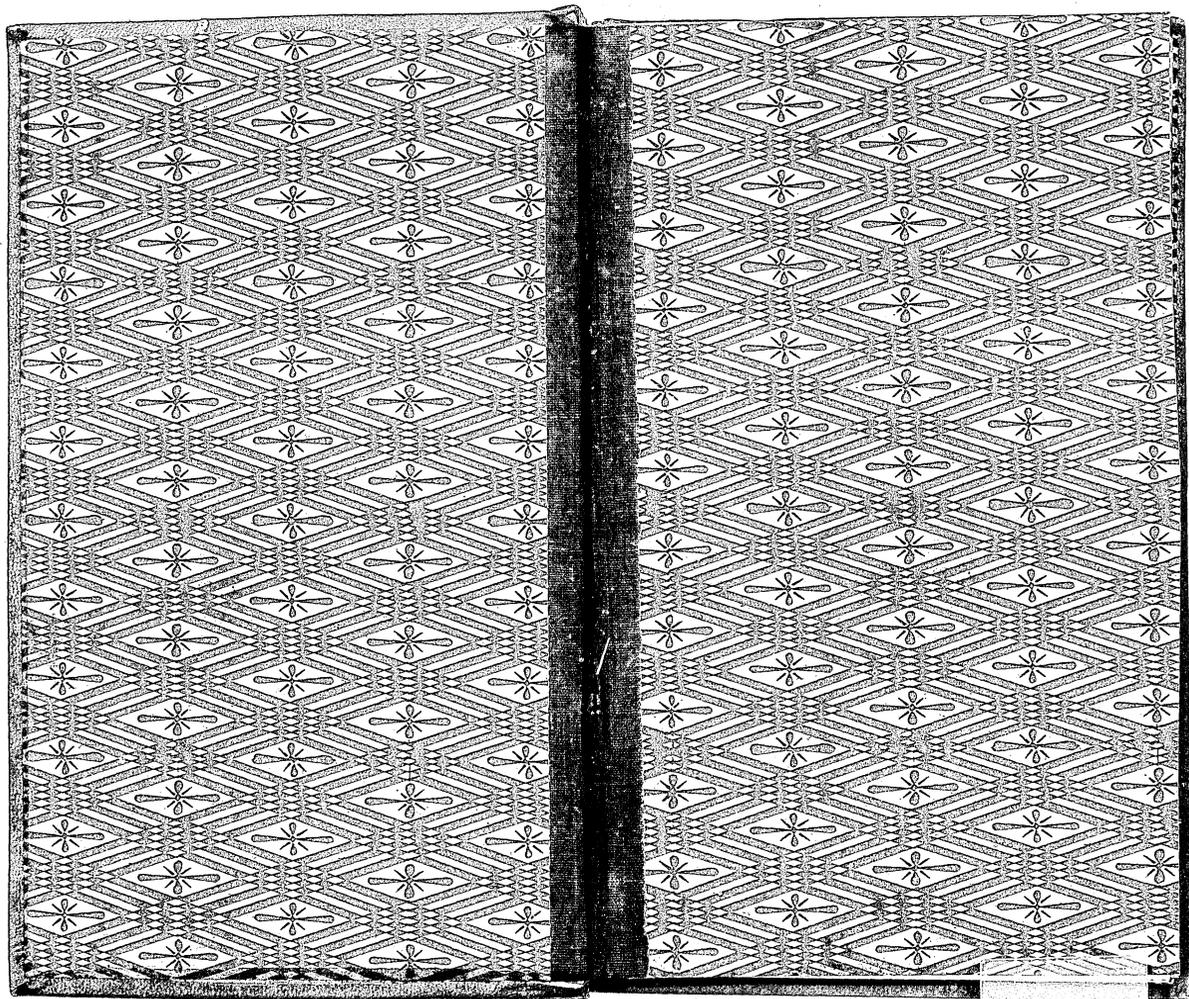


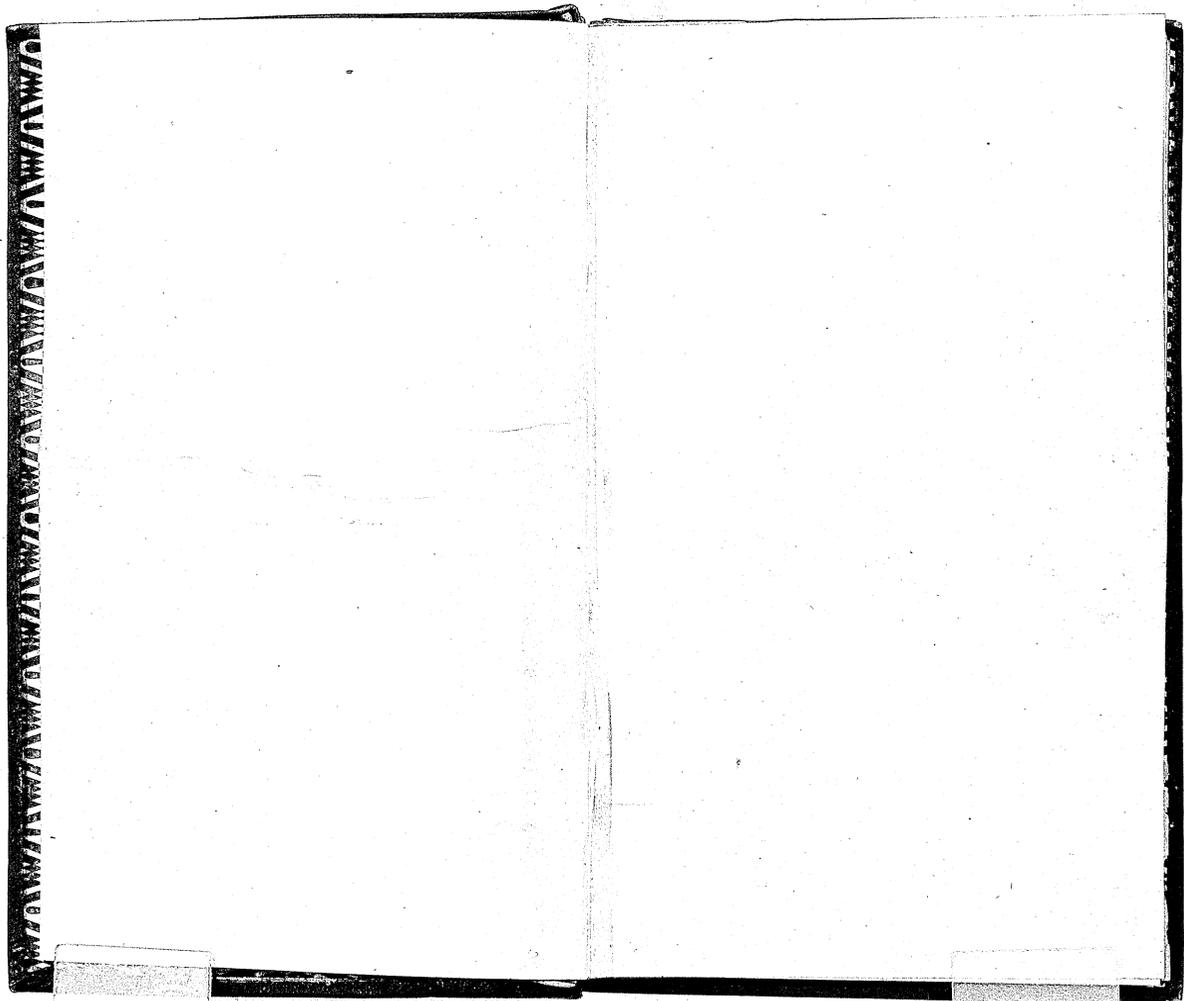
REPORT

OF THE

BENGAL CHAMBER OF COMMERCE

1864-65





REPORT

SH.

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

From 1st November 1864 to 30th April 1865.

C. Gupta:

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Proceedings of a General Meeting of the Bengal Chamber of Commerce held on Saturday, the 3rd June 1865.

The Hon'ble JOHN N. BULLEN, *President*, in the Chair.

The Chairman commenced the proceedings by stating that the meeting had been convened for the purpose of submitting the committee's report for the half year ended 30th April 1865, of electing a Committee for the current year, and of considering any other matters that members desired to bring forward.

He would in the first place submit the report, which the Secretary would read, and then briefly address the meeting.

The report having been read, the Chairman, in moving its adoption, said that it merely recorded, for the information of members, what had been the action, of the Committee on those subjects which had come directly under their consideration during the half-year, and did not, consequently, contain allusion to many other subjects of interest and importance which had occupied public attention dur-

ing that period. Foremost amongst these he might mention *the opening of through telegraphic communication with Europe and England by the Indo-European line*—an event of the highest importance, from whatever point of view it was regarded. So far the line had worked as well as could reasonably have been expected: messages came through ordinarily in from four to six days, and, all things considered, with reasonable accuracy. In exceptional instances messages had, he believed, been conveyed in twenty hours, which showed what was practicable when the organisation of the line became more complete. What was now most to be apprehended was wilful injury to the line after it left Bussorah, and before it again emerged into civilized Europe: That must always be a source of danger to the line, and the danger of interruption to the communication would, perhaps, be greatest at times when, politically, speedy communication with England was of the greatest moment. The only safeguard against this was the laying of an alternative line down the Red Sea. Hitherto it might be said that sub-marine telegraphs had proved a failure, of which the Atlantic and Red Sea cables were notable instances. Even the Mediterranean line, so far the most successful, was so frequently out of order, and so difficult to repair when

out of order, that its value was much depreciated. But it was claimed that great improvements had been made in the construction of sub-marine cables, and in the machinery and appliances for laying them, so that chance of injury to the cable was greatly lessened; and a great experiment was about to be tried,—he believed was at that moment in progress,—in re-laying the Atlantic cable. If that experiment was successful and the line continued to work uninterruptedly, doubtless the Red Sea line would be re-laid also; for it would be intolerable, after having been for a time within speaking distance, as it were, of England, that the communication should at any moment be liable to interruption at the caprice of a half-savage Arab or a semi-civilised government. The Chairman then referred to the probability of messages of only a few hours old being received in India from America, and even from China at no distant date either via America or via the Russian lines through Siberia to some point of contact with the general European system and continued:—It was unsatisfactory however to find that, whilst telegraphic communication was thus rapidly being extended in all directions, the state of the Indian lines should have so little improved. It was a common complaint in the Bombay papers that messages from

England, which reached Kurrachee in three or four days, took a longer time to travel from Kurrachee to Bombay than from London to Kurrachee. Matters were not, he believed, quite so bad on this side as regards European messages, which came direct from Kurrachee through Agra. But the conditions of the line between Calcutta and Bombay must be very bad, for it was notorious that, even during the last few weeks, messages between the two cities were, from seven to eight days in transmission, a longer time than the ordinary course of post. Government were, however, fully conscious of the inefficiency of the line, and, in a reply, which they had made to the complaints of the Bombay merchants, had promised to give the subject immediate attention. One great cause of the inefficiency was the inferiority of the subordinate staff, and the Government had stated that, to enable the Department to pay higher salaries, and thus secure the services of more intelligent persons as signallers, it might be necessary to raise the charge for transmitting messages. On this point he would only say that if, by the payment of a somewhat higher charge, the delivery of messages in an un mutilated form, and with reasonable dispatch, could be secured, he believed it would willingly be submitted to. Before leav-

ing the subject of telegraphs, he (the Chairman) desired to express the regret which he believed had been universally felt at the early death of Colonel Patrick Stewart, mainly to whose ability and energy was owing the successful completion of the Indo-European line. His early death, in his career of usefulness, was an undoubted public loss. The Chairman then referred to the *export duties imposed by the last Budget*, and stated that, with all its defects, it would have been better had Government retained the income tax for another year than have embarked in legislation of so retrogressive a character; but the case was stronger when, on the Government's own showing, the revenue was not needed. It was to be regretted, especially, that occasion had been given for the exercise of the Secretary of State's veto; such a proceeding could not fail injuriously to lower the prestige of the authority of the Governor-General in the eyes of the people of this country. Much as the duties were to be condemned, he believed it would have been better they should have been allowed to run until there was an opportunity of repealing them in a regular way, rather than that this summary power should have been thus used. The Chairman then alluded to the paragraphs in the report respecting the *Mutlah*, explaining

that they merely recorded the result of correspondence which the Committee had had with Government during the half year. All would, however, (he continued), be aware that the development of the Mutlah project had lately made great progress. Taking advantage of the disposition which existed at Bombay to invest in land reclamations, those gentlemen who for years had fought the battle of the Mutlah, and had maintained their faith in it through good report and evil report, projected and launched, with marvellous success, the *Port, Canning Land, Reclamation and Dock Company*. During the speculative excitement which then, and for some time after, existed, the shares were carried to a premium, which, considering that the future city had yet to be built, was at least premature; to this had succeeded the inevitable reaction: but the great fact remained that the necessary funds for the reclamation had been subscribed. Hitherto nothing could be done, because funds for the construction of necessary public works could not be raised, by the Municipality, and Government would grant no aid from imperial sources. Now that the difficulty had been got over, and the funds were forthcoming, it would remain with the projectors to prove that they had not overrated the capabilities of the new port. He sincerely

trusted that their most sanguine expectations might be realised.

Another project for relieving the Hooghly, off Calcutta, of a portion of its superabundant shipping had also lately been discussed, viz., the construction of *Wet Docks at Diamond Harbour, and the connection of that station with Calcutta by means of a railway*. This was not a new idea, but the revival of an old one. The advantages of the scheme were the saving of expense in the shape of steam hire and the avoidance of the risk of the James and Mary's. Against this saving of expense, however, must be put the charges which would be incurred in sending the cargo to and fro between Calcutta and Diamond Harbour; and, practically, he thought vessels would be unwilling to remain at Diamond Harbour so long as the river continued open and they could get up to Calcutta.

The subject of a *Gold Currency* was referred to in the Committee's last report. Under the operation of the Government notification authorising the receipt of sovereigns at the Treasuries throughout the country at ten rupees, a sum of upwards of £200,000 had accumulated in the Currency Department, and the Government had, a short time back, sought the sanction of the Secretary of State to proceeding a step further by declaring the

sovereign a legal tender at ten rupees. The difficulty had been supposed to lie in procuring sovereigns at ten rupees; but if they were forthcoming, he could see no objection to their being declared a legal tender at that rate, at which they were undervalued in relation to silver.

The Chairman then referred to the remarks of Mr. Maine on *commanditarian partnership*, on the occasion of his withdrawing the bill, introduced at an earlier period of the session, for legalizing the formation of Insurance Companies on the principle of limited liability. He stated that the principle of commanditarian partnership was likely to receive the sanction of the imperial legislature during the present session; if so, a bill based on the same principle would, no doubt, be introduced into the Governor-General's Council here, and he considered that it would be a most useful measure in this country.

The Chairman expressed a hope that, when their next half-yearly meeting was held, he should be able to congratulate them on a more prosperous condition of mercantile affairs than existed at present. Though there were not pending over Calcutta the immense losses which threatened Bombay and China, it was unhappily true that, for some time, trade generally had been very unremunerative. This was, to a certain extent, inevi-

table in the transition of prices, which was sure to follow the termination of the great civil war in America. The enormous profits made in cotton, both in India and in England, had stimulated speculation in other produce also, and had encouraged the formation of new banks and credit institutions, through which the facilities for speculation were increased. Sooner or later, re-action was certain, and it had now commenced; but he trusted that the storm would soon blow over, and that, when they next met, the commercial horizon would again be clear.

The Chairman concluded by moving the adoption of the report.

Mr. Ernsthausen having seconded the motion called attention to the necessity which now existed for raising the tariff of fixed valuations for duties. He instanced shell-lac and several other articles on which the duties were now levied on valuations much in excess of average market prices; and suggested that an application should be made to the Government for a general revision of this tariff.

The Chairman replied that it was only recently that the decline in prices in shell-lac and the other articles alluded to by Mr. Ernsthausen had taken place. The tariff had however even more than its ordinary turn of three years, and he thought no difficulty would be raised by Government to a

revision of it, and he promised that the subject should have the attention of the Committee.

The motion to adopt the report was then carried unanimously.

The Chairman said that the only other regular business before them was the election of a Committee for the ensuing year; but whilst the scrutineers were examining the voting cards, he would ask permission to introduce another resolution. It was a resolution expressing the horror with which, in common with other commercial bodies in England and throughout Europe, they had heard of the assassination of the President of the United States of America, and the detestation with which they regarded that crime. Great as the loss of this eminent man undoubtedly was to the North, he believed it was even a greater loss to the South, for, had Mr. Lincoln lived, there could have been no doubt the policy which he would have pursued towards the South would have been so conciliatory and so clement that the solution of many important problems, which have still to be worked out, would have been greatly facilitated. He would propose that the resolution which he was about to read be forwarded to the United States Consul in this city, with a request that he would transmit it to the State Department at Washington, and that a copy

be also forwarded to the New York Chamber of Commerce.

The Chairman then moved the following resolution:—

“That this meeting desires to place on record the horror with which they, in common with all ranks and classes of Her Majesty’s subjects, view the assassination of the late Mr. Lincoln, President of the United States of America; the deep sympathy which they feel for the people of that country, under the great national calamity which this event has brought upon them; and their earnest hope that the war, from which they have suffered so severely, may soon be brought to a close, and be followed by peace, lasting and prosperous.”

The Hon’ble Mr. Cowie seconded the motion which was carried unanimously.

Mr. Eldridge said that the grief felt by Americans at the untimely death of the man of their choice was not a little mitigated by such generous expressions of fellow-feeling as that which had just been offered. He sincerely thanked the Chamber for the cordial manner in which they had adopted this resolution. It was his strong impression, as it was his fervent hope, that notwithstanding the temporary heart-burnings and passing collisions that had come between England and the United

States in the course of the war, the two nations were henceforth to act kindly together. The expression of sympathy which had just been adopted, would, he was sure, contribute something toward this *entente cordiale*, and help to harmonise two nations whose interests were, in a great measure, identical. He believed it was the wish of the American people to bind up, as soon as possible, the wounds caused by the war, and it was with no ordinary satisfaction that he found England, also, and English merchants, recording, as they had just done, their earnest hope that a speedy close of the war might be followed by peace, lasting and prosperous. He trusted that that career of prosperity would be such that the entire English nation might look upon it with gladness, and find that America's success was England's too.

The Honble Mr. Cowie here quoted the remark made by Mr. Disraeli in the course of his speech in the House of Commons on the subject of Mr. Lincoln's death, that the assassination of a great man had never changed the course of history.

He then adverted briefly to a topic of local interest, the question of *Saturday half-holiday*. He had not been the originator of that movement, but had supported it in every way, believing that every clerk and assistant in Calcutta had a right to the indulgence. He recollected

the question had been discussed about two years ago, and he had then collected the votes of all merchants upon it. He found there was considerable majority on his side, and he was in hopes that, as example was better than precept, these several firms would close their business, and that a general Saturday half-holiday would be established. He was perfectly well aware that they could not compel merchants or bankers to give their assistants a half-holiday, and the thing could only be brought about by the expression of public opinion. He would have no objection, if the meeting felt disposed to support it, to bring forward an abstract resolution.

The Chairman said that the Saturday half-holiday was open to this objection, that when the weekly mail service between Bombay and England was established Saturday would probably be the mail day here; Friday had been suggested by the Bombay merchants as the most convenient day for closing the mails there, and as the mails were six days in transit to Bombay Saturday under this arrangement would be the closing day in Calcutta. He would however support Mr. Cowie's resolution if submitted to the meeting.

Mr. Abendroth opposed the change; he saw no occasion for reducing the present working-hours of the Custom House, which were few enough, for

business purposes. Natives found the Sunday holiday enough for them; and Europeans could always get it for themselves, if they wanted a spare hour to themselves. He was opposed to the half-holiday altogether. *Mr. R. Scott Moncrieff* remarked that if it were to be given at all, it should be adopted by the mercantile community unanimously.

The Hon'ble Mr. Cowie then moved the following resolution:—"That in the opinion of the Chamber of Commerce a Saturday half-holiday in all mercantile offices is highly desirable, and its adoption is recommended in all cases where practicable."

The resolution was seconded by the Chairman and carried, with only the dissentient voice of Mr. Abendroth.

Mr. Abendroth wished to call the attention of the meeting to the unsatisfactory working of that portion of the Custom's Act which had reference to the landing of goods at the Custom House within fifteen days after a ship's entry: he spoke at some length upon the inconveniences importers were subject to in having to send incessantly for their consignments without getting them, and the arbitrary action of the captain in sending goods to the Custom House if no one was in attendance to receive them, though they had been repeatedly applied for during the fifteen days allowed by the Act.

He considered the present system very faulty, and hoped the subject would receive the consideration to which he thought it was well entitled.

The Chairman replied that if Mr. Abendroth would submit his views in writing, the Committee would take up the question and see what remedy could be applied to the grievances of which he complained.

Messrs. Henderson and Mosley having examined the voting cards and placed the result in the hands of the Chairman, the following members were declared to have been elected as the Committee for the current year, viz:

President.—The Hon'ble John N. Bullen.

Vice-President.—James Rome, Esq.

Committee.—P. T. Ralli, Esq.; H. Dundas, Esq.; F. G. Eldridge, Esq.; F. A. Goodenough, Esq.; and R. Scott Moncrieff, Esq.

The Chairman said that, as regarded himself, he felt very deeply the honor which the members had done him in selecting him as their President for the fourth time. He would only say that he would discharge the duties of President to the best of his ability and endeavour to maintain the prestige and importance of the Chamber.

The Hon'ble Mr. Cowie proposed a vote of thanks to the President and Committee for their

services during the past half year, which was carried by acclamation.

Thanks were voted to the Chair, and the meeting broke up.

H. W. I. WOOD,
Secretary.

BENGAL CHAMBER OF COMMERCE.

REPORT OF THE COMMITTEE FOR THE HALF-YEAR
ENDED 30TH APRIL 1865.

The Committee have the pleasure to submit their report on the subjects which have come under their consideration during the last half-year.

Extension of time for loading and unloading ships' cargoes without charge, for Customs' Officers.

APPENDIX A.

The action of the Chamber in this matter was fully stated in your Committee's last report. The question had then been left for the consideration of the Government of Bengal, and since then a correspondence, which has already been published, and will be found in the Appendix, has taken place, in which the Committee have endeavoured, but without success, to satisfy the Lieut.-Governor that the time prescribed by the Customs Act is not reasonably sufficient to enable a vessel to escape the penalty which attaches to a longer period than that allowed. It was submitted that the true test of the reasonableness of the Cham-

ber's request for extension of time was the number of vessels which during the last year had under the existing rules been brought on demurrage: this proportion was stated by the Collector at 22½ per cent; and it appeared to the Committee that if two out of every nine vessels arriving during the year incurred this demurrage charge, the reasonable inference was that the time now allowed was not fairly sufficient.

The Board of Revenue however repeated their opinion that the existing practice of the Custom House on this point should be continued, but that when the special circumstances of any case required that an extension of time should be given beyond that specified in the Customs Act, special application could be made to the Collector, who would doubtless be always ready to grant such relief as was necessary.

PAYMENT OF CUSTOMS' DUTIES BY BANK CHEQUES.

APPENDIX B.

The Appendix contains correspondence between the Board of Revenue and the Chamber relative to the payment of Customs' Duties by cheques.

The Committee's opinion having been requested as to the practicability of introducing that system, the Board were informed that the plan would be

attended with much convenience to merchants, and that it would be advantageous alike to them and to the department of Customs; and the following suggestions were submitted for the Board's approval:—

1.—That payment in cash be optional as heretofore.

2.—That cheques on *all* the local Banks tendered in payment of duty should be received, provided they bore an encasement by which they were made payable at the Bank of Bengal to credit of the Customs' account.

3.—That such encasement should be made by means of a stamp, prepared and issued by the Board if necessary, the encasement being verified by the manager or other officer of the Bank drawn upon, and the amount of the cheque passed to the drawer's debit,—such encasement would be in effect an acceptance of the cheque made payable at the Bank of Bengal; and as all the other Banks have deposit accounts there, the cheque would be at once passed and the amount credited to Government.

This suggestion has been approved of, and by a recent notification the Collector has intimated his readiness to receive cheques so drawn and verified in payment of customs' dues.

STAMPS ON BONDS FOR CUSTOMS' DUTY.

This subject was referred to in your Committee's last report; and they have now the satisfaction to state that, recognising the justice of their representations, the Government intend reducing the *ad valorem* duty now levied to a moderate fixed duty. Act XVIII. of 1865 was passed to confer power on the Executive Government to make this reduction, and a notification of the reduction may now be immediately looked for. On a cognate subject to which reference was also made in the last report, viz.

STAMPS ON BILLS OF SALE FOR TRANSFER OF SHIP PROPERTY IN INDIA.

APPENDIX C.

the Advocate General has given an opinion that such transfers are liable to stamp duty under Act X. of 1862 of the Government of India—notwithstanding the provisions of the (Imperial) Merchant Shipping Act, which (Section IX) enacts that such transfers shall be free from stamp duty in any part of Her Majesty's dominions—on the ground that the legislative powers of the Governor-General's Council extend to the repeal of any past Act of Parliament with certain specified exceptions, and that Section IX. of the Merchant Shipping Act is impliedly repealed by the local Act, inasmuch as

shipping property is not included amongst the exemptions in the schedule of that Act.

MOORINGS OF THE PORT.

The Committee appointed by the Government of Bengal to report on the moorings of the port after the cyclone, and on the expediency of substituting screw moorings for those heretofore in use—to which allusion was made in the President's address at the last half-yearly meeting—have presented their report. They found that although in many cases the cause of vessels breaking adrift was traceable to defective or insufficient tackle and appliances of the vessels themselves, yet that generally there was a failure of the Government moorings also: that the anchors used, though of great weight, were insufficient for the vessels of large class now frequenting this port, and that parts of the mooring tackle, though of great massiveness and apparent strength, were ill-calculated to bear the excessive strain to which in such times they are subjected. They expressed also an opinion that the mode in which the moorings were laid was defective, inasmuch as every vessel in a tier was more or less dependent on the others: so that in the event of one vessel breaking adrift an accumulated strain was brought upon the moorings of the others, thereby greatly increasing the probability of the whole tier breaking adrift together. They recommended that the

whole of the moorings should be re-laid with *screw* moorings, the experience of other ports having demonstrated the great superiority of holding power of the screw over anchor moorings of whatever weight. They also recommended, as the mooring accommodation of the port was insufficient, and as some vessels must consequently lie in the stream, that screw swinging moorings be laid down in the stream at which vessels would at any rate be safer than at their own anchors. They recommended further that an anchor boat propelled by steam and having steam appliances for raising anchors should be supplied for the use of the port.

These recommendations have received the approval of the Government of Bengal. Fifty sets of screw moorings are daily expected and a further supply will follow: a gentleman deputed by the licensee of the patent has already arrived to superintend their laying down. The number of moorings now existing is 100, and the Marine authorities hope that the full number of moorings for which space can be found within the port will shortly again be available.

IMPROVEMENT IN VESSELS' FITTINGS.

APPENDIX D.

In connection with this subject the Government of Bengal forwarded for the consideration of

the Committee a suggestion from the Master Attendant that vessels trading to this port should be fitted with four hawse pipes forward, instead of two. This has also been recommended by the Committee on moorings who suggested further that pipes be fitted aft for stern moorings. These recommendations the Committee forwarded to the Secretary to the Committee of Lloyd's in London, with a request that he would make them known in those quarters where the suggestion is likely to be acted upon.

METEOROLOGICAL OBSERVATIONS.

APPENDIX E.

At the last half-yearly meeting of the Chamber the Committee's consideration was promised to the imperfect system under which Meteorological Observations were taken and recorded at the office of the Surveyor General. The Government of India was accordingly addressed on the subject; the Committee pointing out what appeared to them defective in the plan hitherto adopted, and recommending the establishment of Observatories at convenient points to the east and west of the approach to the Hooghly, furnished with the most improved instruments for indicating meteorological changes, and placed in charge of persons qualified to record those indications with accuracy and intelligence.

The reports of these subordinate establishments would enable the Central Observatory in Calcutta to deduce forecasts of the weather, the prompt publication of which for general information would give timely warning to the shipping and prepare it against any approaching change.

If these recommendations were adopted, the local practice would closely assimilate to the plan carried out by the Board of Trade in England, where it is the means, as is well known, of effecting every year an enormous saving of life and property.

A Committee has been appointed by Government to consider and report how these objects can be best attained.

REPORT OF THE RAILWAY, BRIDGE, AND WET DOCKS COMMITTEE.

APPENDIX F.

In December last your Committee were requested by the Government of India to nominate three Members to serve on a Committee, which was about to be appointed, to consider the question of forming a junction of the East Indian and Eastern Bengal Railways by a bridge across the Hooghly; and it was intimated that the Committee would also be directed to give their attention to the many other considerations connected with the convenience of the trade and

shipping of the port which this question involved. The report of the Committee is printed in extenso in the appendix; and it will be sufficient, therefore, here to say that as regards the Committee recommended that it should be constructed at the nearest point to Calcutta where such a structure would be safe from risk of injury by ships breaking adrift from their moorings,—which would determine the site about two miles above Cossipore Foundry; and as regards the junction of the two railways, they recommended that the central terminal station should be at Sealdah, the present terminus of the Eastern Bengal line, from whence the traffic could conveniently be taken up and brought into the town by a metropolitan line.

ADDITIONAL FACILITIES FOR DISCHARGING AND LANDING CARGO.

The Committee reported that such facilities were urgently needed, and they recommended that immediate measures be taken for the construction of jetties with suitable landing sheds and ware-houses on that portion of the river Bank which lies between the Bankshall and Armenian Ghauts. Further that the construction and management of these works should be undertaken by a Trust, constituted under an Act of the Legislative Council of the Lieutenant-Governor, and that on the completion of the works a modifi-

cation of the Consolidated Customs Act be made, by which masters of vessels shall be empowered to land all cargo, not claimed by consignees, within three days after the entry of vessels inwards, or which, having been claimed, shall not have been removed with all due diligence.

WET DOCKS.

On the question of Wet Docks the Committee reported that though there was no general conviction that such works were absolutely essential, yet that it seemed to be admitted almost without exception that they would greatly add to the convenience of the port if constructed; that the solution of the question whether they were essential must depend on the number of vessels remaining in port at any one time; and that the effect of the construction of jetties as proposed by them and of the development of Port Canning must be awaited before any decisive reply can be given. They considered however that the expansion of the trade during the last few years led to the conclusion that all possible aids would soon be required, and that therefore the Government would do well to give all reasonable facilities, short of direct pecuniary aid or guarantee of interest, to every well considered scheme for the construction of these or other works of improvement.

On the whole, though no practical action has yet been taken on this report, your Committee venture to hope that some real advance has at last been made towards the realization of those improvements of the port for the convenience of trade and shipping, the necessity of which has so long been felt. Jetties will of course afford less perfect facilities than would be afforded by a wharf wall, but whilst the latter, if feasible at all as an engineering work, must of necessity be very costly and occupy a considerable time in construction, there is no doubt about the perfect feasibility of jetties and that they can be laid down speedily and at moderate cost: and as regards wet docks, though at first sight the recommendation of the Committee that no direct pecuniary aid or guarantee of interest on capital be given by the Government may appear to discourage such undertakings, yet practically your Committee believe the effect is likely to be otherwise. Hitherto all the projects brought forward have been based on assumed concessions by the Government of land or money, and as no decision on this head could be obtained these projects have never passed beyond the initiatory stage. It is an advantage that all uncertainty on this head should cease. Projectors must now examine the scheme on its own merits; and if it should still appear, as your Committee

believe, it will, that as a commercial undertaking wet docks are as likely to prove at least as remunerative in this as in other ports where such works have been constructed, there is more hope of the enterprise being actually carried out now than when its realisation was made dependent on concessions which if not obtained caused a miscarriage of the whole project.

RIVER TRUST.

A draft bill to constitute such trust was sent up by the Bridge Committee with their report, and it may be expected that this subject will be brought before the Bengal Council early in the ensuing session. The bill proposes to give the Trustees jurisdiction over that portion of the river bank only which lies within the boundaries of the port, and is consequently a much more limited measure than was suggested two years ago by the Government of India and at that time approved by the Chamber. If however the experiment is found to work successfully the powers of the trustees can hereafter be extended.

THE BURNING OF THE "LINCOLNSHIRE"

The frequency of fires in port during the last two years, and special circumstances connected with the burning of this vessel in dock, causing a

suspicion that the fire was not accidental, an enquiry thereon was undertaken by the magistrate of Howrah under the orders of the Government of Bengal. The conclusion at which the magistrate arrived was that the vessel was wilfully destroyed, and that there were grave grounds of suspicion that her destruction was the act of some one or other of her own company. At the suggestion of the Committee, this report was laid on the editors' table with a view to publication for general information, and was subsequently published and commented upon by the local journals.

THE MUTLAH.

APPENDIX G.

In the appendix will be found copy of a reply which your Committee received from the Government of India to the recommendation they made in September last, that financial assistance should be given by the Government towards the construction of the necessary public works of drainage, &c., at Port Canning. The Government stated that, having regard to the successful formation of the Port Canning Land Investment Reclamation and Dock Company, all that those interested in the port could desire seemed likely to be accomplished without the aid of Government; a conclusion to the discussions on this subject, it was added, which they trusted would be as

satisfactory to the Chamber, as it was to the Government of India, which had consistently desired to see the development of Port Canning effected by private enterprise.

In the appendix a correspondence with Government is printed regarding the appraising and passing of goods at Port Canning and the payment there of customs' duties on imports and exports. The Government express their readiness to make the necessary addition to the customs' staff when such addition becomes necessary for the interest and convenience of those landing or shipping goods at the new port.

In the appendix will also be found a correspondence regarding the establishment of a line of telegraph between Port Canning and Halliday Island, which the Port Canning Company had requested might be undertaken: on reference being made to them by the Government of Bengal, your Committee supported this recommendation on the grounds set forth in their reply.

THE BUDGET.

APPENDIX II.

The annual financial statement was made in the Governor-General's Council on the 1st

April. Its most prominent features were the abatement of the income tax from the 31st July next, the imposition of export duties on jute, wool, tea, coffee, hides, sugar, and silk, and the announcement of a loan for new military and irrigation works of £1,200,000 to be raised in England. Inclusive of this loan, but exclusive of the new duties estimated to yield £330,000, the estimated revenue of the current year is £47,688,760, and the estimated expenditure £47,186,930, showing a surplus of £501,830. The results of the financial year 1864-65 have been less favorable than were calculated on. The estimates showed a surplus of £823,288, but the results show a deficit of £344,143, the two sums aggregating £1,167,431. This unfavorable result is mainly traceable to a decrease of receipts and an increase of expenditure under the head of opium, and an increase of military expenditure. The more stable sources of revenue—such as land, customs, salt, abkarree and stamps—have been fully as productive as were anticipated.

THE NEW TAXES ON EXPORTS.

APPENDIX I.

Deeming it necessary that the duties on exports should not pass without protest from the commercial community, your Committee convened a meeting to consider the subject on the 5th April.

At that meeting it was resolved to petition the Governor-General to withhold his assent to the bill imposing the new duties. A memorial framed on this resolution was presented by a deputation which waited on His Excellency on the 9th idem, but met with no success; His Excellency stating the inability of the Government to forego any portion of the financial provision of the current year. These duties have met with universal condemnation in England on the same grounds as were urged in the petition above adverted to, and telegrams since received announce that the Secretary of State in Council has adopted the extreme measure of disallowing them and directing their immediate repeal.

ABOLITION OF EXPORT DUTIES.

On receiving the unfavorable reply above adverted to from His Excellency the Governor General, your Committee deeming it desirable that public opinion in England should be brought to bear on the Government of India on this question, as well to prevent further legislation of a like character, as also to procure the early repeal of the most obnoxious of these duties, forwarded copies of their memorial to all the important Chambers of Commerce of the United Kingdom, and also to numerous members of both Houses of Parliament, requesting that their influence might

be used in opposition to legislation of so retrogressive a character in this country. Although the prompt action of the Secretary of State has rendered any agitation on the question of these particular duties unnecessary, your Committee believe that the circulation of this memorial in influential quarters in England may still be productive of good, by attracting attention to the whole subject of export duties in this country, and paving the way for their total abolition at no distant date.

REDUCTION OF THE DUTY ON SALTPETRE.

The export duty on this article was reduced from two rupees to one rupee per maund on the 9th March. It is to be feared that this reduction has come too late to repair the injury which the trade has sustained through the ill-judged retention of the duty, after it had become clear that the production of a substitute was being encouraged which competed with Bengal saltpetre in the markets of Europe. The artificial saltpetre is said to be now produced at a lower price than Bengal saltpetre was ordinarily sold at in the English market before the great rise which took place at the time of the Russian war. To meet this competition the export should be wholly free, as the Chamber has long recommended.

ALLOWANCE FOR WASTAGE ON SALT IN BOND.

APPENDIX J.

This subject was referred to in your Committee's last report, and further papers relating thereto will be found in the appendix. Owing to the representations of the Chamber a Committee of Enquiry was appointed by the Government of Bengal, consisting of three members—two official and one mercantile. This Committee reported unanimously in favor of the principle contended for by the Chamber, viz: that salt warehoused in private golahs, should, as regards wastage allowance, be placed on the same footing as salt warehoused in the Government golahs, and pay duty only on the quantity actually delivered for consumption. The Board of Revenue, however, to whom this report was referred by the Government of Bengal, oppose any change in the existing practice; and the Government of Bengal adopting the Board's views decline to carry out the Committee's recommendation. Your Committee consider this decision not only unjust to the bonders of salt, but impolitic also in the interest of the general community, as tending to discourage what, on the contrary, it is very desirable should be encouraged, now that the reserve of Government salt is to be sold,—the keeping up of a stock of this necessary article so as to prevent

violent and injurious fluctuations of price. They recommend therefore the continued agitation of this question, and that ultimately, should further appeal to the Government of Bengal prove ineffectual, the co-operation of the salt interest in England be invited towards obtaining, through the Home Government, a settlement of this question on an equitable basis.

OBSTRUCTION TO TRAFFIC ON THE EAST
INDIAN RAILWAY.

APPENDIX K.

The inconvenience and damage suffered by native merchants and others in consequence of the stoppage of traffic on the East Indian Railway having been brought to their notice, your Committee communicated with the Agent for the Railway Company and with the Government of India, in the hope of having present obstructions removed, and provision made for a better management for the future. They were of opinion that the single line was totally inadequate to the requirements of an enormously increasing traffic, which could only be satisfied by doubling the line the entire length of the railway, and by having an ample supply of rolling stock.

The result of the Committee's representation has been so far satisfactory as to have directed

the immediate consideration of the Government to the necessity for energetic action in the matter. The Supreme Government sanctioned an expenditure of £100,000 for doubling the line for about seventy miles from Luckeeseraai upwards, and the Governor-General in Council declared that in his opinion the time had arrived when arrangements should be made for doubling the line throughout as far as the Jumna, and that H. M. Secretary of State for India had been addressed to that effect.

**OVERLAND MAIL SERVICE BETWEEN INDIA
AND ENGLAND.**

APPENDIX L.

The attention of your Committee has for some time been given to the anomalous position of the mail service between Calcutta and Europe. The Indian mails are timed to arrive in London at intervals of from seven to eight days, and if all the mails were despatched by the same route from Calcutta there would be a corresponding interval between the closing dates on this side. But two of the mails are forwarded via Galle and two via Bombay; and owing to the shorter sea passage from the latter place to Suez, and to the acceleration which has been effected in the land transit of the mails, the one mail is con-

veyed through so much more speedily than the other, that whilst the interval of seven or eight days in the arrival of the mails in London has been preserved, the closing dates here have been materially interfered with. For several months in the year there is now an interval of from one to two days only between the closing of the two mails; occasionally they even close on the same day; and when another day has been economised in the land transit to Bombay, the anomaly of the present arrangements will become still more glaring, for letters despatched by that route on the same day, or even one day later than the mails via Galle, will arrive in London a week before these latter.

The sole remedy for this defective arrangement is a weekly mail service through Bombay and the abandonment of the long sea route via Galle for postal purposes; and this your Committee has strongly urged the Government of India to recommend to the Home Government. Subsequently to this representation having been made it became known that a memorial praying that the Indian mails might be made up in London on a fixed day in each week had been presented by leading merchants and bankers of London connected with the trade of this country to the Post Master General, who had promised to it his favorable

consideration. Practically the granting of that prayer will involve a weekly mail via Bombay; for weekly postal communication with India would lose much of its value if mails from India, with dates of corresponding intervals, were not received with the same regularity. Your Committee trust, therefore, that this great reform will not be long delayed.

AUSTRALIAN MAILS FOR CALCUTTA.

APPENDIX M.

The detention at Galle of the mails from Australia for Calcutta, till they could be conveyed by a regular contract packet to their destination, having been brought to the notice of H. M. Post Master General, it was decided that the French mail steamers might carry on the mails provided the Indian Post Office undertook to pay 6d. per ounce to the French Government, realising an equivalent sum on the covers delivered. By this means the mails would ordinarily be delivered in Calcutta a week earlier than if they were detained at Galle for the regular contract steamer.

It was considered, however, that whilst this acceleration of an important mail would be a great boon to the commercial public, for which that public would, if necessary, be quite willing to pay, there was an increasing correspondence

with the Australian Colonies to which a low rate of postage was of more importance than the saving of a few days in the delivery. It was suggested therefore by the then Director General of Post Office in India that the postal authorities in the Australian Colonies should intimate the conditions on which a mail for the French packets would be made up, and that only letters marked for that packet should be sent by it. This suggestion was concurred in by your Committee, and has been carried out.

COTTON CULTIVATION IN THE N. W. PROVINCES.

Additional papers on this subject have been communicated by the Government of the N. W. Provinces, and printed and circulated as received for the information of Members. The latest report dated 23rd March gives the actual out-turn of the crop of 1864-65. As compared with the estimates previously furnished under date the 24th October 1864, there is a falling off of about 13 per cent., attributed to the scarcity of rain during the last monsoon. The actual out-turn was 16,50,412 maunds against an estimate of 18,89,618. In 1863 the crop was 11,22,051 maunds, the increase this year thus being 5,28,361 maunds or about 47 per cent.

MEMBERS.

Messrs. Andrew Yule and Co. have been admitted into the Chamber, subject to confirmation;—and Messrs. Lewis, Bailey and Co. have retired from the Chamber.

FUNDS OF THE CHAMBER.

APPENDIX O.

The half-yearly balance of the Funds of the Chamber amounts to Rs. 5,491-11-3 in the Bank of Bengal in addition to the reserve in Government Securities of Rs. 10,000.

JOHN N. BULLEN,

President.

CALCUTTA,

30th April 1865.

MEMBERS.

APPENDIX A
 Extension of time for loading and unloading ships' cargoes without charge for Customs' Officers.

No. 123.

FROM

J. GEOGHEGAN, Esq.,

Under-Secretary to the Government of Bengal,

TO

THE SECY. TO THE BENGAL CHAMBER OF COMMERCE,
 Fort William, the 12th January 1865.

Customs.

Sir,—With reference to your letter, dated the 4th October last,* submitting the recommendation of the Chamber for a relaxation of Sections 51 and 107 of Act VI. of 1863, the Consolidated Customs Act, I am directed to forward, for the information of the Chamber, the accompanying copy of a report* No. 1673, dated the 22nd November 1864, furnished by the Board of Revenue, and to say that the Lieutenant-Governor concurs with the Board and the Collector of Customs that no sufficient grounds are assigned for asking the Legislature to alter the law.

2. The report of the Collector of Customs shows clearly that in practice the period allowed by law for discharging and loading cargoes is sufficient. If a vessel is not cleared within this period, the delay is apparently either for the convenience or owing to the neglect of the ship's agents and consignees, and it is but reasonable that they should pay the extra cost for preventive officers entailed by their own act. The question was one which was specially considered when the Act was being drawn up, and the periods allowed for loading and unloading were most carefully fixed on full deliberation and after strict enquiries.

3. Under these circumstances, His Honor thinks that the

Chamber will admit that, in the face of the facts stated by the Collector of Customs, this Government is not in a position to urge on the Government of India an amendment of the law.

I have the honor to be,

Sir,

Your most obedient servant,

J. GEOGHEGAN,

Under-Secretary to the Government of Bengal.

From T. BRUCE LANZ, Esq., Junior Secretary to the Board of Revenue, Lower Provinces, to the Secretary to the Government of Bengal,—(No. 1678, dated the 22nd November 1864.)

SIR,—I am directed to return the original paper forwarded with the Under-Secretary's Office Memorandum, No. 3510 of the 20th ultimo, and to submit the report* called for by the Lieutenant-Governor.

* From Collector of Customs, dated 12th November 1861, No. 424.

2. Mr. Crawford, it will be seen, is of opinion that the period of time allowed for discharging and loading cargoes under Sections 51 and 117, Act VI. of 1863, is sufficient for the purpose, and shows very clearly the ground on which his opinion is based. He deprecates any alteration of the law in this respect, at least until it has been some years longer in operation and has had a fair trial, when the question might be re-opened if necessary.

3. In the views of the Collector the Board thoroughly concur. They think with him that the change in the law is certainly not so urgently required as has been represented by the Chamber of Commerce, and even if the time specified in the Act were found often insufficient, (a proposition which the Collector fairly disproves,) the Collector could, under the discretion given to him, in any case of real necessity, extend the time to any period he pleased. To him the application for further time should be made specially on the facts of each case as it occurs, and appeal from his orders could always be resorted to. But a change in this law, so thoroughly considered and so lately passed, could only be recommended in cases of absolute necessity, and in the absence of all other power of remedy.

4. The return of the original enclosure is requested when no longer required.

From J. A. CRAWFORD, Esq., Collector of Customs, Calcutta, to T. BRUCE LANZ, Esq., Junior Secretary to the Board of Revenue, Lower Provinces,—(No. 444, dated the 12th November 1864.)

SIR,—I have the honor to acknowledge the receipt of your docket No. 1499, dated 26th October, forwarding for report the correspondence noted in the margin.

Letter from Chamber of Commerce to Government of Bengal, dated 4th October, bearing memorandum of the latter No. 2510 of the 20th idem.

2. I beg to report in reply that the best test of how far the concessions required by the Chamber of Commerce were called for or not appeared to me to lie in the number of ships which came under demurrage in the past official year 1863-64, with the commencement of which the present Customs Act (VI. of 1863) came into force.

3. To ascertain this I referred to the report of the external commerce of Bengal for the past year which is published by the Board of Revenue, and at page 52 I found the returns of shipping entered inwards and outwards.

4. This statement shows the total number of entries (less native craft) to stand thus :—

Entered inwards	...	...	...	1,126
Entered outwards	...	...	...	1,119

The mean of these two numbers may fairly be taken as the total on which the percentage of vessels liable to demurrage during the year 1863-64 should be calculated.

5. In this port it is not possible to show whether a vessel comes on demurrage on its import or its export days, inasmuch as almost every vessel must take in export cargo to trim itself before all import cargo can be delivered out. So that the practice here is to allow every vessel to enter outward on application made to that effect, directly it has discharged so much import cargo as renders it necessary that it should take in some equivalent in tonnage as it discharges the remainder. Were this concession not made, the vessel would have to take in ballast as it put out import cargo, and put out ballast as it took in export cargo.

6. Against the mean of the numbers given in paragraph 4, viz. in round numbers 1,123, is to be set the number of vessels which became liable to demurrage, which was in the year under notice 236, which gives a percentage of 22.28, or a trifle over 22 per cent. This percentage hardly seems to call for the extension of time which the Committee of the Chamber have requested the Government to give in lieu of the time set down in Sections 51 and 117 of Act VI. of 1863.

7. The same percentage will not, I am certain, be maintained in the current year, for during 1863-64 a vessel coming up in ballast was not allowed any further period for unloading the ballast on board than the time that might actually be taken for its discharge. So that if a vessel got clear of its ballast say in five days and commenced to take export cargo on the sixth, it was considered as then entering on its export days and came under demurrage at the end of the fifteen days or other fixed period allowed under the section according to its tonnage. Under the case put above a 600 ton ship came under demurrage after the twenty-first day if it was longer than that in completing its export cargo.

8. Now, however, in consequence of a representation from one of the leading firms, the whole period allowed for import and export under Sections 51 and 117 is allowed whether the vessel be in ballast or not. This change of practice will, of course, remove from the current year's list many vessels which under the former practice would have become liable to demurrage and will thus reduce the percentage.

9. Arab ships and vessels owned by native owners cannot be relieved of the presence of a Customs' officer. It is utterly impossible to trust them in the slightest degree; and under circumstances in which European vessels would have their officers re-called, it is absolutely necessary in this class of ships to retain them on board. These again swell the number of vessels incurring demurrage.

10. In the month of May of the current year I find that out of ten vessels coming in with cargoes of salt, and salt and coal, two vessels only exceeded their time. The one was an Arab ship, the other, *The Flora*, of 814 tons, with 1,095 tons of salt, and she was only three days over her time. Whilst of the remainder the *Kher-*

sones, of 1,403 tons, with 1,642 tons of salt on board with sixty-four days allowed by the Act, cleared in thirty-one working days; and the *Armada*, of 1,858 tons, with 1,578 tons of salt, cleared out in seventy-one days against eighty-two, to which she was entitled.

11. Taking the ships entering in ballast in the same month and clearing with cargo, I find of twenty-one vessels that four, ranging from 687 to 1,406 tons, were over their time from fourteen to eighteen days, whilst seventeen, ranging from 375 to 1,444 tons, cleared out in periods varying from the time allowed by law to twenty-eight days less. The *H. C. Kidston*, 1,444 tons, cleared in forty-one days, her time being sixty-four, and the *Archer*, 1,095 tons, cleared in twenty-two days, her time by law being fifty.

12. Of vessels arriving with import and leaving with export cargo, I find seventeen vessels, ranging from 313 to 1,623 tons, within their time, and three, ranging from 691 to 1,147 tons, over their time. Of the latter one vessel was here a long while for sale and can hardly be fairly included in the list. This was the *Pleides*, late the *Josiah Bradley*, and she was the largest of the three, 1,147 tons. Of the former the *John Cropper*, 1,052 tons, cleared in twenty-six days less than her time, and the *Greyhound*, 1,410 tons, in ten days less, and the *Starved Swan*, 1,164 tons, in thirty days less than the time she might have taken.

13. Of the ships entering with coal and leaving with cargo, one, the *Odin*, 890 tons, was seven days over her time; and three, the *L. Olivier*, 339, *White Jacket*, 1,847, and *Glenlee*, 884 tons, were from thirty-six days less in the case of *White Jacket* to sixteen in that of the *L. Olivier*.

14. It must be borne in mind too that the Act has been in force comparatively but a short time; in fact a period of time quite insufficient for the purpose of arriving at a reliable opinion on the necessity of the extension.

15. On the whole, therefore, I am of opinion that the movement in this matter is somewhat premature. Nevertheless I should be sorry to be understood as expressing a decided opinion that the time allowed by law is sufficient, although my own impression is that this is the case. I think, however, there is fair ground for presuming that this subject was carefully discussed when Act VI. of 1863 was under deliberation, and that some cogent reasons must have been urged for the altera-

tion of the time allowed for discharge and loading of cargo, otherwise the spirit of the old law would, as far as regards this subject, have been embodied in the present Act. The present graduated scale is certainly a more rational system to work upon than the allowance under the old Acts, which put all vessels of 600 tons and over on the same footing.

16. When the present Customs Act has been longer in operation, say five years, and has had a fair trial, the question may be re-opened if a case can be shown for so doing. Meanwhile I would deprecate any alteration in the period of time allowed by Sections 51 and 117 of Act VI. of 1863.

17. I shall mark this subject for particular notice in my next annual report.

P. S.—The original enclosure is herewith returned.

(True Copy.)

THOMAS JONES,

Registrar, Bengal Secretariat.

The following correspondence is in reply to the Chamber's letter of 22nd Oct. 1864, which was given in the last Report:—

From T. BRUCE LANE, Esq., Junior Secretary to the Board of Revenue, Lower Provinces, to the Secretary to the Government of Bengal,—(No. 1806, dated the 14th December 1864.)

Sir,—In continuation of my letter No. 1678 of the 22nd ultimo, I am directed to submit the report* called for by your Office Memorandum No. 3634, dated 27th October last, and to return the original correspondence forwarded therewith.

2. The Board have already in their report of the 22nd ultimo, above alluded to, pointed out the power of the Collector to exercise his discretion in special cases in regard to extending the period allowed by law for loading and discharging cargo, and no further interference appears to be called for. The recommendation of the Collector, therefore, that in the case of the particular vessels referred to by the Chamber of Commerce, which have been damaged by the late cyclone, the law should be relaxed, and the grounds

upon which that recommendation is based, have the Board's entire concurrence.

3. The Board also agree with the Collector in regard to the remuneration of the preventive officers who superintended the jettisoning of salt during the holidays. This cost might be defrayed by Government, and ship-owners be relieved of the charge under the exceptional circumstances in which it has originated; but the Board do not concur in the proposal to treat the case of the *Sin/te* exceptionally. They would admit that vessel to the same indulgence with the others.

4. I beg that the original enclosures may be returned when no longer required.

From J. A. CRAWFORD, Esq., Collector of Customs, Calcutta, to the Junior Secretary to the Board of Revenue, Lower Provinces,—No. 479, dated the 22nd November 1864.)

Sir,—I have the honor to acknowledge the receipt of your endorsement No. 1532 of 1st instant, with the correspondence to which it gave cover, and which is now returned herewith.

2. I have the honor to report that in my opinion the clauses, limiting the periods allowed for loading and unloading, should in the case of the ships referred to in the letter of the Secretary to the Bengal Chamber of Commerce be relaxed.

3. The circumstances under which the request is preferred are very exceptional—so exceptional that it is utterly impossible to legislate so as to meet cases of the kind referred to. The simplest way of meeting the question appears to me to be to allow all vessels which were affected by the cyclone of 5th October to be free of all charges for preventive officers up to the date of their being in a position to resume loading export cargo. From the date of their commencing loading export cargo I would enforce the commencement of the periods of fifteen days allowed by Section 117 of the Act, and, in the event of that period being exceeded, that demurrage for the service of preventive officers should then, and only then, accrue.

4. The charge to Government will not be so heavy as may at first sight appear, for many vessels have become entitled to the withdrawal

of the officer on board from the fact of their having no cargo on board, and may well be entitled to the same privilege from the fact of their being obliged to be laid up for repairs. Several vessels afloat on that day are now no longer in existence, whilst others again are condemned and sold, some of which will have to be broken up. It is hardly possible to estimate the cost which Government will have to bear, but that cost being in their own immediate interests ought not, in my opinion, to be so closely scrutinised as a charge on Government as under ordinary circumstances it should be.

5. As regards the jettisoning of salt, the chief part, if not whole, of which was performed in the holidays when the preventive officers were entitled to extra remuneration, the question coming up now as a general one, regarding all the shipping in port so situated, assumes a different aspect to what it did in the one or two isolated cases already appealed to the Board. The charge is a heavy item to be borne by the ship when it is considered that the salt has all been lost, and that it forms a dead loss in addition to the injury sustained by the loss of the salt. Looking at this as a question affecting all the salt ships, and not as an isolated case in the interests of a single ship or two, I think that, whilst the preventive officers should not lose the extra fees which they have earned, and earned in a time of no little danger, the Government should relieve the ship-owners of the charge, and bear the cost itself.

6. The total cost to be borne on this head amounts to rupees 1,907 as shewn in the particulars of the statement annexed to this letter.

7. There is but one case which, I think, should be treated exceptionally: it is the case of the *Simla*, which jettisoned salt at Cossipore. Her agents are Lloyd's agents at this port, and they have taken on themselves to repudiate the claim of the preventive officers who superintended the jettisoning, not on any reasonable grounds such as those put forward by the Chamber of Commerce, but on the ground that the ship was at Cossipore out of the limits of the port. It appears to me that the agents of a vessel who put forward such a plea should be left to make the best of the position they themselves have assumed, and be dealt with under Section 13 of Act VI. of 1863.

List of Ships that jettisoned salt after the cyclone of the 5th October, 1864.

NAMES OF VESSELS.	Names of Officers.	Quantity.			Amount of claims.		
		Mds.	S.	C.	Rs.	As. P.	
<i>Speedy</i>	Mr. G. H. Mayer.	12,070	0	0	132	0	0
<i>Tunoor Shah</i>	„ Williamson.	610	0	0	10	0	0
<i>Eastern Belle</i>	„ Renton.....	26,346	37	12	210	0	0
<i>Mysapore</i>	„ Borthwick.....	25,353	22	3	374	0	0
<i>Victoria Bridge</i>	„ Reynolds.....	3,460	33	5	54	0	0
<i>Indian</i>	„ Fernandes.....	3,729	4	12	124	0	0
<i>Cheshire</i>	„ Reed.....	1,500	0	0	25	0	0
<i>Cama Family</i>	„ Salder.....	10,714	0	0	26	0	0
<i>Romania</i>	„ P. V. Pereira.....	4,130	0	0	36	0	0
<i>Bolton Abbey</i>	„ D'Serre.....	32,060	4	7	126	0	0
<i>Anaott Lyle</i>	„ Rigorby.....	Salt still on board			272	0	0
<i>Leonides</i>	„ Suelling.....				180	0	0
<i>Simla</i>	„ Greene.....				214	0	0
<i>Soleary</i>	„ T. J. Dantell.....				124	0	0
		Total Rs.....			1,907	0	0

CALCUTTA;
CUSTOM HOUSE,
The 22nd Nov. 1864.

J. A. CRAWFORD,
Collector of Customs.

No. 125.

FROM

J. GEOGHEGAN, Esq.,

Under-Secretary to the Government of Bengal,

TO

THE JUNIOR SECRETARY TO THE BOARD OF REVENUE.

Fort William, the 12th January 1865.

Customs.

SIR,—I am directed to acknowledge the receipt of your letter No. 1806, dated the 14th ultimo, and in reply to state, for the information of the Board, that the Lieutenant-Governor approves of their proposal. The period allowed by law for loading and discharging cargo should be extended in the case of vessels damaged by the cyclone, in the manner proposed by the Collector of Customs, and

that officer has authority to grant this extension under the provisions of the Customs Act.

2. I am to add that the cost of placing preventive officers on board vessels which were compelled to jettison their salt on holidays, in consequence of the damage they suffered during the cyclone, should also be borne as a special case by the Customs Department, and not by the owners.

I have the honor to be,

Sir,

Your most obedient servant,

J. GEOGHEGAN,

Under-Secretary to the Government of Bengal.

No. 126.

Copy forwarded for the information of the Bengal Chamber of Commerce, with reference to their Secretary's letter of the 22nd October last.

J. GEOGHEGAN,

Under-Secretary to the Government of Bengal.

FORT WILLIAM,
The 12th January 1865. }

BENGAL CHAMBER OF COMMERCE,

Calcutta, 20th January 1865.

J. GEOGHEGAN, Esq.,

Under-Secretary to the Government of Bengal.

SIR,—I am directed to acknowledge receipt of your letter of the 12th instant, covering a letter from the Secretary to the Board of Revenue, dated 22nd November last, which annexes a report from the Collector of Customs, dated 12th idem, on the subject of the reference made in my letter of the 4th October regarding an extension of time, free of charge for Preventive Officers under Sections 51 and 117 of the Customs Act VI. of 1863, for unloading and loading vessels.

2. Both in your letter under acknowledgment and that of the Board of Revenue it is assumed that the Chamber ask for an alteration in the text of the law. This is a mistake. The sections of the Act above referred to vest authority in the Collector to extend the time stated in these sections, and the Chamber merely asked that this power should be put into operation.

3. I am to point out that the arguments of the Collector do not in fact meet the case stated in my letter of the 4th October. It was there pointed out that whilst under the former law—Act XIV. of 1836—a vessel of say 1,000 tons was allowed 30 working days for discharging an inward, and 20 working days for loading an export cargo, under the new law a vessel of the same size was allowed only 46 days in all for the same operations, and this when, by the improvements which during the last 28 years had taken place in ship-building, a vessel's carrying capacity in proportion to her tonnage had greatly increased. It was also pointed out that the course of business had very much altered during the last few years, especially since the great development of the trade inwards in salt from Liverpool, and of the export trade to Bombay and other eastern ports, such alterations tending to increase, in a large number of cases, the time occupied by ships in discharging and loading. It is no reply to this I am directed to point out that exceptional cases of despatch greatly within the time now allowed have taken place.

4. The true test of the reasonableness of the Chamber's request for extension of time is the number of vessels which during the last year have under the existing rules been brought on demurrage. This proportion is stated in para. 6 of the Collector's letter at 22½ per cent. It appears to the Committee that if two out of every nine vessels arriving during the year incur this demurrage charge the reasonable inference is that the time now allowed is not fairly sufficient.

I have the honor to be,

Sir,

Your most obedient servant,

H. W. I. WOOD,

Secretary.

No. 915.

FROM

THE HON'BLE A. EDEN,

Secretary to the Government of Bengal,

TO

THE SECY. TO THE BENGAL CHAMBER OF COMMERCE.

Fort William, the 3rd March 1865.

Customs.

SIR,—I am directed, with reference to your letter dated the 20th January last, to say that the Lieutenant-Governor understands that the Chamber do not now ask for any alteration of the law, but simply that the Collector shall exercise the discretion given to him under the law to extend the period allowed to ships for loading and unloading, when he considers that there is reason for so doing.

2. The Chamber do not specify any instance in which application for extension of the period allowed for loading and unloading vessels has been made and refused by the Collector of Customs and the Board of Revenue; the Government is not, therefore, as the case stands, in a position to say whether the Collector exercises the discretion given him in the matter wisely or no. If the specific instances on which their complaint is based are communicated to Government, the Lieutenant-Governor will order a careful enquiry into the merits of each case.

3. I am to take this opportunity of forwarding, for the information of the Chamber, a report* on the subject of No. 240, dated 18th February 1865.

from the Board of Revenue.

I have the honor to be,

Sir,

Your most obedient servant,

A. EDEN,

Secretary to the Government of Bengal.

From T. BRUCE LANE, Esq., Junior Secretary to the Board of Revenue, Lower Provinces, to the Junior Secretary to the Government of Bengal,—(No. 240, dated the 18th February 1865.

SIR,—I am directed to acknowledge the receipt of your docket No. 533, dated the 10th instant, forwarding, for the Board's observations, a further representation from the Secretary to the Chamber of Commerce in respect of the period allowed by law for unloading and loading vessels.

2. In reply the Board desire me to repeat their opinion that the existing practice of the Custom House on this point should be continued. When the special circumstances of any case require that an extension of time should be given beyond that specified in the Customs Act, special application can be made to the Collector, who will doubtless be always ready to grant such relief as is necessary. Further an appeal from his order can always be made to the Board if it is not considered satisfactory.

(True Copy.)

THOMAS JONES,

Registrar, Bengal Secretariat.

APPENDIX B.

PAYMENT OF CUSTOMS' DUTIES BY BANK
CHEQUES.

No. 1640.

FROM

T. BRUCE LANE, Esq.,

Junior Secretary to the Board of Revenue,

TO

THE SECRETARY TO THE BENGAL

CHAMBER OF COMMERCE,

Dated, Fort William, the 16th November 1864.

CUSTOMS.

W. J. Allen, } Esqrs.,
E. T. Trevor, }

Sir,—I am directed to forward copies of the correspondence noted in the margin* relative to a proposition for receiving payment of customs dues by cheques on the Bank of Bengal instead of in cash, (a plan which has recently been introduced at the port of Bombay), and I am to request that the Board may be favored with an early expression of the views of the Chamber of Commerce on the practicability of introducing the plan into Calcutta.

I have the honor to be,

Sir,

Your most obedient servant,

T. BRUCE LANE,

Junior Secretary.

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From E. H. LUSHINGTON, Esq., Secretary to the Government of India, Financial Department, to the Secretary to the Government of Bengal,—(No. 2914, dated Simla, the 5th October 1864.)

Sir,—I am directed to forward, herewith, an extract* from the

proceedings of the Government of Bombay relating to a plan recently introduced in that port of receiving payment of customs dues by cheques on the Bank instead of in cash, and to observe that it appears to the

Governor General in Council that the arrangement might, with advantage, be adopted in Calcutta, subject to the safeguard of a permanent deposit of cash or Government paper provided for in the 4th paragraph of Mr. Inverarity's letter.

Extract from the Proceedings of the Government of Bombay, in the Revenue Department, No. 3035, dated the 10th August 1864.

Read the following papers:—

Letter from George Inverarity, Esq., Commissioner of Customs, Salt and Opium, to Government, No. 1808, dated 21st July 1864.

It has been brought to my notice that the payment of Custom House dues in Bombay by cheques upon the Bank of Bombay would prove of immense convenience to merchants, while it would also simplify the transactions of this department.

2. At present the merchants in many cases when paying duty have to send their clerks with a cheque upon the Bank to draw the amount, the latter being then sent to the Custom House, and returned in the evening to the Bank as a Custom House remittance.

3. I have ascertained from the Bank of Bombay that there are no objections to the system of cheques being adopted, and copy of the Officiating Deputy Secretary's letter is herewith appended for information.

4. To prevent the possibility of the Custom House suffering by cheques being issued when the Bank has no assets to the credit of the party issuing the cheque, the privilege will only be accorded to those merchants who may previously have lodged a permanent deposit of cash or Government paper with the Custom House within the amount of which only cheques will be received.

5. The sanction of Government is, therefore, solicited to the arrangement; it will be one step towards the Bank receiving all Custom House dues direct, as suggested in the letter from the Government of India marginally noted.

Letter from D. ROBERTSON, Esq., Officiating Deputy Secretary to the Bank of Bombay, to G. INVERARITY, Esq., Commissioner of Customs, Salt and Opium,—(No. 2995, dated the 20th July 1864.)

In reply to your favor of the 19th instant, No. 1784, I have the honor to inform you that there can be no objection to cheques drawn on this Bank being received as cash payments on account of the Custom House, and that receipts will be granted on the day on which such payments are made.

RESOLUTION.—The arrangement proposed is sanctioned.

No. 3507.

Copy forwarded to the Board of Revenue for report, in communication with the Deputy Auditor and Accountant-General, Bengal, on the practicability of introducing into Calcutta the plan of receiving Customs dues by cheques on the Bank of Bengal.

By order of the Lieutenant-Governor of Bengal,
S. C. BAYLEY,
Junior Secy. to the Govt. of Bengal.

FORT WILLIAM,
The 25th October 1864.

No. 1700T.

FROM

J. L. LUSHINGTON, Esq.,
Deputy Audr. and Acct. General, Bengal.

TO

THE SECRETARY TO THE BOARD OF
REVENUE, L. P.

Dated, Fort William, the 9th November, 1864.

Sir,—In reply to the memorandum from the Board's Office,

No. 1562, dated 4th instant, I have the honor to report for the information of Government that the plan of receiving Customs dues by means of cheques on the Bank of Bengal, as proposed by the Government of Bombay, is both practicable and convenient so far as Government is concerned. With a view, however, to avoid the inconvenience of making deposits, as suggested in the 4th paragraph of the said letter, I beg to propose that the cheques be paid into the Bank, and the Bank's receipt forwarded to the Collector of Customs. If necessary, a special form of receipt might be furnished to the Bank for issue to the merchants.

2. I further beg to suggest that the matter be referred for the opinion of the Directors of the Bank and the Chamber of Commerce, as the proposed plan is likely to entail additional duties on the Bank, and may not be acceptable to those merchants who have no account with the Bank of Bengal.

I have the honor to be, &c.,

(Signed) J. L. LUSHINGTON,

Deputy Auditor & Accountant General, Bengal.

BOARD OF REVENUE,
FORT WILLIAM,
The 16th November 1864.

(True copies.)

T. BRUCE LANE,
Junior Secretary.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 25th November 1864.

T. BRUCE LANE, Esq.,

Junior Secy. to the Board of Revenue.

Sir,—The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 1640 of the 16th instant, and to state in reply that in their opinion the plan proposed to be adopted of paying Customs duties by cheques would be attended with considerable convenience to merchants generally, and that the introduction of the system would be advantageous alike

to the department of Customs and the importers and exporters of goods subject to duty.

2. The Committee observe however that the attention of the Board has been directed to the receipt of cheques on the Bank of Bengal solely; and it would appear from the correspondence appended to the Board's letter that while the principle of payment by cheques is advocated by all the departments to which the subject has been referred, its operation is restricted to the receipt of cheques on only one Bank.

3. The Committee have carefully considered the question and submit the following recommendations:—

1st.—That it shall be optional with the merchant to pay duties in cash as hitherto.

2nd.—That cheques on all the local Banks tendered in payment of duties shall be received as cash payments, provided such cheques are presented with an endorsement by which the cheque is made payable at the Bank of Bengal to credit of the Customs account.

3rd.—That the endorsement of such cheques shall be made by stamps (issued if necessary by the Board of Revenue) and verified by the signature or initials of the Bank officer who passes the cheque to debit of his customer's account. The endorsement would appear in a form somewhat similar to this:—

Payable at the Bank of Bengal,

To Credit of Government Customs,

Rupees Two hundred,

FOR THE ORIENTAL BANK CORPORATION.

Signature of

Passing Officer.

Such endorsement would be in effect an acceptance of the cheque, and as all the other Banks have deposit accounts with the Bank of Bengal, an acceptance made payable by any one of them at the Bank of Bengal would, by the Bank of Bengal, be passed to debit of such

Bank and to credit of the Collector of Customs. This plan would afford complete security to the Government and render unnecessary either a deposit as suggested in the fourth para. of the letter of the Commissioner of Customs at Bombay, or the plan suggested in Mr. Lushington's letter of first paying cheques into the Bank of Bengal and then producing the Bank's receipt to the Collector as a voucher for passing the goods. Neither of these plans would practically be adopted by merchants to an extent which would appreciably reduce the amount of cash receipts at the Custom House which it is assumed, it is chiefly the object of Government to effect by the proposed alteration of system. If however the plan now suggested by the Committee is adopted, they have no doubt that it will largely effect that object, whilst it will be at the same time a convenience to the commercial community.

It is necessary, I am in conclusion, to point out that the privilege of paying by cheques, if it is to be availed of to any extent, should not be confined to cheques on the Bank of Bengal, inasmuch as a large number of the commercial public keep their accounts at other Banks.

I have the honor to be,

Sir,

Your most obedient servant,

H. W. L. WOOD,

Secretary.

CUSTOM HOUSE NOTIFICATION.

The undersigned is authorised under orders of Government to receive in payment of Custom's dues, cheques on any of the Banks in Calcutta, provided such cheques are made payable on account of "Custom's dues" at the Bank of Bengal, and are accepted by the manager or other authorised officer of the Bank on which they are drawn.

J. A. CRAWFORD,

Collector of Customs.

Custom House,

Calcutta, 11th May 1865.

APPENDIX C.

Stamps on Bills of Sale for transfer
of ship property in India.

No. 96.

From

E. H. LUSHINGTON, Esq.,

Secretary to the Government of India,

Financial Department,

To

THE SECRETARY OF THE BENGAL

CHAMBER OF COMMERCE,

Port William, the 13th January 1865.

Financial Department.

Sir,—With reference to your letter of the 6th September last, raising the question of the legality of requiring payment of stamp duty on bills of sale of ships in this port, I am directed to enclose, for the information of the Chamber, a copy of the Advocate General's opinion on the case.

I have the honor to be,

Sir,

Your most obedient servant,

E. H. LUSHINGTON,

Secretary to the Government of India.

Copy of the above letter, and of the opinion, to the Governor of the Straits Settlements, in reply to his Secretary's letter, No. 25, of the 26th October last.

Published in the Chamber's last Report.

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Dated 29th December 1864.

OPINION—BY T. H. COWIE, Esq., *Advocate General,*
Port William.

I am of opinion that, under Act X. of 1862, bills of sale of ships are liable to stamp duty. It is true that the Merchant Shipping Act contains an express provision with regard to acts or ordinances repealing it in whole or in part. But the Stamp Act of 1862 was passed by the Governor General in Council in virtue of the legislative powers conferred by the Indian Council's Act, and which powers extend to the repeal of any past Act of Parliament, with certain specified exceptions. The sole question therefore is, whether the provisions of the Stamp Act are inconsistent with, or repugnant to, the 9th section of the Merchant Shipping Act. In the first place, it is to be observed that that section can hardly be said to have ever had any operation within Her Majesty's Indian territories, inasmuch as bills of sale of ships, like any other conveyances, had always been admitted in evidence by the courts in India, though unstamped. But supposing the section to have been operative, it has been impliedly repealed by the Stamp Act. That Act is not a mere general affirmative Act; in the schedule (which is to be read as part of the Act) it goes into particulars and expressly extends to "instruments of any kind or description whatsoever executed for the sale or transfer for consideration of any moveable property." These words alone would, in my opinion, have operated to repeal the exemption given by Section 9 of the Merchant Shipping Act. But the point is rendered still more clear by the circumstance that the schedule to the Stamp Act is not merely a particular affirmative but a particular negative enactment, and defines not only what instruments shall be liable but also what instruments shall not be liable to duty. The expression of the particular exemptions negatives the existence of any except those so expressed.

(True copy)

J. E. COOKE,

Assistant Secretary to the Government of India.

APPENDIX D.

IMPROVEMENT IN VESSELS' FITTINGS.

No. 838.

FROM

S. C. BAYLEY, Esq.,

Junior Secretary to the Government of Bengal,

TO

THE SECRETARY TO THE BENGAL

CHAMBER OF COMMERCE,

Fort William, the 13th February 1865.

Sir,

I am directed to forward the accompanying copy of a letter No. 316, dated the 30th ultimo, from the Master Attendant, suggesting that every ship that comes to this port should have four hawse holes, so that in case of a vessel breaking adrift she could always be prepared to let go a second anchor, and I am to request that the Chamber will be so good as to favor the Lieutenant Governor with an expression of their opinion on Captain Reddie's suggestion.

I have the honor to be,

Sir,

Your most obedient servant,

S. C. BAYLEY,

Junior Secretary to the Government of Bengal.

FROM CAPTAIN JOHN G. REDDIE, Master Attendant, to the Secretary to the Government of Bengal, —(No. 316, dated the 30th January 1865.)

Sir,—Having reference to the great damage done to the shipping in this port by the cyclone, and the various remedies proposed to

prevent such in future, I would suggest that His Honor the Lieutenant-Governor call the attention of the Board of Trade to the necessity of all ships having four hawse holes, as at present the greater number of ships coming here have only two. Had ships four hawse holes they could always keep two anchors bent, so that in case of breaking adrift a ship could let go another anchor and probably bring up. A local Act could then be passed compelling all ships in port to have two anchors ready to let go in case of breaking adrift.

(True copy)

THOMAS JONES,

Registrar, Bengal Secretariat.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 3rd March 1865.

S. C. BAYLEY, Esq.,

Junior Secretary to the Government of Bengal.

Sir,—The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 845 of the 13th ultimo. They think the Master-Attendant's suggestion an excellent one, and hope it will recommend itself to the favorable consideration of the Board of Trade and be generally adopted.

Ships would thus have greater security in case of breaking adrift from their moorings, and ship owners will no doubt approve of the suggestion and act upon it.

The Committee would also recommend iron pipes for stern moorings, which are usually made fast on deck and carried over or under the taffrail, an insecure and clumsy way of carrying them out; stern hawse pipes for the chains would be an improvement.

The Committee will place themselves in communication with the Committee of Lloyds, London, with the view to give all possible publicity to Captain Reddie's suggestion.

I have the honor to be, &c,

H. W. I. WOOD,

Secretary.

APPENDIX E.

METEOROLOGICAL OBSERVATIONS.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 23rd January 1865.

COL. R. STRACHEY,

Secretary to the Government of India,

Public Works Department.

SIR,—I am desired by the Committee of the Chamber of Commerce to bring under the notice of the Government of India the inefficient system under which Meteorological observations are taken and recorded at the office of the Surveyor General, as is evidenced by the published statement which emanated from that department regarding the cyclone of the 5th October.

2. It would appear from this report which was published in the *Gazette of India* of the 12th October 1864 that the readings of the Barometer from 2 P. M. of the 4th, and especially the absence of the usual diurnal tidal ebb and flood, indicated the approach of some unusual atmospheric disturbance. But no warning of this was conveyed to the shipping, which was consequently caught next day in the fury of the hurricane in a state of total unpreparedness.

3. It is not too much to say that had some system been in operation under which the shipping could have been warned of the approach of this gale in time to have sent down their light spars and yards, and to have taken other precautions, the amount of damage would have been far less considerable than was actually sustained.

4. Experience has proved that Calcutta, from its situation on the banks of a great tidal river at the head of the Bay of Bengal, is peculiarly exposed to these violent storms at irregular and uncertain intervals, and it is therefore greatly to be desired that those means which modern science have made available should be employed to give timely warning of their approach, in order that such precautions

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may be taken both on shore and afloat as circumstances will admit of.

5. With this view I am directed respectfully to request that His Excellency in Council will take into consideration the expediency of establishing observatories at convenient places to the eastward and westward of the approaches to the Hooghly, furnished with the most improved instruments for indicating meteorological changes, and of placing such observatories in charge of persons qualified to record their indications with accuracy and intelligence.

6. These observations, it is submitted, should be transmitted to the central observatory in Calcutta, and from them forecasts of the weather deduced and published for general information, as is now done in England by the Board of Trade through Admiral Fitzroy. The timely warnings which are thus conveyed to the shipping at various points on the English coast are, as is well known, the means of annually effecting an enormous saving of life and property.

7. It cannot be doubted that similar results would follow here where storms are more sudden and more violent, and where consequently the need of warning is greater.

The Committee therefore present this subject for the consideration of His Excellency in Council, not doubting that it will receive the attention which from its importance it appears to merit.

I have, &c.,

H. W. I. WOOD,

Secretary.

No. 232

FROM

THE SECRETARY TO THE GOVERNMENT OF INDIA,
PUBLIC WORKS DEPARTMENT,

TO

H. W. I. WOOD, Esq.,

Secretary, Bengal Chamber of Commerce.

The 27th January 1865.

Civil Works,
Miscellaneous.

SIR,—I am directed to inform you that your letter dated the

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23rd January 1865, suggesting the adoption of improved means for recording meteorological observations, has been transferred to the Military Department for orders.

I have the honor to be,

Your most obedient servant,
E. C. S. WILLIAMS, Captain, R. E.

For Secy. to the Government of India.

APPENDIX F.

REPORT OF THE RAILWAY, BRIDGE, AND WET DOCKS COMMITTEE.

Report of the Committee appointed to consider and report on the junction of the East Indian Railway with the Eastern Bengal Railway by a bridge over the Hooghly; on the formation of wet docks; and on other matters connected with the convenience of the trade and shipping of Calcutta.

The first question that calls for consideration is:—how to deal with the terminal station of East Indian Railway; shall it remain at Howrah, or shall the Railway be brought across the Hooghly by a bridge, and a terminus be formed in Calcutta.

2. The Committee has no difficulty in adopting the conclusion that the East Indian Railway should have its terminus, both for passengers and goods, brought to Calcutta, and that a bridge over the Hooghly should be constructed. This arrangement seems desirable both in the interest of the Railway Company and of the public. The inconvenience of the present terminus at Howrah, more especially for goods, is very great: the construction of a Railway bridge to give direct communication between the East Indian Railway and the Eastern Bengal and Calcutta and South-Eastern Railways is of great importance.

3. The Railway bridge will be best placed at the nearest point to Calcutta at which such a structure would be safe from risk of ships breaking loose from their moorings in the Hooghly. This, from the evidence given, will determine the site for the bridge, about two miles above Cossipore Foundry.

4. By bringing the bridge as near to Calcutta as possible, the convenience of the large Suburban towns on the right bank of the Hooghly will best be served, while the main interests involved will be equally well met. There seems no reason to think that any advantages in the way of engineering facilities of construction or

reduction of cost, would be got by placing the bridge higher up the Hooghly, that would compensate for the diminished convenience to the public of such an arrangement.

5. There appears no real necessity for the provision of a direct communication by bridge between Howrah and Calcutta. The present importance of Howrah essentially depends on its being the site of the East Indian Railway Terminal Station. If this be brought over to the Calcutta side of the river, the wants of Howrah will be quite easily met by a good steam ferry.

6. The construction of a Railway bridge below Cossipore would not only be objectionable on the score of danger from ships in storm, &c., but because it would seriously limit the available space in the port which is already inconveniently small. Further the erection of a bridge below Cossipore would finally bar the formation of wet docks to the north of Calcutta.

7. It does not seem desirable to form a carriage way in connexion with the Railway bridge on account of the large extra expense involved. The wheeled traffic across the Hooghly above Cossipore would certainly be very small. A path for foot passengers might be given.

8. The Committee considers that the most convenient place for a Suburban Passenger Terminus for the East Indian Railway will be Scaldah. The ground occupied by the existing terminus of the Eastern Bengal Railway Company is amply sufficient in extent for the passenger stations of both Companies, and the Committee advises that, if possible, this site should be appropriated for the passenger traffic of these two Railways, the present Eastern Bengal station being transferred to the East Indian Railway Company, and a new passenger station being formed for the Eastern Bengal Company, immediately to the east of it on the ground now reserved for the goods station of the latter Company.

9. If this plan be adopted, the East Indian Railway line would run from the Hooghly bridge to the Eastern Bengal line, which it would join near the Dum-Dum Station. From this point the present Eastern Bengal line would be transferred to the East Indian Railway, a new line being constructed for the Eastern Bengal Company to the east of the present Railway bank. The new line would cross the canal close to the present Eastern Bengal bridge, and run

up to the new Eastern Bengal station over the present goods yard of that Company.

10. Under this arrangement, the whole of the works would have to be carried out at the cost of the East Indian Railway Company.

11. The Committee thinks that every effort should be made to effect this arrangement; and that no other would be thoroughly satisfactory. It would, so far as the Committee can judge, be as convenient to the Eastern Bengal Railway Company as to the East Indian; but as it is possible that the former Company may object to it, and be able to satisfy the Government, on grounds which do not present themselves to the Committee, that it should not be adopted, it is necessary to consider the plans put before the Committee by Mr. Power, the Chief Engineer of the East Indian Railway.

12. Two alternatives are suggested; either to form the terminus of the East Indian Railway in the angle between the Eastern Bengal line and the branch of the canal next to the Scaldah Station, or in a closely adjoining position, between the canal and the Circular Road.

13. In the former case, it might, probably, be expedient to bring the East Indian Railway line along the Eastern Bengal bank, as before suggested.

14. In the latter, it would be necessary to form a new line running near the parallel to the Eastern Bengal line, as far as a point about two miles north of the Chitpore branch of the canal, whence it would turn down to the bridge over the Hooghly. This arrangement would require a separate branch to give communication with the Eastern Bengal line.

15. So far as the position of the East Indian Railway terminus is concerned, the second site would have the advantage. But it is almost certain that the cost of the land required would be so greatly in excess of what would be necessary in the other case, that the Government could not be expected to agree to placing the terminus between the Circular Road and the Canal.

16. In both of the plans last named, if the passenger and goods stations were combined, the terminus of the East Indian Railway would necessarily be formed on the ground surface. If the goods

station were elsewhere, the passenger station might be at a high level, like the existing Eastern Bengal station at Sealdah.

17. This remark is made having reference to the possible construction of a Metropolitan or Suburban line, the former to connect the main passenger station with the centre of Calcutta near Tank (Dalhousie) Square, the latter to give Railway communication to the suburbs from Chitpore to Kidderpore or Garden Reach. Such lines must certainly be formed at a high level, and there would be some inconvenience if the main stations were not nearly on the same level.

18. The Committee confines itself to stating its opinion that the construction of such lines as these last named would be undoubtedly a great convenience to the public. The cost of construction, including the price of land, would be great, and the traffic must be very large to ensure a profitable return. There is every reason to think that a very large passenger traffic would spring up on such lines, and the Committee may hope that Capitalists will come forward to undertake them; but the Committee can see no sufficient reason for advising that assistance should be given by the Government to Railways, beyond what would be naturally granted under Act XXII of 1863.

19. On the whole, the Committee advises that the East Indian Railway passenger station should, if practicable, be on a high level, and in such a position that its formation would not be likely to interfere with a future Suburban Railway, and that easy communication with Suburban or Metropolitan line might be practicable. These conditions will be far best met by the arrangement first recommended by the Committee, viz., placing the East Indian Railway station on the present Eastern Bengal Railway station site. But if either of the other two plans referred to be forced on the Company the above points should not be overlooked.

20. As to the position of the East Indian Railway's Calcutta goods station, the Committee believes that there is no necessary connection between the goods and passenger traffic of a Railway, and indeed that there is increased convenience in entirely separating the principal goods and passenger stations when the traffic is heavy. This remark and the observations in the four following paragraphs apply as strongly to the Eastern Bengal goods station as

to that of the East Indian line, and it may be added that, if it be found practicable, there would be many important advantages in having the main goods stations of these two Railways in contiguous positions.

21. As regards the convenience of the trade of Calcutta there seems little to choose between any site along the Canals and Circular Road, from Chitpore to Sealdah. The main business in warehousing, &c., is carried on in the part of the city bordering on the Hooghly between the Custom House and Chitpore; and all points on the line named would be nearly equidistant from the centre of this class of business.

22. It is a fact sufficiently attested that the trade of Calcutta, as now conducted, requires that the mass of the goods for export (which form the most important part of the goods dealt with by the Railway Companies,) shall be repacked in Calcutta. This involves their delivery by cart at the warehouses of dealers. Probably the formation of wet docks, with warehouses attached, might hereafter, in some measure, change the habits of the trade, but meanwhile the requirements of the existing state of things must be met. Hence a large ordinary goods station must be formed, suitable for the present condition of business, quite irrespective of the question of docks.

23. At the same time there can be little doubt that it would be a great advantage if the Railway goods stations were near wet docks, should they be constructed.

24. As will be more fully explained hereafter, the Committee considers that there are facilities for the formation of a wet dock near Chitpore, and some probability of such a dock being undertaken. Under these circumstances, the most suitable site for a Railway goods station will, they think, be at some point to the north of the canal at Chitpore near the junction of the Barrackpore and Dum-Dum roads. So far as the town trade is concerned, the site is unexceptionable, and if the dock be executed, the arrangement will be very satisfactory to all interests.

25. Having in view, however, the possible failure of the expectations of the Committee as to the construction of wet docks, and coming to a satisfactory arrangement with the Eastern Bengal Company as to the Sealdah passenger station, it is necessary to

refer to the plans that would be followed, if the East Indian Railway had a joint goods and passenger station in either of the two positions indicated by Mr. Power.

26. The site between the Canal and Circular Road would certainly be the most convenient of access, and, so far, the best of the two. Also this site has the advantage of admitting Railway communication for the interchange of goods with the Calcutta and South-Eastern line on the level of the ground. The connecting line would pass under the Eastern Bengal Railway at the first canal bridge. All the roads crossed by the railways would be provided with bridges over the line; if sufficiently easy slopes were given, this would not be a serious objection.

27. If the site between the Canal and the Eastern Bengal Railway were adopted, the communication with the Calcutta and South-Eastern line could only be made on the level of the ground by stopping the traffic on the canal. As it is understood to be intended to regard this branch of the canal only as a dock for the Calcutta trade, and to open a new through line into the Hooghly, perhaps such a line of Railway would not be thought a serious objection. Otherwise a swing bridge might be constructed to take the rails over the canal, which would be as little objectionable as such works can be, inasmuch as the only traffic over it would be goods passing between the Mitalah and the East Indian Railway Station; or the Calcutta and South-Eastern goods might be taken by a high level line to the east of the Eastern Bengal Station to join the latter Railway at a convenient point beyond the first canal bridge. The present line of communication runs through the Eastern Bengal goods station, and is otherwise not suitable for working a traffic of any magnitude.

28. As before said, when treating of the East Indian Railway passenger station, the choice between the two localities east or west of the canal, must mainly be settled on a consideration of the additional cost of the latter. The same remark applies, of course, to the goods stations. The impression of the Committee is, that the site next to the Circular Road is barred by the expense of the land.

29. It is not necessary for the Committee to make any final recommendation as to the mode of joining the Calcutta and South-

Eastern Railway with the East Indian Railway. Of the different plans that may be adopted, that must be selected which the Government and the Company shall think on the whole most convenient, when the arrangements to be adopted for the East Indian Railway line shall be finally settled.

30. With respect to the Eastern Bengal, the Committee is disposed to think that, if a wet dock be formed near Cossipore, the goods station of this Railway should be placed near the docks and East Indian Railway goods station. The existing arrangement by which the goods station is on the high level close to the passenger station is certainly objectionable, as leading to very large expense in making extensions. It is otherwise inconvenient to have the access to a passenger station obstructed by the cars that must fill the approaches to a large goods station.

31. The Committee is not prepared to make any definite proposal as to the position of the Eastern Bengal goods station, in the event of the present Eastern Bengal Station being entirely appropriated to the passenger traffic of the two larger Railways, and of the Chitpore site being rejected. It may be suggested, however, that this goods station might be formed on the level of the country, either between the present Sealdah station and the Ballia-ghatta Road west of the canal; or just beyond the canal to the east of the Railway; or alongside of the East Indian Railway goods station between the Railway and the Narkaldanga Road. On the first plan, the access would be by a bridge across the canal, stopping the boat traffic, or by a swing bridge (as before explained in the case of the Calcutta and South-Eastern junction line,) both at a low level. On the second plan, no such canal bridge would be needed. On the third plan, access must be given to the goods station by a line looping round and passing under the main Railway embankment. It seems sufficient to leave the determination of this matter to the Government in communication with the Railway Companies.

32. The arrangement of the Calcutta and South-Eastern Railway terminus is in no way affected by the questions specially referred for the opinion of the Committee, and it seems needless to discuss this subject at present.

33. The general scope of the conclusions of the Committee

therefore is, that the public convenience will be best met by massing the passenger traffic of the East Indian and Eastern Bengal Railways at a high level at Scaldia, whence Metropolitan or Suburban passenger lines can hereafter be extended; the goods traffic being brought together to a central position on the bank of the Circular Canal near Chitpore. If these arrangements are, as the Committee believes, the best for the public, they must also, as a matter of necessity be the best for the Railway Companies. But as they involve considerable changes of existing plans, and as the two Companies must be got to consent before they can be adopted, the Committee has thought it expedient to refer to other arrangements, which no doubt, offer possible, though far less satisfactory, solutions of the question under discussion. It might be added that it would seem well for the Calcutta and South-Eastern Companies to consider whether they also should not adapt their passenger and goods stations to the places now recommended for the two other main lines having their terminus in Calcutta.

34. The only other point calling for notice, in connexion with the Railway arrangements, is the method to be adopted in obtaining the earth for the formation of the bank on the raised portion of the line between the Hooghly Bridge and the Eastern Bengal line, or the canals, as the case may be. Mr. Power, the Chief Engineer of the East Indian Railway, has proposed that instead of taking up a strip of land sufficiently wide to provide the earth from shallow side-cuttings, a single deep excavation shall be formed in a convenient position, from which all the earth shall be taken to the bank by steam power. This arrangement will certainly be most economical to the Government, as it will save the purchase of a large area of land. It will probably not be more costly to the Company, and will be advantageous as avoiding the formation of the unsightly and objectionable excavations along the foot of the embankment which would otherwise be necessary.

35. But another important contingent advantage would arise from the adoption of this system of forming the bank, namely, that it opens the way for giving aid to the formation of a wet dock, in the locality which the Committee considers to be well adapted for a first experiment in this class of works without causing any burden on the State or the public. Obviously so large an excavation as

will be necessary to form the banks for the new line of the East Indian Railway, Mr. Power estimating it at 30 acres, will at once be available as the nucleus of a wet dock, and the site of the excavation which will be the property of the Government, might so far as the pecuniary interests of the Government are concerned, be handed over free of cost for adaptation for a dock basin.

36. The temporary lines of road which will, under any circumstances, be necessary for conveying the earth to the main Railway bank may quite conveniently be laid out so as to serve for the permanent approach to the docks and the goods station.

37. On the whole, the economy of combining the construction of the new line of main Railway, with the excavation of a dock basin, and the formation of a Railway goods station nearby, will be very large, and the grant of the excavated site may be roughly estimated as equivalent to a contribution of at least £40,000 or £50,000 towards the expense of the docks.

38. The Committee observes that, by a suitable arrangement of the works, these possible advantages will be, in a great measure, secured for the future, whether the wet docks be actually constructed at once or not; and they strongly recommend that these considerations shall be carefully attended to in the final decision adopted by the Government. The subject will be further discussed in a later part of this report when the Committee enters more particularly on the subject of wet docks.

39. The entire cost of the Railway works that the Committee has suggested will probably not exceed £800,000, and the importance of the objects to be attained by them seems fully to justify such an expenditure. This additional outlay does not seem of undue magnitude reckoned in relation to the capital of the East Indian Railway, and bearing in mind the very great importance of obtaining a satisfactory metropolitan terminal station.

40. These are all the remarks which the Committee desires to make on the subject of the connexion of the Railways at Calcutta, and the remainder of this report will relate to the question of the formation of wet docks and other matters connected with the convenience of the trade and shipping of Calcutta.

41. The general enquiries which the Committee has made as to the requirements of the trade of Calcutta, have led it to the conclu-

sion that the first thing calling for attention is the improvement of the means of landing imports and passing them through the Custom House; and the Committee has accordingly already made the following recommendations to the Government:

42. It has been recommended that immediate measures should be taken to provide jetties, in connexion with suitable landing sheds and warehouses, on that portion of the Strand bank that lies between the Bankhill and Armenton Ghats.

43. That such jetties, sheds, and warehouses should be placed under proper Custom House control; so as to admit of imports being landed, examined, and passed on the extended frontage referred to in the manner in which they are now dealt with at the Custom House. If necessary, the enclosure surrounded by a railing might be formed to embrace the whole of such works, due public access being of course reserved from the river to the shore at such points as may be deemed expedient.

44. That suitable arrangements should, at the same time, be made to admit of the shipping of export goods from such jetties, sheds, &c., to such extent and in such manner as may be requisite for the convenience of the trade of the port.

45. These recommendations are made irrespective of any decision which may ultimately be come to on the subject of wet docks; the Committee being satisfied that, even should wet docks be constructed, the facilities suggested would still be urgently required for vessels which may not find accommodation in the docks, or which may find it more convenient to discharge from the river.

46. That on the completion of the suggested works any needful increase should be made to the examining and appraising establishments of the Custom House, and also of the speedy clearance of goods.

47. That the construction and management of such works would be best undertaken by a public trust, such as has already been proposed for carrying out works for the improvement of the port of Calcutta, and that the shorter bill now before the Legislative Council of the Lieutenant Governor of Bengal seems generally to provide well for all the matters to be dealt with in constituting such a trust.

48. The Committee considers a public trust better fitted for the

carrying out of such works and duties, as have been spoken of, than a private Company, for the following reasons:

1st.—That it is inexpedient to create private rights and interests on the banks of the river; Hooghly, which is, and always must be, the public highway for the sea-borne trade of Calcutta.

2nd.—That all preliminary difficulties as to the rates to be charged for landing, wharfage, warehousing, &c., which would arise in negotiating with a private Company, will be avoided if the works be carried out by a trust.

3rd.—That the delay in forming a Company will also be thus avoided, as well as all questions as to the terms which a Company should receive as a lease of the Strand Bank.

4th.—That the trust, acting in behalf of the community, will not desire to make any further profit on the undertaking than will pay the interest on the money invested and the charges for maintenance and management.

5th.—The Committee also thinks that, so soon as the needful accommodation of the character spoken of has been provided, it should be made lawful for the master or owner of any ship, three working days after the ship has been entered inwards at the Custom House, to land at any jetty, wharf, &c., duly approved by the Bengal Government in that behalf, without consulting the consignees; all goods which shall not have been claimed by the consignees; provided that the consignees shall be bound to use all due diligence in removing goods after they shall be claimed, and if such due diligence be not used, it shall be lawful for the shipmaster or owner to land such goods in the manner aforesaid, notwithstanding such claim. The landing of goods in this way should be conducted under suitable regulations to be approved by the Lieutenant Governor of Bengal, and framed with a view to the protection of the legitimate interests of the consignees as to damage done before landing. Also such landing should not be allowed at variance with charter parties, or bills of lading which contain agreements for allowing a certain number of days for the discharge of cargo. The port trust would become responsible for goods when landed, holding a lien on the goods to recover all lawful charges thereon in the manner in which the officer in charge of the Custom House is now responsible, under Section LII of the Consolidated

Customs Act, (VI of 1863.) For this purpose, a modification of the clause of the Customs Act, under which goods cannot be landed till fifteen days after the ship has been entered inwards at the Custom House, will be necessary, for which authority will be required from the Council of the Governor General.

50. The Committee has submitted a draft bill for giving effect to that part of the above suggestions that refers to the modification of the Customs Act, and has forwarded to the Government of Bengal the amendments that the Committee recommends in the bill for the formation of the Calcutta port trust, now before the Bengal Legislative Council.

51. The above measures seem to the Committee those most likely to give immediate relief. The construction of jetties and landing sheds should be a work of comparatively small expense, and should be susceptible of being carried out by degrees, some portion of the works being brought into use at a very early period. If proper activity be shown, the Committee sees no reason why arrangements of this character should not be in actual operation before the end of the present year.

52. Before quitting this part of the subject, it may be useful to refer more particularly to some matters connected with the formation of a port trust for Calcutta, which have been under the consideration of the Committee.

53. The Committee has adopted the conclusion, already approved by the Government of Bengal and the Government of India, that the proposed works will be best carried out and managed under a public trust. The reasons for preferring a trust to a private Company have already been explained; and the Committee, indeed, thinks that no other practical system of management for the purposes in view can be found at the present time. The only possible alternative would be to carry on the works under a special Government office or department. The Committee looks on such a plan as out of the question. In the first place, the Government will not supply from the ordinary revenues the funds for objects such as those contemplated, which are essentially local in their character. The needed money must be raised locally, and some local machinery must be created for this purpose. If the funds are raised under local responsibility, the management must be local also. The crea-

tion of a local fund involves the idea of a trust in one form or other. Of course the local Government might be the trustee, if such a plan were deemed the best, and all the powers might be placed in the hands of the Lieutenant Governor of Bengal. In the opinion of the Committee, this would not be desirable, and the formation of a sufficiently strong executive administration might, it is believed, be secured, without losing the advantages that would certainly be derived from the participation of a body of merchants in the business.

54. In illustration of the practical inaptitude of the Government to advance such ends as those contemplated by the Committee, it seems sufficient to refer to the past history of these questions, and to the fact that, after half a century of discussion, nothing whatever has been done. The history of the Mutiala port jetties the same moral. The sums available from the general revenues for purposes of public improvement are so small, and the demands of all sorts so large, that, in practice, nothing can be given for objects of which it may legitimately be said that they should be provided by local effort and local funds.

55. A trust to be effective must obviously be so constituted as to have a responsible head with ample executive powers, and such an officer must be salaried. Too large a body is to be deprecated, and the Committee considers nine sufficient. It will be important to ensure a full attendance at the meetings of the trustees, and it may be found expedient to give each trustee a small fee for attendance. It seems objectionable, at the present time, to tie down the trustees to any rigid form of procedure in the performance of duties, and distribution of responsibilities; it will be better to allow such matters to be disposed of in the way which experience may show to be most suitable. If necessary the Trust Act could be amended a few years hence, and the system of working the trust defined more exactly after actual trial; but the position of such a trust is not comparable to that of a corporation to manage the municipal government of a city, and there is no necessity for attempting to give extreme precision to the rules for conducting its business. So also the functions of the trust may best be made as simple and as few as possible at the outset. If experience shall show that such a body really performs well the business now proposed to be cu-

trusted to it, the extension of its duties and powers can easily be made hereafter. For the present, the construction of the jetties, &c., is the important thing, and the undivided attention of the trust should be directed to the speedy accomplishment of this.

56. The Committee would look forward to the trust eventually relieving the Custom-House authorities of all the duties now performed by the latter, in connexion with the custody of goods passing through the Custom-House. As the arrangements of the trustees are perfected, the warehouses on the existing Custom-House premises might be transferred to the trustees, and improved at their charge, so as to form a system of bonded warehouses in connexion with the jetties on the river bank. The contemplated compulsory landing of goods, three days after the entry of the ships, will make it necessary to provide the means of warehousing goods, which are not promptly removed by the consignees from the landing sheds or the latter will become choked. Under suitable rules, this warehousing will be quite easy, if warehouse space be provided, and connexion given between the landing sheds and warehouses by means of rails and trucks. The present Custom-House premises will give ample space for capacious warehouses, and the construction of such buildings there will be quite unobjectionable. The Committee has no difficulty in adopting the conclusion, that the cheapest and simplest means of giving increased facilities for the landing of goods from the river, will be the formation of jetties with iron screw-piles. It is extremely doubtful whether a permanent continuous wharf-wall could be constructed unless at a cost that would render such a work impracticable. The Committee, however, thinks that it would be going beyond the line of its duty if it entered on any special discussion as to the exact works to be erected. Such matters must plainly be left to the decision of the persons responsible for carrying out the works, and it would probably rather tend to create difficulties than to remove them, if the Committee attempted to lay out a detailed scheme for the operations of the port trust.

58. The Committee has further formed the opinion that wet docks, if constructed at Calcutta, are as likely to be useful, and to pay a sufficient dividend on the capital invested on them, as

docks in any other port; and though there is not any general conviction that dock works can at the present time be regarded as absolutely essential, yet it seems to be admitted, almost without exception, that they would greatly add to the convenience of the port, if constructed.

59. The solution of the question whether docks are, or are not, essential for the convenience of the port, mainly depends on the number of ships remaining in it at one time. The effect of the construction of jetties, as proposed by the Committee, and of the development of Port Canning on the Mutlah, must be awaited before any decisive reply can be given. The increase of the trade during the last few years leads, however, to the conclusion, that all possible aids will very soon be required, and that, although there seems no reason for trying to force the development of any one means of relief, or to stimulate the construction of wet docks in any exceptional way, yet the Government will do well to give all reasonable facilities, short of direct pecuniary aid, or guarantee of interest, to every well-considered and suitable scheme for improvement.

60. The Committee, therefore, is of opinion, that the proposals of the Calcutta Dock and Wharves Company, represented by Mr. Prestage, for constructing docks at Kidderpore, which involve the grant of the necessary land, at a cost to the State of £250,000 or £300,000, and of a 5 per cent. guarantee on the outlay of the Company, estimated at one million; to be obtained by a general rate on all shipping entering the port of Calcutta, should be rejected by the Government.

61. It remains to be considered whether there are any sufficient general objections to the construction of wet docks at all, and what localities offer the greatest facilities for them.

62. While the Committee recognises that there may possibly be some special risks and inconveniences in the construction and working of wet docks at Calcutta, partly due to the climate, partly to the character of the river and soil, partly to the special nature of the trade, on the whole, none of these considerations seem to be of a nature to throw reasonable doubt on the general beneficial nature of such works if reasonable precautions be taken in dealing with them.

63. The first question that calls for notice is that of salubrity. It has been stated that, even in England, wet docks are at times extremely offensive, and that, in a tropical climate the risk of this description is far increased. But apart from the circumstance that the above fact does not give positive proof of wet docks being causes of sickness, there seems no sufficient reason why, if proper precautions are taken to prevent filth being thrown into the basins, and to ensure a daily change of a sufficient quantity of the water, bad effects of this sort may not at all events be so far prevented, as not to leave reasonable ground for refusing to accept the real advantages of docks, only to avoid risk to the public health, which is, in some measure, speculative. As to the mere surface of stagnant water, the aggregate area already existing in and around Calcutta in the shape of small tanks is so extremely large, that the formation of wet docks will hardly affect the total quantity. It is, of course, no argument for the addition of fresh nuisances that others far worse already exist, but there is every reason to believe, that, under proper police supervision, a wet dock would be far more sweet and wholesome than a large number of the existing tanks in the suburbs of Calcutta.

64. At the same time, to guard against possible risk in a first undertaking of this sort, it might be prudent for the present to prevent the construction of docks close to the south of the town, as it is from that quarter that the wind blows almost constantly during the hot months of the year, when the risk of the development of offensive effluvia may be considered the greatest. Hence the formation of a wet dock at Kidderpore might reasonably be objected to on this ground, at all events until some actual experience has been got of the effects of such works on the public convenience or health.

65. The next objection that may be referred to is the difficulty of providing for the crews of ships brought into the wet docks. As it will unquestionably be necessary to remove the crews from the ships, it will almost certainly be necessary to construct dwellings for them. This should, therefore, be done as part of any scheme for wet docks, and it will be an advantage to the seamen of a very high order, and one which might fairly be held far to outweigh general objections on sanitary grounds such as have just

been referred to. The Committee is inclined to think that the Government should use every means in its power to secure attention to the provision of suitable lodgings for European seamen belonging to ships entering the docks, should any project for such works take a practical shape; and if this be accomplished, the results on the health and comfort of the population of European seamen visiting the port cannot fail to be very satisfactory. The Committee believes that there is no class of the European community in India that so much needs consideration at the present time as these seamen, and desires to commend them specially to the care of the Government and of any Company coming forward to construct wet docks.

66. Great care, no doubt, must be taken to prevent accidents from fire; but, with proper precautions, there seems no reason why this risk should be such as to be regarded as a practical objection to wet docks.

67. As to the deposit of silt, it is a difficulty that must be faced. That the mud deposited can be removed by dredging there is no doubt; the operation will, of course, be an element of cost unfavourable to the profits of the docks, but otherwise it seems to call for no special comment.

68. In considering the localities available for wet docks and their relative advantages and disadvantages, the first and most obvious fact is, that the cost of land is high in proportion to its proximity to the centre of business, and that the greater the convenience of the site, the greater is likely to be the difficulty of obtaining it for docks. In this sense, the two suburban sites at Chitpore and Kidderpore are at a great disadvantage when compared with Howrah, Garden Reach or Akra.

69. The cost of execution of the works will, in a considerable degree, depend on the depth to which the excavation has to be carried. This not only affects the quantities of soil to be moved, but the difficulty of disposing of it after it has been taken up. At Chitpore and Kidderpore the depth will, probably, be ten or twelve feet greater than at Howrah or Akra, the level of the surface being far lower in the two latter localities.

70. The necessity for providing ready means of access to the Railways is another important consideration. In this respect the

Howrah, and Chitpore sites have great advantages. The Kidderpore site would involve four miles of railway through the suburbs of Calcutta, and docks at Akra would require a still greater length of line. Docks at Howrah would be almost in contact with the East Indian Railway Company's Howrah Station, and if the Calcutta goods terminus of this Railway be made, as has been proposed near Chitpore, nearly the same remarks will apply to the Chitpore site for docks.

71. A most important consideration in the practical utility and convenience of docks when constructed, is their accessibility to the merchants whose business is transacted in them. In this point of view the Chitpore site and Kidderpore are much on a par. The latter, however, is less advantageous; and for the uncommercial public this site would incline to be directly a cause of inconvenience, as leading to the creation of a heavy goods traffic across the part of the town occupied by the residences and public drives of the European inhabitants. Such inconveniences might be guarded against by strict police regulations, but these again would seriously affect the commercial accessibility of the docks.

72. The site at Howrah, being on the opposite side of the Hooghly to the places of business of the Calcutta merchants, is open to considerable objection, which, will, it is true, be in part removed by the establishment of Railway communication across the Hooghly, and by the improvement of the steam ferry, but which will still, in the opinion of many persons, be very great.

73. The distance of Akra is, of course, still more objectionable and unless complete Railway communication were established and frequent trains run to docks at that locality, they could not be regarded as satisfactorily placed.

74. The accessibility to the river of the various sites that have been referred to is another point of importance. So far as the information before the Committee admits of its forming an opinion, satisfactory entrances to docks could without difficulty be secured at Garden Reach, at Kidderpore, Howrah and Chitpore. The Akra site is doubtful.

75. Besides the land sites alluded to, the river bed itself affords possible localities for the formation of docks. It has been a common system in England to cut off shallow portions of river beds

and to enclose them as dock basins. It is, of course, possible to follow a like course in the Hooghly. But though great advantages would arise from the saving in the cost of land and of excavation, it is a question whether the expense of forming and maintaining the wall or embankment between the basin and the river bed, might not outweigh those advantages, and on the whole lead to a greater total charge.

76. As to the available space for ships in the several localities named, and the means of enlarging wet docks hereafter, should they at first be constructed on a small scale in a tentative way, the Committee thinks it hardly necessary to say much. There seems no necessity for having all the docks in one place, and in general terms it may be safely affirmed that the space available is ample, if the money be forthcoming, and the disposition to construct these works exists.

77. One point more should be noticed, namely, the relative security of the several dock sites, having in view the risk of an enemy's ships entering the river in time of war. Plainly, the Chitpore site would have great advantage in this respect, as it could not be approached without passing Fort William. A reasonable degree of protection would, in the same way, be given to docks at Howrah, if not carried too far down towards the Botanical Gardens. Akra, Garden Reach, and Kidderpore, would be wholly or almost wholly without defence.

78. Having referred to this subject, the Committee may add that it seems worthy of the consideration of the Government what precautions, if any, should be taken for the protection of the port of Calcutta in the event of a war breaking out with a maritime power. It will, in every respect, be better that the subject should be discussed deliberately when there is time to do so, and to take any preliminary steps that may be shown to be desirable. This Committee is obviously not a proper body to enter upon such a matter, but it may state its opinion that there is apparently nothing to prevent the captain of a hostile ship of war, if he were so disposed, seizing a pilot at the Sandheads and forcing him to take the ship up to Calcutta. Colonel Sutherland has handed in a memorandum on this subject, which is recommended to the attention of the Government.

79. On the whole, the Committee, on a review of the facts that have come to its knowledge, is of opinion that the Chitpore site has greater advantages and is less open to objections than any of the others; and that if capitalists are prepared to carry out wet docks in this locality, then the Government will do well to co-operate with them for the purpose. In saying this, the Committee desires that it shall be understood that a directly unfavourable opinion is not entertained by it of any of the other sites, though, for the reason before given, it thinks that the Kidderpore site should not, at present at least, be adopted. It does not, however, seem likely that wet docks will be undertaken at more than one place for some time to come, and as the expression of the opinion of the Committee as to the most favourable locality may assist in determining English capitalists in making a selection, and in actually entering on such an undertaking, this opinion has been given.

80. The conclusion that has thus been adopted by the Committee as to the superiority of the Chitpore site, has been arrived at irrespective of the special facilities in the way of economical execution, to which allusion has been already made when discussing the Railway arrangements that will be necessary in bringing the East Indian Railway across the Hooghly, and considering the great practical superiority that will thus be given to the formation of wet docks at Chitpore, the Committee is satisfied that this plan offers such advantages as are not likely to be elsewhere met with, and as will probably determine any Company really intending to enter on such works, to select this site, and commence operations as soon as a decision shall be come to by Government and the East Indian Railway to construct the Hooghly bridge and bring the East Indian Railway into Calcutta.

81. The Committee has received from Mr. Fower, the Chief Engineer of the East Indian Railway, a copy of a letter from Mr. G. Turnbull, the Engineer of a Company lately formed in London to carry out wet docks in Calcutta, under the name of the "Docks and Warehouses Company of Calcutta," which seems to give promise that the means may at once be forthcoming to carry out wet docks on a moderate scale of magnitude, should the Government receive favourably these proposals. From the pro-

pects of this Company there is no appearance of any intention on their part of asking further aid from Government than will be necessary for obtaining possession of the requisite land, and for laying dock dues on ships making use of the Company's docks. Should this expectation of the Committee be realized, the Government will, no doubt, be prepared to co-operate with the Company, and to enter into negotiations for the transfer to them on favorable terms, or free of charge, the land that will be required under any circumstances to supply the earth to make up the embankments of the new East Indian Railway lines.

82. The Committee has before stated its opinion that the proposals of the Company represented by Mr. Prestage should not be agreed to; yet, considering that this Company was the first to come forward, and that the Company represented by Mr. Turnbull has not yet made any definite offers to the Government, the Committee is disposed to think that it will be the fairest course, if the Government, in making any concessions of the nature above referred to, gives the two Companies the opportunity of combining, so that the advantages of the Chitpore site may be shared by them both, if they continue to be desirous of carrying out wet docks.

83. To admit of an early settlement of this question, it seems necessary that it should be gone into together by the Government, the East Indian Railway Company, and the Dock Company, and the Committee desires to recommend to the Government of India that the requisite measures should be taken to accomplish this. The Committee believes that the interests of the Government, of the Railway Company, and of the public, will be greatly advanced if a satisfactory agreement can be come to between the principal parties concerned in carrying out the general scheme of works that has now been suggested.

84. But the Committee, having before it the history of the former repeated abortive attempts to bring about a practical solution of the wet dock question, thinks it right to refer to the event of the possible failure of the negotiations above suggested. Should this occur, the Committee thinks that the East Indian Railway arrangements should be made as though a Chitpore wet dock were to be formed, and that the Government, or the trustees of the port of Calcutta, should, without delay, cause an exact estimate

to be made by a competent engineer of the probable cost of a wet dock of moderate dimensions, to occupy the site of the excavation formed for the East Indian Railway embankments. It will then be a matter for careful consideration whether the trustees should enter on the construction of the dock, and its needed subsidiary buildings and works. Until an exact estimate is formed, no useful opinion on such a subject can be given; and, as remarked before in reference to the construction of jetties, it will be in all respects better that the trustees of the port should themselves bear the entire responsibility of the course they adopt in the way of dealing with this matter hereafter.

85. For reasons similar to those just given, the Committee has thought that no practical result will arise from any discussion of the details of any of the schemes for docks, jetties, or wharf walls that have been put forward by various engineers. So far as the construction of jetties is concerned, the Committee has advised that private persons shall not be allowed to come in; and the trust for the port, when it is constituted, should determine the exact character of the system of jetties undertaken, and what extension should be given to it as regards docks; unless evidence is given of the desire of the promoters of such works to enter on their construction under arrangements that can be accepted by the Government, as not involving demands for assistance which are unreasonable, it seems better to wait until the results of the experiment that it is hoped will soon be made under the trustees by the construction of jetties are seen. The real necessities of the port, and the powers of such a body as the new trust to meet them, will then be better known, and a fresh point for departure will be given. All that the Committee can hope to do usefully is to deal with the present, and to indicate the measures that should now be taken.

86. Before concluding this report, the Committee will notice one or two points of minor interest that have come to their knowledge in the course of their enquiries.

87. The first has reference to the distribution of ships to particular moorings according to the character of their cargoes. The Committee is led to believe that considerable convenience would arise if some systematic arrangements were made with a view to ac-

complishing this so far as it is practicable, and it is suggested that the port authorities should be invited to consider the subject in communication with the Chamber of Commerce.

88. From the evidence of Captain Howe it would appear that there is room for upwards of twenty additional moorings in the upper part of the port, between Neemollah Ghat and Chitpore, and that such moorings would be specially convenient for salt ships. The attention of the port officers should, the Committee thinks, be directed to this point.

89. The next point relates to the supposed dangerous character of the approach to Calcutta up the Hooghly. Mr. Ross, a member of this Committee, has put in a statement showing the rates for insurance on ships homeward bound from Bombay and Calcutta, from which it appears that the charges are hardly greater for ships leaving the latter port than the former. The conclusion to be based on this seems to be that the special risks of the Hooghly do not constitute a serious addition to the total sea risk between India and England. A return put in by Colonel Strachey, from the records of the Public Works Department, based on information obtained by Mr. Leonard, confirms the opinion that the actual losses in the Hooghly are not important, viewed in relation to the whole extent of the trade. The losses for the last ten years have been less than three tons per thousand of the aggregate import and export tonnage, or little more than one-fourth per cent.

We have the honor to be,
Sir, that in reference to
Your most obedient and humble servants,
G. N. TAYLOR, Master of the
DAVID COWIE,
J. N. BULLEN,

GEO. ROSS,
V. H. SCHALCH,
R. STRACHEY, Colonel,
JOHN C. REDDIE, Master Attendant,
F. S. TAYLOR, Captain, R. E.

CALCUTTA,
16th March 1865.

APPENDIX C

THE MUTLAH

No. 1366

FROM

COLONEL R. STRACHEY, R. E.,

Secy. to the Govt. of India.

Public Works Department.

TO

H. W. L. WOOD, Esq.,

Secy. to Bengal Chamber of Commerce,

Fort William, 7th February, 1865.

Miscellaneous.

SIR,—With reference to your letter dated the 21st September 1864,* expressing the opinions of the Chamber of Commerce of Calcutta that the Government should give its aid towards the improvement of the town and port of Canning, I am directed to state that, having regard to the formation of the Port Canning Land Investment Reclamation and Dock Company Limited, all that those interested in the port could desire seems likely to be accomplished without the aid of Government. The Governor General in Council trusts that this conclusion of the discussions on the subject may prove as satisfactory to the Chamber of Commerce as it is to the Government of India, which has consistently desired to see the progress of the settlement effected by the action of the commercial community itself.

I have the honor to be,

Sir,

Your most obedient servant,

R. STRACHEY, Colonel, R. E.,

Secy. to the Govt. of India.

* Published in the Chamber's last Report.

No. 1461.

FROM

H. T. PRINSEP, Esq.,

Offy., Junior Secretary to the Board of Revenue, L. P.,

TO

THE SECRETARY TO THE BENGAL

CHAMBER OF COMMERCE.

Dated, Fort William, the 22nd October 1864.

CUSTOMS.

E. T. TRAYN, Esq.

SIR,—I am directed to forward copies of the correspondence as per margin* on the subject of a proposal for the passing of all goods imported into the Mutlah direct by the Customs Officers at Port Canning, instead of their being passed and cleared by the Custom House at Calcutta, and I am to request that the Committee of the Chamber of Commerce will favor the Board with an early expression of their opinion as to whether importers of goods via the Mutlah, generally, would prefer passing them at Port Canning or at Calcutta.

I have the honor to be,

Sir,

Your most obedient servant,

H. T. PRINSEP,

Offy., Junior Secretary.

No. 3401T

FROM

THE JUNIOR SECY. TO THE GOVERNMENT

OF BENGAL,

TO

THE SECRETARY TO THE BOARD OF REVENUE, L. P.

Dated, Darjeeling, the 21st Sept. 1864.

Revenue.

(Customs)

SIR,—With reference to the accompanying copy of a communication from the Agent, Calcutta and South Eastern Railway Company, No. 110, dated the 13th instant and enclosures, I am directed to

request that the Board will be so good as to report, with as little delay as practicable, on the proposal to make arrangements for the passing of all imports at Canning, instead of their being passed by the Custom House Authorities of Calcutta.

I have, &c.,

(Signed) S. C. BAYLEY,

Junior Secretary to the Government of Bengal.

CALCUTTA AND SOUTH EASTERN

RAILWAY COMPANY "LIMITED."

Calcutta, 13th September 1864.

FROM THE AGENT, CALCUTTA AND SOUTH EASTERN
RAILWAY COMPANY "LIMITED."

To

THE CONSULTING ENGINEER TO THE GOVT. OF
BENGAL, RAILWAY DEPARTMENT.

Sir,—On the 16th ultimo, I addressed the Collector of Customs, soliciting to be informed if he could make arrangements for the passing at Canning of all goods imported via that route, as serious inconvenience would be the result of compelling all imports—more especially bale and piece goods—to be examined and passed only in the Custom House at Calcutta.

2. I enclose copy of my letter, as also copy of the reply from the Collector, from which letter you will learn that Mr. Crawford, in the absence of special orders, is unable to make any arrangements for complying with my wishes.

3. As the inconveniences to which I allude will tend seriously to prejudice the new port, I have the honor to request that you will bring the subject under the early notice of His Honor the Lieutenant Governor, with a recommendation that arrangements should be at once made for the passing of all imports at Canning.

I have, &c.,

(Signed) A. G. PENDLETON,

Agent and Manager.

No. 45.

The 16th August, 1864.

To

J. A. CRAWFORD, Esq.,

Collector of Customs, Calcutta.

SIR,—As I have reason to hope that during the coming cold season bale and piece goods, &c., will be imported via the new port of Canning, I have the honor to request that you will be good enough to inform me whether or not you will be enabled to make arrangements for the passing at Canning of these and other imports.

2. You will readily see that great inconvenience to merchants using the new port would result, if the Customs Authorities decline to pass the goods except at the Calcutta Custom House, and I address you now on the subject in order that, should you not feel at liberty to comply with my request, time may be afforded for a reference to Government.

I have, &c.,

(Signed) A. G. PENDLETON,

Agent and Manager.

(True Copy)

(Signed) A. G. P.

No. 789.

FROM

J. A. CRAWFORD, Esq.,

Collector of Customs, Calcutta.

To

A. G. PENDLETON, Esq.,

Agent and Manager,

Calcutta and South Eastern Railway Company.

Dated, the 31st August 1864.

SIR,—In reply to your letter No. 45, dated 16th instant, I have the honor to inform you that I have received no orders on the

subject, and until I am in possession of some orders on the subject, I am unable to do any thing in the matter.

I have, &c.,

(Signed) J. A. CRAWFORD,

Collector of Customs.

(True Copy)

A. G. P.

Agent and Manager.

(True Copies)

(Signed) MAURICE POWER,

Assistant in charge, Office on Tour.

No. 413.

From J. A. CRAWFORD, Esq.,

Collector of Customs, Calcutta.

To the JUNIOR SECRETARY TO THE

BOARD OF REVENUE,

Dated, the 17th October 1864.

Sir,—With reference to your memo. No. 1397 of the 28th

ultimo, forwarding copy of letter to your address No. 3401 T, dated

21st idem, from the Junior-Secretary to the Government of Bengal

with enclosures, I have the honor to observe that the agent of the

Calcutta and South-Eastern Railway has omitted to give any

particulars as to the number of ships which he expects to bring

lale and piece goods to Canning, and in the absence of any data,

on which his expectations are founded, it is difficult to give any

precise estimate of the establishment requisite to pass and clear

goods direct from that port.

2. Appended is a statement A of the arrivals at Canning from the

1st January 1863 to 30th September 1864, which shews that for

the last twenty-one months fourteen vessels, aggregating 8,305 tons

only, were entered inwards, of those five were in ballast, seven

laden with salt, and one with Railway materials.

3. With the view of affording all reasonable facilities to those

engaged or interested in the import and

export trade via Canning, as well as for

the purpose of protecting the revenue,

a part, as per margin,* of this office's

establishment, has been told off and

stationed at that place since the 12th

February 1863, and for both purposes

has the establishment so told off proved amply sufficient so long

as the goods are duly paid here in Calcutta.

4. In the case of goods to be passed direct and duty paid at

Canning, there are the following obstacles to the adoption of the

proposal of the agent of the Calcutta and South Eastern Railway.

There is no Custom House accommodation, no treasury for the

receipt of duty, no houses for the accommodation of the Customs

Officers sent there on duty; I mean wharf officers, if it cannot

be conceded, I presume, that goods on which duty is still due

should be landed there without some controlling check.

5. Importers as well as exporters of goods via Canning, agents

of ships and others interested in the trade there, have their places

of business and establishments in Calcutta and not in Canning

town, and all of them would, as a rule, there is reason to believe,

find it more convenient to clear their goods and the ships at this

office than at Canning.

6. In the face of the facts revealed in statement A, and in the

absence of any satisfactory information regarding the trade of the

place either during next cold season, or for the future, any permanent

increase to the establishment already maintained at Canning

seems inexpedient.

7. If however a Custom House were once erected and some ac-

commodation for Customs officers, a small establishment, such as is

employed at Balasore or Chittagong, might be entertained, and,

should the trade of the port call for it, the establishment might be

increased from time to time.

I have, &c.,

(Signed) J. A. CRAWFORD,

Collector of Customs.

* See margin.

Statement A.

Name.	Tonnage.	Date of Arrival.	Where from.	Cargo.	Date of Departure.	Where Bound.	Carriage.
"Shannon of the Star"	500	Dec. 11, 1864	Colombo	Silk & Opium	March 17, 1865	China	Rice, Linnseed.
"Bangor"	546	June 18, "	London	Railway	" "	British Channel	Rice.
"Pulswort"	1150	July 17, "	Colombo	Bullant	Sept. 21, "	Colomb	{ Others Opium } Rice and Saltpetre
"Diambeck"	376	Aug. 6, "	Bombay	Silk	Sept. 19, "	Mauritius	General.
"Jan Teuber"	297	Nov. 20, "	Madras	" "	Jan. 18, 1864	Melbourne	
"Blantyre"	231	Jan. 31, 1864	Liverpool	" "	April 6, "	Hong-Kong	
"Shanghai"	453	Jan. 28, "	Colombo	Bullant.	Feb. 29, "	Bombay	Rice.
"Humbly"	767	Feb. 20, "	Hong-Kong	" "	April 21, "	Penang	General.
"Tomb"	255	March 10, "	Colomb	" "	April 19, "	Hong-Kong	Rice.
"Breadwiner"	734	July 20, "	Mauritius	Silk	June 25, "	Hull	General.
14 Ships	8326		Mauritius	Bullant	Sept. 24, "	Hull	Silk.

Calcutta, }
The 17th October 1864.
I, Fishare of Customs, do hereby certify that the above is a true and correct copy of the entries of Goods as they were entered at the Port of Calcutta, on the 17th October 1864.

Board of Revenue,
Fort William.
The 23rd October 1864.
H. T. PHINSEY,
Off. Junr Secretary.

(Sd) F. A. CRAWFORD,
Collector of Customs.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 16th November 1864.

T. B. LANE, Esq.,

Junior Secretary to the Board of Revenue.

Sir,—The Board's letter No. 1481 of the 22nd ultimo having been submitted to the Committee of the Chamber of Commerce, I am desired to state that in their opinion importers of goods via the Mutial, generally, would prefer passing their goods at Calcutta and not at port Canning.

I have the honor to be, &c.,

(Signed) H. W. I WOOD,

Secretary.

No. 4391.

FROM

THE JUNIOR SECRETARY TO THE GOVERNMENT

OF BENGAL,

TO

THE SECRETARY TO THE BENGAL CHAMBER

OF COMMERCE,

Dated, Fort William, the 28th December 1864.

Contents.

Sir,—In forwarding the enclosed letter* from the Agent to the Calcutta and South Eastern Railway Company Limited, I am directed to enquire of the Chamber whether, in the present state of the port of Canning, any real and practical impediment to trade of the nature suggested by the Agent does in point of fact exist, and whether it will not be better to allow the matter to lie over for consideration until the port is really resorted to as a place for import and export of general merchandize.

2. The return of the original letter with your reply is requested.

I have the honor to be,

Sir,

Your most obedient servant,

S. C. BAYLEY,

Junior Secy. to the Govt. of Bengal.

No. 141.

CALCUTTA & SOUTH EASTERN RAILWAY CO., "LD.,"

Calcutta, 16th December 1865.

FROM

THE AGENT, CALCUTTA & SOUTH EASTERN
RAILWAY COMPANY, "LIMITED."

TO

S. C. BAYLEY, Esq.,

Junior Secretary to the Govt. of Bengal.

Sir,—I have the honor to acknowledge receipt of your No. 4131 of the 6th instant, communicating the refusal of His Honor the Lieutenant-Governor to the request contained in my No. 110 of the 13th September to the Consulting Engineer in the Railway Department.

2. I cannot, but feel that this decision will entail considerable inconvenience upon the merchants using the new port of Canning, indeed it will unquestionably tend to impede generally the import of goods via that port, and more especially the import of bale and piece goods. As you are aware, such articles have under existing circumstances to be brought within the Calcutta Custom House before they are passed, and it is obvious that if this rule is adhered to, in the case of goods imported via Canning much inconvenience will result, and considerable additional transit charges will be incurred even upon those goods intended for the Calcutta market, while still heavier charges will be incurred upon goods not destined for Calcutta.

3. If therefore His Honor considers that the time has not arrived to afford full Custom House facilities at Canning, I would at least submit that it is desirable to so modify the rule which I allude to as to admit of the passing of the imports at Canning, while the duty may continue to be paid at Calcutta.

4. In the 5th para. of the letter from the Secretary to the Board of Revenue, sent for my information, it is observed that at Canning "there is no Custom House accommodation, and no houses for the accommodation of the Customs officers." This is undoubtedly true; entailing very great inconvenience upon every shipper using the new port, and I would therefore take this opportunity of urging upon the attention of Government the importance of erecting, at a comparatively small cost, a building suitable for the present wants of the place; Government has reserved as a Custom House site a large and valuable plot of land adjoining the Railway, for the clearing and improvement of which nothing has been done, and the erection here of a commodious Bungalow would add materially to the commercial facilities of the new port.

I have the honor to be,

Sir,

Your most obedient servant,

ALAN G. FENDLETON

Agent and Manager.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 10th January 1865.

S. C. BAYLEY, Esq.,
Junior Secretary to the Government of Bengal.

Sir,—I have the honor to acknowledge the receipt of your letter No. 4301 of 28th ultimo.

The question of passing at Calcutta or at port Canning goods imported by the river Mutlah was submitted to the Chamber by the Board of Revenue in their letter of 22nd October, and the Committee stated in reply that importers of goods by that channel would, generally, prefer passing them at Calcutta.

In stating that importers would generally prefer passing goods at Calcutta, it was intended to convey that they would prefer paying their duties at Calcutta. The agent of the Calcutta and South Eastern Railway now makes application that such examination of goods imported, as are required by the Customs regulations, should take place at port Canning, and that the goods should not be required to be conveyed for examination to the Calcutta Custom House. This application the Committee think reasonable. They are not at present aware that any vessels bringing import cargo are expected to arrive at port Canning, but whenever advices of shipments destined for port Canning are received, they think the necessary arrangements for appraising goods there should be made by Government.

I return the enclosure of your letter and remain

Sir,

Your obedient servant,

H. W. I. WOOD,

Secretary.

No 310.

FROM

THE HON'BLE A. EDEN,

Secretary to the Government of Bengal,

TO

THE SECY. TO THE BOARD OF REVENUE, L. P.

Fort William, the 21st January 1865.

Customs.

SIR,—In continuation of the endorsement from this Office No. 4133, dated the 6th ultimo, I am directed to forward herewith a copy of a letter* received from the Bengal Chamber of Commerce, and, with reference thereto, to state that it appears to the Lieutenant-Governor that there is no present necessity for increasing the Customs establishment at Canning on the Mutlah, as there would, in point of fact, be nothing for such an establishment to do. When the port is really resorted to by vessels bringing an import cargo it will be necessary to have a sufficient establishment for appraising and pass-

ing goods on the spot in subordination to the Collector of Customs at Calcutta; and the Board will then no doubt be able to make arrangements by which importers will be able to pay duty either at Canning, or at the Calcutta Custom House as they may prefer.

I have the honor to be,

Sir,

Your most obedient servant,

A. EDEN,

Secretary to the Government of Bengal.

No. 312.

Copy forwarded to the Secretary to the Bengal Chamber of Commerce for information with reference to his letter No.—, dated the 10th instant.

J. GEOGHEGAN,

For Secy. to the Government of Bengal.

FORT WILLIAM, }

The 21st January 1865. }

No. 1321.

FROM

S. C. BAYLEY, Esq.,

Junior Secretary to the Government of Bengal.

TO

THE SECRETARY OF THE BENGAL

CHAMBER OF COMMERCE,

Fort William, the 27th February 1865.

General.

SIR,—I am directed to forward the accompanying copy of a letter, dated the 9th instant, from Messrs. Borradaile, Schiller and Company, Secretaries to the port Canning Land Investment, Reclamation, and Dock Company, Limited, containing a proposal for the

establishment of a line of telegraphic communication between port Canning and Halliday Island, and I am to request that the Chamber will be so good as to favor the Lieutenant-Governor with an expression of their opinion on the proposal as soon as possible.

I have the honor to be,

Sir,
Your most obedient servant,

S. C. BAYLEY,

Junior-Secretary to the Government of Bengal.

From A. P. HOWELL, Esq., Under-Secretary to the Government of India, Home Department,—(No. 1471, dated the 15th February 1865.)

Forwarded to the Government of Bengal for early report.

From MESSRS. BORRADALE, SCHILLER AND COMPANY, Secretaries and Treasurers of the port Canning Land Investment, Reclamation, and Dock Company, Limited, to E. C. BAYLEY, Esq., Secretary to the Government of India, Home Department,—(dated the 9th February 1865.)

SIR,—We have the honor, on behalf of the Directors of this Company, to bring before you, for the consideration of Government, the necessity for providing telegraphic communication between port Canning and Halliday Island.

The directors feel confident that within a very short period a large number of vessels may be expected to arrive in the Mutlah, and therefore deem it unnecessary to point out further to Government the very great boon which would be conferred on the mercantile community generally should Government feel disposed to extend the communication as above suggested.

(True copy)

THOMAS JONES,

Registrar, Bengal Secretariat.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 15th March 1865.

S. C. BAYLEY, Esq.,

Junior-Secretary to the Government of Bengal.

SIR,—The Committee of the Chamber of Commerce desire me to acknowledge your letter No. 1321, of the 27th ultimo, and to state in reply that having regard to the successful establishment of the Port Canning Land Reclamation and Dock Company, and to the efforts which, it is not doubted, will now be made by the promoters and others who have acquired an interest in the project to develop port Canning as an auxiliary port to Calcutta; the Committee are of opinion there is sufficient expectation of such a number of vessels resorting to the Mutlah as will warrant the consideration of a line telegraph between the projected port and Halliday Island.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

APPENDIX II.

THE BUDGET.

FINANCIAL STATEMENT BY THE HONORABLE

SIR C. E. TREVELYAN, K. C. S.,

1st April 1865.

In the Budget statement for 1863-64, the surplus of income over expenditure was estimated at £480,775, which was afterwards reduced in the regular estimate to £31,529. The actual surplus is £78,347.

The revenue of 1863-64 was £44,013,093, which was only £358,168 less than the Budget estimate, although "opium" was deficient in the large sum of £1,168,001. The increase under "land," "forest," "abkaree," "assessed taxes," "customs," and "stamps," amounted to £1,203,435. The only one of the ordinary sources of revenue which fell short of the estimate besides "opium" was "salt." The deficiency under this head amounted to £366,704. It chiefly occurred in Bengal, and was caused by the previously over-stocked state of the market.

The expenditure amounted to £44,534,685, which was £44,260 more than the Budget estimate. The principal heads of increase were £305,793, advances for "opium," arising from the higher rate of payment to the cultivator upon an increased crop; "Indian navy and marine," £260,699, caused by unexpected delay in making the reductions which had been determined upon; and £380,423 for additional grants for "Public Works." On the other hand, "law and justice" was £127,450, "Police" £120,813, "interest" £249,958, and "net expenditure in England" £569,670, less than the Budget estimate.

I now proceed to what is called the regular estimate of the current year 1864-65, which is founded in general upon the actual receipts and expenditure of eight months, and upon an estimate of the remaining four.

"Land revenue" shows a decrease of £170,200 compared with the Budget estimate, and of £208,623 compared with the actual receipts of 1863-64, caused by the deficiency in the fall of rain in the North-west provinces and Oudh, by the inundation in the Masulipatan district, and by diminished sales of Khas Mehalis in Bengal.

In "Forest" there is an increase of £35,980 compared with the Budget estimate, and of £31,687 compared with the actual receipts of 1863-64.

In "Abkaree" there is an increase of £185,270 over the Budget estimate, and of £212,680 over the actual receipts of 1863-64. As it cannot be alleged, in the present state of the abkaree administration, that undue encouragement is given to drinking, this large increase furnishes satisfactory evidence of the improved circumstances of the people.

"Salt" and "Stamps" also show satisfactory increase. Salt is £181,740 better than the Budget estimate, and £988,554 more than the actual receipts of 1863-64; while stamps are £167,870 in excess of the Budget estimate, and £176,924 above the actual receipts of 1863-64.

In "Assessed Taxes" there is an increase of £48,830 compared with the Budget estimate, and a decrease of £247,132, arising from the reduction of the rate from 4 to 3 per cent., compared with the actual receipts of 1863-64.

"Customs" are £55,590 less than the Budget estimate, and £128,591 less than the actual receipts of 1863-64. This can only be accounted for by the continued depression of the import trade, from which the greater part of the Customs revenue is derived. Sufficient time has not elapsed to see the full effect of the relief afforded last year by the reduction of the ten per cent. duty upon unenumerated articles to seven and a half per cent.

The state of the "Opium" revenue and expenditure requires particular notice. By adhering too long to an insufficient rate of payment to the ryots,

the opium produced in the Bengal agencies was reduced in 1859-60 to 21,427 chests, and the sale price was raised to Rs. 1,846 a chest, which must soon have caused an increased production of the drug in China and other countries. The payment to the ryots was then increased to Rs. 3-8, Rs. 4, and at last, in one step, to Rs. 5 a

and the cultivation was extended to districts where an inferior opium is obtained at an increased cost. The consequences were not fully realized till 1864-65, when this high rate of payment concurring with an unusually favorable season, the crop unexpectedly mounted to 64,209 chests. The effect of this has been injurious in two ways. Extra grants, to the amount of £844,300, have had to be made to complete the settlement with the ryots for 1863-64; and the price at the Calcutta sales has been reduced below what it has been for many years, whereby the export of opium from Malwa and Guzerat has been also checked.

Taking charges and receipts together, the net opium revenue of the two years 1863-64 and 1864-65 is less than that of the two preceding years by £1,777,217, the charges having increased by £1,708,690, and the receipts having fallen off by £68,627. The figures are as follows, viz.:

	1861-62,	1862-63.	First two years.	1863-64.	1864-65.	Last two years.
Revenue	£5,359,370	£8,055,476	£14,414,746	£6,581,999	£7,514,120	£14,096,119
Charges	£1,410,465	£1,856,278	£3,266,743	£2,896,493	£2,707,840	£5,604,333
Net Revenue	£4,968,905	£6,199,198	£11,148,003	£3,685,506	£4,806,280	£8,491,786

	1863-64.	1864-65.	Worse in last two years.
Revenue	£6,581,999	£7,514,120	£862,121
Charges	£2,896,493	£2,707,840	£188,653
Net Revenue	£3,685,506	£4,806,280	£1,120,774

The Budget estimate anticipated under "Opium," from Bengal £5,200,000, and from Bombay £3,000,000, together £8,200,000. Owing to the large increase of the quantity for sale, the Bengal estimate will probably be realized, but, in consequence of the prevailing low prices, passes have not been taken out at Indore and Ahmedabad, to the extent expected, and the general result is an estimated deficiency of £688,860.

The receipts under the remaining heads accrue under no fixed rules, but vary with the circumstances of the year. They show an increase of £412,216 compared with the Budget estimate, and of £543,454 compared with the actual receipts of 1863-64. The decrease under "Post Office" is attributable to the abolition

of the bullock train, against which there is a reduction in the charges. The increase under "Law and Justice and Police" of £55,730 is due to a transfer from "Tributes and Contributions" to "Police," and to increased collections of "Fees." The decrease under "Marine" is caused by an over-estimate made in the absence of any detailed estimate. The increase in "Public Works" is due to the large sum received from the sale of building sites at Bombay. The increase of £117,776 under "Miscellaneous Civil" arises from the transfer of the balance of the Bhonsla fund to revenue, after deducting £30,840, invested with a view to disconnect the Government from certain permanent religious endowments. The pensions chargeable on this fund which exceeded the annual proceeds, and the excess was paid out of revenue. The whole of the pensions have now been charged against revenue, and the fund has ceased to exist. The increase under "Interest" is caused by increased investments of the Currency Department, and the dividends upon additional shares in the banks of Madras and Bombay.

The revenues and receipts of the year, including "Opium," are £120,236 more than the Budget estimate, and £1,671,074 more than the actual receipts of 1863-64. Excluding "Opium," there is an increase in revenues and receipts, compared with the Budget estimate, of £806,116, and of £988,953 compared with the actual receipts of 1863-64.

To proceed to the estimated expenditure of the current year 1864-65: the increase of £15,507 under Expenditure of 1864-65. "Customs" arises from recent revisions of establishments at Calcutta and Bombay, whereby the collection of the revenue at those ports has been placed on a more efficient footing.

The increase under "Salt," £30,943, is caused by higher rates for the purchase and transport of salt for Malabar, and by increased manufacture in consequence of the large quantity of salt destroyed in the Krishna district by the late inundation.

The increase under "Opium," £453,679, is for the additional advances, amounting to £644,300, already referred to as having been made on account of the preceding year 1863-64, less a saving of £190,621 upon the ordinary expenditure of 1864-65. Compared with the actual expenditure of 1863-64, the increase is £401,347.

The decrease of £97,800 under "Mint" arises from a more correct method of valuing the copper received for minting purposes from the mint, the copper being now valued at its market value in England. Copper for coinage is now carried in a similar manner to bullion, the Mint profit only being credited to the credit of revenue, and the copper itself while uncoined remaining as a part of the cash balance at its intrinsic value.

The saving of £70,185 under "Post Office" is caused by the abolition of the Government bullock train; and the increase of £39,022 under "Electric Telegraph" is owing to a payment to the East Indian Railway Company for the construction of a line from Burdwan to Patna in 1866, and to arrears charges of 1863-64 paid during the current year for which no provision was made in the Budget estimate.

The principal causes of the large increase in Army expenditure, estimated at £274,571,

are as follows —

- For increased price of Europeans' rations, compensation to native troops for dearness of provisions, and increased cost of feeding horses and keeping and hiring transport animals ... 272,500
- Substitution of full for half batta, increased pay to medical officers, and compensation for extra clothing to European troops ... 100,000
- Purchase and repair of Barrack furniture: gas fittings for extra lighting, and increased cost of bedding ... 57,500
- Additional bounty and kit money to men re-engaging, compensation for losses of property, appointments, messes, &c. ... 20,000
- Increased consumption of beer consequent on the diminution of the ration of rum ... 35,000
- Additional Sea Transport Charges for sending home two battalions of Infantry and two batteries and head quarters of a brigade of horse artillery, and an additional number of "bills expired" men ... 85,000
- Retention of regiments which were expected to be disbanded or to return home ... 50,000
- Additional charges connected with the "Dhootah" war ... 160,000

On the other hand, there is a saving of £16,060 for reduced expenditure on gun and arrack, and reduction of Pay Offices at Madras, besides further savings from short establishments and minor reductions. Compared with 1863-64, the increase in the military expenditure is £630,691.

The aggregate grant for "Public Works," including £204,830 charged on the Rampart Removal Fund at Bombay, £250,000 appropriated from the Income tax, and £568,400 for State expenditure for Railways, amounted to £5,338,730. The actual expenditure is now estimated at £5,685,817, being an increase of £327,087. This increase arises from additional grants, of which the following are the principal —

- Arrar of compensation at Madras for lands taken for public purposes ... 25,312
- Improvement of the jails in Bengal and the Central Provinces, and works at the Convict Settlement at Port Blair ... 51,860
- Roads in connection with Railways in Bengal and the Hyderabad Assigned districts ... 63,630
- Repair of damages caused by the cyclone ... 80,000
- Completion of the new opium godown at Calcutta ... 15,000
- Additional grants to Bombay for the completion of works in progress ... 100,000
- Additional grant for works charged on the Rampart Removal Fund ... 27,227
- The cost of stores from England is now estimated to be in excess of the original estimate by ... 46,890
- On the other hand, there is a saving under the heads of —
- Railway supervision and cost of land ... 6,700
- And Railway loss by exchange of material ... 77,874
- The last of which arises from diminished capital expenditure and increased traffic receipts.
- Compared with the actual expenditure of 1863-64, the increase in the Public Works charges is £310,294.
- "Salaries and expenses of Public Departments," "Law and Justice," and "Police," show an aggregate saving of £74,766.

The increase of £21,605 under "Education, Science, and Art" chiefly arises at Bombay. Compared with the actual expenditure of 1863-64, there is an increase in the total expenditure for education of £143,924, and £1,125,305 in detail.

The increase of £165,960 under "Superannuation and Retired Allowances and Gratuities for Charitable and other purposes," in the regular estimate of 1864-65 arises from the omission in the Bombay Budget estimate of the donations to the Service Funds for the year 1863-64.

The increase of £88,031 under "Miscellaneous and Civil Contingencies" is caused by expenditure arising out of the late calamity at Masulipatan, increased charges on remittance of treasure, loss on the withdrawal from circulation of clipped coin in the Punjab, and loss on the sale to the Currency Department of a portion of the Government promissory notes purchased out of the surplus cash balances in 1863. The interest saved by the purchase of this portion of the securities was larger than the apparent loss of capital by £6,480. Compared with the actual expenditure of 1863-64, there is a diminished charge of £42,930.

The saving of £83,229 in "Interest" arises from too small a deduction having been made in respect of unclaimed dividends.

"Guaranteed interest on Railway capital, less net Traffic receipts" shows a saving of £234,500, arising from an increase of £246,583 in the net traffic receipts of the current year beyond the sum assumed in the Budget estimate. Compared with the actual expenditure of 1863-64, the saving is £280,867. Considering the great extent of Railway which has lately been opened, and the rapid growth of the traffic, there is reason to believe that this charge reached its maximum last year, and that it will henceforth steadily diminish. There is a further considerable reduction in the Budget estimate.

According to the regular estimate, the net increase of expenditure compared with the Budget estimate amounts to £1,287,667. Somewhat less than half of this excess is additional military expenditure caused by the increase of prices, the Bhootan war, and improvements of various kinds which have been made in favor of officers and men, and the remainder may be said to have been invested in opium and Public Works.

The Budget estimate for 1864-65 assumed a surplus of income over expenditure of £82,268. According to the Result of the operations of the year 1864-65, as now estimated, there will be a deficit of £344,143, being a difference against the Budget estimate of £416,743, which is composed, as already explained, of—

Increase of revenues and receipts $\text{£}120,836$
 Increase of expenditure $\text{£}547,672$
 Difference $\text{£}416,743$

According to the estimate of cash balances attached to the Budget estimate of 1864-65, the amount in the Indian Treasuries on the 30th of April 1865 should have been £13,816,697. According to the corresponding statement attached to the regular estimate, it will be £10,979,859, or £2,836,838 less. This large difference arises from the following causes:—

1st.—From the cash balance at the commencement of the financial year 1864-65 having been taken on 22nd March 1865, £1,901,822 below the amount at which it had been estimated on the 7th April 1864. Of this difference of £1,901,822, only £87,784 was caused by variations in the revenues and charges.

2nd.—From variations between the receipts and disbursements in the cash transactions of the Indian treasuries, as stated on the 7th April 1864, and on the 22nd March 1865, viz—

Receipts increased from £60,504,007 to £61,076,842, or £572,835 increase
 Disbursements increased from £60,978,234 to £62,722,995, or £1,744,761 increase

Difference $\text{£}938,016$
 $\text{£}1,901,822 + \text{£}938,016 = \text{£}2,839,838$

The only investments which have been made out of the cash balances in 1864-65 are £174,000 for the Government share of the increased capital of the Banks of Bengal and Bombay, and £80,000 for paying off Treasury Notes belonging to the Suitors' funds of

the Recorder's Courts in the Straits Settlements. On the other hand, the balances have been strengthened by the transfer to the Currency Department of a portion of the Government Securities which were purchased in the beginning of 1863 by the disbursement of a million sterling out of the cash balances, when they amounted to upwards of £19,000,000. The amount so obtained at the date the regular estimate was closed was £335,000; and the proceeds of the remainder, £405,660, will be paid into the Treasury in 1864-65. This increases the balance on the 30th April to that extent. As the interest is credited to the Government and the remaining deposits are more than sufficient to meet every possible demand of the Currency Department, this is practically a permanent loan without interest.

The revision of the cash balances alluded to in my last financial statement has been completed, and it has become apparent that, by properly limiting the sums to be retained in the district Treasuries, the public expenditure may be carried on with a smaller aggregate balance than has heretofore been considered necessary. This result is due in a great degree to the progress of Railways, and as gold and paper take the place of silver in the currency, it will be more fully attained. Besides diminishing the stock of specie in circulation and depriving the public of the use of a portion of its assets, high cash balances have a tendency to relax the motives to economy on the part of public servants, and to encourage others to depend upon the Government for assistance when they ought to help themselves. The English practice of confining the cash balances to what is really necessary to work the expenditure, and, if more money is wanted, of raising it by taxation or loan, is preferable to the old Indian practice, copied from the native states, of keeping indefinite hoards under the name of cash balances.

Expenditure of 1865-66. I shall now proceed to the estimate of the expenditure for 1865-66.

The reduction of £44,680 under "Allowances, Refunds, and Drawbacks" is chiefly due to the expiration of the income tax, the refunds connected with which are always large.

The expenditure under "Land Revenue, Forest, and Abkaree" has been constantly on the increase since 1861-62, when it amounted only to £2,030,488. Last year a circular was issued calling atten-

tion to the necessity for keeping this expenditure under strict control, but there is, nevertheless, a further increase of £129,330 compared with the Budget estimate for 1864-65. This is caused by the growth of the temporary establishments required for the active prosecution of the land revenue settlement, and by the increased allowances consequent upon the rise of wages and prices. There has also been a further increase of expenditure for the organization of the forest establishments.

The increase of £15,907 under "Customs" is caused, as already explained, by the revision of the establishments at Calcutta and Bombay.

Under "Salt" there is an increased expenditure of £42,355 compared with 1863-64, and of £16,823 compared with the Budget estimate, while there is a decrease of £14,720 compared with the regular estimate of 1864-65. It will be remembered that in the regular estimate for the current year, some extraordinary expenditure was provided for under this head which is not likely to recur.

The large reduction in the opium expenditure, amounting to £351,693 compared with 1863-64, and £753,040 compared with the regular estimate of 1864-65 is caused by a diminution both in the quantity of opium to be provided, and in the rate of payment for it, which will be more fully explained under "Revenue."

The decrease of £28,702 under "Mint" compared with 1863-64, and of £102,686 compared with the Budget estimate of 1864-65, is caused by the more correct mode of exhibiting the copper received for coinage from England, which has been explained in connection with the regular estimate.

Under "Post Office" the decrease of £71,151 compared with 1863-64, and of £61,005 as compared with the Budget estimate of 1864-65, is caused by the abolition of the bullock train. The increase of £15,180 compared with the regular estimate arises partly from numerous revisions of establishment to improve the efficiency of the Post Office service, and partly from the necessity which has arisen for increasing rates of pay and contract allowances owing to dearth of provisions. The Post Office establishments were, from their nature, more immediately affected by these changes, and the re-adjustment has been made with a careful attention to economy.

The increase of £56,150 under "Electric Telegraph" is caused by the additional expenditure connected with the Indo-European line.

Under "Allowances and Assignments under Treaties and Engagements," the reduction of £38,435 compared with 1863-64, and of £31,293 compared with the Budget estimate of 1864-65, chiefly arises from the lapse of the pension of £15,000 a year, received by the late Nawab of Tonk, and from commutations and lapses of pensions in Tanjore and the Carnatic.

Under "Allowances to District and Village Officers," there is a reduction of £41,229 compared with 1863-64, and of £14,921 compared with the Budget estimate of 1864-65, arising from the commutation of allowances in Bombay, and the separate provision which has been made by legislation for village officers at Madras.

There is an increase under "Miscellaneous" of £72,634 compared with 1863-64 and of £53,666 compared with the Budget estimate of 1864-65, arising chiefly from the re-organization of the district Post establishments and their transfer to this head from "Land revenue, Forest, and Akarac." Land purchased for revenue buildings has also been ordered to be charged under this head.

I stated that there was an increase of military expenditure in the regular estimate over the Budget estimate of 1864-65 of £674,571. In the Budget estimate of 1865-66 there is a further increase of £496,800, making the increase upon the Budget of last year £1,171,371. The increase compared with the actual expenditure of 1863-64 is £1,057,491. The greater part of the expense of the Bhootan war is included under the several heads of the ordinary grant, and another £109,000 has been added for extraordinary.

Since the beginning of last year, the following reductions of military force have been made:

- The East India Regiment,
- Four regiments of Madras native infantry,
- Two regiments of British infantry transferred to the home establishment.

Reductions of artillery equal to seven European and three native batteries. Five troops of the Mahratta horse.

At any previous time, such a reduction of military force as this would have had a sensible effect in decreasing the expenditure of

the army, but such has been the increase of prices and wages, that the entire result has disappeared in the great increase which has taken place in the cost of the remainder of the force. A comparative statement of the military Budget estimates for 1864-65 and 1865-66 will be found in the Appendix, together with an explanation of the causes of increase. These are substantially the same as those contained in my remarks on the regular estimate.

As the expenditure of the Indian army defrayed in England for 1865-66 is estimated at £2,863,872, the total cost of the army in the same year will be £16,638,432. The incidental receipts are estimated at £850,000, and the net cost will, therefore, be £15,788,432.

The estimate for the cost of the British army for 1864-65 was £14,844,888; the estimated incidental receipts, £1,324,442; and the net cost, £13,520,446.

The settlement of the grant for Public Works has engaged the anxious attention of the Government. Excluding the State expenditure for guaranteed enterprise, the grants for Public Works since 1859-60 have amounted to about £27,012,000. To this has to be added £1,046,016 from the twenty per cent. appropriated from the Income Tax in aid of local funds, and the additional sums annually expended from the independent income of those funds, which may be estimated at £760,000 a year. The total amount transferred from circulating to fixed capital in these six years, and invested in administrative buildings, roads, irrigation and other works intended to promote the productiveness and good government of the country, cannot, therefore be much less than £33,000,000.

Of these £33,000,000, about £11,907,995 has been expended in the two years 1863-64 and 1864-65, i. e.,

Original and additional grants from public revenue	9,175,000
From local funds	2,135,615
From the one per cent. appropriated from the income tax in aid of local funds	597,380
Total	£11,907,995

The whole amount which has been appropriated in aid of local works from the Income tax during the five years of its incidence is £1,500,000, or at the rate of £300,000 a year. This will now cease, and local funds will have to meet the demands upon them without further assistance from the public revenue.

The civil expenditure for Public Works for 1865-66 has been fixed as follows on the basis of the original appropriation of last year, excluding the extra grants made in the course of the year:—

	£
Civil Buildings	650,000
Works of Public improvement	2,000,000
Establishments	800,000
Total	£3,450,000

Divided among all the local governments and administrations, this sum will barely suffice, at the present prices of labor and materials, to provide for the most urgent wants of this great Continent. The proportion available for works of irrigation may be estimated, at the outside, at £500,000, but half of this is required for the maintenance of the existing works in every part of British India, upon which the due realization of the land revenue depends. The annual sum remaining available for new works of irrigation is, therefore, only £250,000, which is not sufficient even to complete, within a reasonable period, the great works which have been already commenced.

This grant has been carefully allotted among the different local governments, and is to be regarded as final. The practice of making additional grants in the course of the year is to be discontinued, except under circumstances of a really extraordinary nature; and all urgent wants not provided for in the Budget estimate will, therefore, have to be met by re-appropriation from other works which can be postponed. The sums assigned for civil buildings, works of public improvement, and establishments, are liable to variation at the discretion of the local governments, provided the total amount allotted to each Government is not exceeded.

The paramount necessity of providing the Barracks required for the health of the European troops and the works of defence upon which the public security in some degree depends, has long been ad-

mitted, but the preliminary arrangements have only lately been completed. The total outlay will, probably, not be much less than £10,000,000, including the cost of establishments; and the work is obviously one which ought to be carried on as fast as the requisite preparations can be made. The expenditure on this account for 1865-66 is estimated at £1,000,000, after which it will proceed at an increased rate until the object has been accomplished.

The other sums required for the service of the year 1865-66 under the head of Public Works are:—

	£
For the ordinary repairs of military buildings ...	250,000
Public Works at Bombay charged on the proceeds of the sales of land at that place ...	700,000
Twenty per cent. appropriated from the Income Tax, ...	110,000
Railway supervision and cost of land ...	207,425
Loss by Railway exchange ...	171,215

The total amount required under every head of Public Works for 1865-66 is, therefore, £5,888,640, which is £529,910 more than the Budget for 1864-65, and £202,823 more than the regular estimate. The increase is caused by the addition of £400,000 for new military works, including the due proportion of establishments, of £495,670 for Public Works at Bombay charged on the local sales of land, of £70,000 for civil buildings, and £10,000 for establishments. On the other hand, Railway supervision is less by £102,076, the sum appropriated from the income tax, by £140,000, loss by Railway exchange, by £85,665, and works of public improvement, by £118,000.

Whatever may be the general objections to providing for any portion of the public expenditure by means of loans, it is evident that the large sums which will be required for some years to come for military works cannot be furnished from the revenue of the year in addition to all the other demands upon it, without an increase of taxation, which would interfere with the prosperity of the country, and that it would not, therefore, be right to impose on the existing generation the entire charge for works which are intended for the public service for all time to come. This principle has been acted upon in the parallel case of the dock-yard fortifications in England. The argument applies with increased force to new works for irriga-

tion, which, properly managed, include their own sinking fund; and in reference to these, it has been, determined by Her Majesty's Government, that "when the surplus revenues and available balances prove insufficient to supply the requirements of the country, funds by means of loans shall be raised." It will be proposed to the Secretary of State that relief should be afforded to the revenue of 1865-66 to the extent of £1,200,000, which will be raised by loan in England, and the drafts upon India will be *pro tanto* diminished. The portion of the grant for Public Works to be provided for from the revenue of the year 1865-66 will, therefore, be £4,688,640, which will be £870,090 less than the Budget estimate, and £907,177 less than the regular estimate of 1864-65.

"Salaries and Expenses of Public Departments" shows an increase of £74,109 compared with 1863-64, and of £14,295 compared with the Budget estimate of 1864-65. The chief causes of increase are the creation of seven new currency circles, the revival of the office of Financial Commissioner in Oudh, the appointment of a new Deputy Auditor and Accountant General for British Barmah, the additional cost incurred on the revision of the Secretariats in the Military and Public Works Departments, and the increased charges for the Legislative Members of Council.

Under "Law and Justice" there is an increase of £379,424 compared with 1863-64, and of £145,749 compared with the Budget estimate of 1864-65. Of this large increase,

£140,740 arises from the increased cost of clothing and provisioning prisoners in jails and the additions which have been made to the salaries of the establishments. The difference is due to the new establishments employed under the recent Act for the Registration of Assurances.

There is an increase under "Police" of £142,108 compared with 1863-64, and of £35,350 compared with the regular estimate of 1864-65, of which £50,000 occurs in Bengal, £40,000 in Madras, £16,000 in the Berars, and £7,000 in the Central Provinces, while there is a decrease of £5,700 on account of the abolition of the office of Inspector general of Police.

The grant for education is £622,210, which is £180,354 more than the actual expenditure of 1863-64, and £61,035 more than the Budget estimate of 1864-65. It will be seen from the progres-

sive increase of this grant from £342,593 in 1861-62 to £622,210 in 1865-66, that the means of promoting national education have not been stinted. The public grants for this purpose are also largely supplemented by local funds derived from school fees and subscriptions, and in some provinces from percentages on the land revenue. I cannot help rejoicing when I contrast this liberal support of education with the single annual lakh of rupees, or £10,000, which it was once my privilege to administer in concert with Lord Macaulay, Sir Edward Ryan, and other early friends of native education.

The estimate for "Superannuation and Retired Allowances" is £119,752 more than the actual expenditure of 1863-64, and £150,760 less than the regular estimate of 1864-65. These variations mainly arise from the assimilation of the mode of adjusting the services' donations to that in use as regards the other portions of the debt. While the charge on this account for 1863-64 was carried forward to 1864-65, the arrears, which amounted to nearly an equal sum, were shown against the revenue of 1863-64. The larger sum in the regular estimate of 1864-65 arises from the fact that the amount transferred included the triennial adjustment. The estimate for 1865-66 includes the normal charge on this account.

Under "Miscellaneous and Civil Contingencies" there is a decrease, compared with 1863-64, of £139,850, which is caused by the accounts of 1863-64 having included £75,000 for the investment made in favor of Madhoo Rao; by a diminution in the expenditure for the Governor General's tour; and loss by exchange. The reduction of £296,920 compared with the regular estimate for 1864-65 chiefly arises from the latter having been swollen by the expenditure caused by the calamity at Masulipatam.

There is an increased charge under "Interest" of £108,570 compared with 1863-64, and of £71,320 compared with the regular estimate of 1864-65. This is the result of a calculation embracing a great variety of items. The chief causes of increase are larger balances of the service and other funds, and the charge for interest of the Promissory Notes transferred to the Currency Department.

The "Net Expenditure in England" amounts to £5,453,390, which is £705,760 more than 1863-64, £553,460 more than the

Budget estimate of 1864-65, and £593,354 more than the regular estimate of the same year. This large increase of expenditure is caused by a new charge of £750,000 for the construction of vessels for the transport of troops to India.

"Guaranteed Interest on Railway capital, less net Traffic receipts," is estimated £1,234,000 against £1,388,416 in 1864-65 or £154,416 less. The guaranteed interest payable in England has increased by only £154,000, while the net traffic receipts in India are expected to increase by £276,333.

The total estimated expenditure for 1865-66 is £47,186,930, which shows the following increases:—

Compared with the actual expenditure of 1863-64...	£2,652,245
" " Budget Estimate of 1864-65 ...	£1,846,348
" " Regular Estimate ...	£558,681

I will now make such remarks as may be necessary on the estimate of the revenue of 1865-66.

It is proposed to take the estimate of "Land Revenue" at £20,208,190. This is £95,233 less than was actually received in 1863-64, which included £280,000 from the sale of Khans Melhals in Deugal against an estimated receipt of £80,000 in 1865-66. On the other hand, it is £113,300 more than the estimated receipts of 1864-65; but these last were diminished by the inundation at Madras and the partial failure of the rains in the North-West Provinces.

The estimated receipts from "Forests" are £383,000, being £78,357 more than the receipts in 1863-64. This is a smaller increase than may be expected from the arrangements which have been made for the more perfect organization of the forest department.

"Abkaree" is estimated at £2,335,320, which is only £62,370 more than is expected to be received in the current year. The rate of increase in previous years has been much larger.

Under "Assessed Taxes" the estimate is taken for the last quarter of the Income Tax, which expires by law on the 31st of July next. The sum expected to be received is £551,140, which includes a considerable amount of arrears.

The estimate for the "Customs" revenue shows a decrease of £192,781 compared with 1863-64, and of £61,190 compared with the regular estimate of 1864-65. This allows for a less of £40,000 in

consequence of the reduction of the duty upon saltpetre from two rupees to one rupee a maund, and assumes the continuance of the depressed state of the import trade. It may be hoped that the result will not justify this expectation.

The "Salt" revenue is estimated at £5,789,880, which is £747,184 more than the receipts of 1863-64, and £158,630 more than the amount expected to be received in the current year. This estimate is fully justified by the previous growth of this branch of revenue, by the additional facilities for the conveyance of salt into the interior, by the improved preventive arrangements in several provinces, and by an estimated increase of £70,000 expected to be realized by an additional duty of four annas a maund in the Bombay Presidency.

In estimating the "Opium" revenue for the current year, the point of immediate importance is the quantity

of opium likely to be brought to sale at Calcutta. This is expected to be 59,513 chests, i. e., two-thirds of the last crop, which amounted to 64,269 chests, and one-third of the crop of the current year, which is estimated at 50,000 chests.

But the means which have been taken to regulate the future production of opium in Bengal must not be left out of sight. It has been determined that the price to be paid to the ryots shall be reduced from Rs. 5 to Rs. 4-8 a seer; that the cultivation in the Benares Agency shall be diminished until the average yield bears the same proportion to that of the Patna Agency as it bore in 1859-60, when the selling prices of the two kinds of opium were nearly equal; and that 45,000 chests shall be the standard provision from the two agencies in future years. Taken in connection with the constantly increasing demand in China, and the check which has been given to the growth of native opium there, by the increased importations of the superior Indian produce, these arrangements to limit the quantity in Bengal cannot fail to exercise a favorable influence upon the sales towards the close of the next financial year, and it may be hoped that in the following years they will secure as near an approach to a maximum net receipt as can be expected from so variable a branch of revenue.

The average price at the last three sales has been Rs. 841 per chest, and after giving due weight to the preceding considerations, it has been determined to take the estimate for Bengal opium at Rs. 850 per chest. Adding to this £165,000 for Miscellaneous and Abkaree Revenue, the estimate for Bengal will amount to £5,233,000.

Malwa opium has a separate field of consumption in China, and its price is only partially influenced by the price of Bengal opium. After a full consideration of all the circumstances, it has not been considered advisable to reduce the pass duty upon Malwa opium. The estimate for 1865-66 has been taken at £2,500,000, which assumes that passes will be taken out for 41,666 chests.

The entire opium estimate will, therefore, be £7,733,000, which is £476,400 less than the last Budget estimate, and £300,480 more than the regular estimate.

The increase in the Stamp Revenue of 1863-64 over that of 1862-63 is £245,378. The estimated increase in the present year over 1863-64 is £176,924. It is proposed to take the Stamp Revenue for 1865-66 at £2,058,500, which is an estimated increase of £146,360 over the present year.

The receipts under "Mint," "Post Office," and "Electric Telegraph" are estimated each at a moderate increase over the regular estimate of the current year.

The receipts under "Law, Justice, and Police" are estimated at £132,320 more than is expected to be realized in the current year. This increase arises from the anticipated receipts under the new registration Act, additional contributions from municipal funds for police, and from a general increase in the receipts from judicial fees.

The estimate for Public Works receipts has been taken at £1,000,000, which is £16,650 less than is expected to be received according to the regular estimate of the current year. It is supposed that the increased water rates in Northern India will yield an additional £50,000. Great uncertainty prevails as to the amount likely to be realized from land sales at Bombay within the year 1865-66. According to the best information that can be obtained, it has been estimated at £498,350, which falls short of the corresponding receipts in the regular estimate of 1864-65 by £66,650.

The increase of £150,000 under Miscellaneous, Military, is the result of the measures which have been taken to dispose of useless ordnance stores.

The increased receipts under Interest arise from a larger sum having been invested in the Currency department, and from dividends on a larger number of bank shares.

The total estimated revenue is £46,488,760, which exceeds the actual receipts of 1863-64 by £1,875,732, the Budget estimate of 1864-65 by £324,800, and the regular estimate of the same year

by £204,654. To the sum of £46,488,760, the estimated income of the year, has to be added the £1,200,000, which it has been determined to borrow for military and irrigation works in aid of the ways and means of the year, making the total receipts, £47,688,760.

As the estimated expenditure is £47,186,930, there will be a surplus of £501,830.

The estimate of expenditure for next year has been taken on a liberal scale even according to the increased rates of prices and wages; and if the Bhootean war soon comes to a close, there ought, with proper economy, to be a considerable saving in the large army grant.

The estimate of receipts only assumes the normal increase of the ordinary branches of revenue, whereas something more than this has begun to appear. The vast expenditure of late years upon railways, roads, and other works auxiliary to production has begun to bear fruit, especially in reference to the remarkable increase of bulky exportable produce. Even in a strictly financial view, the guaranteed railway system is showing decided symptoms of improvement. The opium revenue has also passed its crisis and may be more relied upon than heretofore. Every item which could be open to question has been excluded from the estimate. For instance, in order to simplify and clear the accounts, the Government has determined that the ordinary deposits in the treasuries shall, after a certain period, be carried to the public credit, subject to their being repaid out of revenue whenever a claim is established to them. Under this head I was entitled to the benefit of large sums which must sooner or later be passed through the Budget balance sheet, which is the great profit and loss account of the empire; but as it might have been objected that, although properly credited to revenue, this action upon the deposits will not bring a rupee into the treasuries which is not already there, the change has been postponed to a time when it will not be open to misconstruction. Neither has the more substantial resource of the purchase money of the 24-Perannahs and Jessore Sunderbuns been taken credit for.

It is true that the ways and means of the year, as to the extent of £1,200,000, composed of borrowed money. But this loan has nothing in common with the shifts and expedients of insolvent or embarrassed States. It is the result of a discriminating policy which confines taxation to its just objects, and provides by loan for reproductive works and for works of every kind which are on such

a scale as would too severely strain the resources of a single generation. The best employment of money is that which the industrial classes make of their annual savings for their own sake, and it is no real advantage to the community to interfere seriously with this natural process and to cause general harassment and discontent in order to accelerate the execution of Public Works. Even if the condition of the finances were all that could be desired, it would still be expedient to limit taxation to the proper business of Government, and to provide for reproductive works by means of specially appropriated funds.

One item of receipt will not recur. The remaining quarter's Income Tax, including arrears and deducting the charge of collection and the twenty per cent. appropriated to local funds, amounts to £491,750. If this were struck out of the Budget of 1865-66, there would still be a small surplus. If things remain the same, there will still be this surplus in 1866-67.

It is proposed to make a moderate addition to the estimated surplus of £501,830 by having recourse to a class of taxes which, when they have been imposed with proper reserve, have always proved a valuable resource of Indian finance.

The old policy of the East India Company was to levy low rates of duty both upon exports and imports. However contrary this practice may have been to some received maxims of political economy, it was suited to the circumstances of the country, for, owing partly to the abundance and richness of the productions of India, and partly to the simple habits of the people, the exports of merchandize have always greatly exceeded the imports, and our Indian exports have in general such a hold upon foreign markets that they can bear some duty without being seriously checked.

This policy has of late years been departed from to a certain extent. Under the financial pressure caused by the mutiny, the 5 per cent. import duties were raised to 10 per cent., and in some cases to 20 per cent., but they were last year reduced to $7\frac{1}{2}$ per cent., while the year before the duty upon iron was rendered nominal. On the other hand, the duty upon several staples of the export trade was entirely remitted in 1860, with the exception of the duty upon saltpetre, which was raised to a rate inconsistent with the prosperity of the trade, and it has lately been reduced by one-half.

So far as India possesses the monopoly of the foreign market, or

a decided superiority over all other countries taken together, an export duty must be paid by the consumer. So far as exported articles are met by an effective competition in the foreign market, the duty must be paid by the producer. But there never was a time when Indian producers were so well able to bear a moderate charge. While the assessment of the land revenue has been diminished, the price of agricultural produce has risen, and persons of every class connected with the cultivation of the land enjoy unusual prosperity. It must also be borne in mind that the heaviest expenditure in public works is for the construction of roads to facilitate the conveyance of exportable commodities to the coast. The tea and coffee districts have, besides, to be provided with almost every thing which constitutes the outfit of a civilised administration.

Jute, wool, tea and coffee were placed on the free list in 1860, previously to which they were subjected to the normal duty of 3 per cent., charged on unenumerated articles. The increase, which has taken place in their production, and the high prices which they have commanded for exportation during the last few years, show that any reduction of price which might be caused by a moderate duty would in no way discourage the cultivation. Jute when manufactured into gunny bags and other articles is charged an export duty of 3 per cent., and the manufacture of the country is, thereby, placed at a disadvantage in any market where it may be brought into competition with similar articles manufactured in England.

The annual value of the exports of these four articles has increased since 1860-61 as follows:—

	1860-61.	1861-62.	1862-63.	1863-64.
	£	£	£	£
Jute	400,283	571,736	811,108	1,598,084
Wool... ..	473,544	863,672	1,477,214	1,511,644
Tea	101,693	131,314	179,613	222,035
Coffee	240,005	402,904	426,489	518,768

It is proposed to extend to these articles the normal export duty of three per cent., which may be expected to yield £130,000 a year.

Hides, sugar, and silk have not increased in the same proportion; but they would, nevertheless, bear a low rate of duty without any discouragement to the trade. It is proposed to subject them to a duty of two per cent., which will yield about £60,000 a year.

The export duty on grain was increased in 1860 from half an anna to two annas a maund. Much the most important article under this head is rice. Although India has no monopoly of its production, she provides the largest portion of the supply for foreign markets; and the climate and soil of large tracts are so congenial to its cultivation, that it is grown under great advantages, and would easily bear another anna a maund. The value of the exports has increased in each of the last five years as follows:—

	£
1850-60	2,265,656
1860-61	2,938,876
1861-62	3,285,894
1862-63	3,320,923
1863-64	3,936,709

It is proposed to raise the export duty on rice and other grains from two annas to three annas a maund, which is expected to give an additional £140,000.

The total estimated increase of revenue from these duties is £330,000, whereby the estimated surplus will be raised to £831,830.

On the other hand, it is proposed to reduce the import duty upon hops from $\frac{7}{8}$ to one per cent. This is necessary in order to place the produce of the Indian breweries on an equal footing with the beer imported from England, which is liable only to the nominal duty of one anna a gallon. The loss of revenue will be about £1,000.

The Income Tax, which, to use Mr. Wilson's words, "was passed for a limited period with a view to the present emergency," will expire on the day appointed by law—the 31st of July next.

As a potent but imperfect fiscal machine, it should be regarded as the great financial reserve of the country; and it will now be laid on the shelf complete in all its gear, ready to be reimposed in case of any new emergency.

Expiration of the Income Tax.

The Income Tax was passed for five years from July 31st 1860 at the rate of two per cent. upon incomes between Rs. 200 and Rs. 500 a year, and of four per cent. upon incomes above Rs. 500; and, of this last mentioned, four per cent., one per cent. was appropriated to roads, canals, or other reproductive works. The assessment was to be an annual one; but, before the first year had expired, an Act was passed, authorizing the Governor General in Council to continue the original assessments for another year.

In May 1862 this power was extended to the remaining three years, and the limit of exemption was raised from Rs. 200 to Rs. 500. From the 31st of July 1863, the rate of four per cent. was reduced to three. The original assessment has become obsolete in every sense. Persons deriving their income from salaries and the funds pay the full three per cent.; but the assessments made five years ago, which were originally insufficient and unequal, have become much more so by the great increase of wealth and, by the change in the circumstances of individuals during the interval.

The gross amount that will be realized from the Income Tax in five years will be £8,008,127, and the cost of the establishments employed in collecting it will be £366,160, or, at the average rate of about $\frac{4}{3}$ per cent., leaving £7,641,967 as the net proceeds of the tax. The sum appropriated to local works will be £1,500,000, so that the benefit to the general revenue from the Income Tax will be about £6,141,967. Debt to a much larger amount than this has been paid off at home and in India within the last three years. I have followed the usual course in taking the cost of the tax at the expense of the machinery actually employed in collecting it, but in order to estimate the real cost, the work it caused to the different Governments, Secretariats, Army, and Police, the printing, translating, telegraphing, stationery, and all the other incidents of the tax, should be included.

Holding the position I do, it will, of course, be expected that I should express my opinion on our present financial position.

India is prospering beyond all former precedent. The ryot has become emancipated from the money lender, and has something to spare for the indulgence of his tastes and the improvement of his cultivation. Wages are rising throughout India, while, at some of the ports, they have attained almost to European rates. Mercantile

The present financial position.

gains especially in the west of India, have been as large as they are liberally spent in charitable, ornamental, and reproductive works. The great and decisive change has also begun to appear that the natives, from the Parsee and Marwarree Millionaires down to the ryots and small traders, bring forward their savings for investment instead of hoarding them. India has entered upon a course of industrial activity, and there has been for some time a remarkable abatement even of the disquieting rumours which used to fill up the intervals of actual hostilities.

We stand at the commencement of an economical and social revolution which is pregnant with the most important results. In its bearing upon the people, the benefit seems to be almost without qualification, but in reference to the Government, the matter has a double aspect. The increase of prices has passed like a wave over the whole of India, and has penetrated its remotest recesses. It has become necessary to give compensation to the military force in most parts of India, extending in many cases even to fire-wood for the men and forage for the horses. The compensation for a single native cavalry regiment at Dharwar was at the rate of upwards of £10,000 a year until the regiment was ordered to be disbanded. A rateable increase of pay is given for the same reason to the police, postal, and ordinary civil subordinate establishments in the Bombay Presidency and Central India, and, as regards most of them, also in the Madras Presidency. In spite of every precaution, this influence is already sensibly felt throughout the great Bengal Presidency in raising the standard of the public expenditure. In every part of India much higher prices have to be paid for Commissariat supplies, and labor and materials of every description for every Civil and Military department.

The purchasing power of money has diminished. It is the same thing as if the public revenue had been positively reduced by a considerable amount. If the balance were restored by a *pro rata* increase on the whole of the existing taxation, there would be no real addition to the burdens of the people, because their means have increased in a still greater proportion. The settlement of the land tax, however, which is nearly half the ordinary revenue, is proceeding for the most part at the reduced rates based upon former low prices. The profits have been left to the agriculturist, and the fruits are reaped by the Government only in a steadily rising value of land and in a general increase of prosperity and contentment.

Concurrently with this, a demand, which may be controlled, but cannot and ought not to be resisted, has arisen for improved administration. In police, in jails, in the judicial administration, in all that relates to the accommodation and treatment of the soldier, public feeling is no longer content with the former less perfect arrangements. But nothing is dearer than good Government. Every plan of improvement resolves itself into a question of additional expenditure. A striking instance of the combined effect of increased prices and administrative reform will be

seen in the comparative statement, in the Appendix, of the cost of jails in 1863-64 and 1865-66.

Nevertheless, I am of opinion that, provided proper economy is exercised, the existing sources of revenue, with only such ordinary improvements as time and circumstances require, will suffice. One of the greatest objections to the Income tax is, that it is felt to be such a powerful instrument of taxation as to induce a relaxation of the habit of economy. The disposition will always be to spend up to an Income Tax. In order to prevent, I will not say profuseness but, a feeling of indifference about the spending of public money, there must be a sense that we are dealing with limited funds. The resources still to be derived from a judicious frugality are extremely important.* Although the crop was reaped in 1860-61, valuable gleanings have since been obtained in the shape of further reductions in the military force, in the marine establishments, and in those formerly connected with the abolished Government manufacture of salt in Bengal; and arrangements are in progress for transferring the cost of the police of towns to the inhabitants.

The social revolution in progress also has its own compensations. The prosperity for the wants of which we have to provide is itself highly conducive to the increase of the revenue. India cannot be fully occupied with the arts of peace and the arts of war at the same time. Populations which were formerly of a highly warlike character have become entirely industrial. In the south of India, the people have lost the habit of wearing or using arms, and this change is gradually extending to our provinces in the north. The Railways have also greatly increased the efficacy of any given mile

* Note.—A heavy sum might be saved in Government printing alone, which in almost every part of India is carried to an excess, wasteful alike of money, ink, and time. At home, with much less necessity for reform, the public printing has been brought under strict regulation.

Growth of municipal administration and private enterprise

It has become apparent that the demands of India for the improvements which belong to a higher state of civilization cannot be fully met either by the revenue received by the Government, or by the agency at its disposal. Finding that the Government was not prepared to advance money for the improvement of Calcutta, the municipality advertised for a loan and obtained the requisite amount on moderate terms. In like manner, the Government expressed its opinion that the formation of an auxiliary port on the River Mutla belonged rather to private than to public enterprise, and a company was formed with a capital of £1,200,000 for the construction of the necessary works. The extensive plans of reclamation in progress in connection with Bombay and Calcutta, and the numerous companies for tea and coffee cultivation, coal mines, conveyance of passengers and goods by land and water, and other objects, show that the future growth of India will not be limited by the standard of the means and action of the Government. The small beginnings of many of these undertakings were fostered by the Government, but as private enterprise has advanced the Government has receded, and the relative position is annually approximating to the state of things in England.

In the Punjab, the North-West and Central Provinces, and British Burmah, the towns have, with rare exceptions, been organized into Municipalities which are charged with the payment of the police, and with every necessary work of conservancy and general improvement. In August last, a resolution of the Government of India was promulgated, the object of which was to extend this system to the rest of India, with the understanding that the inhabitants should raise the necessary funds in whatever manner they might think proper, subject to the approval of the local governments. Such institutions are necessarily of slow growth, but the principle is fully admitted that the town populations are chargeable with their local expenditure, including the cost of their police, and the public revenue will be relieved and habits of self-government will be formed as effect is given to it. A germ everywhere exists for the extension of the municipal system to the country districts, and there is urgent need for its more perfect development there. Every road that is made only establishes the necessity for making others in connection with it, and the charge for repairs alone is becoming an excessive burden on the central exchequer.

An abstract will be found in the Appendix of the actual expenditure of local funds in 1863-64, together with estimates for 1864-65 and 1865-66. It will be seen that there is an increase in the receipts from £1,994,296 in 1864-65 to £2,153,649 in 1865-66, and an increase in the expenditure from £2,038,251 to £2,327,017, while there is an estimated decrease in the balance on hand from £1,774,679 to £1,601,311.

Besides the temporary grant of one per cent. from the Income-Tax and the permanent transfers from general to local revenue mentioned in my former statements, further steps have since been taken in the same direction. The revenue derived from fisheries in the Madras Presidency, amounting to Rs. 60,000 a year, (excepting, of course, the pearl and chank fisheries,) has been transferred to local funds as had previously been done in Bengal. Ten per cent. of the proceeds of escheated lands in Malabar has been similarly appropriated. In the Central Provinces, the land revenue assessment is so moderate that the road and educational cesses have been raised from one to two per cent. each upon the land revenue without imposing any undue burden upon the people. Buildings belonging to the Government in provincial towns which are not required for Government purposes are likely to be turned to better account by local administration for objects in which the inhabitants are interested, than if they were under Government management, as belonging to the imperial revenue. The arrangements which had long existed for giving effect to this principle in the Bengal Presidency under the name of "Nuzool" or escheats were extended in September last to the Presidencies of Madras and Bombay.

The English Commissioners have completed their investigations into the accounts of the several departments of the Government to which their attention was directed, and have laid their reports before the Government.

Many of their recommendations have received the sanction of Government, and others are still under consideration.

Mr. Foster remains in India for a limited period in order to superintend the introduction of the changes which are to be carried into effect, and considerable progress has already been made. The whole of the recommendations regarding the accounts of Kidderpore Dockyard have been brought into practical operation, and in the Civil and Military Departments extensive changes are being

gradually and safely introduced, which will greatly simplify the accounts, add security against fraud by providing a rapid post-audit in substitution of the former system of double audit, and, by diminishing the amount of labor, lead the way to the reduction and ultimate entire removal of the state of arrear from which the public accounts are now suffering.

These changes, when carried into effect, will necessitate an entire re-organisation of the offices of account with a view to obtaining a larger amount of efficiency at a less cost. This end must be attained by an improvement of salaries combined with a large reduction of numbers.

The Government Paper Currency has been in a state of healthy progressive increase throughout the year without any violent fluctuations. New Currency circles have been established at Allahabad, Nagpore, and Lahore in the Bengal Presidency, and Calcutta in the Bombay, and at Vizagapatam, Trichinopoly, and Madras in the Madras Presidency. The note circulation has risen from £5,350,000 in April 1864 to £7,348,585, while the investment of the deposits of specie has been increased from £3,000,000 to nearly £4,000,000, the maximum amount permitted by law.

Believing that the time had arrived for the adoption of a Gold Currency in India, and that, although the sovereign would be somewhat undervalued at ten rupees with reference to the greater part of India, it would, nevertheless, owing to its superior convenience, obtain an increasing circulation at that rate without any possibility of injury to the creditor, the Government of India recommended to the Secretary of State in July last that the sovereign and half-sovereign should be declared legal tender at the respective rates of ten and five rupees. Upon this, the Secretary of State determined upon the experimental measure of receiving the sovereign and half-sovereign in all the treasuries of India at these rates, and of paying them out again at the same rates to such persons as might be willing to take them, and also of receiving them in the Currency offices to an extent not exceeding one-fourth of the total amount of issues represented by coin and bullion, as authorized by law. The result of this experiment has been highly interesting and important. The sovereign has been received in all the Currency offices of the Bengal Presidency, and in many of the Treasuries, and

it is daily coming into increasing use, both for the ordinary transactions of private life, and for the purpose of remittances. Up to the 9th of March, the total receipts at the Bank of Bengal in British and Australian sovereigns amounted to £370,000; and although payments had likewise been made to a considerable amount, sovereigns accumulated to an inconvenient extent in the hands of the Bank, and £200,000 were therefore transferred to the Calcutta Currency Office in exchange for rupees. Further arrivals of sovereigns were expected from Australia, and it became apparent that, in order that the balances of the Bank and of the Government might not be composed, to an inconvenient extent, of a coin which could not be relied upon as a circulating medium, owing to its not being a legal tender, it was necessary either to go forward to convert the experimental measure of making the sovereign receivable in the Treasuries and Currency offices at ten rupees into the substantive one of making it a legal tender at that rate, or to take the retrograde step of withdrawing the notification, or modifying it by making the sovereign receivable at a lower rate. The Government did not hesitate between these alternatives, and it has been again recommended to the Secretary of State that sovereigns and half-sovereigns, according to the British and Australian standard, coined at any properly authorised Mint in England, Australia, or India, should be made legal tender throughout the British dominions in India at the rate of one sovereign for ten rupees.

I stated that the surplus, which was originally £501,830, would, with the additions consequent upon the increased export duties £330,000, amount to £831,830.

To this must be added £60,000, the anticipated receipts from the Indo-European line of telegraph, making a sum of £891,830.

It has been found necessary to comply with a requisition which has just been received from the Government of Bombay for an addition of £17,520 to the expenditure under the head "Law and Justice."

The surplus therefore stands at £874,310.

These recent changes have been noted at the foot of the statement of the revenue and charges. Their effect with reference to the one item of receipt, (Income Tax), which will not recur, will be to leave a surplus in 1866-67 of £452,560, even assuming that every other item remains unchanged.

Comparison of the Military

	BUDGET ESTIMATE,		
	GRANTS.		
	BENGAL.	MADRAS.	BOMBAY.
	Rs.	Rs.	Rs.
1 Army and Garrison Staff ...	25,13,478	12,12,054	12,28,300
2 Administrative Staff ...	9,77,222	5,07,700	4,64,600
3 Regimental Pay, Allowances, and Charges ...	3,98,54,879	1,43,79,041	1,25,14,300
4 Commissariat Department ...	1,15,51,962	45,08,200	42,73,600
5 Store & Remount Department ...	13,30,117	4,94,344	3,500
6 Clothing Department ...	8,69,000	2,47,900	2,82,200
7 Barrack Department ...	16,75,000	4,74,941	4,83,000
8 Administration of Martial Law ...	1,77,916	1,11,600	82,500
9 Medical Department ...	21,60,398	11,67,100	8,67,400
10 Ordnance Department ...	23,04,988	12,40,880	11,21,300
11 Ecclesiastical ...	1,43,500	52,200	58,000
12 Education ...	2,77,500	22,264	64,100
13 Surveys ...	9,49,200	.....	.....
14 Sea Transport charges ...	11,68,200	5,50,000	2,86,000
15 Miscellaneous Services ...	16,82,634	12,54,100	8,55,500
16 Volunteer Corps ...	2,276	24,000	.....
16 ¹ Stationery ...	.....	8,200	.....
17 Rewards for Military Services ...	1,10,800	9,000	15,200
18 Retired Officers ...	1,17,000	113,200	.....
19 Military Pensions ...	19,48,500	28,11,200	13,48,200
20 Pensions to Widows and Or- phans of European Officers	28,600	15,100	7,000
21 Civil Pensions and Gratuities	83,700	48,600	32,600
Amount undistributed ...	60,100	.....	.....
Rupees ..	6,99,50,200	2,92,91,600	2,39,58,200
or £ ..	.....	or £ ..	or £ ..
Stores from England ..	6,995,920	2,929,160	2,395,820
Extraordinary Expenditure of the British War ..	170,459	76,146	86,584
£ ..	7,165,479	3,005,306	2,482,404

No Military operations had been decided on at the date, 7th April 1861, when the amount included for "Additional charges connected with the British War."

Budget Estimates in 1864-65 and 1865-66.

1864-65.	BUDGET ESTIMATE, 1865-66.					
	TOTAL.	BENGAL.	MADRAS.	BOMBAY.	TOTAL.	GRANTS.
	Rs.	Rs.	Rs.	Rs.	Rs.	
	49,53,832	24,52,780	12,26,080	12,44,910	49,23,770	1
	19,79,522	9,86,520	5,03,520	4,92,360	19,82,400	2
	6,67,48,193	3,99,45,000	1,49,22,835	1,26,00,000	6,74,77,635	3
	2,03,33,762	1,61,44,920	58,63,815	57,05,000	2,67,14,335	4
	18,57,961	14,33,140	3,97,150	1,34,200	19,04,490	5
	14,00,000	8,64,920	2,36,170	2,69,260	13,70,350	6
	26,33,004	20,93,790	5,00,420	5,26,800	31,81,010	7
	4,02,016	1,93,420	1,43,940	87,000	4,24,360	8
	44,94,768	24,69,250	11,13,630	9,95,820	45,78,700	9
	46,69,368	25,44,130	11,16,470	12,60,630	49,21,230	10
	2,53,700	1,26,720	53,160	67,790	2,37,670	11
	3,64,164	2,45,700	71,360	44,180	3,61,240	12
	9,49,200	10,75,200	.....	.....	10,75,200	13
	20,04,200	8,00,000	8,50,000	7,30,000	24,40,000	14
	31,72,534	8,70,170	14,00,000	16,74,800	39,44,070	15
	26,376	19,200	12,000	1,480	32,780	16
	8,200	.....	.....	.....	8,200	16 ¹
	1,36,000	1,17,770	23,600	25,210	1,66,580	17
	2,30,200	1,09,440	10,440	31,430	1,51,310	18
	60,77,900	25,75,250	30,21,340	12,05,180	68,02,770	19
	51,000	79,500	25,880	22,560	1,27,040	20
	1,64,900	89,360	55,100	39,300	1,83,760	21
	60,100	.....	.....	.....	.....	.....
	12,32,00,000	7,42,97,380	3,16,16,010	2,71,46,810	13,30,63,100	.....
	or £ ..	or £ ..	or £ ..	or £ ..	or £ ..	.....
	12,320,000	7,429,738	3,161,601	2,714,681	13,306,310	.....
	333,189	185,844	67,908	94,498	348,250	.....
*	.....	100,000	.....	.....	100,000	.....
	12,653,189	7,715,582	3,229,599	2,809,379	13,764,560	.....

Budget Estimates of 1861-65 was promulgated. In the Regular Estimate of that year is £160,000.

MILITARY DEPARTMENT,

ACCOUNT BRANCH,
The 27th March 1865.

MEMORANDUM.

The Military Budget estimate of 1865-66 for all India exceeds the corresponding estimate for 1864-65 by nearly one crore of rupees, or one million sterling,* although the force provided for in 1865-66 is less than that of the former year by 2 regiments of European infantry, 1 regiment of native cavalry, 4 batteries of artillery, with a further reduction of field to garrison artillery.

The grants or heads of service in which any considerable increase occurs are as follows:—

- Grant 3.—Regimental Charges, nearly 7 lakhs.
- Grant 4.—Commissariat Services, nearly 64 lakhs.
- Grant 5.—Stud and Remounts, nearly 1 lakh.
- Grant 7.—Barrack Department, about 5½ lakhs.
- Grant 9.—Medical Services, nearly 1 lakh.
- Grant 13.—Surveys, above 1 lakh.
- Grant 14.—Sea Transport, above 4 lakhs.
- Grant 15.—Miscellaneous services, nearly 8 lakhs.
- Grants 19 and 20.—Pensions, about 8 lakhs.

The remaining minor increases are balanced by corresponding decreases in other grants.

Before entering into the items of actual increase, it may be observed that some of the grants are nominally larger on account of transfers from other grants; thus, for instance, the increase in the stud is by the transfer of Rs. 1,30,000 from the Commissariat for the purchase of horses; and other items have been transferred from miscellaneous charges to other grants.

The increase in grant 3. regimental pay, would have been greater but for the reduction of force. This is mainly attributable to the abolition of half batta and to the increased pay of regimental medical officers.

The recent medical warrant has also increased the amount of grant 9.

* Including the cost of stores from England and the extraordinary charges of the Afghan war, the Military Budget Estimate of 1865-66 exceeds that for 1864-65 by 21,01,211.

The great increase in Grant 4 (Commissariat Charges), amounting, with the transfer of the cost of horses purchased at Bombay, to about 65 lakhs, is owing to several causes—

1st, the rise in prices, which has rendered the cost of rationing European and native troops much dearer.

The difference in this item alone is Rs. 8,44,700, and for a smaller force.

The increased cost of forage for a slightly reduced number of horses is Rs. 4,51,180, whilst the additional cost of compensation for forage to native cavalry is Rs. 3,83,100.

The increased consumption of malt liquor, chiefly caused by the reduction of the issue of spirits, involves an addition of no less than Rs. 22,87,861 in the cost of the liquor as landed at the several ports, and of Rs. 12,61,518 for local carriage and contingencies, making a total increase of Rs. 35,49,379.

One heavy item in the increase of this grant is caused by the transfer of the cost of carriage from other departments to the Commissariat.

The increase in the Barrack expenditure is caused by the additional grant of lights to reading rooms and non-commissioned and married men's quarters, the increased price of oil, and the rise in the prices of blankets and cotton bedding.

In the miscellaneous grant is included the great increase in the compensation payable to natives for dearness of provisions, including firewood at Bombay. This amounts to Rs. 7,60,000 for Madras and Bombay alone; the compensation in Bengal, which is comparatively small, is shown in the Commissariat expenditure, and is for the most part payable to the troops employed in the Dooars.

The cost of sea transport is mainly increased by the larger number of time-expired men proceeding home, the relief of royal artillery, which was not provided for last year, and a larger relief of the native troops employed in Burmah and the Straits.

The amount of pensions is gradually increasing and the reduction of native artillery last year in Madras and Bombay, and of native infantry at Madras, as also of native cavalry this year at Bombay, has added to the expenditure on this account.

The other items of increase speak for themselves, and require no particular notice.

ARTHUR BROOME, Colonel,
Accountant General, Military Dept.

c
Comparison of Jail Expenditure

		1		2		3		4		5	
		Jail Establishments & including charges for maintenance.		Rations, Clothing, Medicines, &c.		TOTAL.		Jail Manufactures.		Total Jail Expenditure.	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
Bengal ...	1863-64	3,94,336	3,27,876	7,22,210	6,12,600	13,34,819					
	1865-66	2,82,263	7,78,768	10,61,731	7,93,386	17,55,117					
N. W. Provinces	1863-64	2,80,303	2,48,376	5,28,680	13,610	5,42,290					
	1865-66	3,46,751	4,22,336	7,69,076	16,400	7,79,476					
Oude ...	1863-64	82,356	82,334	1,64,690	.....	1,64,689					
	1865-66	1,58,770	1,12,804	2,71,589	.....	2,71,589					
Punjab ...	1863-64	1,46,861	1,54,829	3,02,680	42,334	3,45,014					
	1865-66	2,05,435	3,94,401	5,99,836	34,980	6,34,816					
Bombay & Sind.	1863-64	1,07,658	2,05,795	3,13,353	772	3,14,126					
	1865-66	1,25,897	3,19,175	4,45,072	12,102	4,57,174					
Central Provin-ces	1863-64	1,361	86,240	88,200	79,271	1,67,471					
	1865-66	1,09,172	1,15,000	2,24,172	29,000	2,44,172					
E. & W. Berars.	1863-64	17,774	31,400	49,174	.....	49,174					
	1865-66	42,500	17,752	60,252	300	60,552					
Madras ...	1863-64	1,67,643	1,88,790	3,56,433	14,649	3,71,082					
	1865-66	1,81,497	3,23,350	5,04,847	15,153	5,20,000					
E. Settlements...	1863-64	33,057	33,203	66,260	.....	66,260					
	1865-66	16,819	37,200	53,919	5,900	59,919					
British Burmah.	1863-64	61,882	1,12,270	1,74,152	6,681	1,80,833					
	1865-66	87,978	1,63,080	2,51,058	9,300	2,59,358					
Govt. of India.	1863-64	43,688	1,63,377	2,07,065	2,435	2,09,400					
	1865-66	4,841	2,700	7,541	100	7,641					
Total 1863-64		13,27,309	14,87,496	28,24,796	7,72,961	35,97,157					
Total 1865-66		15,45,629	26,75,555	42,21,184	8,17,621	50,38,805					

ci

in 1863-64 and 1865-66.

INCREASE OR DECREASE IN						REMARKS.
1	2	3	4	5	6	
Jail Establishments, &c.	Rations, &c.	Jail Establishments and Rations.	Jail Manufactures.	Total Jail Expenditure.		
Rs.	Rs.	Rs.	Rs.	Rs.		
-1,11,372	+4,50,892	+3,39,521	+90,777	+4,30,298		
+69,416	+1,73,960	+2,34,376	+2,700	+2,37,186		
+76,421	+39,470	+1,06,891	.....	+1,06,891	
+68,584	+2,38,572	+2,97,156	-7,354	+2,89,802		
+18,839	+1,13,380	+1,31,719	+11,330	+1,43,049		
+1,07,311	+28,760	+1,36,072	-59,271	+76,701		
+24,726	-15,648	+11,078	-300	+11,378		
+19,354	+1,34,500	+1,48,414	+604	+1,49,018		
-17,238	+4,997	-11,241	+5,900	-6,341		
+25,096	+40,810	+66,906	+2,619	+69,525		
-38,747	-19,677	-58,424	-2,336	-64,750	Calcutta Jail transferred to Bengal.	
+2,16,320	+11,89,067	+14,07,388	+46,260	+14,52,648		

LOCAL FUNDS.

	Actual Balance on 31st April 1862.			Actual Balance on 31st April 1863.			Actual Balance on 31st April 1864.			Actual Balance on 31st April 1865.			Actual Balance on 31st April 1866.			Actual Balance on 31st April 1867.		
	Receipts.	Charges.	Estimated Balance.	Receipts.	Charges.	Estimated Balance.	Receipts.	Charges.	Estimated Balance.	Receipts.	Charges.	Estimated Balance.	Receipts.	Charges.	Estimated Balance.	Receipts.	Charges.	Estimated Balance.
Bengal	352,001	47,699	304,302	379,717	55,812	323,905	419,311	61,771	357,540	458,432	70,000	387,432	479,298	97,214	382,084	511,949	104,819	407,130
X. W. Provinces	22,272	43,124	21,852	47,149	47,149	0	103,300	103,300	0	103,300	103,300	0	103,300	103,300	0	103,300	103,300	0
Orissa	186,421	10,920	175,501	181,310	21,622	159,688	184,310	24,427	159,883	193,471	29,212	164,263	193,471	29,212	164,263	211,310	32,100	179,210
Punjab	186,421	10,920	175,501	181,310	21,622	159,688	184,310	24,427	159,883	193,471	29,212	164,263	193,471	29,212	164,263	211,310	32,100	179,210
Bombay	3,669	11,067	7,632	76,000	93,212	82,788	84,274	186,241	55,537	89,251	102,000	102,000	61,000	143,000	188,310	188,310	188,310	188,310
Central Provinces	62,531	82,221	20,690	75,002	84,274	186,241	55,537	89,251	102,000	102,000	102,000	61,000	143,000	188,310	188,310	188,310	188,310	188,310
Recan.	75,886	138,493	62,613	86,716	102,000	102,000	61,000	143,000	188,310	188,310	188,310	188,310	188,310	188,310	188,310	188,310	188,310	188,310
Malwa	64,200	75,012	11,812	72,500	84,274	186,241	55,537	89,251	102,000	102,000	102,000	61,000	143,000	188,310	188,310	188,310	188,310	188,310
British Barmah	4,100	61,200	57,100	132,000	132,000	0	132,000	132,000	0	132,000	132,000	0	132,000	132,000	0	132,000	132,000	0
Government of India	43,366	1,794,800	1,751,434	1,836,631	1,914,700	763,231	1,836,631	1,914,700	763,231	1,836,631	1,914,700	763,231	1,836,631	1,914,700	763,231	1,836,631	1,914,700	763,231
Total	1,664,611	2,030,300	364,311	4,836,631	4,836,631	1,471,300	4,836,631	4,836,631	1,471,300	4,836,631	4,836,631	1,471,300	4,836,631	4,836,631	1,471,300	4,836,631	4,836,631	1,471,300

* Includes Sayer and Miscellaneous Receipts.
 † Exclusive of additional Export Duties.
 ‡ Exclusive of Earnings of Indo-European Line.
 § The amounts marked thus are increased by

General Abstract Statement of the Revenues and Charges of India for five years from 1861-62 to 1865-66.

REVENUES AND RECEIPTS.	1861-62.			1862-63.			1863-64.			1864-65.			1865-66.		
	Actual	Budget Estimate.	Regular Estimate.	Actual	Budget Estimate.	Regular Estimate.	Actual	Budget Estimate.	Regular Estimate.	Actual	Budget Estimate.	Regular Estimate.	Actual	Budget Estimate.	Regular Estimate.
Land	19,544,679	19,544,679	19,544,679	20,200,433	20,200,433	20,200,433	20,200,433	20,200,433	20,200,433	20,200,433	20,200,433	20,200,433	20,200,433	20,200,433	20,200,433
Forest	460,728	460,728	460,728	501,443	501,443	501,443	501,443	501,443	501,443	501,443	501,443	501,443	501,443	501,443	501,443
Alcohol	1,786,157	1,786,157	1,786,157	2,069,279	2,069,279	2,069,279	2,069,279	2,069,279	2,069,279	2,069,279	2,069,279	2,069,279	2,069,279	2,069,279	2,069,279
Assessed Taxes	2,054,600	2,054,600	2,054,600	1,887,212	1,887,212	1,887,212	1,887,212	1,887,212	1,887,212	1,887,212	1,887,212	1,887,212	1,887,212	1,887,212	1,887,212
Customs	2,876,169	2,876,169	2,876,169	2,261,661	2,261,661	2,261,661	2,261,661	2,261,661	2,261,661	2,261,661	2,261,661	2,261,661	2,261,661	2,261,661	2,261,661
Salt	4,542,881	4,542,881	4,542,881	5,214,159	5,214,159	5,214,159	5,214,159	5,214,159	5,214,159	5,214,159	5,214,159	5,214,159	5,214,159	5,214,159	5,214,159
Opium	6,050,269	6,050,269	6,050,269	8,055,476	8,055,476	8,055,476	8,055,476	8,055,476	8,055,476	8,055,476	8,055,476	8,055,476	8,055,476	8,055,476	8,055,476
Stamps	1,650,211	1,650,211	1,650,211	1,489,658	1,489,658	1,489,658	1,489,658	1,489,658	1,489,658	1,489,658	1,489,658	1,489,658	1,489,658	1,489,658	1,489,658
Mint	286,750	286,750	286,750	371,116	371,116	371,116	371,116	371,116	371,116	371,116	371,116	371,116	371,116	371,116	371,116
Post Office	402,153	402,153	402,153	425,228	425,228	425,228	425,228	425,228	425,228	425,228	425,228	425,228	425,228	425,228	425,228
Electric Telegraph	73,452	73,452	73,452	75,255	75,255	75,255	75,255	75,255	75,255	75,255	75,255	75,255	75,255	75,255	75,255
Law and Justice, and Police	611,513	611,513	611,513	634,298	634,298	634,298	634,298	634,298	634,298	634,298	634,298	634,298	634,298	634,298	634,298
Marine	125,723	125,723	125,723	169,916	169,916	169,916	169,916	169,916	169,916	169,916	169,916	169,916	169,916	169,916	169,916
Public Works	588,858	588,858	588,858	413,653	413,653	413,653	413,653	413,653	413,653	413,653	413,653	413,653	413,653	413,653	413,653
Tributes and Contributions	180,162	180,162	180,162	725,763	725,763	725,763	725,763	725,763	725,763	725,763	725,763	725,763	725,763	725,763	725,763
Miscellaneous—Civil	468,500	468,500	468,500	498,057	498,057	498,057	498,057	498,057	498,057	498,057	498,057	498,057	498,057	498,057	498,057
“ Military	956,219	956,219	956,219	802,209	802,209	802,209	802,209	802,209	802,209	802,209	802,209	802,209	802,209	802,209	802,209
Interest	3,1218	3,1218	3,1218	31,261	31,261	31,261	31,261	31,261	31,261	31,261	31,261	31,261	31,261	31,261	31,261
Loans to be raised in England for	45,822,472	45,822,472	45,822,472	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Military and Irrigation Works	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Deficit, including Railways	50,628	50,628	50,628	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	43,880,100	43,880,100	43,880,100	45,142,723	45,142,723	45,142,723	44,613,802	44,613,802	44,613,802	44,613,802	44,613,802	44,613,802	44,613,802	44,613,802	44,613,802

* Exclusive of additional Grant to Bombay £17,520.
 † The amounts marked thus are increased by £17,520.
 ‡ The surplus is increased by £250,000+£300,000—£17,520=£432,480

* Includes Sayer and Miscellaneous Receipts.
 † Exclusive of additional Export Duties.
 ‡ Exclusive of Earnings of Indo-European Line.
 § The amounts marked thus are increased by

Statement of Cash Balances in the Indian Treasury on the 30th April 1866.

RECEIPTS IN INDIA IN 1865-66.			DISBURSEMENTS IN INDIA IN 1865-66.		
£	£	£	£	£	£
Revenues	£16,488,760		Expenditure in India ... 40,469,540		
Add—Additional Export Duties.	330,000		Add—Additional Grant to Bombay under "Law and Justice"	17,520	
Receipts from Indo-European Telegraphic Line	6,000			40,487,060	
		300,000	Deduct—Items included in above		
		46,878,760	—Stores from England ... 690,300		
Debt (Receipts on account of)	11,794,215		Dividends on India Transfer	74,000	
Recoveries in India of Payments in England.			Loan Property	41,700	
Funds, Family Remittances, &c.	1,569,040		Miscellaneous	715,000	
Net Railway Earnings	1,690,000			30,772,060	
Estimated Cash Balance on the 30th April 1865.	11,417,030		Debt (Payments on account of)	11,507,635	
			Payments in India on account of England.		
			Railways	3,483,334	
			Irrigation and Canal Company	365,000	
			Other Payments	126,280	
				3,974,614	
			Remittances to England on account of Payments for India.		
			Guaranteed Railway Interest	2,834,000	
			Other Payments	4,510,375	
				7,344,375	
			Unadjusted amounts between Presidency and Presidency	100,000	
			Estimated Cash Balance on the 30th April 1866	10,860,430	
				10,960,430	
		£73,250,114			£73,250,114

FORT WILLIAM,
FINANCIAL DEPARTMENT,
The 31st March 1865.

E. H. LUSHINGTON,
Secy. to the Govt. of India.

Home Charges in 1865-66.

	£	£
DEBT.		
Dividends to Proprietors of East India stock	672,270	
Interest on Loans contracted in England	1,734,150	
TOTAL DIVIDENDS AND INTEREST	2,406,420	1,844,120
CIVIL.		
Charges General, Home Establishments, &c.,	177,000	
Amount payable under the Postal arrangement	60,000	
Red Sea and India Telegraph—Charge to India	18,000	
Persian Gulf Telegraph Cable	12,000	
Mission to the Court of Persia—Charge to India	12,000	
Her Majesty's Establishments in China—Charge to India	17,000	
Pensions and Retired Allowances, viz—		
Civil Pensions, including late St. Helena Establishment	227,000	
Parfouch and Absentee Allowances	74,000	
Miscellaneous, including India Office, site and building	269,200	
TOTAL CIVIL CHARGES	791,000	791,000
MILITARY.		
Effective Charges.		
Imperial Government for Troops serving in India 676,000		
Ditto on account of cost of education of Officers and Cadets	5,272	
Passage of Troops	100,160	
Passage and Outfit of Officers	42,000	
Parfouch Allowances	177,000	
Construction of Vessels for conveyance of Troops between this country and India	730,000	
TOTAL EFFECTIVE CHARGES	1,735,272	
Non-Effective Charges.		
Imperial Government for Troops serving in India 226,000		
Retired Pay, including Colonel's Allowances	714,000	
Pensions, Lord Clive's Fund	118,000	
TOTAL NON-EFFECTIVE CHARGES	1,158,000	
TOTAL MILITARY CHARGES	2,893,272	2,893,272
MARINE.		
Pensions and Retired Allowances, Indian Navy and Bengal Pilot Service	25,000	
Parfouch Absentee Allowances	1,000	
TOTAL MARINE CHARGES	26,000	26,000
TOTAL CHARGES IN ENGLAND	5,005,002	
Deduct—		
Miscellaneous Home Receipts	110,002	
NET EXPENDITURE IN ENGLAND	4,895,000	

APPENDIX I.

THE NEW TAXES ON EXPORTS.

TO HIS EXCELLENCY THE RT. HON'BLE SIR JOHN
LAIRD MAIR LAWRENCE, BART; G. C. B.; N. S. I.

Viceroy and Governor General of India.

The Memorial of the undersigned, who are persons largely engaged and interested in Commerce and Agriculture in this country, respectfully

SHEWETH,—That your Memorialists have learned with surprise and regret that a Bill has been introduced into the Council of your Excellency for making laws and regulations to levy export duties on wool, silk, tea, coffee, sugar, jute, and hides, and to increase the duties already levied on the export of rice and grain.

That amongst the articles so selected for taxation are several of which the exports from India bear but a small proportion to the exports from other countries with which they are brought into competition in the neutral markets of the world. That under such circumstances the duty must necessarily fall on the producers, and that when the incidence of the duty is upon the producers export duties are condemned by all sound political economists and are opposed to the spirit of enlightened fiscal legislation.

That in this category your Memorialists place wool, of which the imports of East Indian into Great Britain in the year 1861 were only one-ninth of the total import—silk, of which the import of East Indian was in like manner about one-fifth of the total import—and tea and coffee, of which the imports were respectively only one-fortieth and one-eleventh of the total imports into Great Britain.

That further as regards wool, your Memorialists represent that it is an article which is produced principally by wild and turbulent

hill tribes, whom commerce would do much to civilise, and that on that ground also it is especially undesirable to discourage the development of such trade by any impost, however small.

That as regards silk, the production in this country has been for some time stationary, or has rather retrograded, the export of the last three years having only averaged 12,507 cwt. against an average export of 13,158 cwt. during the previous three years, a circumstance which proves that the profits of the trade are small and ill able to bear the taxation from which it was relieved in 1858. Indeed your Memorialists are able to affirm that for some years the larger filatures on the European system have been worked at a loss.

That as regards tea, that capitalists in embarking in the cultivation have done so in full confidence that, without the gravest necessity, the duties which, in the face of a great financial deficit, were removed in 1860 as indefensible in principle would not be reimposed; that already the cost of producing tea has been seriously enhanced by the increase of wages and other collateral expenses attending an adequate supply of labor, and if to this is superadded an export duty equal in amount, for each year when a garden is in full bearing, to double the upset price of the land under the waste land rules, your Memorialists apprehend that the extension of tea cultivation will be seriously checked.

That, further as regards tea, an interval of from five to six years elapses before the plant arrives at maturity, and that consequently many gardens which have been lately opened will not yield any profits for years, but will in the meantime, whilst not yet self-supporting, have to pay to Government 3 per cent. of their gross produce.

That as regards coffee many of these arguments apply with equal force.

That in regard to the other articles on which it is proposed to levy duties—

1st, Sugar—Your Memorialists remark that the trade in sugar has long been a decaying trade, as is shown by the fact that the exports to all ports, excluding Bombay, which in 1852-54 averaged 36,356 tons, have during the last 3 years only averaged 13,136 tons. That this falling off is not exceptional, but is owing to the great increase in production of beet-root sugar in Europe, and to the

lower price" at which sugar is supplied from the West Indies, Cuba, Mauritius, and other sugar producing countries. That, even without a duty, the produce of India can scarcely compete with the produce of other countries, and that to place a duty upon it, however small, is to "extinguish what remains of the trade."

2nd, *Jute*.—That the export of this article is falling off, having in 1860, 3,080,867 pieces last year against an average of 3,687,815 in the three previous years, and that this falling off is owing to the unremunerative prices obtained in England, where, notwithstanding smaller supplies, prices during the last year have been considerably below the average of previous years.

3rd, *Jute*.—That although your Memorialists admit that the "profits of jute cultivation have, especially during the last three years, been large, and that, if this prosperity were likely to be permanent, no attempt could be 'advised against' an export duty on jute which would 'not apply with equal or greater force to any other articles of export on which duties are levied, yet your Memorialists would remark that the high price of jute during that period' has been mainly owing to the deficient supply and high prices of cotton, and that as the production of the latter staple has now again overtaken the consumption, and a heavy fall in prices has taken place, so jute has also fallen heavily in price, and is not again likely to command the extreme prices of the last 3 years, on which the assumed prosperity of the trade is based.

That as regards rice, on which the duty is proposed to be raised from 2 to 3 annas per maund, whilst your Memorialists admit that the profits of this cultivation have also been large, they desire to point out that on the lower quality of rice exported from this country, and on the qualities exported from Africa, such a duty is a very heavy percentage on the first cost thereof, amounting in the case of Bengal rice to about 10 per cent. on an average cost, and in the case of African rice to about 14 per cent. on an average cost, and that it is these quantities which have to encounter in the markets of China, Mauritius, and elsewhere the competition of Siam and Cochinchina.

That in illustration of the impolicy of excessive duties on exports, your Memorialists desire respectfully to draw your Excellency's attention to the article of saltpetre, of the production of

which India had at one time a virtual monopoly, and on which it was consequently considered a duty of 2 annas per maund might with impunity be put off. The high price at which, by reason of this duty, the article was available in the markets of Europe, stimulated the ingenuity of chemists to cheapen the production of a known substitute; and so successful have been their efforts that year by year the cost has been decreased, until an article chemically equal to the Bengal saltpetre, which a few years ago cost to produce 450 per cwt., is now produced at 25s., and it is the opinion of many that, unless the export of saltpetre from this country be made wholly free, there is great danger of the trade being entirely lost.

That above all your Memorialists respectfully represent that the imposition of these duties, or any of them, for purposes of revenue is unnecessary, inasmuch as opium is undervalued in the Budget estimate of the coming financial year, and that had the price of opium been calculated at such a price as the ascertained facts fully warranted, the surplus or excess over the estimates would have equalled the sum which these duties are estimated to yield. In conclusion your Memorialists, whilst confiding themselves for the present to seeking to be relieved from the additional export duties proposed to be levied, trust that, before the next Budget is brought forward, the expediency of abolishing all export duties will have received your Excellency's attention.

Your Memorialists therefore humbly pray that your Excellency will be pleased to take the matter of this memorial into your Excellency's consideration, and other withholdments of your Excellency's assent to the Bill, should your Excellency so deem fit, on the subject of the proposed duty on rice, which has already been given, that your Excellency will cause a Bill to be introduced into your Excellency's Council for making all regulations and laws and regulations for the purpose of the said Act, and repealing or amending the said Act, as may be thought proper.

And your Memorialists as in duty

bound will ever pray,
 CALCUTTA,
 The 10th April 1866.

The following letter was addressed to Chambers of Commerce, Members of Parliament, &c.:-

BENGAL CHAMBER OF COMMERCE,
Calcutta, 19th April 1865.

To
SIR,

I am directed by the Committee of the Bengal Chamber of Commerce to forward for your information the accompanying copy of a memorial which has been presented to His Excellency the Governor General of India against the bill for imposing export duties on wool, silk, tea, sugar, and other articles, which recently passed the Legislative Council by a majority, together with His Excellency's reply to the said memorial.

It being very important that public opinion in England should be brought to bear upon the Government of India in this matter, as well to induce the repeal of the most obnoxious of these duties at the earliest period when such repeal can now take place, as also to prevent further legislation in the same direction, I am to express a hope that the matter of this memorial may have your consideration, and that your influence will be used in opposition to legislation of so retrogressive a character in this country.

I have the honor to be,
Sir,
Your obedient servant,

H. W. I. WOOD,
Secretary.

APPENDIX J.

ALLOWANCE FOR WASTAGE ON SALT IN BOND.

From T. BRUCE LANE, Esq., Junior Secretary to the Board of Revenue, Lower Provinces, to the Secretary to the Government of Bengal, (No. 390, dated the 25th March 1865.)

SIR:-In reply to your letter No. 697, and memorandum No. 877 of the 20th and 25th ultimo, forwarding a report lately submitted to Government by a special Committee on the subject of wastage allowance on salt in bond, I am directed to communicate the remarks of the Board thereon.

2. Paragraphs 3 to 11 of the report contain a review of the clearance of salt in bond during the seven years ending 31st December 1864, concerning which the Committee remark that until 1863 the long prescribed allowance of 2½ per cent. was found ample; but that during 1863 and 1864 a very large number of cases of excess wastage occurred, whether caused by careless storage and weighing, or by neglect to repair the golahs. Further the largest wastage was stated to take place within the first and second years, after which time the outer-crust of the salt usually hardened and preserved the bulk of the store from further damage.

3. With regard to these facts the Committee, in paragraph 12, recommend that, if the present system is continued of levying duty on the quantity of salt first stored after allowance of a prescribed rate of wastage, the ordinary allowance be raised to 4 per cent., with power to the Board to admit exceptional applications to the extent of 10 per cent.

4. Before the Board record their opinion on this proposal, I am to remind Government that the question of the wastage to be allowed on salt in bond has been repeatedly discussed since the rules, miscalled bonding rules and passed in 1841, permitted of the storage of salt in private warehouses on deposit of the duty in promissory notes or approved bills. Under those rules duty was levied three months after the ship was entered at the Custom

House, with a wastage allowance of 3½ per cent. In 1847 actual bonding of salt in private warehouses was first permitted, and then, for the first time, a portion of the Sulkaik Government Golahs was set aside for the public so long as it might not be required for Government use. But the rate of wastage of 4 per cent. was apparently allowed only to the warehouse-keeper, the duty being taken on the full quantity delivered over the ship's side. In 1848, however, the bondor was first allowed a rate of wastage of 4 per cent. in settling for duty on clearance of his salt.

5. In 1860 the Board pointed out to Government that the existing rate, which had been arbitrarily fixed in 1847 by the Court of Directors, because it was the rate allowed for saltpetre, was far higher than had been found necessary in any case; and Government on consideration of the results of the six preceding years, reduced the allowance to 2½ per cent., that being the rate allowed to Government officers in charge of salt, the Board having discretion to increase the allowance to 4 per cent. in suitable cases.

6. In 1853 decided restrictions were imposed upon bondors of salt, certain purchasers from the ship having been strongly suspected of attempting to evade payment of duty by taking salt up the river instead of to the warehouse. Wastage to the extent of 2½ per cent. was then declared allowable only on salt stowed in Government Golahs, no allowance of any kind being made for private warehouses, and these restrictions continued until the end of 1857. The exceptional state of the salt market then prevailing was, in December of that year, brought to the notice of Government, and the Board's recommendation that, as there was no sufficient accommodation in the Government Golahs for the bonding of salt, a wastage allowance of 2½ per cent. should be made for all bonded in private warehouses, was, as a special measure, sanctioned.

7. In July 1858 the Board recommended a further extension of the allowance to 4 per cent., as during the six years, 1852 to 1857, cases had occurred in which 2½ per cent. was not sufficient, and Government then allowed a return to the practice sanctioned in 1850, by which the Board had discretionary power to increase their allowance to 4 per cent.

8. In 1862 several of the firms engaged in the salt trade addressed the Board, through the Chamber of Commerce, and applied for an entire change in the rules for levying duty on salt cleared out

of bond. They contended that, as Government officials weighed the salt on boardship, guarded it whilst it was kept in the private golahs, and again weighed it on clearance, the owners could not, in fairness be held responsible for any deficiency; and that indeed they might be considered entitled to demand an account from Government for any deficiency in their goods in excess of a reasonable wastage. They therefore proposed that the weight on boardship should be altogether dispensed with, and that duty should be levied only on the quantity of salt finally cleared out of bond. The Board gave full consideration to these representations, but it seemed to them that, as the salt stored in private golahs was throughout under the care of the bondors, and as the value of the article itself bore so small a proportion to the duty leviable on it, the chief security of Government consisted in the liability of the bondor to pay duty on the full quantity bonded, less a reasonable wastage which had been arbitrarily fixed at 2½ per cent. Further there appeared to be no reason why salt should be more leniently assessed with duty than other goods which were stored in private warehouses. Whilst recommending to Government, therefore, that on salt stored in the Government Golahs duty should be levied only on the quantity actually cleared, the Board still considered that for salt bonded in private warehouses the former allowance was amply just and sufficient, and the Government, in May 1862, entirely adopted these suggestions.

9. The bill for regulating Customs duties was shortly afterwards referred to the Board for report, when the practice of the Custom House, regarding private warehouses, was taken into consideration. It was usual to place two locks on the door of such places, one by the bondor and one by the Collector, and where salt was stored a guard also was stationed. These joint precautions had been adopted because of the exceptional relation between the actual value of salt and the amount of duty leviable on it; and also because many of the purchasers and bondors of salt were men of straw, and to give them free access to their goods would be to draw a temptation in their way too strong for them to withstand. If unchecked by Government lock and guards they might remove their salt, and any proceeding against such men on their bond, which is always without security, would be practically in vain.

10. It appeared to the Board, however, that neither the law then

in force nor the proposed bill contemplated any such precautions, the several sections relating to private warehouses apparently providing that the bonders should at all times have access to their goods on which Government had a lien until their duty was discharged. In fact removal of goods by the bonder, without the knowledge of the Custom House, was considered possible and rendered penal. In future, therefore, it seemed necessary that the law should specifically provide either for the custody of private bonded salt under Government locks and guards, the bonder not being allowed free access to his goods, or else that the penalties for removal of goods from private warehouses without notice should be made far more stringent. The Board's report to Government on the proposed Customs Act was dated 26th September 1862, No. 1247.

11. After the passing of the Act Government were requested, in August 1863, to prescribe the rate of wastage to be allowed under Section 95, and notice was accordingly given that an allowance of 2½ per cent. would be made on clearances of salt from private warehouses, the same section of the Act having provided that duty on salt warehoused in Government Gohals should be charged only on the quantity cleared. In the following month the Board were directed to report on the stock of Government salt with a view to its ultimate sale by auction, and the question of wastage was again "enquired" into. The Superintendent of the Sulkech Gohals reported that loss wastage occurred in the purer and larger grained stocks, or in Purgah, as opposed to the coarser Kurkutch salts, and he also stated, as justly observed by the wastage Committee in their present report, that the greater proportion of wastage took place in the first and second years of storage, after which the outer-crust of the salt hardened and preserved the bulk from further deterioration. The Board in reporting the matter to Government observed that during the five preceding years the average wastage on salt cleared from the Sulkech Gohals had been under 1½ per cent., a partial cause for this very small rate being that the deliveries had been chiefly of Purgah salt. They anticipated a much larger wastage on the remaining stocks of old Kurkutch. On the whole it appeared to them that the probable stock of Government salt might be calculated by allowing for a wastage rate of 2½ per cent. during the first year of storage, and of an additional unit per cent. for every succeeding year until the sixth year. Any

salt remaining in store for a longer time, would, they believed, be so hard and impervious that, except in very exceptional cases, no larger deficiency than 7 per cent. would ever occur.

12. In 1864 the Chamber of Commerce again represented to Government the harsh effect of existing bonding rules on importers of salt, and solicited a further change. It appeared to them no longer proper to distinguish between clearances of salt from Government and from private warehouses, as in either case the Government had now full means of guarding against fraud or theft; and, as to the probability of loss from disrepair of private gohals, they considered that the bonder's own interest in his property would be found a sufficient guarantee for his keeping the gohals in proper repair as well as in security against theft.

13. The Board reported on this subject in their letter No. 871 of the 29th September 1864, observing that the practice of keeping a double lock on private warehouses should now be discontinued, as opposed to the warehousing provisions of the existing law, and that bonders of salt should be no longer able to advance the presence of such locks as a plausible excuse for deficiency in excess of the authorized rate of wastage. It was then recommended that, on all future applications to bond salt proper security should be required, and that any contravention of Section 91 of Act VI, 1863, should be in every case stringently punished. To the Chamber

NOTE.—Mr. Grote being absent on deputation had not an opportunity of seeing Mr. Palmer's letter No. 371. Had he been in Calcutta he would have suggested in an article following for its 4th paragraph, for it is not in the present context of the bonded salt that Government are six times as much affected as the bonder, but in the present context of its passing into consumption. The decrease of the bonded salt would be no less to the revenue for the reason mentioned by the Committee in their 15th paragraph.

of Mr. Palmer's assertion that the bonder, for his own sake, would keep his gohals in repair, it was replied that the interest of the bonder was not to be compared with the interest of Government in the salt in bond, the value of which was trifling in comparison with the duty forming a very considerable portion of the estimated annual revenue. It was still necessary, therefore, that Government should have the means of forcing the bonder to keep his salt from injury by retaining the power to realize, the full duty unless satisfied with the reasons for excess deficiency. In November 1864 the Committee was appointed, whose report is now under consideration.

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14. In paragraph 13 of that report it is observed that there is no apparent reason for the difference in allowance of wastage for salt bonded in Government and private warehouses. The supposition that the latter class is less secure than the former is negatived, the Committee state, by a section of the Customs Act which provides for the imposition of a double lock and for the proper custody of bonded salt at the owner's cost. But I am desired to point out that there is no such provision in the law, and that Mr. Crawford, President of the Committee, on being asked by the Board to quote the section, has replied that the report was incorrectly drawn up in this respect, and that it should have been worded "as the practice of the Custom House provides for the joint custody, &c." The Committee, however, proceeding on this incorrect view of the law, have ascribed the difference in wastage allowance to a belief on the part of Government that excess deficiency in salt stored in private warehouses is caused by the bonders' own negligence; and they pronounced their opinion that duty should in no case, save that of fraud, be levied on more than actually passes into consumption. Such a course would, it appears to them, entail no loss on Government, even though an entire cargo might be destroyed in bond, as the consumption would not vary and the same amount of duty would be obtained on a fresh supply of salt.

15. The Board have already pointed out that the practice of retaining double locks and special guards is illegal instead of being enjoined by law, and that, in their opinion, the law and not the practice should be maintained in future. Even, under present circumstances, there is the greatest difference in the degree of security afforded by the Government warehouses of solid build protected by high masonry walls and fixed guards, and in that afforded by private knick shops, erected in open spaces. And if it should be determined to place salt stored in the latter on the same footing as that in Government godowns, it would be imperatively necessary to require bonders to resort to masonry warehouses properly protected by a good boundary wall. In no other way could Government be guarded against theft of the salt, or possible fraud on the part of that class of bonders who are speculators of no actual position or means, and to whom the temptation to remove their

salt clandestinely, and sell it without payment of duty, would be extraordinary.

16. The principle on which the Committee base their recommendation appears also insufficient. It is not the rule in the case of all other goods than salt that duty should be levied only on the quantity actually passing into consumption. In England duty is levied according to the account taken on first entry and landing of the goods at the Custom House, excepting only as regards tobacco, wine, spirits, figs, currants, raisins, and sugar, of which the quantity actually delivered only is assessed. Under the Indian Customs law wines, spirits, beer, and salt are the only exceptions, the duty on all other goods being levied on the quantity or value registered at the time of importation. And Section 96, whilst prescribing a penalty for unexplained deficiency in warehoused goods, makes a special exception in favor of the four articles before mentioned, and empowers the Board to make any allowance which may seem suitable. The principle advocated by the Committee is therefore directly opposed to the intention of all existing laws, which require that duty should be paid on the goods as first landed and entered at the Custom House, and at the same time vest the proper authorities with ample discretion to deal with all exceptions to the rule.

17. The Committee in fact, in the arguments put forward in their report, appear to the Board to have entirely overlooked the fact that salt in bond, in common with all other imports on which duty is not paid on entry, has been mortgaged to Government in security for that duty, and until that obligation is cancelled the owners of the goods cannot remove them out of bond. When in addition to this it is considered that the permission to bond goods was originally given to merchants, that payment of duty might be made at convenient times, that the prices of their goods might not be artificially raised by forced payments of that duty, and a healthy competition thus prevented by the trade falling into the hands of a few wealthy houses, and that imports might not be limited to merely such a quantity as was required for immediate consumption, it appears to the Board that the adoption of such a principle as has been advanced by the Committee would be wholly unjustifiable.

18. I am to recommend, therefore, that the rules for allowing wastage on the clearance of salt in bond be retained in their

present shape, and that, whilst salt in Government godowns, for the wastage of which Government is also responsible, pays duty only on the quantity cleared, no greater allowance of wastage than 2½ per cent. shall be passed for salt in private warehouses in ordinary cases. On clearance of salt which has been stored in such places for more than one year, the Board will be always prepared to attend to any application for the exercise of their powers under Section 96 of the Act, in accordance with which they can, if necessary, remit any portion, however large, of the amount of duty originally assessed. No application for increased allowance, based on fair grounds, has ever yet been refused, and there does not appear to be any reason whatever for any alteration in the present law in this respect.

An alteration should rather be made in the direction pointed out in paragraph 6 of Mr. Prinsep's letter by adding, to the 77th Section, after the words "execute a bond," the following, "with or without security as the Collector may determine." With such a provision in the law as that therein suggested the present incorrect practice of the Custom House, would be abandoned, and bonders could in future be required to furnish substantial security for the fulfilment of their engagements to Government.

19. The enclosures of your letter under reply are herewith returned.

(True Copy.)
 T. JONES,
 Registrar, Bengal Secretariat.
 No. 1586.

From THE HON'BLE A. EDEN,
 Secretary to the Government of Bengal,
 To THE JUNIOR SECRETARY TO THE
 BOARD OF REVENUE,
 Fort William, the 24th April 1865.

SIR.—I am directed to acknowledge the receipt of your letter No. 390 of the 29th ultimo, submitting the Board's remarks on the

report of the Committee appointed to report on the subject of the allowance for wastage on salt in bond, and in reply to say that the Lieutenant Governor entirely agrees with the Board in thinking that no sufficient grounds are shown for altering the rules already in force.

2. The whole of the argument of the Committee for an alteration of the present system, under which duty is levied on salt cleared from Government warehouses only on the amount actually cleared, whilst on salt stored in private warehouses it is levied upon the quantity received into bond less an allowance for wastage, is founded upon a fallacy which should certainly have been apparent to them. They assume that under a certain section of the Customs Act, which they do not particularize, salt bonded in private warehouses is under the joint custody of the officers of Government and the bonder. A reference to the Customs Act, to which they allude, would have shewn the Committee that the contrary is the case, and that salt, like any other article, bonded in a private licensed warehouse is there under the custody and on the sole responsibility of the owners of the warehouse and the bonder.

3. The Committee admit that the "temptations to fraud are exceptionally great" in the case of salt on account of the high duty on this article of import as compared with its intrinsic value; but, even setting aside the question of deliberate fraud on the part of the bonder, it is certain that private warehouses, scattered as they now are throughout the city, afford singular facilities for pilfering, on the part of persons in the bonder's employ and of others having access to the premises, which can only be guarded against by enforcing strictly the responsibility of the bonder and making it his direct interest to detect and prevent dishonest practices of this description. Indeed, were he not held liable for the full duty on all salt so made away with and passed into consumption, his interest in the protection of the salt would be insignificant as compared with that of Government, and a regular system of theft and smuggling would be the consequence.

4. Where the salt is really wasted, and is not stolen, and consumed without payment of duty, Government is no loser by the deficit, and therefore a certain fixed allowance which has

APPENDIX K.

OBSTRUCTION TO TRAFFIC ON THE EAST
INDIAN RAILWAY.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 12th January 1865.
EDWARD PALMER, Esq.,
Agent, East Indian Railway.

Sir,—I am desired by the Committee of the Chamber of Commerce to forward the accompanying original representation from a number of native merchants as to the extraordinary delay in the transmission of goods by Railway to and from the Upper Provinces; and the Committee will be glad to receive any explanation which it may be in your power to give them on the subject.

The return of the enclosure is requested with your reply.

I have the honor to be, &c.,

H. W. I. WOOD,
Secretary.

To
H. W. I. WOOD, Esq.,
Secretary, Bengal Chamber of Commerce.

Sir,—We, the undersigned dealers in English cotton goods, beg that you will have the kindness to inform the Committee that we have suffered very great inconvenience and damage owing to the stoppage of traffic on the East Indian Railway Company for the last two months. Goods which were sent by us to the North-west two months ago have not reached their destination, and goods which were despatched from the Upper Provinces two months ago have not arrived. We hear that there are many thousands of packages

waiting at different stations to be forwarded, which are suffering much damage from white ants and exposure, besides losing the markets, and thus all parties are losing very heavily.

We therefore request that the Committee of the Chamber of Commerce will write to the Agent of the Railway Company on this subject, and we shall feel very much obliged by their assisting us.

We have the honor to be,

Sir,

Your most obedient servants,

HURSHAMUL RAMCHUND.
THELSHOKE ROY HURMOKE ROY.
ROOKMANUND OURJUN DASS.
OUKOY RAM HURSAMUL.
GOORTHAL BAHELLALL.
HURTHAL RAM PRATABE.
RAM NARAIN PANALALL.
NARMUL DINONATH.
MOONSHOKE ROY SHOTHASHOKE.
MOHUN RAM MUNALALL.
RAM CHUNDER SHUWPROSADE.
JUGONATH MANGNERAM.
SALGARAM NUNDOKISSORE.
HIMMOTH RAM HURRINARAIN.
NUNDO RAM RADAKISSEN.
OURJUN DASS HAZARIMUL.
KATHESE DASS RAMNARAIN.
MIRZAMUL MOOLCHADE.
CUSTORMUL RAMGOPAL.
RAMJE DASS SHOKEDADE.
HURNUND ROY DOULOTE RAM.
RAM CHURN DASS KISSENALL.

CXXX

GUNGA BISUN MANGNE RAM.
NARMUL BANIRAM.
PALIRAM GUNGADHUR.
BHARAMUL BUNSIDHUR.
JUGOMOHUN DASS RAMCHUND.
KHALARAM MUDDEN CHADE.
HUTTI RAM GHUNESAM DASS.
BUXIRAM CALO RAM.
BAJUNLALL PURAMUNNUND.
RAM GOPAL JOYNARAIN.
CHUNDER BHAR GOBIND RAM.
RAMDHUN DASS JOHURMUL.
JUMNA DASS RAM DYAL.
SONE RAM BALMOCKUND.
LALL CHAD RAM THYAL.
SHARAM MIRZA MUL.
BISSUN THYAL ISSUR DASS.
GUNAISH DASS GULI WALAH.

No. 446G.

From

THE AGENT, EAST INDIAN RAILWAY

To

H. W. I. WOOD, Esq.,

Secretary, Bengal Chamber of Commerce.

Calcutta, 14th January 1865.

SIR,—I have the honor to acknowledge receipt of your letter of 12th instant with enclosed application (herewith returned) from a number of native merchants regarding the great delay in transit of their cotton forwarded to and from the Upper Provinces.

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I regret that the delay complained of has to a great extent occurred. It is owing to the large and sudden increase of traffic together with the impediment caused by the break at the Jumna.

The accumulations at stations are now however being rapidly disposed of, and I trust in a short time the traffic will resume its former regularity. In the meantime, every thing is being done that can be done to bring about a better state of things.

I have the honor to be,

Sir,

Your obedient servant,

EDWARD PALMER,

Agent.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 27th January 1865.

COL. R. STRACHEY,

Secy. to the Government of India,

Public Works Department.

SIR,—By direction of the Committee of the Chamber of Commerce I have the honor to forward copy of a letter addressed to the Chamber by several native merchants who represent that they have suffered great inconvenience and damage owing to the stoppage of traffic on the East Indian Railway.

The Committee immediately communicated with the Agent for the Railway Company on the subject, and were informed that the delay complained of had certainly existed, but that it was attributable to the large and sudden increase of traffic, together with the impediment caused by the break at the "Jumna;" that accumulations at stations were being rapidly disposed of; that the traffic would, it was hoped, shortly resume its former regularity; and that in the meantime every exertion was being made to bring about a better state of things.

and the proof would consist in a time table with above twelve trains each way for our present requirements (allowing for specials, &c.) That it is impracticable, however, I am convinced, and it only needs I am sure to consider the circumstances under which it is asked for, to convince any one.

Trains run at different speeds, and stations are at different distances, so that three trains following one another may stand in one instance, in the order, 1, 2, 3, in the next, 2, 1, 3, in the next, 3, 2, 1, in the next, 2, 3, 1, in the next, 3, 1, 2, and so on or even, if all three be goods trains, as they first stand. They may be a clear station apart, at Cytília, Mularpore, Rampore Haut, while the whole distance between 1 and 3 would only just cover the interval Pakour to Bahawa, (and this instance is not a solitary one). In the latter case the second train must wait at Pakour till the first reaches Bahawa, and the third would have to wait at Pakour a full hour. How then would you work the down traffic after keeping the road in use for up trains for three hours? I say nothing of breaks down and other losses of time. To prove a complicated working arrangement of this kind impracticable is not the work of words and figures; figures prove something in mathematics or accounts because we give them an arbitrary value, but to attempt to prove a negative in a case like this is mere waste of words.

Common sense and a knowledge of the circumstances of the case produce a conviction which is what we have to act upon, and I would ask any man to take the two instances I have given in this letter and say what his conviction is.

From personal observation, the Consulting Engineer and his deputy are both convinced that the traffic is at present being conducted at great risk, and already several cases have occurred in which serious collisions, by trains meeting, have been imminent, though provisionally actual violent contact has hitherto been averted.

The Lieutenant Governor desires to place upon record his own opinion in concurrence with that of the Consulting Engineer and the Railway authorities, that the limit to which a single line can be safely used has been reached this season.

The Lieutenant Governor also, on financial grounds con-

curs with the Chamber of Commerce! In the opinion that the line has certainly arrived when the double line which at present terminates at or near Baurhan, should be extended to the extreme end of the line, that is, say as far as the Jimna; and I am directed again to invite your attention to my letter No. 520 G, dated 26th April 1864; and to press on the consideration of His Excellency in Council the urgent necessity for making arrangements in England for the supply of permanent way and iron-bridging for doubling the entire line from Calcutta to Allahabad. It must be remembered that in the course of three years, this line will have to bear the increased traffic that may be brought to it by the completion of the junction line to Jubulpore.

The early construction of the earth-work and masonry of the chord line between Assensole and Luckeeseraf Stations should also be at once provided for, for if there be any delay in the completion of this work, the inevitable alternative is that the present line from Baurhan (Kanoo Junction) to Luckeeseraf by the valley of the Ganges must be doubled.

I am further to notice that an early settlement of the Hooghly Bridge question is absolutely necessary. The terminal works at Howrah are now at a stand-still, notwithstanding that, from insufficient goods accommodation, the terminus is already the weakest point of the line, and incalculable delay and loss is sustained in crossing the traffic over to Calcutta.

Lastly, I am to recommend that immediate sanction may be given for laying down as much permanent way as is now available in this country, to double the line from Luckeeseraf upwards, either in a continuous length, or between alternate stations where large bridges intervene, as local reasons render necessary or advisable.

The cash outlay for dressing earth-work, ballasting and laying, is estimated by the Chief Engineer at Rs. 12,000 per mile, and probably about 100 miles of permanent way can be made available by collections from all parts of the line.

The Chief Engineer appositely observes with reference to this proposition, "that if the work is commenced at once, we shall avoid that pressure on the labor market which will result from commencing the construction of the chord, and the doubling of the main line, at the same time."

19. The early orders of His Excellency in Council are solicited. Provision for this extraordinary expenditure has not been made in the Railway Budget for the ensuing year.

I have the honor to be,

Sir,

Your most obedient servant,

F. S. TAYLOR, CAPT., R. E.,

Joint Secy. to the Govt. of Bengal,

P. W. Dept., Railway Branch.

No. 216R.

FROM

COLONEL R. STRACHEY, R. E.,

Secy. to the Govt. of India.

TO

THE JOINT SECY. TO THE GOVT. OF BENGAL,
IN THE PUBLIC WORKS DEPARTMENT.

PUBLIC WORKS DEPARTMENT,

Fort William, 14th March, 1865.

Railway.

SIR,—I am directed to acknowledge the receipt of your letter No. 235 G of the 25th ultimo, submitting a report by the Deputy Consulting Engineer on the present state of the traffic of the lower division of the East Indian Railway, and recommending immediate sanction to an expenditure of about 10 lakhs of rupees for doubling the line for about seventy miles from Luckeeserai upwards, either in a continuous length or between alternate stations where large bridges intervene, as local circumstances render necessary or advisable. It is explained that there is sufficient permanent way material available in the country.

2. This proposal the Governor General in Council is pleased to sanction. With reference, however, to the certainty that, before the chord line from Raeccongto to Luckeeserai can be opened, there will be a large increase of traffic on the lower end of the line, *viz.*, between Jamalpoor and Burdwan, I am directed to suggest for consideration whether some of the lengths near Rajmahal might not be doubled at once, as well as, or instead of, some of the upper lengths named by Mr. Power.

3. Further, I am desired to state that the time has now come, in the opinion of the Governor General in Council, when arrangements may be made for doubling the line throughout as far as the Jamma. Looking to the long interval that must intervene before this can be carried out, and judging by the present amount of traffic, it may be safely predicted that before it is accomplished the traffic will have so far expanded as to demand it. The Secretary of State has, therefore, been addressed in this sense.

7. The question of the chord line will form the subject of a separate communication. That of the bridge over the Hooghly, as the Lieutenant Governor is aware, has been referred for report to the Committee of which the Hon'ble Mr. Taylor is President.

8. The sanction now accorded has been entered as No. 50 R of 1864-65 on the Register of this office.

I have the honor to be,

Sir,

Your most obedient servant,

(Signed) R. STRACHEY, COLONEL, R. E.

Secy. to the Govt. of India.

APPENDIX L.

OVERLAND MAIL SERVICE BETWEEN INDIA
AND ENGLAND.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 4th March 1865.

E. C. BAYLEY, Esq.,

Secretary to the Government of India,

Home Department.

Sir,—The Director General of the Post Office submitted to Government in his letter No. 2663 of 24th April 1863 a proposition for modifying the arrangements under which the postal service between England and India was then conducted.

The proposition was based on the assumption that railway communication between Bengal and Bombay would be so far advanced in the course of 2 or 3 years that Bombay would eventually become the port of despatch and receipt of the mails to and from Europe, and that by the establishment of a weekly mail from London the communication with Calcutta would be more rapid and regular, and obviate the necessity for maintaining the highly subsidised service via Galle.

Although the railway between the two presidencies is not complete, yet it appears to have reached that stage of advancement that, taken in conjunction with the shorter sea passage from Bombay, the dates of departure of the mails from that port, which are timed to arrive in London at intervals of a week after the direct mails of the 9th and 23rd from Calcutta, have been so much

exli

retarded that, from a weekly mail communication, Calcutta is now, for a large portion of the year, practically reduced to a fortnightly communication. In proof of this I am directed to refer to the annexed statement shewing the dates of departure of the mails via Bombay and via Galle for the months of September to April inclusive, compiled from a notification issued from the office of the Post Master of Bengal.

In parallel columns to the dates of departure I have given the dates on which these mails are due in London, from which it will be seen that while there is an interval of only one day between the departures of, for example, the mails of the 21st February via Bombay and the 22nd via Galle, the former are timed to arrive in London six days before the latter. It may reasonably be presumed that another day will shortly be economised in the land transit of the mails between Bombay and Calcutta, and the anomaly will then be prevented of the mails via Galle and via Bombay leaving Calcutta on the same day, and of the former reaching London a week in advance. The practical effect will be that no letters will then be sent via Galle at all.

As present arrangements are manifestly inconvenient, it appears essential that a weekly service should be introduced at as early a date as the existing contract with the P. & O. Company will permit.

The mails are now forwarded via Agra, but that route will probably be abandoned when the through communication via Jubulpore has been established; pending the opening of that line however the Government may consider it desirable that the completed sections should be availed of, and the intervening distances travelled by mail carts if there are sufficiently good roads for that portion of the overland postal service.

I have the honor to be, &c,

H. W. I. WOOD,

Secretary.

TABLE of dates of Despatch of Overland Mails from Calcutta via Bombay and Galle, and of receipt in London via Marseilles.

DATES OF DESPATCH FROM CALCUTTA.			DATES OF RECEIPT IN LONDON.		
	Via Bombay.	Galle.		Via Bombay.	Galle.
September ...	20	22	October ...	21	27
October ...	5	8	November ...	5	12
" ...	20	22	" ...	20	26
November ...	5	8	December ...	6	13
" ...	20	22	" ...	21	27
December ...	6	8	January ...	5	12
" ...	21	22	" ...	20	26
January ...	6	8	February ...	5	12
" ...	21	22	" ...	20	26
February ...	6	8	March ...	5	15
" ...	21	22	" ...	23	29
March ...	6	8	April ...	5	12
" ...	21	22	" ...	20	26
April ...	6	8	May ...	6	13
" ...	21	22	" ...	21	27

BENGAL CHAMBER OF COMMERCE,
Calcutta, 21st March 1865.

E. C. BAYLEY, Esq.,

Secretary to the Govt. of India,
Home Department.

SIR,—In continuation of my letter of the 4th instant, I am desired by the Committee of the Chamber of Commerce to bring to the notice of His Excellency the Governor General in Council that a memorial, bearing the signatures of the leading bankers and merchants of London interested in the India trade, has lately been presented to the Secretary of State, praying that an alteration might be made in the postal arrangements between England and this country; and that instead of the mails being closed in London on certain days of the month they should be closed on a fixed day of the week, Friday being the day selected as the most convenient for various reasons.

This recommendation if carried out will involve the establishment of the weekly mail via Bombay which the Chamber recently took the liberty of suggesting: for such concession would be deprived of much of its value if letters did not arrive and opportunity was not afforded of replying to them at the same stated intervals as the mails were despatched which, as shewn in my letter above referred to, will not be possible until a weekly mail service is established via Bombay.

I am to express a hope therefore in view of this concurrence of opinion between the mercantile communities here and in London, that His Excellency in Council will report favorably on the suggested change in the postal service from this country to the Right Honorable the Secretary of State.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

APPENDIX M.

AUSTRALIAN MAILS FOR CALCUTTA.

No. 2004.

FROM

A. M. MONTEATH, Esq.,

In charge of the Office of Director General

of the Post Office of India,

TO

THE SECY. TO THE CHAMBER OF COMMERCE,

Calcutta, 14th November 1864.

SIR,—The mail steamer from Australia is timed to reach Galle on the 16th or 17th of each month, and the Australian mails destined for Calcutta have to wait till the steamer from Suez takes them on.

2. It occasionally happens that the French mail steamer which is timed to leave Galle for Calcutta about the 13th is a little late; and that the Australian mails have arrived in time for despatch by the French steamer at an earlier date than by the English steamer from Suez. The enclosed statement shews that during the year 1863-64 this happened only twice, but on those occasions there would have been a saving of nine and seven days respectively if the Australian mails had been sent on to Calcutta by the French vessels.

3. A Calcutta firm sometime ago remonstrated against the non-transmission of the Australian mails by the French steamer and their remonstrance was forwarded to the London Post Office.

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4. The Post Master General of England has informed me that he cannot sanction the transmission of these mails by the French steamers unless the Indian Post Office will undertake to pay 6d. per ounce to the French Post Office for the mails so conveyed, realizing an equivalent sum on the covers delivered.

5. I cannot think that the public generally would willingly submit to so heavy an extra taxation, and the only way that occurs to me would be to ask the Australian postal authorities to intimate to the public there that any covers marked for transmission by the French steamers would be picked separately, and, in the event of the French steamers offering a better chance of speedy arrival be forwarded by that opportunity subject to the additional charge on delivery of two annas per half ounce.

6. I am not sure however that the advantage to be gained can be regarded as being of sufficient importance, or rather of sufficiently frequent occurrence, to call for such a measure; and on this point I should be glad to be favored with the opinion of the Chamber of Commerce.

I have the honor to be,

Sir,

Your most obedient servant,

A. M. MONTEATH,

In charge of the Office of Director General

of the Post Office of India.

Memo. showing the dates of arrival of the French and Australian Steamers at Galle from May 1863 to April 1864.

Month and date of arrival of the French Steamer at Galle.	Month and date of arrival of the Australian Steamer at Galle.	Month and date of departure of the French Steamer from Galle.	Month and date of departure of the Australian Steamer from Galle.
1863.	1863.	1863.	1863.
May ... 12th	May ... 15th	May ... 19th	May ... 26th
June ... 12th	June ... 15th	June ... 13th	June ... 15th
July ... 17th	July ... 17th	July ... 13th	July ... 20th
August ... 16th	August ... 16th	August ... 12th	July ... 20th
September ... 12th	September ... 18th	September ... 13th	September ... 20th
October ... 14th	October ... 17th	October ... 14th	October ... 24th
November ... 14th	November ... 17th	November ... 15th	November ... 25th
December ... 15th	December ... 16th	December ... 15th	
1864.	1864.	1864.	1864.
January ... 12th	January ... 15th	January ... 12th	January ... 22nd
February ... 21st	February ... 14th	February ... 22nd	February ... 21st
March ... 16th	March ... 14th	March ... 16th	March ... 25th
April ... 13th	April ... 14th	April ... 14th	April ... 21st

BENGAL CHAMBER OF COMMERCE,
Calcutta, 16th November 1861.

A. M. MONTEATH, Esq.,

*In charge of the Office of Director General
of the Post Office of India.*

SIR,—I have laid before the Committee of the Chamber of Commerce your letter No. 2004 of the 14th instant, and I am de-

aired to state that the suggestion submitted in the 5th para. has their approval as the most practical means of meeting the wishes of those who desire to have their Australian correspondence sent up from Galle by the French mail steamer, if that afforded the best opportunity of communicating with Calcutta.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

APPENDIX N.

COTTON CULTIVATION IN THE NORTH-
WESTERN PROVINCES.

No. 188 of 1865.

FROST

W. CHICHELE PLOWDEN, Esq.,

Secretary to the Board of Revenue, N. W. P.,

Allahabad.

To

R. SIMSON, Esquire,

Secretary to the Government of the N. W. P.,

Dated Allahabad, the 23rd of March 1865.

Receipt.
Present.
R. MOSEY, Esq.,
Senior Member,
AND
C. B. THREAGILL, Esq.,
Opp. Junior Member.

SIR,—In continuation of their report No. 766 dated 24th October last on the estimated out-turn of the cotton crop of 1864-65 in these provinces, the Board now submit for His Honor's information a return showing the actual results of the season, as compared with the estimate then prepared.

2nd. There are considerable differences between the estimated

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and actual out-turn in many of the districts. The totals however do not differ very largely, the estimate having exceeded the actual by 15 per cent. It is only in the Agra division that the crop has exceeded the estimate. In the other divisions where the crop has not answered in yield to the estimate the difference is generally attributed to the scanty rains of the last monsoon.

3rd. The actual crop is given at *mounds* 16,50,412 against *mounds* 18,89,618, i. e. at 3,29,489 bales of lbs. 425. The total Indian supply to England for the current year has recently been estimated by the *Economist* at a little less than four times this amount or 12,83,235 bales. The Board have furnished this information direct to the Chambers of Commerce and have published in the Gazette the table appended.

I am, sir,

Your most obedient servant,

(Sd.) W. C. PLOWDEN,

Secretary.

BOARD OF REVENUE,
N. W. P., ALLAHABAD,
The 23rd of March 1865.

(True Copy.)

HENRY W. GOODALL,

Assist. Secy. to the Board of Revenue,

of the N. W. P., Allahabad.

ANNEXURE.

Statement of the estimated and actual out-turn of the cotton crop in the North-western provinces for 1864.

Statement showing the estimated and actual Outturn of Cotton in the Districts of the N. W. Provinces for the year 1864.

Districts	Estimated outturn in cleaned Cotton.	Actual outturn in cleaned Cotton.	Remarks.
	Mds. str. ch.	Mds. str. ch.	
Dehra Doon	1,200 0 0	437 0 0	The crops of the failure is adripheted by the superabundant to the blosness of the rain.
Meerut	1,64,000 0 0	1,43,635 0 0	Deficiency attributed to the insufficiency of the rain fall.
Etawah	1,70,163 35 0	1,60,857 30 0	ditto.
Allypore	2,62,250 0 0	2,68,530 0 0	ditto.
Total of Meerut Division	7,57,519 35 0	6,93,570 30 0	
Total of Rohilund Division	1,000 0 0	1,000 0 0	
Etawah	57,065 0 0	37,857 21 0	
Badson	53,609 0 0	41,270 0 0	
Bareilly	45,002 0 0	43,467 0 0	ditto
Shahjahanpore	13,225 0 0	11,924 0 0	ditto
Almoghrah	2,525 0 0	1,864 0 0	ditto.
Total of Meerut Division	2,65,700 0 0	2,18,170 21 0	
Muzaffarnugur	77,233 37 12	1,15,876 30 12	
Almoghrah	2,08,708 0 0	2,10,698 0 0	
Etah	70,656 0 0	37,765 0 0	ditto
Muzaffarnugur	32,773 23 0	37,809 58 14	ditto
Etawah	53,836 0 0	58,255 12 0	ditto
Total of Rohilund Division	4,07,232 30 2	5,27,856 17 10	

2. Amritsar	75,044 20 0	52,315 20 0	Deficiency attributed to want of rain.
Amritsar	1,178 0 0	1,463 0 0	ditto
Ludhiana	1,178 0 0	1,463 0 0	ditto
Total of Jhansi Division.	99,380 20 0	81,241 20 0	
Govindpur	88,323 0 0	47,537 0 0	ditto.
Humertown	34,681 0 0	39,043 0 0	ditto
Patalpore	39,337 39 0	20,131 59 12	ditto
Almoghrah	5,639 0 0	5,528 17 0	ditto
Almoghrah	65,494 7 8	63,388 17 0	ditto
Total of Allahabad Division	2,98,451 6 8	1,67,869 6 12	
Jampur	1,148 0 0	0 0 0	
Amritsar	1,148 0 0	0 0 0	
Amritsar	31 0 0	323 0 0	
Banars	299 0 0	0 0 0	
Guzeratpur	1,428 14 0	0 0 0	
Total of Benares Division.	1,8747 8 0	3678 0 0	
Grand Total	15,50,618 13 10	16,50,412 8 6	

Group of Revenue, The Board of March 1865. (True Copy)

W. C. FLOUDDEN, Secy.

(Signed) W. C. FLOUDDEN, Secy.

HENRY W. GOODALL, Assis. Secy. to the Board of Revenue of the N. W. P., Allahabad.

APPENDIX O.

Statement of the Funds of the Bengal Chamber of Commerce from 1st November 1864 to 30th April 1865.

To Balance 31st Oct. 1864—	Rs. 300 0 0	By Balance of 31st Oct. 1864—	Rs. 11,056 2 0
" Establishment	4,719 0 0	" Cash in hand of Bengal	1,486 0 0
" Changes General	827 0 0	" Government Paper	7,569 0 0
" Cash paid for 1 per cent. Government Paper	6,198 8 0	" 4 per cent. Govt. Paper	8,600 0 0
" Cash in Bank of Bengal, 5,011 11 3	5,011 11 3	" Subscriptions	7,632 10 3
" Government Paper	10,000 0 0	" News	80 0 0
		" Income from 1st Nov. 1864 to 30th April 1865	1,500 0 0
		" 4 per cent. Govt. Paper	1,000 0 0
		" Tax for Rs. 10,000, less income	383 0 0
			Rs. 9,660 10 3

Rs. 21,056 12 3

CALCUTTA,
30th April 1865.

E. E. II. W. I. WOOD,
Secretary.

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Statement of the Imports and Exports of the Port of Calcutta, from 1st January to 31st December 1864.

Year	Month	IMPORTS						EXPORTS													
		Dutch		American		Persian		All other Foreign		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		
1864	January	1	74,336	114	5,120	111	5,917	118	3,441	115	86,774	76	66,970	4	2,013	7	4,547	11	5,942	98	80,402
	February	3	75,367	116	5,160	118	5,278	116	3,758	123	93,623	104	89,967	6	4,032	17	8,268	8	4,202	135	101,379
	March	6	71,747	113	5,569	116	5,528	114	2,158	129	53,661	89	75,447	3	2,605	16	7,896	4	1,543	112	87,403
	April	7	76,908	109	5,729	118	4,106	112	3,454	108	89,221	60	69,215	7	5,659	22	11,592	2	987	90	77,364
	May	12	85,889	112	4,923	119	4,445	112	2,626	129	60,677	61	60,356	3	2,610	11	5,353	1	658	76	68,977
	June	1	76,370	116	5,260	121	11,203	121	10,390	114	93,198	78	67,355	4	3,000	12	6,220	2	785	96	77,369
	July	1	64,334	102	3,613	116	7,948	111	1,194	100	76,025	69	65,303	4	3,500	14	6,954	2	1,156	89	77,103
	August	1	68,641	101	4,841	114	5,829	113	1,486	116	76,820	87	74,451	5	3,021	11	7,001	...	...	103	85,433
	September	1	15,145	112	5,571	118	6,880	113	1,765	113	18,580	113	17,161	1	971	21	9,030	2	917	91	78,978
	October	1	63,187	101	4,748	118	4,869	112	15,000	105	73,314	42	37,122	...	...	6	3,238	...	...	48	40,360
	November	1	66,359	112	4,140	114	5,569	111	3,005	125	100,633	63	46,416	...	...	5	2,967	1	668	69	50,631
	December	1	73,977	104	5,045	110	3,960	114	11,652	104	79,592	83	83,409	4	2,553	15	8,079	3	2,025	116	97,116
1865	Annual Total	1,047	8,75,720	1,140	68,242	1,163	61,511	1,166	25,725	1,511	10,21,978	1,287	7,80,293	41	33,764	107	80,666	36	18,873	1,121	9,12,905

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Statement of Receipts and Expenditures of the United States, and of Receipts from the Public Debt for the Year 1918

CLASS	ARTICLE	DESCRIPTION	RECEIPTS		EXPENDITURES		BALANCE		TOTAL	
			AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
Total			1,000,000,000	100.00	1,000,000,000	100.00	1,000,000,000	100.00	1,000,000,000	100.00
			1,000,000,000	100.00	1,000,000,000	100.00	1,000,000,000	100.00	1,000,000,000	100.00

Statement showing amount of Balances exported from Europe to the East in the year 1918, etc.

COUNTRY	RECEIPTS		EXPENDITURES		BALANCE		TOTAL	
	AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
France	1,000,000,000	100.00	1,000,000,000	100.00	1,000,000,000	100.00	1,000,000,000	100.00
Germany	500,000,000	50.00	500,000,000	50.00	500,000,000	50.00	500,000,000	50.00
Italy	300,000,000	30.00	300,000,000	30.00	300,000,000	30.00	300,000,000	30.00
Spain	200,000,000	20.00	200,000,000	20.00	200,000,000	20.00	200,000,000	20.00
Portugal	100,000,000	10.00	100,000,000	10.00	100,000,000	10.00	100,000,000	10.00
Other Countries	100,000,000	10.00	100,000,000	10.00	100,000,000	10.00	100,000,000	10.00
Total	2,000,000,000	100.00	2,000,000,000	100.00	2,000,000,000	100.00	2,000,000,000	100.00

STATEMENT SHOWING AMOUNT OF BALANCES EXPORTED FROM EUROPE TO THE EAST IN THE YEAR 1918, ETC.

Statement of Cash-Balances in Government Treasuries in India for 1864-65

Table with columns for months from April to April and rows for Government of India, Bengal, B. Barmah, N. W. Provinces, Punjab, Madras, Bombay, Central Provinces, and Decan, plus a Total row.

Publication by Government of Statement of Receipts from Income Tax and Stamp Duty for 1864-65 has been discontinued

SCHEDULE OF COMMISSION CHARGES

Table with 2 columns: Description of charges (e.g., Chamber of Commerce, On the sale or purchase of Bullion, On the purchase of Indigo) and Commission rates (e.g., 1 per cent, 5 per cent).

11. On ordering or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other Commission is derived ... 2½ per cent.
12. On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money ... 2½ "
13. On *del-credere* or guaranteeing the due realization of sales ... 2½ "
14. On the management of Estates for Executors or Administrators ... 2½ "
15. On chartering ships or engaging tonnage for condituents for vessels to proceed to outports for loading ... 2½ "
16. On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agents' hands or not ... 2½ "
17. On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessel upon the gross amount of freight, brokerage inclusive 5 "
18. On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings ... 5 "
19. On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file ... 2½ "
20. On realising inward freight, inward troop, Emigrant, or Cabin passage money ... 2½ "
21. On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned on the declared value of all

- such goods as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold ... 5 per cent.
- If Opium, Indigo, Raw Silk, or Silk Piece Goods 2½ "
- If Treasure, precious Stones or Jewellery ... 1 "
22. On effecting Insurances, whether on lives or property ... 1 "
 23. On settling Insurance claims, losses and averages of all classes, and on procuring returns of premiums ... 2½ "
 24. On drawing, purchasing, selling or negotiating Bills of Exchange ... 1 "
 25. On debts or other claims when a process at law or arbitration is incurred in claiming them ... 2½ "
 - Or if recovered by such means ... 5 "
 26. On Bills of Exchange returned dishonored ... 1 "
 27. On collecting House Rent ... 2½ "
 28. On ships' Disbursements ... 2½ "
 29. On realising Bottomry Bonds, or negotiating any Loan on *respondentia* ... 2½ "
 30. On granting Letters of Credit ... 1 "
 31. On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another ... 5 "
 32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value ... 5 "
 33. On all amounts debited and credited within the year (less the balance brought forward) upon which no Commission amounting to 5 per cent. has been charged. ... 5 "

☞ Brokerage when paid is to be separately charged.

H. W. I. WOOD,

Secretary.

TONNAGE SCHEDULE for the PORT OF CALCUTTA adopted at the General Meeting of the Bengal Chamber of Commerce held on the 28th May 1860. The Schedule came into operation from 1st January 1860.

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Aloes, in Bars and Boxes	20	.....
Alum, in Ditto	20	.....
Aniseed, in Bags	5	.....
Arrowroot, in Cases	50	.....
Asafetida, in Bags and Boxes	20	.....
Asphaltum, in Boxes	50	.....
Bark, in Bags	8	.....
Bees' Wax	20 cwt. gross.	.....
Barilla	20	.....
Bed-stuff	20	.....
Books	50	.....
Borax or Tincl	20	.....
Brimstone	20	.....
Bullion	at per cent.	.....
Cake-lac, in Bags	16	.....
Campbor, in Cases	50	.....
Cardamoms, in Bales	50	.....
" in Boxes	50	.....
Cassia, in Boxes	12	.....
" in Bags	11	.....
China Root, in Bags	50	.....
" in Boxes	50	.....
Chiretta	50	.....
Cigars	50	.....
Gloves, in Bags	8	.....
" in Boxes	20	.....
Coals	20	.....
Cochinal	50	.....
Coffee, in Bags	18	.....
" in Casks	16	.....
Coal, Rough	20	.....
Cotton, in Bales, 5 to the ton, not to exceed	52	.....
Cowries	20	.....
Cutch, in Bags	18	.....
Dates, Wet	20	.....
" Dry	16	.....
Dholl	20	.....
Elephants' Teeth, in Bulk	20	.....
Furniture	50	.....
Garbs and Onions	12	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Ginger	16	.....
Gram	20	.....
Gums, in Cases	50	.....
Gunny Bags and Gunny Cloth	50	.....
Gunjah	50	.....
Hemp, in Bales, per ton of 6 Bales, not to exceed	52	.....
Hides, Buffalo or Cow, Cured	14	.....
Hoofs, Horn Shavings and Tips	20	.....
Horns, Cow, Buffalo or Deer	20	.....
Indigo	50	.....
Jute, 5 Bales to the Ton not exceeding	52	.....
Lac Dye	50	.....
Lard	20 cwt. gross.	.....
Lauzed	20	.....
Mace	50	.....
Machinery	20	.....
Metals	20	.....
Mirabolans	16	.....
Molasses	2 punchcoons or 4 blids.	.....
Mother o' Pearl, in Bags	20	.....
" in Chests	20	.....
Munjeet	20	.....
Mustard or Rape Seed	50	.....
Nutmegs, in Cases or Casks	16	.....
Nux Vomica	16	.....
Oats	16	.....
Oil, in Cases	4 hogheads.	.....
Opium	per chest.	.....
Paddy	16	.....
Peas	20	.....
Pepper, Long	12	.....
" Black	14	.....
Planks and Deals	50	.....
Poppy Seed	20	.....
Putehuk	10	.....
Raw Silk, in Bales	10	.....
Rattans for Dunnage	20	.....
Red Wood Ditto	20	.....
Rhea, in Bales, per Ton of 5 Bils. not exgd	52	.....
Rice	20	.....
Roping in Coils	50	.....
" Lines and Twines, in Paudles	16	.....
Runn, in Casks	2 punchcoons or 4 blids.	.....

ARTICLES.	Cwt. per Ton Net.	Cubic Feet per Ton.
Safflower, in Dis. p. Ton of 5 Dis. not exld	52
Sago, in Cases	50
Sal-amoniac, in Bags	20
Boxes	20 cwt. gross
Saltpetre	20
Salt	20
Sapan Wood for Dyeing	20
Scaling Wax, in Cases	50
Seed-lac, in Cases	50
Bags	16
Senna	50
Shells, Rough, in Bags	20
Shell-lac, in Cases	50
Bags	16
Silk Piece Goods	50
Skins	14
Soap, Country, in Cases	50
Bags	15
Bar	20
Stick Lac, in Cases	50
Bags	16
Sugar	20
Tallow, in Cases or Casks	20
Talc	20
Tamarind, in Cases or Casks	20
Tapioca	50
Tea	50
Teel Seed	20
Timber, Round	40
Squared	50
Tobacco, in Bales	16
Tortoise Shells, in Chests	50
Turmeric	16
Wheat	20
Wool	50

N. B.—Goods in Casks or Cases to be calculated gross weight when paying freight by weight; and where freight is made payable on measurement, the measurement to be taken on the Custom House wharf, or other shipping wharf within the limits of the Port of Calcutta.

H. W. I. WOOD,

Secretary.

MEMBERS OF THE CHAMBER OF COMMERCE.

- Agabeg, Joseph.
 Apear and Co.
 Argenti, Schiari and Co.
 Atkinson, Hilton and Co.
 Barton, Baynes and Co.
 Begg, Dunlop and Co.
 Balfour and Co.
 Bernadelli, Schiller and Co.
 Byranjee Cama and Co.
 Camin, Lamouroux and Co.
 Cardiales Nephews and Co.
 Campbell, Robert, Agent, *Chartered Mercantile Bank of India.*
 Colvin, Coyie and Co.
 Crooke, Rome and Co.
 D'Souza, Thos. and Co.
 Duff, Thos., Agent, *Bornac Company.*
 Dürschmidt, Grob and Co.
 Emschhausen and Oesterley.
 Ewing and Co.
 Elliott, John and Co.
 Fergusson, J. H.
 Finlayson, Alex. V., Agent, *Commercial Bank Corporation of India and the East.*
 Fuller, W. H., Manager, *Bank of Hindustan, China, and Japan.*
 Gishorne and Co.
 Graf and Baninger.
 Gordon, Stuart and Co.
 Grindlay and Co.
 Grant, Smith and Co.
 Graham and Co.
 Gunde, E. and Co.
 Henderson and Co.
 Henderson, George and Co.
 Horon and Co.
 Ince, Miller and Co.
 Hormusjee Bomunjee Cama & Co.
 Halford, W., Manager, *Central Bank of Western India.*
 Kettlewell, Bullen and Co.
 Kelly and Co.
 Kei, Dods and Co.
 Lathbury, H., Manager, *Scinde, Punjab, and Delhi Bank Corporation.*
 Mackillop, Stewart and Co.
 Mackinnon, Mackenzie and Co.
 Mackenzie, Lyall and Co.
 Mackey and Co.
 Mackay, G. Brown and Co.
 Mack and Co.
 Moran, W. and Co.
 Mosley and Hurst.
 Mohendranath Bosc.
 Manockjee Buntjee.
 Penros, Merna and Co.
 Pennington and Co.
 Pinnimoller, G. and Co's Successors.
D'Escompte de Paris.
 Playfair, Duncan and Co.
 Potter and Co.
 Prestwich, E.
 Petroschino, E. and Co.
 Pickett, Mathewson and Co.
 P. & C. Nosservanjee Cama & Co.
 Ralli Brothers.
 Ralli and Mavejani.
 Rena Gopal Ghose and Co.
 Robert and Charriol.
 Schulziz and Co.
 Schneider, J. P.
 Schoone, Kilburn and Co.
 Shand, Fairlie and Co.
 Sham Chaud Mitter.
 Smith, D. A. and Co.
 Smith, Samuel, Sons and Co.
 Stevenson, Peel and Co.
 Stewart, Wm. C. and Co.
 Smith, W. H., Barry and Co.
 Thomas, B. and Co.
 Turner, Morrison and Co.
 Tomlin, L. W. and Co.
 Watson, T. O. and Co.
 Whyte, G. A., Agent, *Chartered Bank of India.*
 Whitney Brothers and Co.
 Wiseman, Sneed and Co.
 Wuskina, C.
 Yule, Andrew and Co.

MEMBERS.

- Bocher, Wm.—Goshally, Assam.
 Devcell, H.—Acherunge.
 Cope, H. and Co.—Umaritser.
 Gale, John—Ponool.
 Hamilton Brown & Co.—Mirzapore.
 Ray, J. O. and Co.—Alumb.
 Howard Brothers.—Mizapore.
 Henry Thomas—Salgammoodiah.
 Todd, Findlay & Co.—Moulucinn.

RULES AND REGULATIONS

OF THE

BENGAL CHAMBER OF COMMERCE.

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 and seconded by Members, may be admitted provisionally as Members by the Committee, subject to confirmation at the next General Meeting.

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Fifth..... The 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 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.

Eighth.... That the Subscription for individual Members of the Chamber be 10 Rupees per mensem, while those alone carrying on business under any style or firm do pay 16 Rupees per mensem.

That the Subscription for Mofussil Members be two Gold Mohurs or 22 Rupees per annum.

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. All annual elections of President, Vice-President, and Members of the Committee shall be determined by a majority of votes of Members, such votes being given in voting cards to be issued numbered and signed by the Secretary: and no voting card shall be received for such purpose, unless so authenticated: and all vacancies created by the absence of the President, Vice-President, or any of the Members from the Presidency for two months, or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes of Members to be taken as above in voting cards and declared by the Committee.

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.

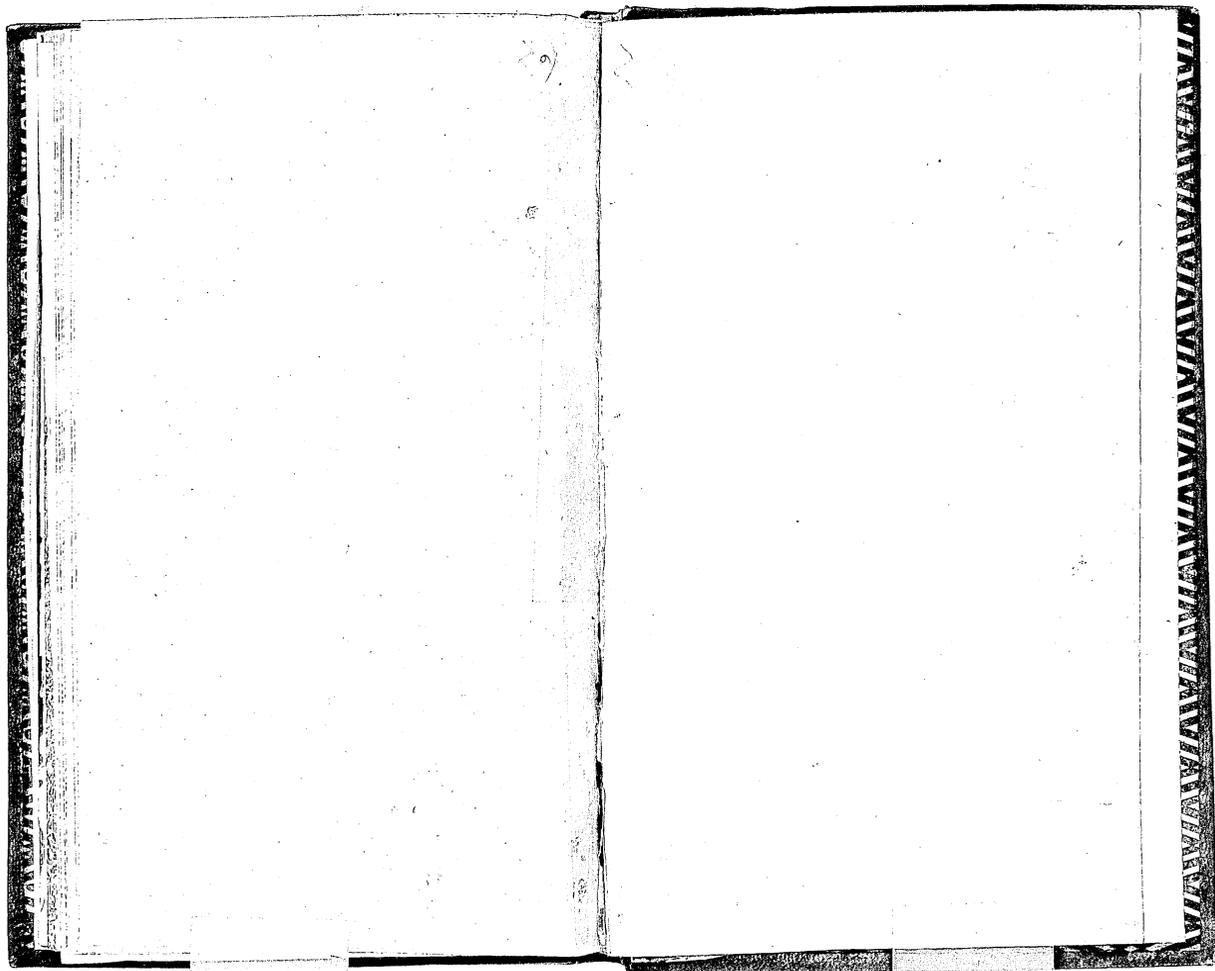
Fifteenth. That strangers visiting the Presidency may be introduced as Honorary Members for two months by any Member of the Chamber inserting their names in a book to be kept for that purpose.

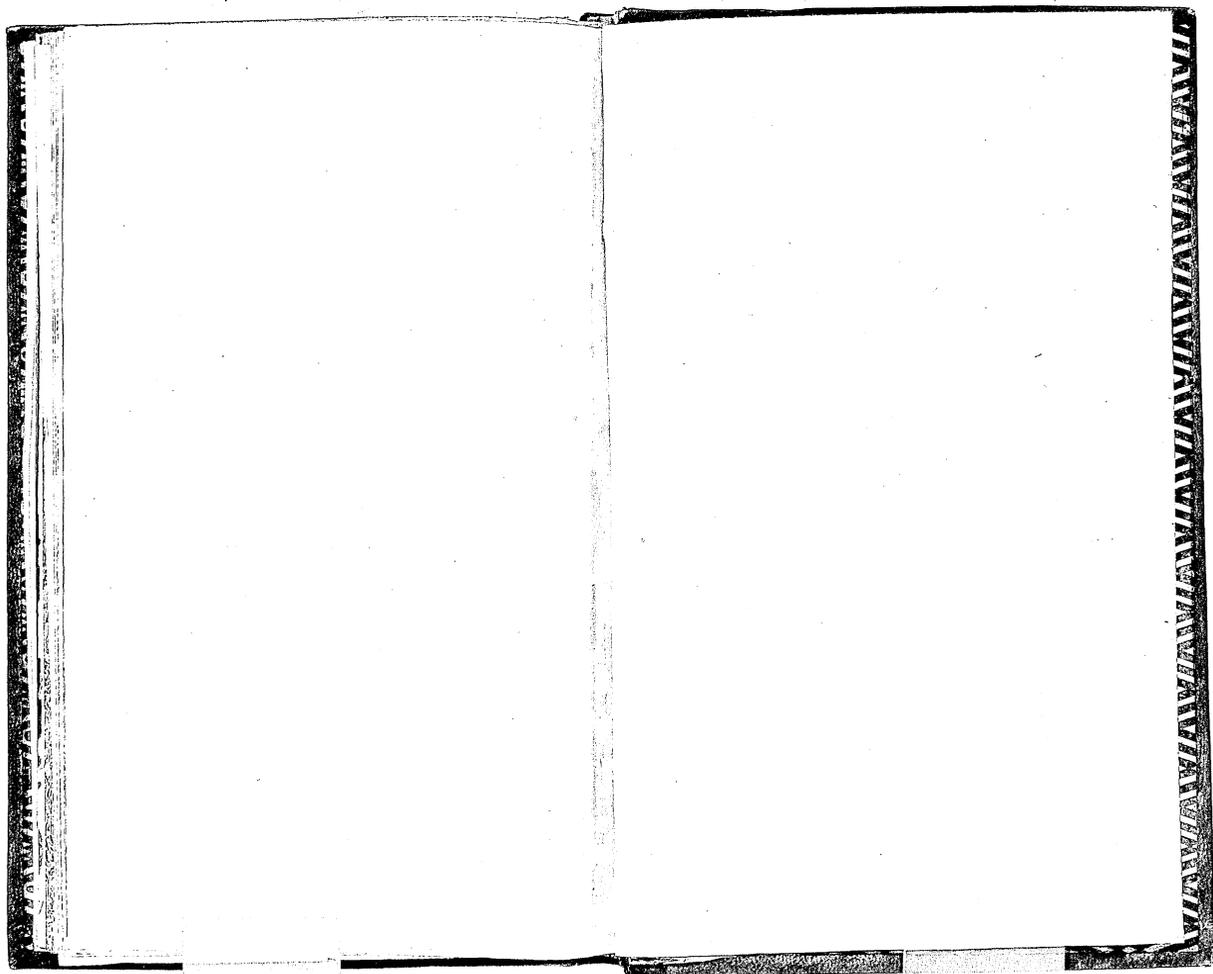
Sixteenth. That the Committee be empowered to make Bye-laws which shall not be of any force until approved of by a General Meeting.

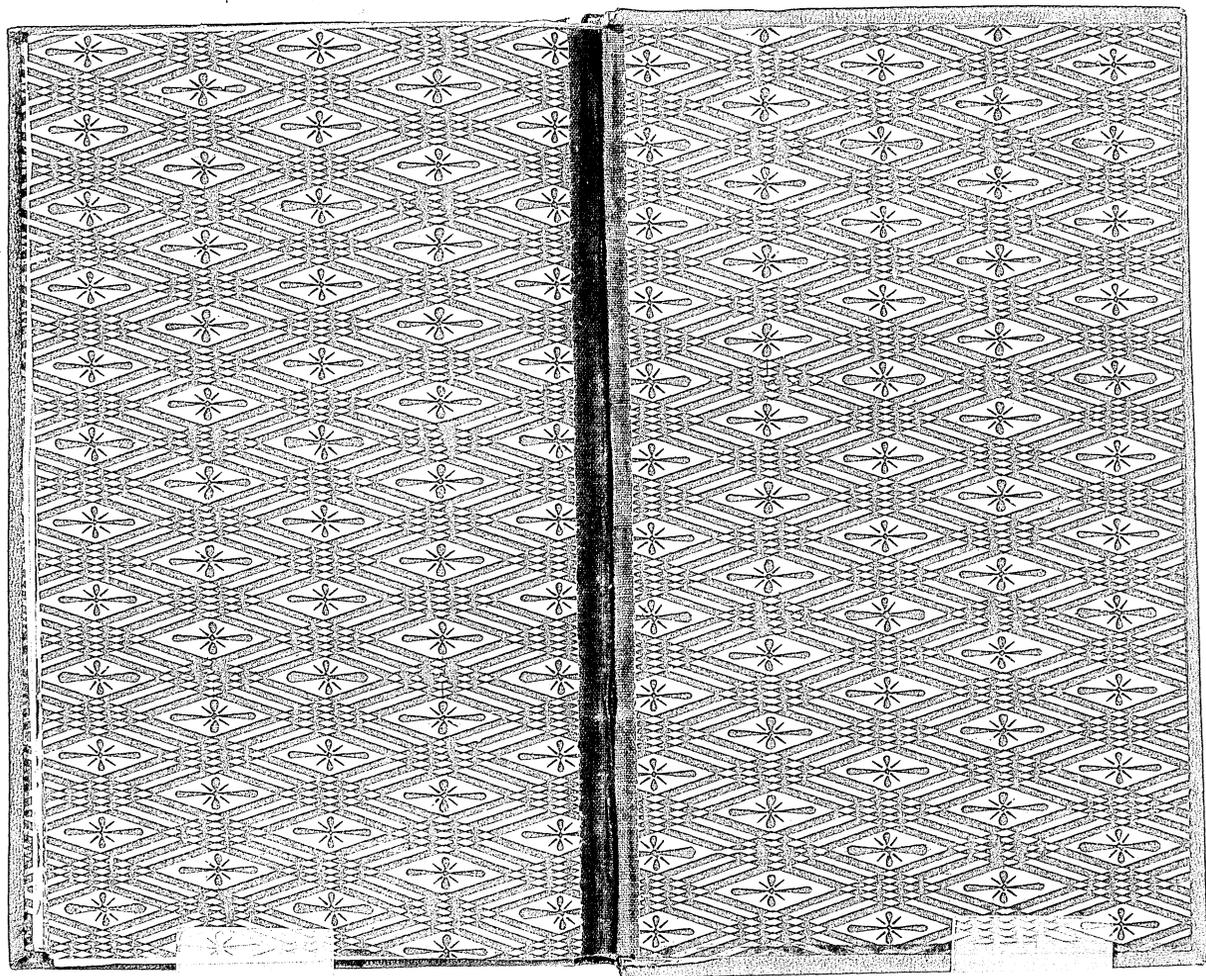
Seventeenth. That an Annual Report of the Proceedings be prepared: and, after being approved of at a General Meeting, printed and circulated.

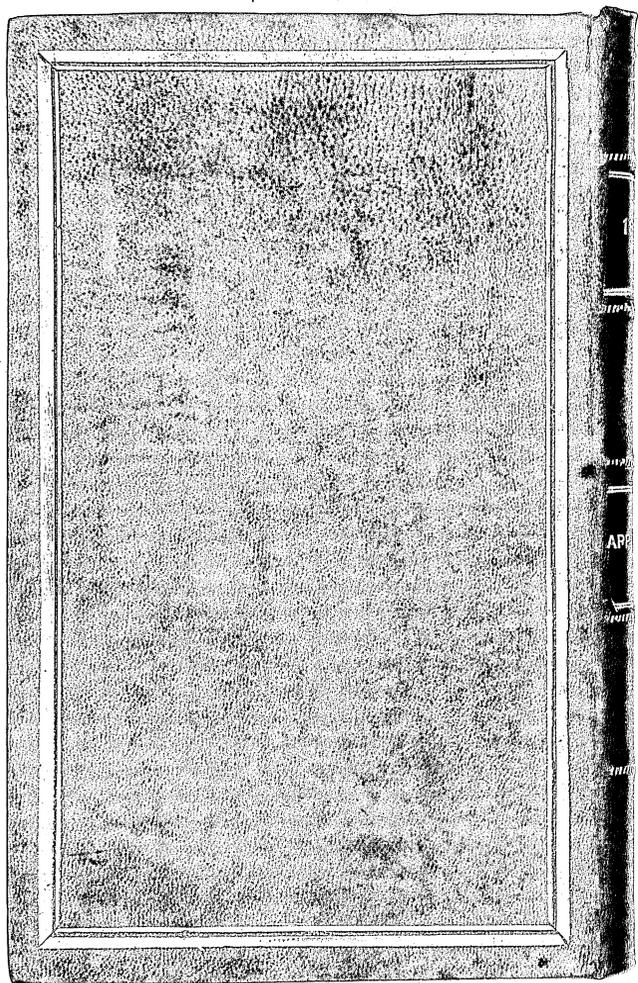
Eighteenth. That the above Rules be added to or altered only by a majority of Members of the Chamber.

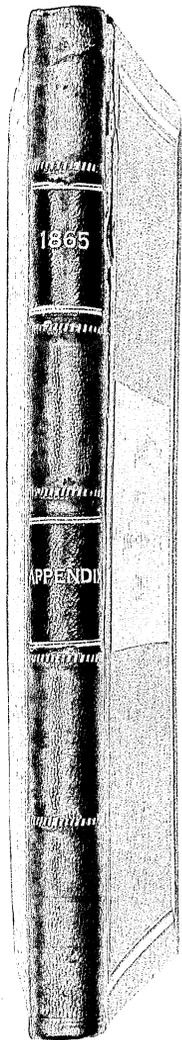
Nineteenth. That the foregoing Rules be printed, and an authenticated copy, subscribed by each Member on admission, be kept as part of the records of the Chamber. That printed copies be forwarded to Members of the Chamber, to the Secretary to Government, and to such other parties or authorities as it may be desirable to make acquainted with the objects and Rules of the Association.











1865

APPENDI

