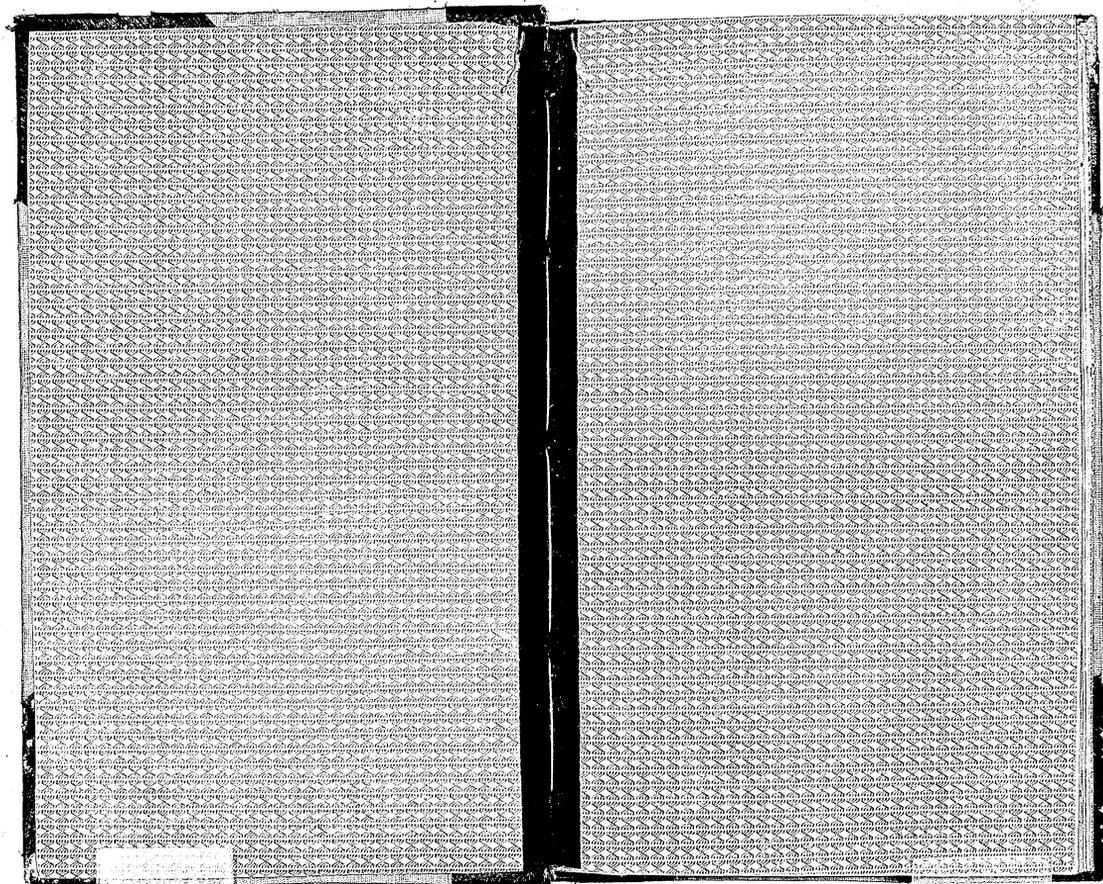
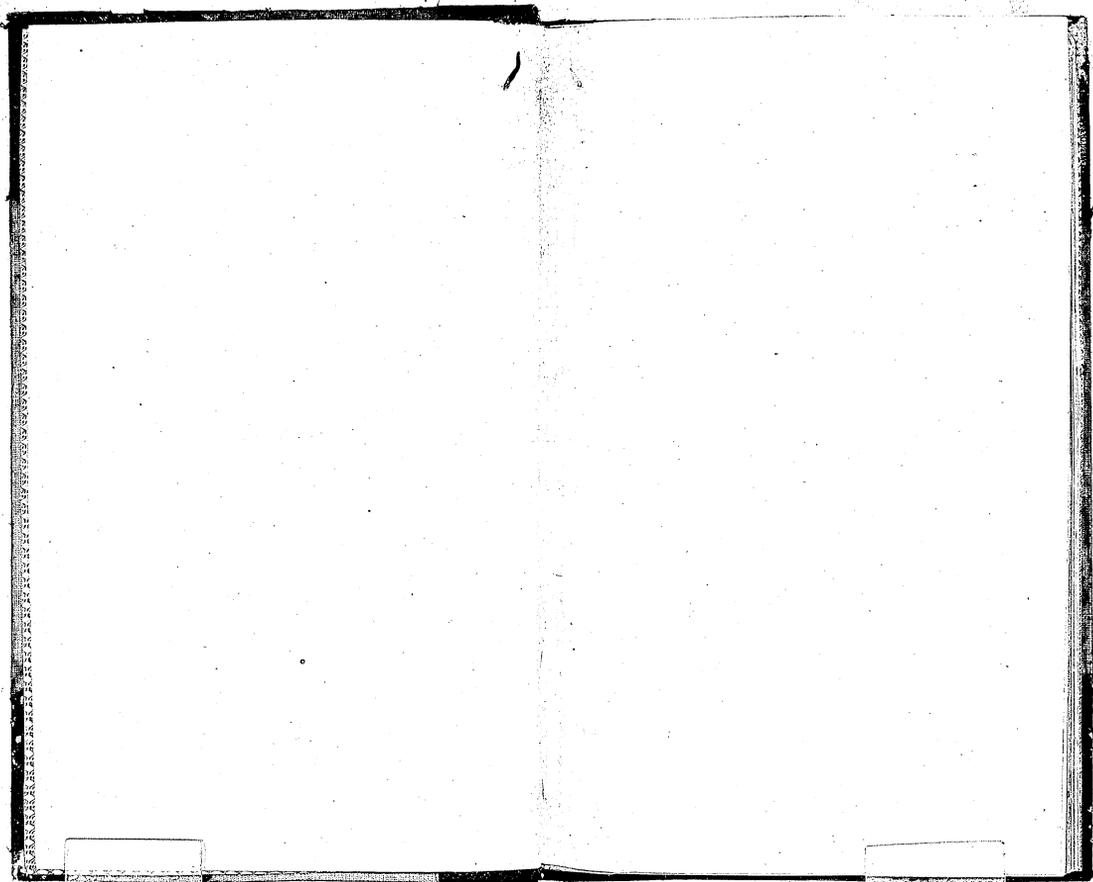


REPORT
OF THE
BENGAL CHAMBER OF COMMERCE
FROM 1st MAY TO 31st OCTOBER 1879





REPORT
OF
THE COMMITTEE
OF THE
BENGAL CHAMBER OF COMMERCE.

For the half-year ended 31st October 1879.

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*Proceedings of the half-yearly General Meeting
of the Bengal Chamber of Commerce, held on
Saturday, the 17th January 1880.*

THE HONBLE. A. B. INGLIS, *President*, in the chair.

The Chairman, having read the advertisement convening the meeting, spoke as follows:—

Gentlemen,—Before referring more particularly to the Report, I have to tender my best thanks to the members of the Chamber for the honor they have conferred upon me in electing me their President. I may be permitted to express my regret that the choice did not fall on some one more competent than I feel myself to be to fulfil the duties of the office. More especially do I feel my inadequacy in succeeding one who so ably filled the chair as my immediate predecessor, Mr. Yule. I am sure, I only give utterance to the feeling of all present when I express the hope that Mr. Yule may soon be able to return to Calcutta to resume his place among us, and give us the benefit of his wise and experienced counsel in all mercantile matters.

With these preliminary remarks, I now proceed to notice some of the subjects named in the

Report. Foremost among these stands the license-tax. It was a matter of great regret to the Committee that they found themselves obliged to criticise adversely the action of Government in dealing with the proceeds of this tax. Believing as they did that Mr. Yule in his address to the Chamber at the last half-yearly meeting expressed the general feeling of members on this subject, the Committee, when called upon to express their opinion, did not hesitate to adopt and endorse their President's remarks. In a recent speech at home, Mr. Gladstone has spoken very much more strongly than Mr. Yule ever did in condemnation of the action of the Government of India with regard to this matter, and I think it will now be generally admitted that the Government were badly advised in the course they took. There was no wish on the part of the Committee to limit the freedom of the Government in the matter, but, looking to the pledges publicly given when the tax was first imposed, they felt that if Government either found it to be impossible to fulfil those pledges, or contrary to the public interest to apply the money in the particular way they had promised, it was incumbent on them to say so, and ask in a constitutional way to be relieved from the obligations they had come under. Had this been done in a straightforward way, and at the right time, no question could

have arisen as to the good faith of Government in the matter.

The Committee have again had the question of the license-tax before them in connection with a proposal to alter the existing law, and members have doubtless read the communication they addressed to Government on the subject last month. The Committee's representation seems to have been well received, and it is a gratifying fact that Government have expressed a willingness to withdraw the most objectionable features of the late proposal. I am sorry, however, they still seem to think it desirable to persevere with the proposal to merge the proceeds of the license-tax in the general revenues of the country, and to abandon the scheme of retaining a separate famine insurance fund. There can be no doubt that the only thing which reconciled the public to the tax, when it was first imposed, was the proposal to apply the monies which it yielded for the relief and prevention of famines. Nothing which has occurred during the last two years should cause any change in the policy of Government in this respect so far as I can see. It may be said that at least two disturbing elements have emerged which were not foreseen when the scheme of a famine insurance fund was proposed, *viz.*, the silver difficulty and the Afghan war. The former of these, however, is not new,

and although the loss by exchange in consequence of the depreciation in silver has increased, more good will be done in endeavouring to meet the difficulty while it lasts by judicious reductions in expenditure, as I am glad to think is now being done, than by appropriating funds required for another purpose to meet the deficiency thus created. As regards the expenses of the Afghan war, these are not a proper charge upon the current revenues in my opinion, even supposing India was to bear them. I for one am most strongly opposed to the Imperial policy which led to this war, and think it will be most unfair if India has to bear the cost of it, when, so far as I can judge, there was absolutely nothing in the circumstances of this country to warrant Government in embarking on the course which led to it, but rather everything to counsel an opposite policy. If the invasion of Afghanistan was considered necessary to support the prestige of the Home Government in their quarrel with Russia, the people of England who supported their policy should pay the bill. Putting this aside, however, war charges are usually provided for by loan, and I can see no justification for applying the proceeds of the license-tax to such a purpose.

The reasons, therefore, which commended the proposal to found a famine insurance fund to the

public mind two years ago, retain their full force to-day; and if Government deem it necessary to retain the license-tax, I think they will miss a great opportunity if they do not avail themselves of the comparative unanimity which exists on this point to establish some scheme of a permanent and tangible character which shall satisfy the public that a provision is being made to meet the periodically recurring strain upon the revenues caused by famines. If the tax is retained without something of this sort being done, I trust Government will at all events make it perfectly clear that its retention is not determined on with any view of enabling them to abolish the cotton duties. Allegations are being freely made that such a purpose is entertained, and it is desirable if there is no foundation for the statement that it should be authoritatively contradicted.

As the object of the Committee's letter to Government last month seems to have been misunderstood in some quarters, I may perhaps be allowed to say that there is no wish on the part of the mercantile community of Calcutta to shirk their fair share of public burdens; on the contrary, I feel sure that if the Government can show clearly that, setting aside all abnormal expenditure, and after retaining all

existing sources of revenue, it will still be impossible to avoid a deficit without imposing additional taxation, the mercantile public here, while regretting the necessity for it, will be prepared to bear their fair share of such taxation if only it be equitably apportioned throughout every section of the community, and levied in such a way as to cause the least possible annoyance to tax-payers. While saying this, I am strongly of opinion that not only will no additional taxation be found to be required, but that Government will have very great difficulty in showing good grounds for retaining the license-tax in even the modified and comparatively innocuous form now proposed, unless they mean to employ the money in re-establishing the discarded famine insurance fund in some shape or other. The latest published accounts show, in the clearest manner, that the Committee in their letter considerably underestimated the strength of the financial position, and there has been no extra expenditure made public to set against the increased revenue, except such as is of an entirely abnormal kind, like the cost of the Afghan war, which cannot with any fairness be charged against current revenues.

It is undoubtedly a step in the right direction to raise the limit of incomes affected by the license-tax to Rs. 500, and to extend the incidence of the tax to professional and other classes hitherto

exempted. It is to be hoped, however, that the proposal to charge a percentage in the case of salaried persons, whose incomes are known, will not be persevered with, but that these will be graded in the same way as traders, and that no one, whatever his income may be, will be called upon to pay more than the fee fixed for the maximum grade. Because officials have been hitherto exempted from the operation of the tax, it is no reason why they should, in future, be more heavily assessed than other persons, as they will be if Sir John Strachey's latest proposal on the subject is carried out. It is surely perfectly feasible, and only fair, to put all on the same footing.

The question of export bills of lading for sailing vessels is another matter the Committee have had before them, and which will come before you to-day in the shape of a resolution, which I hope will be carried, signifying the Chamber's continued adherence to the forms of bill of lading and boat-note hitherto in use. We have received communications on the subject from the Hong-Kong, Shanghai, Yokohama, Rangoon, Coconada, and Kurrachee Chambers of Commerce, all more or less expressive of their concurrence with our views on this subject. The Hong-Kong Chamber in particular have addressed a protest to the ship-owners' society in England similar to our

own. Looking to the fact that the largest shipping ports in the east are all opposed to the alterations suggested, it is to be hoped our friends the ship-owners will not seek to press the matter any further.

The revised rules adopted last year by the London International Telegraph Conference are referred to in the Report; and Government, in replying to the Committee's representation on the subject, say in a letter received a few days ago that "the decisions of the International Telegraph Conference are those of the representatives of nearly every Government in the world, and in framing them the interests of the owners of the vast capital sunk in telegraph undertakings have to be kept in view as well as the interests and convenience of the general public." This is a pretty clear intimation that the Government of India will not help us in regard to a matter which causes much concern to all merchants who have gone to the trouble and expense of compiling private telegraphic codes. I refer to that most vexatious rule which interdicts the use of proper names of persons and places in a code message, except in their natural sense. What object the Conference had in framing such a rule it is difficult to see. It cannot be one whit more difficult for a tele-

graph signaller to transmit an ordinary proper name than an ordinary noun or adjective. If it be that some codes contain extraordinary proper names which in practice are found difficult to transmit, surely that is no reason for interdicting all geographical and other proper names without exception. A list of proper names which would be allowed might very easily have been compiled by the Conference, and an extra charge made in respect of all names tendered for transmission not contained in such list. If instead of framing restrictive rules of this description, the Conference had applied themselves some years ago to compiling a vocabulary of accepted words suitable for the construction of codes, it would have saved the public a very great expenditure of time and money, and the Telegraph Companies themselves an immense amount of trouble. Even now there is no guarantee that we have heard the last of the changes, as the Conference reserve power to themselves to alter their rules at any time. Unless something like finality is arrived at as to what will be admitted as code words, the present feeling of indignation, which, so far as I can learn, pervades all the mercantile communities engaged in the Eastern trade regarding the vexatious and harassing action of the Telegraph Convention, is likely sooner or later to find expression in the construction of a

merchant's telegraph line between Europe, India, and China entirely independent of the Convention, and worked on the co-operative principle. This idea is already taking firm hold in many influential quarters, and it needs but a little more of the contempt for public convenience lately shown by the Conference to lead to definite action in the matter.

The Committee are glad that their recommendation to fix Wednesday all the year round as the day for the closing of the weekly overland mails in Calcutta under the new contract has been adopted by the postal authorities. They would have been still more glad if a mid-day departure on Saturday of the steamer from Bombay had also been acceded to, as they suggested, so as not to deprive Bombay of its Saturday half-holiday, and not to detain the Calcutta mails in the Bombay Post Office for half a day. The convenience of the rest of India would be perfectly well met, in the judgment of the Committee, if the hour of departure were fixed at two o'clock as proposed by the Indian postal authorities. Those who travel by the mail train have, as a rule, made all their arrangements beforehand, and do not require any time in Bombay after their arrival there. Those on the other hand, who have to make arrangements in Bombay before sailing can easily

time their arrival there a day before the steamer sails, so that the argument that 7 P. M. on Saturday evening must be fixed as the hour of sailing, to suit the convenience of passengers arriving in Bombay from other parts of India by the mail trains, will not bear examination for a moment. The Committee of the Chamber, while heartily sympathizing with their Bombay friends in their opposition to a Saturday evening departure of the mail steamer from that port, think it a mistake to ask, as they propose doing, that the day should be altered, when the object they have in view would be gained by simply altering the hour. The Calcutta community would unite with them in asking that the hour of sailing should be fixed at not later than 2 P.M. on Saturday, and I trust this arrangement will be conceded by the authorities whose province it is to determine the matter.

The members of the Chamber will be glad to have the vexed question of the Doorgah Poojah holidays settled in the way it has been. The only matter for regret is that the curtailment of the holidays from twelve days to four is, I understand, felt to be a serious grievance by the native community. I feel sure that European employers connected with the Chamber will do what they can to make the change as little felt by their native employés as possible. Doubtless it will be

practicable to grant extra leave at that season in all deserving cases. It is said the curtailment is likely to be more felt in the mofussil than in Calcutta; and as to this I need only say that I see no necessity to regulate the holidays in the mofussil by rules suitable for a busy port like Calcutta. Where four days would be all that could with justice to all the interests concerned be granted in the one case, double that time might, without inconvenience, be given in the other. I would certainly deprecate any further change, so far as Calcutta is concerned, until it be seen how the new arrangement works.

Another subject referred to in the Report, as to which I need only say a word, is the Trade-Marks Bill. As published, the Bill contemplates the compulsory registration of all trade-marks whatever, whether these appertain to imported goods or to Indian manufactures. The Committee are of opinion that it would be most unfair to make the registration of English or foreign trade-marks compulsory in this country. In all such cases registration should be entirely optional, and the Committee trust the arguments they have adduced in support of this position will have due weight with Government should the measure be persevered with. There does not seem to be any urgent call for it on this side of India, and I am

not aware that the absence of legislation on the subject is felt to be an evil.

Among matters not mentioned in the Report which are at present receiving the attention of the Committee, I may mention the cotton duties. It has been found that the changes in the mode of levying the duties introduced in 1878, and again last year, are productive of much unnecessary trouble to the customs authorities, of serious inconvenience, harassment and loss to importers, and generally of great anomalies. Cases have been brought to the notice of the Committee where of two cloths made in the same mill and almost essentially like in weight, price, make, and appearance, one is admitted duty-free, and the other subjected to an impost of five per cent., simply because of a slight difference in the fineness of the yarn of which one of them is made as compared with the other. The consequence is, as might be expected, that the manufacture and import of duty-free goods, or of fabrics made to resemble such, is daily increasing, and that of dutiable goods is diminishing. At present the change presses with the greatest severity on standard makes of cloth of known quality which cannot be altered to suit the new Custom House rules, and, if some relief be not afforded, these will be gradually driven out of the market. If there was

a prospect that the trade would in a short time suit itself to the alteration in the mode of levying duty, those who are at present suffering from the anomalous state of things I have described would be content to wait: but it is represented to the Committee that there is no such prospect, and that the present state of things cannot be allowed to continue without grave injustice being done alike to Government and to importers. One large firm of importers write to the Committee as follows:—

“We hope the Committee is sending in a remonstrance to Government on the subject of the import duties on cotton goods. The evils of the system on which they are levied are too patent to require detailing, and some change must be admitted to be necessary. Indeed, it is probable that an alteration is contemplated by the authorities, and the danger is that it may be of as preposterous a character as the last.

Four alternatives occur to us:—

I.—The re-instatement of the duty on the old lines. This would be the most advantageous for India, but it is impracticable in the face of Lancashire opposition.

II.—A reduced duty of, say, 2½ per cent. applicable to all goods. This would involve the re-imposition of duty on goods now admitted free,

and would therefore meet with strenuous opposition from Lancashire; but no hardship need be inflicted if time be given to work off existing contracts in duty-free goods.

As the Custom House must be retained for the salt duty, the cost of collection, though great, would not be excessive, and a revenue of about half-a-million sterling would be retained.

III.—The free import of grey goods only, leaving dyed, printed, and white goods subject to the same duty as at present. This would give us the broad line of demarcation between duty-free and duty-paying goods which experience has shown to be necessary. Against this single advantage are the fatal defects that it would be unjust to the dyers, printers, and bleachers of the United Kingdom to place them on a worse footing than the manufacturers, and that the revenue raised would be trifling in comparison with the cost of collection.

IV.—The abolition of the import duty on *all* goods. To this, as importers, we can have no objection; but viewing the subject from a disinterested stand-point, we believe it would be a mistake.

The most feasible compromise will, we think, be found in our second alternative, and we shall be glad if the Committee will give it their support.”

My own sympathies are entirely in favour of a return to an all-round duty on imports of cotton goods. The old duties were in no proper sense of the word protective, and the concessions which were made were yielded, as Dr. Hunter in his recent able address at Birmingham has so well pointed out, in the interests of Lancashire rather than of India. If the state of the public revenues permitted, we should all rejoice to see these and all other duties abolished entirely, but we seem to be very far indeed from being even in sight of such a desirable consummation. Such being the case, Government, in deciding on this matter, ought to look solely to the state of the revenues and to the interests of this country. The principle the Government both here and in England should follow in this and all other matters relating to India, is that enunciated by the Hon'ble Robert Lowe in a recent speech at home: "I believe there is no principle more true or more just than that Government is not to see how it can longest stay in office, but how it can do the most good for the country." It would be a happy thing for India if both the great political parties in the State would constantly act on this principle.

It is argued by those who are in favor of the abolition of the duties that the poorer classes of

this country would reap the benefit in cheaper clothing; and, assuming this would be the result, I admit that is a thing desirable in itself. Looking, however, to the admitted impossibility of reaching that class of the population who now ultimately pay the cotton duties by means of any system of direct taxation hitherto devised without causing serious discontent and oppression, and to this other fact that the cotton duties, as levied prior to 1878, were not in any sense regarded as a grievance by the class chiefly affected by them—I mean the native consumers of cotton cloths—I cannot but think it was a very grave error on the part of Government to move one single step in the direction of their abolition at a time when it was clear the sacrifice of revenue from this source involved the levy of other imposts of a much more obnoxious kind. The course of action then entered upon has brought Government face to face with the alternative now presented to them of either confessing error and boldly retracing their steps, or of abolishing the duties entirely. In the interests of this country, I certainly think the former course would be the right one to pursue; but, if other interests are allowed to prevail, as I fear they may, and the duties are swept away entirely, then I hope that, instead of seeking for a substitute in any new fangled schemes of taxation,

Government will equalize by levelling up, and, if need be, enhancing the salt duties all over India to the extent required to recoup the loss of revenue sustained in giving up the cotton duties. I am not insensible to the objections likely to be urged against this course; but I think if the poorer classes of natives get the benefit of the abolition of the one duty in cheaper clothing, as I make no doubt they would do, they can afford to pay a little more for a necessary like salt, and would themselves far rather pay it in that way than in any other. Nor with a license-tax, affecting incomes above Rs. 500, levied specially for a protection against famines could it be justly charged against the Government that they were letting off the better classes from paying their fair share of taxation at the expense of their poorer neighbours.

Before leaving this subject of customs tariffs, I may say that I should be very glad to see Dr. Hunter's suggestion for the abolition of custom houses as between England and India carried out. I doubt, however, if the revenues of either country can at present afford the sacrifice, or if the scheme limited, as Dr. Hunter proposes, to two countries only is workable, but it would undoubtedly be a great thing if the ports of both countries were declared free for the admission of the respective products of each. I hope it is not an al-

together Utopian idea, but one we may see carried out some day on even a wider scale than Dr. Hunter proposes.

The question of having uniform weights and measures throughout India is one which, I think, presses for settlement. An Act was passed, No. 31 of 1871, which provides for this desirable reform, but Government have not hitherto enforced its provisions. The Committee of the Chamber submitted a representation to Government on the subject in February 1877, to which no reply has been received. The present diversity of standards which exists in every province and in every district in India is most puzzling, and causes confusion to people in business. I trust Government will move in the matter, and not allow the existing Act to remain a dead letter.

The only other matter to which I shall refer is the Bill to regulate labour in factories. The feeling prevalent here among those most competent to form an opinion on this subject is that such an Act is entirely unnecessary for Bengal. I do not profess to speak for Bombay, where the circumstances may be of a special kind; but, as a rule, I would deprecate Government interference in any form between employers and employed; and unless there are some undoubted abuses re-

quiring correction, and which cannot be prevented in any other way, such interference is likely to do more harm than good. I am not aware that any such abuses are alleged to exist in the mills and factories of Bengal.

Before closing, I would appeal to the members to support the Committee in their endeavours to make the Chamber as fully representative as possible of the mercantile interests of Calcutta. The Committee have not an easy task to perform, and they give a great deal of their time and bestow much pains in carefully considering the numerous references and subjects which come before them, whether from members of the Chamber or from Government. In return they ask the sympathy, help, and support of all the members, but specially of the older and more experienced men among us. If such would only come forward more readily than they are now willing to do to serve in the position I have now the honor to hold, and as members of Committee, I am sure the Chamber would be much more effective than it is, and we would not hear complaints, now too common, that we are somewhat slow in our movements, and that many subjects which should be taken up by the Chamber are overlooked. Such an institution as this, if well supported, is capable of doing more good here than similar bodies do at home, where

there is not the same absence of representative institutions as with us. We all, no doubt, feel the pressure of work in our several offices, and are only too ready to give way to the temptation such pressure induces to shirk anything of a public kind outside our own special interests. The efficiency of the Chamber is a matter, however, in which we are all equally concerned, and in promoting which we shall all benefit, and I hope more of the members will be found willing to give up a little of their time to further its interests.

I have now to move the adoption of the Committee's Report for the half-year ending 31st October last.

The motion was seconded by Mr. W. H. Cheetham and carried *nem con*.

The Chairman proposed the confirmation of the Committee's election of Mr. W. Duncan and Mr. John Morison as members of the Committee.

The proposition was seconded by Mr. John Horne and carried unanimously.

The Chairman also proposed that the Committee's election of Messrs. F. Acerboni and Co., as members of the Chamber be confirmed.

Mr. J. W. O'Keefe seconded the proposition which was carried.

Mr. R. P. Heilgers moved the following resolution:—

“That the form of the bill of lading and boat-note circulated to members with the Committee’s letter of the 8th instant be adopted by this meeting as the common and customary bill of lading and boat-note in the port for sailing ships homeward.”

The Resolution was seconded by Mr. S. E. Voigt, and carried unanimously.

Mr. Voigt, in a few words, drew attention to the rule which existed in reference to the measurement of jute and cotton, and inquired whether the old rule could not be re-established.

The Chairman suggested that the matter referred to by Mr. Voigt should, in the first instance, be submitted in a definite form to the Committee, who would give it every attention, invite the opinions of members on the subject, and bring it forward for future discussion.

The Chairman informed the meeting that the Chamber’s Resolution of 31st May 1876 as to the conversion of sterling freight, &c. into Indian currency had been added to the Appendix to the Report for convenience of reference.

The Chairman then announced that the votes for the Vice-Presidentship had resulted in the election of Mr. John Morison.

Mr. Horne, in proposing a vote of thanks to the President and Committee for their labours during the past half-year, expressed the hope that the meetings of the Chamber would be more largely attended than was frequently the case. A good attendance of members would both strengthen and encourage the Committee in their disinterested labors on behalf of the mercantile community of Calcutta.

Mr. Froeschmann seconded the vote of thanks, which was carried with acclamation.

In acknowledging the compliment paid to himself and his colleagues, the Chairman said he had already referred to Mr. Yule, and he wished to add that the Committee had passed a resolution conveying their thanks to Mr. Yule for the services which the Chamber had received at his hands, and expressing their sympathy with him in connection with the cause which prevented his return to India.

The proceedings of the meeting were then closed by a vote of thanks to the Chair.

H. W. I. Wood,
Secretary.

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year
ended 31st October 1879.

The Committee submit their Report on the principal subjects which have had their attention during the past half-year.

THE LICENSE TAX.

The Committee's letter of 24th July to the members of the Chamber fully explains the circumstances under which they were led to adopt the President's Address at the General Meeting last May, in their letter to the Government of India of 16th June, as an expression of their own views on the subject of the License Tax. A doubt having been raised as to whether the Committee's action in the matter was such as to commend itself to the members of the Chamber generally, the Committee felt it was desirable to elicit a distinct expression of opinion on the subject, and they accordingly resigned office, offering themselves for re-election. Their reinstatement, by an almost unanimous vote, was taken to

be an indication that a large majority of the Chamber approved of what the Committee had done.

*From Chamber to Government of India,
Calcutta, June 16th 1879.*

I AM instructed by the Committee of the Chamber of Commerce to send you, as usual, their half-yearly Report, and especially I am requested to draw your attention to the address of the President at the General Meeting held on the 30th ultimo, and to say that the views therein expressed regarding the license-tax have their unanimous and entire support and approval.

I am further instructed by the Committee to say that in their judgment public confidence in the financial administration of the Government of India has been seriously shaken by the manner in which the famine taxes have been appropriated to the general purposes of the State, and to express their earnest hope that the long enduring trust of the people of this country in the good faith of the British Government may not be destroyed nor impelled by persistence in a policy which amounts, in fact, to a confiscation of the famine fund.

It has been reported to the Committee that some of the Circular Orders that have been issued by the Board of Revenue in connection with the collection of the license-tax are of an unusual character, and that compliance with them involves a most serious injustice to the tax-payers.

The Committee, unwilling to accept any secondary evidence on the point, applied to the Board on the 4th

instant for copies of all these Circular Orders, but they have as yet received no reply: I am therefore desired by the Committee to request you will oblige them by instructing the Board to place those orders at their disposal.

*From Govt. of India to Bengal Chamber of
Commerce.—No. 1608, Simla, 8th July 1879.*

I am directed by the Governor-General in Council to acknowledge the receipt of your letter, dated the 16th ultimo, forwarding a copy of the Report of the Bengal Chamber of Commerce for the half-year ending the 30th April last.

2.—In this letter you request attention to the address of the President of the Chamber at the General Meeting held on the 30th ultimo. You state that the views expressed by the President regarding the license-tax have the unanimous approval of the Committee of the Chamber; and you request that the Board of Revenue may be directed to furnish the Committee with copies of the Circulars issued by them on this subject, having "been reported to the Committee that some of the Circular Orders that have been issued by the Board of Revenue in connection with the collection of the license-tax are of an unusual character, and that compliance with them involves a most serious injustice to the tax-payers." I am directed to say in reply that the attention of the Government of Bengal (with which, as you are aware, the administration of the license-tax rests) has been called to the remarks made by the President of the Chamber and to the request of the Committee, and a further communication on this subject will be made to you hereafter.

3.—Your letter states that in the judgment of the Committee of the Chamber "public confidence in the financial administration of the Government of India has been seriously shaken by the manner in which the famine taxes have been appropriated," and the hope of the Committee is expressed that "the trust of the people of this country in the good faith of the British Government may not be destroyed or imperilled by persistence in a policy which amounts, in fact, to a confiscation of the famine fund."

4.—That there should be difference of opinion on questions of public policy is inevitable. The Government not only does not complain of honest criticism of its measures, but it fully recognizes the high utility of such criticism, not only to the public interests, but to the Government itself. While, therefore, the Governor-General in Council regrets that the policy of the Government should have been, as your letter appears to him to show, completely misunderstood, he has been glad to receive that letter; it satisfies him that the Government had not succeeded in explaining with sufficient clearness the real nature of the measures which it had taken, and whether this want of success is rightly attributable to the Government or not, the fact is one which it is useful that the Government should know.

5.—His Excellency in Council hopes that the Circular lately addressed to the local Governments regarding the present financial position of the Government, and a copy of which is herewith forwarded, will give to the Chamber of Commerce information on the principal points on which the policy of the Government appears to have been misapprehended.

6.—With regard, however, to the remarks which Mr. Yule, the President of the Chamber, has made in his address, regarding the application of the taxes imposed for the protection of the country against famine, I am to say that the substance and manner of those remarks are such that his Excellency in Council must decline to discuss or to reply to them. He can only express his astonishment and regret that a gentleman holding such a post should have thought it becoming to charge the Government of India with deliberate dishonesty and bad faith, and contemptuous disregard of solemn promises and duties, or to countenance the imputation that its conduct has been "not only faithless, but cunning."

7.—His Excellency in Council does not believe that such language as this is approved by a body of gentlemen like the Bengal Chamber of Commerce, long distinguished for its honorable feeling and its intelligence.

I have the honor to be, &c.,
R. E. CHAPMAN,
Secy. to the Govt. of India.

THE PRESIDENT'S ADDRESS.

Gentlemen,—It devolves upon me to move the adoption of the report of the Committee for the past half-year. The subjects dealt with are of the usual varied character: proposed abolition of duties on cotton goods and revision of tariff valuations; the factory bill; the telegraph service; the jute ware-house and fire-brigade act; the stamp act; the doorgah poojah holidays, and several others. Some of these subjects admit of comment, but we have endeavoured, in the prefatory

remarks to each of them, to condense their substance and to express our views upon them as far as such a course seemed to be necessary. In addition to the subjects that have been before us in meeting, we have given, as usual, in the report a summary of the budget statement; and it is to one or two of the questions in it that I am to invite your attention at this meeting.

On the last occasion I had the honor of addressing you, I referred briefly to the license-tax and the manner in which it had been assessed. Since that time we have had some experience of the mode in which it is being collected. And we have in the last paragraph of the budget statement a novel aspect of the purpose for which the tax was levied. In common with most other people, I believed that the sole purpose for which the license-tax was imposed was the prevention of famine, as far as this special taxation was capable of preventing it, by the construction of irrigation works and a cheap kind of railway, and by direct contributions to those requiring sustenance during periods of extreme scarcity. But if the last paragraph of the budget be correct, it seems that to create a famine insurance fund was not the sole purpose of the license-tax, not even the primary purpose. If it were required to meet the loss arising from the reduction of the cotton duties, it would be used for that. If a war were undertaken on our frontier, it would be used for that. If exchange fell, it would be used to make up the loss in remittance. In short, if the fund were needed for the general purposes of the State, it would be devoted to general purposes; but if it were not needed for any other purpose, then it would be applied as an insurance

against famines. That is now claimed to have been the intention of the Government, and in point of fact, that has been the action of the Government; and the claim is accompanied with something like a boast of the far-reaching vision and wisdom of the Government in resisting the importunities of those who pressed for its allocation solely to famine insurance purposes.

I wish to test this position; for, in the interests of commerce as well as in the social and moral interests of the country, it is necessary, above all things, that the relationship of a Government towards the people it governs should not be open to the suspicion of bad faith. There is undoubtedly a strong feeling that the financial department has, in this matter, been too clever by half, or, let me say, not quite so explicit as it might have been. If the paragraph in the budget expresses the real intentions of the Government when passing this tax through the Council, I must say there is some explanation needed of the wholly different language which has, down to the publication of the budget been, with one exception, held towards the public. If the budget paragraph be correct, it would appear that while the dreadful pictures of the famine were still fresh either to the eye or memory, a happy thought suggested itself to the financial department, which shaped itself thus:—Let us avail ourselves of the opportunity to impose taxation of a kind which would be barely tolerated in ordinary times. Let us call it a famine insurance fund, and let us say that the sole purpose of the taxation is to prevent the recurrence of the dreadful calamities that are devastating the Madras Presidency, afflicting Bombay, threatening the North-West, and which might travel as

far as Bengal. The Governor-General can be talked over. We can tell the local Government that while the tax is to be locally raised, it will be spent locally, and that will secure their approval. The people can hardly say nay. Their feelings must be deeply touched by the accounts they are reading, and we can hold dissentients up to scorn and contumely for objecting to sacrifice a little to save their brethren from death and themselves from the risk of starvation; but let us insert in the jungle of speeches and paragraphs that will be made and published, a saving clause to the effect that, of course, in the nature of things we cannot foresee what may happen, and it is just possible that circumstances not now foreseen may shipwreck all our good intentions. Few people will notice it. If all goes well, there will be no need ever to refer to it; but, if the necessity arise, we can dig it out and take credit for the wonderful wisdom that foresaw and provided for the increased demands upon our resources.

There were a few feeble objections heard to the proposed taxation: ours was one of them; but we limited ourselves to asserting that the incidence of the tax should be widened. We could not, for shame's sake, offer any objection to a scheme which was to prevent the recurrence of the horrors of Bellary. Well, the tax was passed. It has been levied and collected in such a way as to lead large numbers to conclude, that if there were a choice between the famine and the tax, they would certainly prefer the famine. Before citing the evidence to show that the paragraph in the budget does not convey an honest and straightforward statement of the purposes of the tax, as set forth in the speeches of the

responsible members of the Government, I will point out some of the special grievances that have arisen in connexion with its assessment and collection. The administration of the Act is thrown upon the Chairmen of the municipality in Calcutta and upon the Collector of the districts outside Calcutta. My knowledge of the working of the tax is limited to Calcutta and the neighbouring suburban municipality. Now I need hardly tell you that, neither the Chairman of the Calcutta municipality nor the Collector of the 24-Per-gunnahs can attend to the working of the Act. If they had each the heads and hands of Briareus they could not do it properly. Their municipal duties are already more than enough to engage all their time and thought. They therefore appoint a deputy. Of course that deputy is the next official in rank; the Vice-chairman; but his time is also fully absorbed by his municipal work, and other deputies of that deputy have to be appointed; until at last the administration of the Act is left to be carried out by the ordinary assessing sarkars. These men prepare the lists of the persons to be taxed, and determine the amount of the assessment. As the duty of working the Act was jerked down the different grades of functionaries from collector to sarkar, the lists which the latter prepare are jerked up the same grades until they reach the Collector, who, of course, approves the lists and signs them, without knowing anything about them. These lists are suspended in the Collector's Office and copies of them may be, but are not necessarily, posted on the black boards of the police thanahs of the district. It is the duty of those who have been assessed to discover that pleasant fact for themselves.

They may get notice and they may not. I understand that a large number were not informed that any assessment had been made upon them. Thirty days were allowed for appeal, and after that time had expired, the assessment was finally fixed at the amount stated on the list. We know from the appeals that have been decided that only an extremely small percentage of the number have been upheld, and it may be inferred that those who did not know they were assessed at all were as unjustly assessed as those who did know. If the tax be not paid within 60 days of the date of the list, the defaulter is liable to a fine. About two months ago, messengers might have been seen traversing the streets with big handfuls of official-looking papers. These were notices to persons that they had been assessed for imperial license-tax, and that, as they had not paid the tax, they were fined. This fine may be as much as 500 per cent., but the rate, so far as I can ascertain, has varied from 10 to 50 per cent. In addition to the fine, a fee of 1 rupee was charged for giving notice that a fine was imposed; and the person was further informed that if the tax, the fine, and the fee, were not paid in seven days, distraint would follow. Those three-handled messages were fired off into many an open door, and I need not say they were received with extreme dissatisfaction. To some poor people who, owing to their ignorance of any assessment having been made upon them, had no opportunity of appealing, the tax and fine are simple ruin; and to many they are a most serious inroad upon their little stock of savings. In the mofussil, far away from the influence of public opinion, the cases of hardship are reported to be even more severe; and

the misery the Act is causing might lead one to suppose that the Government had been studying the art of taxing in some Turkish pashalik.

It is only just to say that the Chairman of the municipality and the Vice-chairman of the suburbs, conscious of the enormous evils that the framing of the Act and the rules under the Act are inflicting, are struggling with unwearied effort to mitigate the wrong which they are powerless wholly to prevent or remedy. But in attempting to do this, their work appertaining to the municipality cannot be properly attended to.

I now revert to the purpose for which the tax was levied. After stating in paragraph 278 of the budget that the insurance against famine has virtually ceased to exist, the last paragraph says:—"The propriety of the course followed by the Government last year in refusing to constitute any separate fund in connection with the famine arrangement has thus, it may be added, been justified by the event. Foreseeing the possibility of such a contingency as that which has actually occurred, Sir John Strachey spoke in the Legislative Council, on the 9th February 1878, as follows:—Suppose, for instance, that the product of the new taxes were by law strictly set apart from the general revenues, and paid into a separate fund only to be applied to specified purposes, if, then, any sudden change of circumstances arose calling for seriously increased expenditure, we should have to choose between the imposition of fresh taxes and the abrogation of the law constituting the fund. With all my desire to see the pledges maintained that we have given * * * * I think it would be irrational to object to the temporary diversion of any necessary part of revenue

from this purpose **** Without thinking of a future, far removed from us, events might of course happen which would make it impossible even for us who have designed these measures to maintain our present resolution." Here Sir John Strachey repudiates the notion of the fund being applied to specified purposes, and, having said so on 9th February 1878, he justifies the appropriation of the fund to the general purposes of the country. A few days before the publication of the budget, a deputation from the British Indian Association waited on Lord Lytton with a memorial, in which they hinted, rather than stated, that the licence-tax, as well as other taxes, had been added to the general revenue of the country, which accounted for the alleged surplus that had shortly before been telegraphed from England. His Excellency, in reply, repudiated with great warmth the charge that was implied in the statement of the memorial, and said—"You have entirely failed to recognise the fact that the sole purpose of the additional taxation you complain of was the preservation of the lives of the people of India from the effects of famine." The action of the Government in this matter "was dictated by the sincerest and most anxious desire to give to the people of India the greatest protection which could practically be provided for them against the calamities of future famines. To insinuate the contrary is to insinuate a calumny." Now it appears to me there is a contradiction here. Looking back to the time when the reasons for this tax were laid before the Council, in the speech which Sir John Strachey made on the 27th December 1877, we have the policy of the Government on this subject expounded. It had been determined to throw, as far as possible, the burden of

future famines upon the provinces in which they might occur. To that end the construction of canals and railways, purely of provincial utility, was to be enjoined on the local Governments, and the cost was to be provided by funds locally raised. They adopted the views of Lord Salisbury, who wrote—"While we fully admit the obligation which rests upon the State of preserving the lives of the people, it cannot be doubted that the primary responsibility for providing for their own support ought to rest upon the people themselves." Carrying out this principle, they had taken a step in the right direction, by throwing upon each province the responsibility for meeting the charges for providing the public works required for the protection against famine of its own people. Carrying out this principle still further, the agricultural and the artisan classes were selected as those who should, furnish the insurance fund; because the field labourer, the ryot, and the poorer members of the trading and industrial classes are the people who require assistance in famine times. The fund was to be applied to the sole purpose of protecting those people, and it is they on whom the burden of providing the fund should fall. It was, however, to be supplemented by a tax on the richer traders upon the supposed ground that famines added to their income. Priests, lawyers, schoolmasters, and people with fixed incomes, rarely required Government assistance, and as no portion of the fund would be for their benefit, they would not be called upon to supply any portion of it. The insured alone ought to pay the premium of insurance. This was not a tax for the general purposes of the country, but a special one for a special purpose. The tax would be collected by the local Governments, and would be passed

on as a matter of form and convenience to the general treasury. The Supreme and Local Governments would consult together as to the works to be constructed. When these were settled on, the money would be handed back to be spent on these works, which would be carried out under the responsibility of the Local Governments. The Supreme Government would render, through the Public Works Department, such assistance as might be necessary or desirable in fixing upon the most useful and practicable schemes. But while it was the firm intention of the Government to apply the funds strictly to the objects they were intended to secure, events might happen which would render it impracticable even for them to adhere to their intention; but they considered the sum (£1,500,000) that had been mentioned, ought to be religiously applied to this sole purpose; and they hoped no desire to carry out any administrative improvement, however urgent, or any fiscal reform, however wise, would tempt the Government to neglect this sacred trust. Such, I think, is a fair summary of the speech in which the Financial Minister introduced the famine insurance fund to the notice of the Council. The speech is not a clear one, and some concern was manifested about the few sentences in it regarding the possibility of the fund being diverted, if some pressing exigency arose, from the purpose for which it was to be levied. Upon the whole, there seemed to be little doubt that the money would be spent upon famine works. Lord Lytton also addressed the Council. If there were some qualifying phrases in Sir John Strachey's speech, there is not the trace of one in His Lordship's address. He referred to the intentions of previous Governments, who, when the pressure of distress was severe, and actually

existing, resolved that something should be done to prevent the recurrence, or to mitigate the misery, of famines. The good resolves vanished with the relaxation of the pressure, and nothing was done. But it would be difficult this time, and His Lordship, becoming humorous, said—"I can well imagine what many of those I am now addressing may be disposed to say to me—Your good intentions are possibly sincere, but the path to the narrowest pit is already paved with good intentions. Promise is a good dog; but performance is a better. We have often heard the bow-wow of the first; we have yet to see the tail of the second." Then he states that they will not be open to this kind of criticism. They were to act; they had promised nothing which they had not provided themselves with the means of performing. "He was not now speaking of what they ought to do, but of what they would do, with the means provided by the proposed taxes. There would be a prompt commencement and an uninterrupted continuation of the great and necessary task." There were nevertheless some fears expressed that the taxes would be diverted from the sole purpose for which they were to be raised. To allay all such misgivings, Sir John Strachey said in the Council, on 16th January following: "I feel confident that I shall be able to satisfy the Council and the public that the resolution which the Government has proclaimed will be faithfully carried out, and that the proceeds of these new taxes will be expended for the purpose of providing what I have called an insurance against famine, and for no other purpose whatever." Whether it was owing to Sir John Strachey's manner, or something else, there were still misgivings about his real thoughts as to this business. It may have

been that his declaration at the previous meeting that the money would be religiously applied, and his prayerful-like aspiration that he hoped they would not be tempted to betray the sacred trust, excited the suspicion which he may have thought a touch of the religious element was well-fitted to allay. Plain men of the world have frequently noticed that, when Heaven is called in to back an every-day kind of undertaking, the person pledging himself is apt to consider, if a difficulty arise in the keeping of the pledge, that that is Heaven's way of intimating that the vow need not be kept. Whatever may have been the reason, some of the Members of the Council were not satisfied, even with so strong and positive an assurance; and they represented that they could see no reasonable objection to placing the income to a separate account, since the fund was to be applied to a special purpose. To collect money from the Local Governments to be handed back again was an unnecessary proceeding; and, besides, the people could hardly be satisfied with a verbal assurance, however strong, when there was a manifest aversion to give reasonable security that the pledge would be kept. The Hon'ble Mr. Thornton earnestly pleaded that "something be done to show the tax-payers and the public generally, unmistakably, that famine insurance is not a mere pretext for raising money for general purposes, but that the tax is *bona fide* expended on the object for which it is raised. Then came Sir John Strachey's speech of 19th February" an extract from which forms the last paragraph of the Budget. It is an angry kind of speech. He had been further annoyed and fretted with the clamours for a separate fund, and for some security that the money would go back to the Local Governments. Some time ago, a cut appeared in *Punch*

of a gentleman who had been dunned by his tailor for payment of an account. The gentleman lost his patience at last, and said to the tailor—"I tell you what it is—if you come about annoying me in this way, I will send for the police." Sir John did not hand his tormentors to the police, but he let the cat out of the bag. He objected, he said, to make a separate fund of these taxes. "It seems to have been supposed by some that the primary object of the Government of India was to give to the Local Governments the proceeds of these new taxes. There could be no greater mistake," and Sir John was sure he never said anything to justify it. "What the Government desired was to establish a sense of the obligation under which it is placed in respect to the expenditure due to famine, which shall be felt in the same way as the obligation to provide proper courts of justice, police, education, and so forth." He objected to set aside or even to regard the fund as for any specified purpose. It was to add to the general resources of the country, and he hoped that out of the increase he would be able to do all he had ever promised in behalf of famine insurance; and he thought it would be irrational to place him in such a position that he could not use the fund for purposes that might, in his judgment, be more necessary than carrying on works of irrigation or making cheap railways. This speech of Sir John Strachey created a most painful impression, and Lord Lytton appears to have considered it necessary to write a minute on the subject, with the view apparently of allaying the distrust that had been excited, and of correcting the false impression which the speech had created. The minute is dated 12th March 1878, which was a month after Sir John's speech. He says that "the revenue raised by the

new taxes is required not for general purposes but for the construction of a particular class of public works; and the Government had pledged itself not to spend one rupee of the special resources thus created upon works of a different character." His Lordship then states that the pledges his financial colleague was authorized to give on these points were explicit and emphatic; and the mistrust of their sincerity had arisen from the impossibility of explaining in detail the precise character of the guarantees the Government bound itself to provide for the faithful redemption of the pledge. I cannot see where and how the impossibility of explaining the arrangement could have arisen. It is by no means a difficult arrangement either to state or comprehend, and I think I may take it that this is the official way of saying that Sir John Strachey stated more than he was authorized to state, and had thus caused the distrust His Lordship was by that minute trying to dispel. But His Lordship goes on to say that, as it was impossible to explain the precise details of the guarantees which the Government bound itself to provide, "it is all the more binding on the honor of the Government to redeem to the uttermost, without evasion or delay, those pledges for the adequate redemption of which the people of India have, and can have, no other guarantee than the good faith of their rulers." He quotes a passage from his speech when the Bills were introduced to the Council, to which he adheres: "We are conscious of the reproach we should justly incur, if, after such a declaration as I have now made, the prosecution of these works were commenced, suspended, or relinquished according to the increased or relaxed pressure of annual circumstance."

"They were prepared to provide the Local Governments with the means whereby they may, from year to year, work systematically forwards and upwards to the completion of such a scheme." "The funds locally raised for the purpose will be locally applied." The minute is a clear, frank, honest statement. There is no balancing of contingencies, no appeal to Heaven that they may not be tempted to betray the sacred trust. The money is to be raised for a special purpose, and to that purpose and no other shall it be applied. When the License Tax Bill was introduced to the Bengal Council, the Secretary commended it to the acceptance of the Council, on the ground that it would complete and perfect the policy of decentralization that had contributed so much to the welfare of the presidency; for the taxes to be raised would be devoted to the construction of useful works which would contribute to the prosperity of its own people; and then he said, "these taxes are not required by us to bolster up unholy war, or carry carnage through a neighbour's land. We seek to save the lives and not to filch the earnings of the poor, and we demand from the people of Bengal the means of warding from their doors that famine spectre that has slain already so many of their brethren, and may, for aught we know, be knocking at their own homes in the early future."

The Hon'ble Kristo Das Pal, at the following meeting of Council, expressed a doubt as to the ultimate destination of the fund; but he was assured by the Lieutenant-Governor, in reply, that "he believed it was the intention of the Government of India that the money collected in each province would be

expended in productive work in that province. We hear no more of the purpose for which the tax was levied until March last, when the British Indian Association presented to His Excellency in person the memorial I have referred to. Memorials of a similar character went up from the Trades' Association and this Chamber. The reception which they met with reminds me of the physic-day at Dotheboy's Hall; but there was this difference,—the physic was not mixed, and while the British Indian Association got all the sulphur, the Trades' Association and the Chamber got all the treacle. But while the Governor-General was rebuking the British Indian Association for insinuating that the tax was being misappropriated from its sole purpose, the Financial Department was reproducing the paragraph of Sir John Strachey's speech of 9th February, in which he stated there was no specific destination for it, except in the sense that provision for the maintenance of courts, police, education, and so forth, was specific, and what had since happened proved the wisdom of their decision.

Now several questions suggest themselves. The first is—what can the Governor-General think of the matter? How comes it that while he states the tax was for a specific purpose, the budget justifies the appropriation of the fund on the ground that it was "for no specified purpose." The second is,—what can Sir John Strachey think when he compares his statement of 16th January 1878,—that the taxes "would be expended for the purpose of providing against famine and for no other purpose whatever"—with the budget which in effect denies that any such promise was ever made? Thirdly, what can the Local

Governments think of it? They told the people of their respective provinces that the tax would all come back to them in the form of canals, and railways, and irrigation works. They softened the appeal with a glowing picture of the famine spectre warded from their doors. What can they say, except that the Supreme Government has taken the money, and has found more pressing uses for it than saving he lives of the people. An irritating controversy about cotton duties, and some other such controversies, must be settled first. What can they do, but keep mournful silence in the presence of a deed over which angels may weep, of the bread snatched by tax and fine from the poor, under the hollow pretext of storing it for them against more distressful times? Fourthly, what can the people who have been assessed think of it? They were selected out of the rest of the community to pay the money, because it was to be invested for their special benefit, and not for general purposes.

In the budget, much stress is laid upon the conditional promise that the cotton duties would be removed as soon as the finances permitted. The condition has, unhappily for the country, not arisen. The financial state of the country is worse now than when the promise was made, but this conditional promise must be kept; honor, justice, and, I think I may add, the near approach of the dissolution of Parliament demand it. The special positive pledge that the tax for famine insurance would be devoted to the sole purpose for which it was raised is jeered and glibbed at. Part of the proceeds of the special tax, for a special purpose, under a special pledge, is to be devoted to carrying out the conditional pledge. The times are out of

joint when this can be done with safety. The asseveration that the proceeds of the tax would be religiously applied to the specific purpose for which the tax was levied; the sacred trust which no fiscal reform would tempt the Government to betray, are treated as trifles. The English people in the time of the Stuarts was not unfamiliar with this sort of pledge and performance. The story of the millions who perished of hunger is a year old, and need be little thought of now. But we have the assurance of the 281st clause of the Budget, that "the Governor-General in Council still believes £1,500,000 a year in ordinary times is necessary to cover this liability alone." The short, cold statement in connection with such a subject reads like an undertaker's estimate of a funeral. This is probably the last we shall hear of famine insurance. The fund itself will help to plaster the rents and fissures in the yearly Balance Sheet. Like

"Imperial Cæsar dead and turned to clay,
"T will stop a hole to keep the wind away."

The license-tax, however, will remain; but its name, while it lasts, will fitly describe the liberties that have been taken with the virtuous purposes for which it was ostensibly imposed. I cannot help thinking that the course the Government has finally adopted with regard to this fund is a most perilous one for its own good name. Rightly or wrongly, there is the impression abroad, that there has been something akin to faithless, not only faithless, but cunning conduct in this business; and no one can deny that it is a most serious disadvantage to the Government of a country to have a belief of this kind

existing among any considerable portion of the people they govern; and it is the clear duty of citizens to give expression to such a belief and the grounds of it. Coming in this way, as it may do, under the notice of Government, they may see how the misapprehension has arisen, and take steps to remove it, or they may see wherein they themselves have done injustice, or rather, have erred; for there are, I hold, many ways in which most of the shortcomings of mankind may be accounted for, apart from the assumption that they are the outcome of the desire to do evil. But if the deeds be wrong, they ought none the less to be exposed and condemned, for folly and mistake are no less fruitful of disaster than intentional mischief or purposed deception.

The most satisfactory, indeed, I think I may say, the only satisfactory, part of the Budget statement is that which has reference to the abolition of the salt customs line. It seems incredible that so barbarous an obstacle to business could have existed up to this time. While we have been spending money by tens of millions to facilitate the transfer of commodities from one district of the country to another, we were at the same time maintaining a barrier by which trade was impeded and harassed at a cost of upwards of £150,000 a year. Ten thousand men have, for 35 years, been drafted from the industry of the country not to remain idle but to be the instruments of positive mischief. To Sir John Strachey belongs the high honor of having successfully dealt a mortal blow at this monstrous Gorgon, stretching its hideous length of 2,000 miles across the country, accursed, as he says, alike of gods and men.

From Government of India, Financial Department, Accounts and Finance, to all Local Governments and Administrations.—No. 1291, Simla, the 16th June 1879.

By his Resolution No. 410 of the 1st ultimo, the Governor-General in Council communicated to the Local Governments and Administrations a general statement of the measures which he proposed to take for the reduction of the Public Expenditure. It was, at the same time, announced that it had become necessary to revise the existing financial arrangements with the Local Governments, with the object of obtaining relief to the Imperial Treasury, and averting, so far as possible, the necessity of imposing on the country fresh burdens, whether Imperial or Provincial. The Governor-General in Council stated his intention of immediately placing himself in communication with the several Local Governments, and of consulting them in regard to the particular measures which should be adopted for the attainment of that object.

2. These communications have already commenced, and his Excellency in Council thinks that it may facilitate the settlement of the questions which remain to be considered, if he now gives to the Local Governments a sketch of the present financial position of the Government of India.

3. The Financial Statement for the current year 1879-80, published on the 13th March last, was drawn up under very exceptional circumstances. They are well known to the Local Governments; but it may, nevertheless, be convenient to recapitulate them, and it will thus be easier to show clearly the important changes in the financial posi-

tion of the Empire which have taken place since the commencement of the official year.

4. Early in 1878, the Government of India declared the necessity of recognizing the fact that the obligations entailed on the Government by the periodical and inevitable recurrence of famine must be provided for among the ordinary charges of the State. As soon as it was admitted that famines must be looked on, not as abnormal or exceptional calamities, but as certain, from time to time, to recur, it became obvious that sound financial policy obliged the Government to reject altogether the expedient of trusting to borrowing to meet the charges which they entailed, and that it was essential to make such an improvement in the financial position of the Government, as would enable it to meet these charges from its ordinary revenue. This could only be done by securing in years of normal prosperity a surplus sufficient to meet the excess expenditure which must be incurred in time of famine.*

The Government decided that the amount of financial improvement necessary to enable it to undertake these new burdens could not safely be estimated at less than £1,500,000 a year. The net Imperial resources had, therefore, to be increased by that amount on account of famine alone.

5. £400,000 a year was provided, without any fresh taxation, either imperial or provincial, by administrative changes and improvements. The remaining £1,100,000 was furnished by additional taxation; and thus the requisite sum of £1,500,000 was made good.

The manner in which it was proposed actually to apply this surplus has often been explained. The public debt was to be reduced, or its growth prevented, to the extent of £1,500,000 a year, and thus resources were to be stored up in years of prosperity, by means of which, when famine actually occurred, it would be possible to discharge the heavy obligations which would then fall upon the State.

6.—In the first statement made on the subject in the Legislative Council on the 27th December 1877, Sir John Strachey spoke as follows:—

“It is the firm intention of the present Government to apply the funds, now to be provided for this special purpose, strictly to the exclusive objects which they were designed to secure. In such matters, no doubt, Governments cannot fetter their successors, and nothing that we could now say or do would prevent the application of this fund to other purposes. Without thinking of a future far removed from us, events might of course happen which would render it impracticable even for us, who have designed these measures, to maintain our present resolutions. So far, however, as we can now speak for the future, the Government of India intends to keep this million and-a-half as an insurance against famine alone. In saying this, I should explain that we do not contemplate the constitution of any separate statutory fund, as such a course would be attended with many useless and inconvenient complications, without giving any real security. Unless, then, it should be proved hereafter by experience that the annual appropriation of a smaller sum from our revenues will give to the country the protection which

it requires, we consider that the estimates of every year ought to make provision for religiously applying the sum I have mentioned to this sole purpose, and I hope that no desire to carry out any administrative improvement, however urgent, or any fiscal reform, however wise, will tempt the Government to neglect this sacred trust.”

7. These assurances have frequently been repeated. The Governor-General in Council has never swerved from his resolution; he is at this moment as firmly determined as ever to maintain that resolution in all its integrity, and he has, he hopes, succeeded in maintaining it in spite of circumstances altogether beyond his control, and of exceptional and extreme difficulty.

8. At the beginning of the last financial year, 1878-79, the Government of India believed that it had not only secured the annual surplus of £1,500,000, required for the protection of the country against famine, but an additional surplus of nearly £500,000 to meet unforeseen contingencies. In the course of the year, however, circumstances occurred which made a very grave alteration in the financial position of the Government. The exchange value of the rupee fell to a most serious extent, and the country became involved in war. Notwithstanding these untoward events, the Government was able to meet from its revenues the whole charges of the war to the end of 1878-79, amounting to £670,000, to spend £555,000 on famine relief, and in addition to all this a surplus of £1,300,000 for famine insurances remained. Although the surplus of the year was increased by special causes, the hopes and assurances of the Government in regard to the provision of means

for protecting the country against famine were, in 1878-79, more than fulfilled.* The accounts of the year not having yet been closed, the figures now given are necessarily open to some correction, but there can be no doubt of the substantial accuracy of these conclusions.

9. When three months ago, the Budget arrangements for the present year had to be made, the war still continued, and the fall in the exchange with London had become still more serious. Although the help expected from the British Treasury relieved the Government from immediate anxiety on account of the expenses of the war, it was impossible to say how long the war might continue, or what charges it might ultimately entail. The prospect presented by the further diminution of the exchange value of the rupee was, however, a cause of far greater financial apprehension.

10. It may be assumed that India has now to pay and raise in the year by taxation, on account of the Home charges, a sum exceeding by about £3,000,000 what would have been necessary if the exchange had remained at the rate prevailing before the long standing equilibrium between gold and silver was disturbed.† The estimates of the present year were worse by £1,364,000 than they would have been if the exchange could have been taken of the same rate as that taken for 1878-79. This additional charge exceeded by about a quarter of a million the whole sum yielded by the new taxation imposed for the protection of the country against famine. In every other respect the condition of the finances

* See Financial Statement for 1878-80, Para. 159.

† Financial Statement for 1879-80, para. 276.

was satisfactory. But for this cause, there would have been, apart from the war, a real surplus on the estimates of the year, of more than £2,000,000. As matters actually stand, this surplus, after allowing for the loss of revenue caused by the partial remission of the duties on cotton goods, has been reduced to about £800,000*; a sum less by £700,000 than the surplus of £1,500,000 required on account of insurance against famine alone; and less by £1,200,000 than the total surplus of £2,000,000 which the Government of India has repeatedly declared to be required, and which, it believed a year ago, that it had secured.

* Financial Statement or 1879-80, para. 286.

11. The question whether this most serious and indefinite growth of the charges on account of loss by exchange could be prevented by an alteration in the law regulating the currency of India has, it is generally known, been long under the anxious consideration of the Government. If, as some authorities maintained, it could be shown to be in the power of the Government to apply, by this means, and without injury to the country, a sufficient remedy for the evil, it was clear that this course should be adopted. If, on the other hand, no such remedy was possible, other measures for the improvement of the financial position of the Government were not less clearly requisite. It seemed to the Government of India that this question must be settled before any measures for imposing new taxation, or for reducing really useful expenditure, could properly be adopted. The Governor-General in Council accordingly reported this conclusion, with a full statement of his own views, to the Secretary of State; he said that in the event

of sufficient proof being given, within a reasonable time that, through an alteration in the currency law, or by the operation of other causes, a permanent recovery of the exchange could be anticipated, "it would be prudent to accept the temporary loss of the surplus, secured by the arrangements made at the commencement of the present financial year, by which we had hoped that an insurance against famine had been provided for the people of India. We feel, however, that a final judgment on the question of policy cannot long be delayed, without loss of character to the Government and serious danger to the country."

12. When the Financial Statement for the present year was published, this question was under the consideration of Her Majesty's Government, and the fact was announced in paragraph 280 of the Statement. It was said that it was not desirable to enter further into the subject "until Her Majesty's Government has had time to mature its decision in regard to the measures which ought to be taken." It was added, that although for the present, the Governor-General in Council thought it wise to abstain from imposing any fresh burdens on the country, and to accept the temporary loss of the Famine Insurance Surplus, he would, "in no degree, abandon the imperative duty of making, to the utmost of his ability, provision for protecting the country against famine. He still believes that a surplus of £1,500,000 a year, in ordinary times, is necessary to cover this liability alone."

13. It still appears to the Governor-General in Council that no other conclusion could, under the circumstances of the case, have been reasonably adopted; and this conclusion, which was rendered desirable by the position

of the question of exchange, would, if no such question had arisen, have been rendered necessary by the war. The Government of India has always declared that circumstances calling for seriously increased expenditure of a temporary character might occur in which it would be wise to accept the temporary suspension of the Famine Insurance Surplus as the lesser of two evils. This was the policy which the Government of India resolved, under the circumstances described, to adopt at the commencement of the present year; and, although it was unfortunate that the contingency which had been foreseen as possible should have occurred so soon after the arrangements for the protection of the country against famine were supposed to have been completed, the Governor-General in Council has no doubt that the proper course was taken.

14. Although the Governor-General in Council thus resolved to await the decision of Her Majesty's Government on the important question which was under its consideration, he did not, on this account, neglect the duty of being prepared to take immediate action, if that decision should render it necessary to abandon the expectation that some relief from the increasing difficulties caused by the fall in the value of silver in relation to gold might be found by altering the law by which the currency is regulated. The official orders of the Secretary of State, to the effect that measures in this direction appeared impracticable, were issued on the 19th May; but their purport was known to the Government of India a few weeks earlier. About the same time, it became possible to look forward with confidence to the termination of the war, and to the removal of the anxiety which was felt on this account when the

Financial Statement was made. On the 1st May, the Resolution referred to in the first paragraph of this letter was published, declaring that immediate measures must be taken for the reduction of the public expenditure in all its branches, and for the revision of the arrangements between the Imperial and Provincial Governments. The Governor-General in Council has no doubt that everyone will agree in the opinion that, however unfortunate may be the necessity for these measures, it was the duty of the Government to take them rather than impose fresh taxation.

15. The orders that have already been issued provide for a reduction next year of £733,000 on the ordinary Imperial and Provincial grants for Public Works, and stringent measures are being taken for the reduction, at no little sacrifice, of the Central Establishments of the Government of India. The amount by which the revision of the Provincial assignments will increase the resources of Imperial Treasury cannot now be stated; but there can be no doubt that it will be considerable. The Governor-General in Council hopes, by the various measures in progress, to obtain, in the Civil Departments alone, an improvement in the finances which may, with the active co-operation of the Local Governments, amount to £1,000,000; against this, however, there must be a serious set-off on account of pensions and other forms of compensation to the officers with whose services it will be necessary to dispense.

16. With the object of examining into the whole question of Military expenditure in India, and the possibility of reducing it without interfering with the efficiency

of the Army, a Commission of experienced Military and Civil Officers, under the presidency of Sir Ashley Eden, has been appointed. An investigation by a Committee, under the presidency of the Earl of Northbrook, is also going on at the present time in London into the question of the Home Military charges. The Governor-General in Council cannot now say anything in regard to the probable results of these inquiries in this country and in England, but it is his earnest hope and expectation that they will prove beneficial in a high degree to the interests of India.

17. It has been shown, in the 10th paragraph of this letter, that the sum of £700,000 must be provided to restore in its integrity the surpluses of £1,500,000 required as an insurance against famine. The reductions of expenditure, and the other measures which have already been taken, have more than covered this amount. It may therefore be confidently said that the Government of India has already, without imposing fresh burdens on the people, made provision for securing the full amount of the surpluses originally declared necessary for protecting the country against famine, as well as for recouping the loss of revenue caused by the reductions lately made in the duty on cotton goods.

18. In saying this, it is of course assumed, that no fresh causes will lead to a large increase of expenditure, or to a large falling off in the revenue. With the single exception of the loss by exchange, no cause of financial anxiety is now apparent; but how serious this exception may prove in the future, has unfortunately been shown most forcibly by the experience of the past. This indefinite and uncontrollable liability throws an element of

doubt into all the financial arrangements of the Government; it is this liability which has rendered necessary the stringent measures which have been taken for reducing expenditure on works most useful to the country and essential to its rapid progress, which has obliged the Governor-General in Council to disturb, to some extent, the satisfactory relations established between the Supreme and Provincial Governments, and has made it impossible to say that India may not have to submit hereafter to further sacrifices. His Excellency in Council is not, on this account, less firm in his resolution to maintain the finances of the Empire in a thoroughly sound condition, nor is he less confident of complete success in carrying that resolution into effect.

19. The Local Governments are aware that it has been decided to reduce very largely the expenditure, not only on Ordinary Public Works, but in accordance with the instructions of the Secretary of State, on Productive Works also. His Excellency in Council does not disguise from himself the serious injury which must be caused by even the temporary restriction of a policy followed for many years past with eminent success, and which, in spite of all mistakes, has promoted to an extraordinary degree the material progress of the country. The Government of India greatly regrets the unfortunate necessity under which, by causes altogether beyond its control, it has thus been placed.

20. Rigid economy in every branch of the public service is, in present circumstances, the policy which must be followed. To quote again the words of the Resolution of the 1st May :-

" Unless positive necessity exists, no improvements in administration, however desirable, must be undertaken if they involve increased charges; no fresh establishments must be entertained; no new offices must be created; no new works, which it is possible to postpone, must be commenced."

It is through this policy of retrenchment and economy that the necessity for fresh taxation has, for the present, been avoided; and if the fall in the value of silver in relation to gold should further increase, strict adherence to that policy will be more than ever essential. The Governor-General in Council knows that every Local Government and Administration in India will give to him its loyal support in carrying out the measures which he has resolved to adopt.

I have the honor to be,

SIR,

Your most obedient Servant,

R. E. CHAPMAN,

Secretary to the Govt. of India.

Bengal Chamber of Commerce,

Calcutta, 24th July 1879.

The Committee of the Chamber of Commerce deem it their duty to lay before Members of the Chamber copies of the correspondence which has passed between the Government of India and themselves upon the subject of the License taxes.

It has been customary for the Secretary to forward to the Supreme Government a copy of each half-yearly

report—in which is bound up the address of the President for the time being—and the usual practice would have been followed after last half-yearly meeting, probably without comment, had it not been for the receipt by the Secretary from a high official of a letter marked "*Private*" "No. 630" in the following terms:—

"Your Chairman's address contains so much that is of peculiar interest to us that it might be useful if you would favor us with a copy officially, with or without any covering letter or remarks from the Chamber, but in such a form as to afford the Government of India an opportunity of offering any explanation which it may think fit in respect to some of its proceedings, which I gather from Mr. Yule's address have been somewhat misunderstood. I shall be grateful if you can oblige us by affording us the opportunity which cannot fail to be of public advantage."

At the time when this letter was received your Committee had under consideration the propriety of memorialising Government on the subject of the license-tax, but, having regard to the facts that any such memorial would have travelled over much the same ground as that taken by Mr. Yule—that at the meeting of the Chamber Mr. Yule's speech had been received, not merely without a dissentient voice, but amidst general applause—and that not a single member had, by letter to the Committee, or otherwise, expressed dissatisfaction with either substance or manner of the President's address, although a copy had for some time been before every member—your Committee decided to simply comply with the semi-official request which they had received, and to forward

to Government a copy of the address, accompanied by a letter, expressing their own approval of the opinions to which the address gives utterance."

The charges formulated by Mr. Yule against the Government may be summarised as follows:—

1st.—That the taxes known as the "license," or "famine taxes," were raised under repeated assurances from the lips of the Viceroy that the proceeds of these taxes should be expended "not for general purposes but for the construction of particular class of public works to constitute an insurance against future famine; the Government pledged itself not to spend one rupee of the special resources thus created upon works of a different character;" whatever "the pressure of annual circumstances" might be; his Lordship stating that he considered it "binding on the honor of the Government to redeem to the uttermost, without evasion or delay" pledges for the adequate redemption of which the people "of India can have no other guarantee than the good faith of their rulers."

2nd.—That these utterances, so emphatic and reiterated, coming as they did from a Governor-General invested with almost despotic authority, justified the general belief in a solemn pact between governor and governed as to the disposal of the famine taxes.

3rd.—That in like manner the License Tax Bill was recommended to the Bengal Council on the ground that the taxes to be raised in Bengal would be devoted to the construction of useful works within the same Presidency, so as to give the Government the means of "saving the lives of the poor; of warding from their doors that

"famine spectre which had slain already so many of their brethren."

4th.—That in faith of such pledges the taxes were accepted by the Councils of the Supreme and Local Governments.

5th.—That the taxes have been levied exclusively upon particular sections of the community on the declared ground that such selected members of the general public were those who made money out of famines, or else were specially interested in providing against their recurrence.

6th.—That, in spite of the pledges cited above, the proceeds of the famine taxes have not been applied in the construction of useful works, nor in any such manner as could intelligibly be called "insuring against famine"; but that they have been converted to the general purposes of Government.

7th.—That these circumstances had created in the minds of many, a feeling that the action of Government had been characterised by bad faith.

8th.—That the assessment of the license-tax had been conducted in an arbitrary and objectionable manner, and that its collection had involved numerous cases of injustice, and produced cruel distress among the most helpless section of the community.

After serious consideration of all the facts, your Committee arrived at the conclusion that Mr. Yule was justified in the views he expressed; and holding also with him that "it is a most serious disadvantage to the Government of a country to have existing, among any consider-

"able portion of the people," an impression that there had been, in the action of Government, "something akin to faithless and cunning conduct" your Committee were agreed that "it is the clear duty of citizens to give expression" to the fact of the existence of such a belief in order that Government "may see how the misapprehension had arisen and take steps to remove it."

It was not necessary to this consensus of opinion that the Committee should adopt every phrase and turn of expression which Mr. Yule might have used, but your Committee adopted the address as giving utterance, in substance, to views which had, and still have, their unanimous support.

As evidence that the views expressed by Mr. Yule, and adopted by your Committee, are not without sympathy in other parts of the empire, your Committee call your attention to the fact that, in their memorial to the House of Commons, dated 22nd April 1873, the Madras Chamber of Commerce declare that the Government of India had "entered into public pledges of a solemn and binding character;" that the Finance Minister had even gone beyond "ignoring such obligations"; that the Government had, "broken faith with its tax-payers" and so behaved that if any commercial company had acted similarly it would have forfeited all claim to public confidence. These are not words uttered in a spoken address, but charges deliberately put forward in the course of a solemn appeal to the Imperial Parliament.

The Governor-General in Council, replying to the Secretary, expresses his astonishment that Mr. Yule "should have thought it becoming to charge the Government of

"India with deliberate dishonesty and bad faith, and contemptuous disregard of solemn promises and duties, or to countenance the imputation that its conduct has been not only faithless but cunning." His Excellency "in Council does not believe that such language is approved by a body of gentlemen like the Bengal Chamber of Commerce."

The Committee believed that the Members of the Chamber will find that the address of their President, outspoken though it be, is not open to the censure which the Government passes upon it. The passage singled out is the one which your Committee has already quoted: it is found on page 23 of the report. The President is not uttering his own sentiments, but reporting a current impression, and commenting on the harm it may do to the Government. For himself he is careful to draw a distinction between mere error, however mischievous in its results, and intentional evil-doing.

Whatever view may be taken of the fairness or otherwise of His Excellency's rejoinder, or of its pertinence to the serious questions brought under His Excellency's notice, the Committee accept his censure of their President as a censure upon themselves; and labouring thus under public reproof from the Viceroy of India, your Committee submit themselves to the judgment of the Chamber. They accordingly place their resignation in your hands, although willing to serve out their term of office if honored by a renewal of your confidence.

Your Committee are unwilling to further occupy your time with anything not strictly relevant to immediate issues, but they think it may belong to their own justifi-

fiction to point out that the circular of the 16th June, upon which rests the Government defence, is no real answer to Mr. Yule. The circular passes over, almost in silence, those strong and positive assurances of the Governor-General upon which the people of India relied, to bring into prominence a carefully balanced paragraph of doubtful meaning in one of Sir John Strachey's speeches. The rest of the circular amounts to little beyond an admission that the proceeds of taxes, contributed by special classes for specific objects, have not been so applied, but have been used towards the reduction of deficits, largely resulting from the pursuit of lines of policy obnoxious to none more than to many amongst the very class which pays the license-tax.

We remain,

Dear Sirs,

Yours faithfully,

GEORGE YULE,

President.

A. B. INGLIS,

Vice-President.

W. BLEECK.

R. EWING.

T. F. HAMILTON.

G. H. MORRISON.

J. W. O'KEEFE.

LICENSE TAX.
CIRCULAR ORDERS BY BOARD OF REVENUE.

The correspondence which follows explains itself. The Committee having heard, on what they believed to be good authority, that some circular orders of an objectionable character had been addressed by the Board of Revenue to Executive Officers regarding the collection of the License Tax, thought it well to address Government on the subject. The Committee accepted the assurance given them in reply that they had been misinformed.

From Chamber to Board of Revenue.

Calcutta, 4th June 1879.

I am instructed by the Committee of the Chamber of Commerce to request the Board will favor them with copies of all Circular Orders issued by Government up to the present date regarding the collection of the License Tax.

From Board of Revenue to Chamber.

Dated, 12th June 1879.

With reference to your letter, dated 4th instant, I am directed to forward for the information of the Committee of the Bengal Chamber of Commerce, copies of rules sanctioned by Government under Section 39 of Act I

(B. C.) of 1878 for the town of Calcutta and for District other than Calcutta, and to state that revised rules will probably be issued shortly.

From Chamber to Board of Revenue.

Calcutta, 17th June 1879.

I am directed to acknowledge the receipt of your letter No. 785 of the 13th instant, and to thank you for the copies of rules for the administration of the License Act which accompanied it.

But I am instructed to inform you that the papers which you have been good enough to place at the Chamber's disposal are not what the Committee directed me to ask for: and a reference to my letter of 4th instant will show that the application was for *all Circular Orders* issued by Government up to the present date.

Will you therefore oblige by furnishing the Committee with copies of those documents.

From Board of Revenue to Chamber.

Dated, 7th July 1879.

I am directed to acknowledge the receipt of your letter of the 17th instant, and, in reply, to state that the copy of the rules for administration of the License Tax was sent to the Chamber of Commerce advisedly, as they contain the substance of all the general orders passed by Government on the subject. I am to add that no circular orders have been issued by Government in connection with

the administration of the Tax, and Mr. Mangles does not consider himself at liberty to supply copies of the correspondence which has passed between Government and the Board without the special orders of the Lieutenant-Governor.

*From Chamber to Board of Revenue.
Calcutta, 18th July 1879.*

I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 880 of the 7th instant, and to express their regret that they have not been successful in explaining with sufficient clearness the kind of document they ask for. It is not the correspondence between the Government and the Board that they solicit, but the documents known by the name of "Circular Orders," which the Board has issued in connection with the License Tax to the Collectors of Districts, and which are distributed to the subordinates of the Collector for their guidance in the collection of the Tax.

I am instructed to state that information has reached the Committee that one of these Circular orders, for example, strongly urged the Collectors to get in the full amount of the assessment, and that appeals and objections could be heard afterwards; and that another required the Collectors to get in the assessment with the utmost speed by tax or otherwise. Several orders of similar character have been issued. The Committee are desirous of ascertaining how far the information that has been communicated to them is correct, and they wish me to express the hope, that with the examples given of what

they mean by "Circular order" you will be able to understand the kind of document that is desired.

If the Board still fails to comprehend the wishes of the Committee, I am instructed to say that the Committee believe they can obtain copies of the Circular orders in question at the offices of the Municipality in Calcutta or at that of the Collector of the 24-Pergunnahs, provided the Board will authorise the Chairman of the Municipality or the Collector of the 24-Pergunnahs to furnish the same on the Committee's application.

From Board of Revenue to Chamber.

Dated, 25th July 1879.

I am directed to acknowledge the receipt of your letter of the 18th instant in which, in continuation of previous correspondence, you ask that the Committee of the Chamber of Commerce may be supplied with copies of the Circular orders issued by the Board in connection with the License Tax, and you state the substance of some orders which the Committee understand have been issued. You at the same time express the regret of the Committee that they have not been hitherto successful in explaining, with sufficient clearness, the kind of document they ask for.

2. In reply, I am directed to forward a complete set of the Circular orders issued by the Board on this subject, and to say that had these been asked for in the first instance they would have been at once supplied. But I am to point out that in both your previous letters you asked for copies of the "Circular orders issued by

Government," and that it was extremely difficult for the Board to know that what you really wished to procure was an entirely different description of document.

As the Board are not aware of the existence of any orders corresponding to the examples given by the Committee they are unable to make a selection. It is however stated, without qualification in your last letter, that several orders of this nature have been issued, and the Board have therefore thought it best to forward a complete set of their Circular orders, in order that the Committee may have an opportunity of satisfying themselves that the statement which you have been desired to make is incorrect.

From Government of Bengal, to Chamber.

Calcutta, 18th July 1879.

With reference to your letter of the 16th June last, to the address of the Secretary to the Government of India in the Financial Department, I am directed to request that you will be good enough to favor this Government at your early convenience with 3 copies of the Report which forms an enclosure to your letter.

As regards the application of the Chamber for the Circular orders of the Board of Revenue on the administration of the License Tax Act, the Board have been directed to comply with their request, but the Lieutenant-Governor is not aware of any series of Circular orders which correspond with the remarks of the Chamber. It would be well therefore if the Chamber could give the Board some further clue to enable them to know the precise order or orders required.

TRADE MARKS BILL.

The Committee's views on the subject of the Trade Marks Bill are fully stated in their letter to the Government of Bengal of 22nd August. Their main objection to the Bill was the proposal to make it apply to imported goods, whether these have been already registered under the English Act or not, as well as to goods manufactured in this country. If the Bill is persevered with, the Committee hope this objectionable feature in its provisions will be removed.

From Government of Bengal to Chamber.

Calcutta, 23rd June 1879.

I am directed to forward herewith a copy of the Bill to provide for the registration of trade-marks, together with a copy of the statement of objects and reasons, and to request that you will be so good as to favor the Lieutenant-Governor with an expression of the opinion of the Chamber upon the provisions of the Bill.

2. Your reply should reach this office not later than the 10th August next.

From Chamber to Government of Bengal.

Calcutta, 22nd August 1879.

I have the honor to acknowledge the receipt of your letter No. 2794 of 23rd June, and to express regret at the delay which has occurred in replying to it.

The Bill to provide for the registration of trade-marks is a most important one, and the Committee of the Chamber have been anxious to give it very full consideration. This they have done, and I am now directed to submit the conclusions at which they have arrived.

1. As appears from the statement of objects and reasons, this Bill has been introduced at the request of the Bombay Mill Owners' Association and the Bombay Chamber of Commerce, and is evidently intended to meet the requirements of the rapidly growing industry of cotton spinning and manufacturing in the sister presidency. On reference to the Bombay Chamber of Commerce, the Committee find that, in asking for such protection as this Bill provides, it was originally contemplated to apply *only* to native manufactures in India and *not* to imported goods manufactured in Europe.

With such a limitation in its scope, I am instructed to say that the principle of the present Bill has the approval of the Committee, although they can foresee that, with the machinery available in this country, it will be a matter of extreme difficulty in carrying out the details.

2. It does not, however, quite clearly appear that the provisions of the Bill are to extend *only* to native manufactures. Clause 4 seems to convey that all marks, whether on foreign-made goods, or whether registered at home or not, ought to be registered in this country. If the Bill is so meant to apply, I am instructed by the Committee to enter their earnest protest against the passing of such a measure. In their judgment importers are well enough protected already, and they can see no call whatever for any further interference on their behalf. No

desire for such protection has been expressed to the Committee; on the contrary, the consensus of opinion seems to view the application of registration to foreign trade-marks as pregnant with nothing but heavy expense, endless disputes, and constant litigation. To one not in the trade it is almost impossible to explain the difficulties which would arise, and the hardship which would follow the compulsory registration of all trade-marks whatsoever. There are many thousands of tickets, numbers, devices, headings, &c., already in use, many of which have been registered in England after considerable cost; and the Committee submit that it is quite unnecessary that such marks as held a certificate of registration under the English Act should have to undergo a similar process in this country. All they would suggest, under the circumstances, is that registration should in such cases be voluntary, and where accompanied by certified copies of certificates of registration in England should be passed by the registrar here at quite nominal fee.

I am also to point out that, in the opinion of the Committee, it would be found practically impossible to carry out the provisions of this Bill if applied to English trade-marks. The English Act itself could not be carried out under the same machinery which is now proposed for this country, and had to be amended, whereby a Committee of experts was formed to assist the registrar in his duties. Even, then, under section 2 (c) of the present Bill, which causes "trade-marks" to include "any special and distinctive letters, words, or numerals, or combination of such" it was found that, among the thousands of possible combinations submitted, it was impossible to grant registration entitling any one person to the exclusive use

of one such combination, and the Committee of experts had to decide that all such combinations should be thrown out as not entitled to registration. Again, under section 5, there is no definition given of the "particular goods or classes of goods" to which trade-marks belong, whereas the English Act divides them into two distinct classes: 1st cotton yarns—grey, colored, and bleached; 2nd cotton goods—woven, grey, colored, dyed or bleached. Even under this simple division there were some 40,000 applications for registration, and to any one at all acquainted with the similarity of trade-marks, this fact indicates what an amount of labour, of a most delicate nature, the English Committee of experts had to perform. In the opinion of the Committee of the Chamber, there is no such experience and technical knowledge to be found in this country to accomplish such a task as the English experts did. And the absence of such a Committee of experts is one of the many strong reasons to be urged against the registration of foreign trade-marks in this country. No individual registrar could be found sufficiently versed in the subject to make his isolated decision satisfactory, and the result would be constant petitioning and appealing, tedious delay, and lengthened and costly litigation. The Committee view such a prospect with unqualified disfavor, as being in the interest of no one engaged in trade, and full of possible injury alike to individuals and business. Besides, under clause 4, it is quite possible extreme hardship may arise, as it seems to override the English Act, and leaves room for unscrupulous persons to register marks belonging to well-known English Manufacturers who have not happened to register here. Take an instance:—*A* is a

large and first-class producer in Manchester, with several registered trade-marks known all over the world; he has not shipped to India for some time, and knows nothing of this Act, and consequently has not sent out his various trade-marks to be passed by the registrar here. *B* is a dishonest trader, who copies the marks of *A*, and has them registered in his own name in this country; *A*'s goods cannot then be brought by any one for shipment to India, and *B* gets a monopoly of a trade he has no right to, as he can come forward and interdict the sale of *A*'s goods and claim damages for the infringement of his registered trade-mark. *A*, although his trade-marks are well-known all over the world, has no claim against *B*. This is a possible case, and one which it presumably was never intended to encourage; and yet by making the registration of English trade-marks compulsory many such instances would doubtless arise.

In conclusion, I am to say, 1st, that, in the opinion of the Committee, this Bill should be confined entirely to native manufactures, subject to such modifications as the experience of the working of the English Act may hereafter suggest; and 2nd, that for the reasons given above, and many others which practical men in the trade can understand, a clause should be inserted in the Bill distinctly stating that all trade-marks already registered under the English Act shall be admitted free and require no further registration; or that the registration of already registered English trade-marks shall be voluntary, and may be obtained on production of certificate of registration in England and certified copies thereof on payment of a nominal fee.

From Chamber to Bombay Chamber.

Calcutta, 21st July 1879.

The Committee of this Chamber have been called upon by the Government of Bengal to express their opinion of the provisions of a Bill for the registration of trade-marks; and having been informed by the Legislative Department of the Government of India that the Bill is intended to apply to trade-marks of goods wherever manufactured, they desire me to request you will be so good as to say whether it was contemplated by your Chamber and the Mill-owners' Association of Bombay—at whose instance it would appear by the statement of objects and reasons that the Bill was prepared—that the proposed measure should cover trade-marks of goods other than the manufactures of this country.

The Committee apprehend that if all trade-marks of British or foreign manufactures already registered in England are required to be brought within the operation of an Indian Act, the inconveniences to the commercial public will be of the greatest magnitude, and they are not prepared to assent to any measure that will create them.

An early reply will oblige.

From Bombay Chamber.

Bombay, 12th August 1879.

I beg to acknowledge the receipt of your letter of the 21st ultimo, which has been submitted to the Special Committee appointed by this Chamber to consider the provisions of the Bill for the registration of trade-marks.

In reply, I am directed to say that the Special Committee, after full discussion, concluded that it was desirable that the Bill should apply to all trade-marks in the broadest sense of the term, and further, that trade-marks on the English Register should, when required to be placed on the Indian Register, be registered for a small nominal fee.

With regard to your enquiry whether it was contemplated by this Chamber and the Mill-owners' Association that the proposed measure should cover trade-marks of goods other than the manufactures of this country, I am desired to say that the protection of Indian manufactures was, doubtless, the primary object which those bodies had in view when they suggested the measure; but there does not appear to the Committee to be any good reason why British or foreign manufactures should be prohibited from registering their trade-marks on the Indian Register, if they should desire to do so.

From Chamber to Govt. of India.

Calcutta, 4th June 1879.

The Committee of the Chamber of Commerce direct me to request the favor of your informing them whether the Bill to provide for the registration of trade-marks, recently introduced into the Legislative Council, has reference exclusively to goods manufactured in British India, or whether it is intended to be applicable not only to such goods, but also to embrace the trade-marks of goods manufactured out of British India, and the registration of which may be applied for.

From Govt. of India to Chamber.

Dated Simla, the 17th June 1870.

In reply to your letter of the 4th instant, I am directed to inform you that the Bill to provide for the registration of trade-marks is intended to apply to trade-marks of goods wherever manufactured.

PROPOSED ALTERATION IN BILLS OF LADING FOR SAILING VESSELS.

The subjoined correspondence will explain the steps taken by the Committee to protest against the alterations proposed by shipowners in Bills of Lading for sailing vessels engaged in the export trade of Calcutta. The form of Bill of Lading hitherto in use at this port has been found perfectly suitable for all ordinary cases, and no sufficient reason has been adduced for making any change in it; and the Committee hope that the shipowners, on seeing the very strong objections entertained by nearly the whole of the Calcutta export houses to the changes proposed, will not attempt to press them.

From CHAMBER OF COMMERCE TO JOHN CORRY, Esq., Chairman of Conference, General Shipowners' Society, London: Calcutta, 19th August 1870.

THE Committee of this Chamber having been informed that it is contemplated to introduce material changes in

the conditions ordinarily stipulated in Bills of Lading for cargo per sailing vessels from Calcutta to Ports in the United Kingdom, they have drawn the attention of members of the Chamber to the unusual character of the clauses which it is understood have been adopted at a meeting in London of merchants and shipowners engaged in the Calcutta trade.

The Committee have applied for early replies to their reference on this subject, and I am directed by them to request you will be so good as to stay further proceedings until the Committee are prepared to submit for your consideration any objections that may be raised by those who are interested in the important question under notice.

From CHAMBER TO JOHN CORRY, Esq., Chairman of Conference, General Shipowners' Society, London: Calcutta, 2nd September 1870.

In handing you duplicate of my letter of 19th ultimo, I have now, by direction of the Committee of the Chamber of Commerce, to request you will receive the accompanying protest, in original, against the clauses which it is proposed by your Society to introduce into Bills of Lading for cargo per sailing vessels engaged in the export trade of Calcutta.

Printed copies of the papers referred to in the protest are also forwarded herewith; and I annex the following copy of a telegraph message despatched to-day.

COPY OF TELEGRAM.

From CHAMBER TO CORRY, Chairman, General Shipowners' Society London.

Protest against new form Bill Lading signed 86 firms posted to-day; stay proceedings.

From Bengal Chamber of Commerce, to the Secretary, Chamber of Commerce Liverpool,—dated Calcutta, 3rd September 1879.

The Committee of the Bengal Chamber of Commerce had their attention directed some time ago to the unusual character of the clauses inserted in Bills of Lading issued by steam-ship companies, and the matter has again been brought prominently to their notice by the recent attempt to introduce for sailing ships a new form of Bill of Lading, which differs materially from the form now in use and of very old standing; and you will observe, from the accompanying papers, that a large number of merchants, who are chiefly engaged in exporting produce from Calcutta, have united in a common protest against the intended innovation.

The Committee of the Chamber direct me to draw your attention to this very important matter, because the clauses embodied in steam-ship Bills of Lading and sought to be introduced in Bills of Lading for sailing vessels, threaten to impair the negotiable nature and intrinsic value of such documents as securities—securities upon which, by mere endorsement, an immense amount of property, representing vast sums of money, is daily changing hands.

Complaints against the working of these clauses are becoming so frequent that the Committee consider it their duty, in the first instance, to arouse more general attention to this question, and to prepare the way by an interchange of opinions for the just and impartial protection of the rights and interests of shippers and shipowners alike. To that end they consider it expedient

that a representative Committee of the Chamber of Commerce of Great Britain should be convened with the view to revise all existing forms of Bills of Lading for cargoes shipped both by steamers and sailing vessels; that, to aid them in this important investigation, experienced Admiralty and Commercial Lawyers should be consulted; and that the Banking interest should also be represented in such Committee, seeing that the negotiability of the proposed Bills of Lading may be seriously affected by the alterations referred to.

Trusting that your Chamber may consider it proper to advocate the movement submitted for your consideration, and to take such measures as may, in your judgment, be most suitable to attain the object in view.

Copies of the above letter were sent to all the Chambers of Commerce in India, China, Australia, and the United Kingdom.

Circular from Bengal Chamber of Commerce to Members.

Calcutta, 15th August 1879.

The Committee having been informed that it is contemplated to introduce material changes in the conditions ordinarily stipulated in Bills of Lading for cargo per sailing ships from Calcutta to ports in the United Kingdom, they direct me to draw your attention to the unusual character of the clauses inserted in the form herewith submitted for your consideration, which the Committee understand, has been adopted at a meeting in London of merchants and shipowners engaged in the Calcutta trade.

The Committee will be glad to be favored with your views on the subject to enable them to communicate, if necessary, with the Chairman of the Conference in London.

To H. W. I. Wood, Esq., Secretary, Bengal Chamber of Commerce,—Calcutta, 30th August 1870.

BILLS OF LADING.

With reference to your Circular letter of the 15th instand, we, the undersigned, have been requested by the preliminary Committee composed of the members of the firms whose names are attached to the accompanying papers, to hand you herewith a protest against the proposed innovation in Bills of Lading, signed by 86 firms of merchants, shippers, exporters and bankers; and as the great majority of these firms are also members of the Chamber of Commerce, they think it right and proper that this protest should be forwarded through the Chamber of Commerce to Mr. Corry, Secretary to the London Shipowners Society, who *pro-ten* acts also as President of a London Committee that has constituted itself for the consideration of this matter.

As far as we are aware no Calcutta firm interested in this matter as exporter and shipper has given its consent to such an adoption, and we think the unanimous protest of so many firms, deeply interested in the proposed alteration, will induce the Committee of the Chamber to draw more general attention to this matter in communicating with the various Chambers of Commerce in the East, as well as with those of Great Britain and Ireland, with the view of having the various forms of Bills of

Lading, both by steamer and sailing ships, re-considered by a General Committee of merchants, bankers, shipowners, and with the legal assistance of an Admiralty and Commercial Lawyer.

In the meantime we shall thank you to obtain the sanction of your Committee to send home a telegram to Mr. Corry advising the despatch of this protest, and requesting him to stay further action until all the papers can be laid before the Committee now sitting in London.

Trusting that your Committee will take such prompt and vigorous action as the importance of the subject demands.

We have the honor to remain,

Dear Sir,

Your obedient Servants,

H. REINHOLD,

T. W. BERNERS,

ROBT. PHIL. HEILGERS.

We, the undersigned merchants, agents, shippers, and exporters of goods from this Port hereby protest against the innovations proposed by shipowners to be made in the forms of Bills of Lading now in use for sailing ships engaged in our export trade.

The grounds of our objections to the proposed form of Bill of Lading are fully set forth in the accompanying papers; and while we are willing to meet the shipowners in a spirit of perfect fairness, we feel that the one-sided operation of most of the clauses to which we object is so obvious that we cannot, in that spirit, be called upon to assent to them.

Unless, therefore, the proposed innovations are modified, as suggested in the accompanying papers, we shall decline to accept any altered form of Bill of Lading.

We have charged our Home friends to express our disapproval of the action taken by the Shipowners' Society of which we complain.

We are, Sir,
Yours obediently,

REINHOLD & Co.	BALMER, LAWRIE & Co.
EDR & HOBSON,	EDMANDES BROS. & Co.
KELLY & Co.	KER, DODS & Co.
TANVACO & Co.	WILLIAMSON BROS. & Co.
ERNSTHAUSEN & OESTERLY.	BARLOW & Co.
ANDERSON, WRIGHT & Co.	OCTAVIUS STREL & Co.
ASHBURNER & Co.	SHAW, FINLAYSON & Co.
D. J. EZRA.	WILLIAMSON, MAGOR & Co.
COX & Co.	ANDREW, YULE & Co.
MCKEWAN & Co.	WISEMAN, MITCHELL, REID & Co.
ELIAS S. GEBBOY & Co.	KETTLEWELL, BULLEN & Co.
F. W. HEILGERS & Co.	WHITNEY BROTHERS & Co.
KERR, TARRUCK & Co.	W. H. FITZ & Co.
GIBBORNE & Co.	B. SHYTH & Co.
GRAHAM & Co.	COHN BROS. & FUCHS.
DAVID SASSOON & Co.	GRINDLAY & Co.
SMISON, GRIFFITHS & Co.	FREDERICK T. BROOKS & Co.
CARRITT & Co.	A. R. MCINTOSH & Co.
J. D. MAXWELL	S. H. ROBINSON.
JOHN DICKINSON & Co.	COMPTOIR D'ESCOMPTE DE PARIS.
EWING & Co.	LYALL, RENNIE & Co.
ANDREW, HOTES & Co.	
C. C. BANGHOFF & Co.	

MACKENZIE, LYALL & Co.	HUBER & Co.
KING, HAMILTON & Co.	RUSHTON BROS.
A. LEROY & Co.	CHARLESLES, NIPPHEWS & Co.
WM. MORAN & Co.	ULMANN HIRSCHHORN & Co.
J. MACKILLICAN & Co.	WM. HAWORTH, & Co.
MACKNIGHT, ANDERSON & Co.	PETROCCHINO BROS.
F. HARLEY & Co.	RALLI & MAVROJANI.
GOT, BRU & Co.	AGELASTO & Co.
FORNARO BROS.	PAUL, TAMMAGI & Co.
G. APPEL & Co.	C. H. OGBOURNE
SCHRODER, SMIDT & Co.	ACERRONTI & Co.
ROBERT & CHARRIOL.	G. M. STRUTHERS & Co.
OLDENMEYER & HADENFELDT.	ORIENTAL BANK CORPO- RATION.
SCALLAN & Co.	J. THOMAS & Co.
ABENDROTH & Co.	HOWE, GOODWIN & COLE.
GRAF & BANZIGER.	CHARTERED BANK OF INDIA.
BRO, DUNLOP & Co.	AUSTRALIA & CHINA.
RENTIERS & Co.	DELHI & LONDON BANK, LD.
R. MACALISTER & Co.	NATIONAL BANK OF INDIA, LD.
LLOYD & Co.	STAUNTON & Co.
SCHOENE, KILBURN & Co.	
PEARCE & BAIST.	
JAMES DUFFUS.	

To

JOHN CORRY, ESQ.,

Chairman.

GENERAL SHIPOWNERS' SOCIETY,

12, St. Michael's Alley, Cornhill,

London, E. C.

**PROPOSED NEW BILL OF LADING FOR
SAILING SHIPS IN THE EASTERN TRADE,
HOMEWARDS.**

Calcutta, 26th August 1879.

We beg to call your attention to a Circular letter, dated London, the 23rd of June (a copy of which is appended hereto) from John Corry, Esq., Chairman of the General Shipowners' Society, London, conveying the intention of the Association to adopt a new form of Bill of Lading for sailing ships in the Eastern Trade Homewards, and further intimating that the same has met with the approval of the principal merchants and shipowners engaged in the Calcutta trade.

The undermentioned firms having specially interested themselves in discussing the proposed innovation are unanimously of opinion that the document in its altered form would prove unjust to shippers by releasing shipowners from all and every legitimate responsibility.

A preliminary protest was, in consequence, drawn up, of which a copy is also annexed for your information, and was mailed to Mr. Corry on the 29th ultimo.

Subsequently, the Bill of Lading in question was submitted to Messrs. Sanderson & Co., and their opinion *in extenso* herewith, we venture to think requires no further comment.

We need hardly point out the grave nature of the issues involved in this matter, because the negotiability, if not the actual value, of the Bill of Lading as a security must become seriously affected if the proposed alterations

are adopted; to prevent which we trust both the banking and commercial communities will unanimously support the protest we intend to circulate for signatures.

Remaining, Gentlemen,
Your obedient Servants,

ANDERSON WRIGHT & Co.
ASHBURNER & Co.
EDE & HOBSON.
ERNSTHAUSSEN & OESTERLEY.
F. W. HEILIGENS & Co.
KELLY & Co.
REINHOLD & Co.
TAMVACO & Co.

*To JOHN CORRY, Esq., General Shipowners' Society, 12, St. Michael's
Alley Cornhill, London.—Calcutta, 26th July 1879.*

We, the undersigned firms, herewith collectively acknowledge the receipt of your Circular letter, dated London, the 23rd of June, informing us of the intention of the General Shipowners' Society, to adopt a new Bill of Lading for sailing ships in the Eastern Trade Homewards, a copy of which you enclosed in your letter, with the intimation that it had been approved by the principal merchant and shipowners engaged in the Calcutta trade. At present we have only had time to hold one meeting, at which the unanimous views expressed were entirely opposed to the form of document you submitted for our opinion, and we shall esteem it a favour, under these circumstances, if you will postpone the intended sitting of the Conference

in September next until such time as we may be able thoroughly to discuss the terms of this intended innovation, and place before you the views of the commercial community in general on the subject, detailing the objections that already present themselves to the signatures, and such amendments as may appear to us equitable in the interests of both shipowners and merchants.

We remain, Dear Sir,
Yours obediently,

ANDERSON, WRIGHT & Co.
ASHBURNER & Co.
EDE & HOBSON.
ERNSTHAUSEN & OESTERLEY.
F. W. HELGERS & Co.
KELLY & Co.
REINHOLD & Co.
TAMVACO & Co.

Opinion of Messrs. SANDERSON & Co., Government Solicitors, with reference to the New Form of Bill of Lading sought to be introduced by Owners of Sailing Ships.

Having had laid before us the new form of Bill of Lading which it is proposed by the owners of sailing ships to insist on shippers of goods from this port accepting in respect of their shipments, we have very carefully analysed and considered its provisions.

We have also had the advantage of a consultation with a Committee of merchants interested in the subject.

The alterations sought to be made by the exceptions and conditions which it is proposed to insert in the new form of Bill of Lading are of material and vital importance to the interests of shippers, and, before proceeding to consider them in detail, their general scope and effect may be shortly pointed out to be as follows, *viz* :—

The old form of Bills of Lading exempted the ship from liability in respect *only of distinctly insurable risks*, the occurrence of which was easy of proof, and for such matters as the guaranteeing of the nature of the weight and contents of closed packages.

The new form of Bill of Lading, however, would practically exempt the ship from claims of any sort, for although it is not sought by the new exceptions and conditions to exempt the ship from liability arising from act of negligence of the master, crews or pilot of ships (except where such negligence occurs in the management and navigation of the ship), and therefore it would be open to a shipper under the new form of Bill of Lading or his consignee to claim and recover for damages where it could be proved that such damage had been caused by negligent stowage of goods or other similar neglect; yet it is obvious from the nature of things that the difficulty of proving negligence in the vast majority of cases would be an insurmountable obstacle to success in any proceeding under the Bill of Lading framed in accordance with the new form.

It is not alleged, so far as we can see, that the old form of Bill of Lading has not worked perfectly well, or that shipowners, by its terms, have been subjected to undue risks; but it is sought so to frame the contract between the

shipowners and shipper as to virtually exclude all responsibility from attaching to the former, leaving the latter to bear, in addition to the ordinary risks of the voyage against which he may insure, if he pleases, a number of other risks against which it will be impossible to obtain indemnity under any ordinary contract of insurance, and to guard against the happening of which the shipper is powerless.

In this state of matters it behoves those interested in the shipment of cargo from this port—unless they are prepared to deliver themselves over to the shipowners bound hand and foot—to make a stand against the unreasonable contract which it is sought to impose on them; and, while conceding such exceptions as are necessary to relieve the shipowners from risks which they cannot be fairly asked to undertake, to insist on not relieving the shipowners from the responsibility of taking proper and reasonable care of the valuable property entrusted to them.

With these preliminary observations, we purpose analysing the new form of Bill of Lading, and pointing out briefly in detail the clauses which, in our opinion, are objectionable and our reasons for this opinion.

For conveniences we have divided the new clauses in the Bill of Lading and numbered them chronologically, and opposite to each we have made such observations as we have to offer regarding such special clause.

1. This stipulation is, we submit, wholly out of place in a Bill of Lading, prior to the signing of which the goods mentioned in it must necessarily have been shipped; quality marks or numbers are of great importance

3. (If quality marks are used they are to be of the same size as the leading marks and contiguous thereto.)

to shippers of jute and cotton, and it is of great consequence, therefore, that there should be no dispute about them. It is, we understand, the practice of shippers of goods bearing quality marks and numbers at this port, to insert in the boat-note sent with the goods a clause requiring the receiving officer to sign receipts specifying the quality marks and numbers of the goods. It is easy enough for the ship's officers, if they have any reasonable objection to the size, position or in distinctness of the quality marks or numbers, to take objection when the goods are sent alongside, and, if such an objection is well founded, to refuse to sign a receipt for quality marks or numbers, in which case the shipper would have it in his power, by calling a survey, to show that the objection was unreasonable, if it was so in fact, or to accept receipt in a modified form; or to altogether withdraw the goods if the objection was well founded; but it seems to us highly unreasonable for the master of a ship, after his officers have given a receipt for goods bearing quality mark or numbers, specifying such marks or numbers, to insert in his Bill of Lading a clause which would leave a loop-hole for the contention that the quality marks or numbers were, for some reason or other, such as he is entitled to disregard.

2. It may not be an unreasonable stipulation that the responsibility of the ship shall cease when the goods leave the ship's tackles; but it must be borne in mind that the goods have to be delivered to the consignee, who should therefore have a reasonable opportunity for taking delivery of them before they are put out

2. From the ship's tackles where the ship's responsibility shall cease.

of the ship; but no stipulation of this sort is contained in the Bill of Lading now before us, and it would be more reasonable, and avoid confusion, if this clause were expunged and there were substituted for it the words "as customary."

3. This is, with the exception of the word *measure*, an old clause, and it is a reasonable one to which no objection can fairly be raised.

3. Weight, measure, quality, and contents unknown.

4. The act of God, Queen's enemies, pirates, robbers by land or sea, restraint of princes, rulers or people.

4. This is also an old, well-known, and usual clause, and unobjectionable.

5. With the exception of the word *heat*, this clause is not objectionable. As regards the word *heat*, we are of opinion that its insertion in the exceptions would, as it seems to us, be apt to make owners careless in the ventilation of the holds of their vessels. It would be always in the power of the master of the ship, in the event of the ventilation of his vessel's hold being interfered with by stress of weather to show this, and any consequence of heat, the necessary result of the interruption of ventilation in that way, would be within the general exception against perils of the seas and navigation, but there should not, under ordinary circumstances, if the cargo is well stowed and the hold properly ventilated, be sufficient heat to cause damage to cargo.

6. Jettisoning of cargo, where proper, is a peril of the sea, and comes within the general exception; where im-

c. Jettison.

proper, the shipowners ought certainly not to be protected against it. The selection of their officers rests with them, and the shippers have no control over their appointment, and should not be made to bear the consequences of their inefficiency or misconduct.

7. The objections mentioned under No. 6 apply with increased force to this clause and need not be recapitulated: as to Barratry, the exception as to this should on no account be allowed to stand.

7. Barratry, any act, neglect, or default whatsoever of pilot, master, or crew in the management or navigation of the ship.

7. Barratry, the exception as to this should on no account be allowed to stand.

8. All, and every, the dangers and accidents of the sea and rivers, and of navigation, of whatever nature or kind, are excepted.

8. This is a fair enough general clause, and refers to risks which would be covered by an ordinary Marine Policy.

9. According to the practice obtaining in shipping cargo in this port, as already pointed out, the boat-notes sent alongside with the cargo, contain a clause by which the officers of the ship are requested not to receive any packages which are not in good order; and if, as they are bound to do, they act in accordance with such clause, it is obvious that the owner cannot reasonably stipulate against liability for the insufficiency of a package; he is bound not to receive an insufficient package. The insertion of such a clause opens a door to great injury to a shipper of goods at the hands of an unprincipled master, as, supposing that the Bill of Lading contains such a clause as the one under consideration, nothing would be simpler than for a master,

9. The ship is not liable for insufficient packing or reasonable wear-and-tear of packages (cutting excepted.)

in want of broken stowage, to start the lashings of a number of jute bales for the purpose of filling up corners. It would be perfectly easy to do this and attribute the bursting of the bales to insufficient packing, and it would be absolutely impossible for the shipper to protect himself in such a case. A clause exempting the shipowner from liability for reasonable wear-and-tear of packages could not be objected to, provided the following words were added—"provided such damage is not occasioned by cutting or chafage."

10. This clause is an unreasonable one and should not be allowed. The clause as to inaccuracies, absence of marks, &c., would be inconsistent with the written descriptions of the goods specifying the marks in the margin of the Bill of Lading, and having regard to the terms of the clause in the boat-notes used by shippers as to marks such stipulations are inadmissible. If the goods are not properly marked as indicated in the boat-note, they should not be received and signed for, but if they are so received and signed for, it would, as it seems to us, be highly unreasonable to permit the shipowner to insert in his Bill of Lading an exception wholly repugnant to the terms of the mate's receipts, and which, if allowed, would only give rise to disputes. With regard to the exception as to obliteration of marks this would (except in case of damage which would come within the general exceptions of the Bill of Lading) only arise if reasonable care were not used, and such reasonable care a shipper is entitled to require at the hands of a shipowner.

11. Of the grounds of damage mentioned in this clause, *sweat and rust* appear to us to be unusual and, in our opinion, inadmissible. *Sweat*, we understand, is intended to provide against the consequences which would ensue from an unduly heated and ill-ventilated hold: with this we have already dealt in our remarks on clause 5, and, for the reasons there given, we cannot advise this exception being conceded. As regards *rust*, we think that as the only means by which rust could ordinarily be caused to goods in the hold of a ship, (otherwise than by water damage) is by omitting to apply red lead to the iron knees of the ship, the exception should not be allowed, as it would be holding out a premium to shipowners to omit to take proper precautions to preserve the cargo entrusted to them.

12. This, so far as we can see, wholly inapplicable to sailing ships carrying cargo from this port. We are not aware, nor have we been able to gather, that in respect of such goods as are shipped from here any penalty is levied in respect of incorrect marking or defective description of goods. Goods shipped from Calcutta are, generally speaking, well-defined and known articles of produce and easy of description; any incorrectness in the description of which could be easily detected by the ship's officers, except perhaps in the case of deliberate fraud. And supposing such a case to occur, the shipowners would be amply protected by their right of

action, which the law gives them, to recover damages for any fraud which might be practised on them; as to incorrect marking, as we have already pointed out, it is the duty of the officers of a ship to see that the marks on the goods are in accordance with the *bant-note*, and if any deception is practised,—such as the mark on one class of goods being put on goods of another class,—the shipowner has his remedy without such a clause as that under consideration.

13. The owners of this ship will not be accountable for gold, silver, ballion and specie, jewellery, precious stones, silk goods, quinine, or precious metals, or beyond the amount of one hundred pounds for any one package, or relatively for any portion thereof, unless shipment be made on a special shipping order containing a declaration of value, and the Bills of Lading are signed in accordance therewith.

14. "If medicinal fluids, or any other goods of an inflammable, damaging, or dangerous nature are shipped without being previously declared and arranged for, they are liable, upon discovery, to be thrown over-board, and the loss will fall upon the shippers of such fluid or goods, as well as any damage caused to the ship or the cargo on board of her.

15. This clause is quite unusual, and might put it in

13. This is a clause which is not likely to effect shippers from this port very seriously, it not being the practice to ship goods of the description enumerated by sailing ships; nor is it often, we take it, that merchants ship from Calcutta one package valuation more than £100; this clause may therefore be allowed to stand.

14. This clause is not an unreasonable one, but it would more properly find a place in the contract of affreightment than in a Bill of Lading.

15. In case of the blockade or interdiction of the port of discharge, or if the entering of, or discharging in, the port shall be deemed by the master unsafe by reason of war or disturbances, the master may land the goods at the nearest safe port at the expense and risk of the owner of the goods, and the ship's responsibility shall cease when the goods are so discharged into proper safe keeping, the master giving immediate notice of the same to the consignee of the goods so far as they can be ascertained.

the power of a timid shipmaster to put the owners of goods to heavy expense without real cause. It would probably not be unreasonable for the shipowners to stipulate for the power of discharging goods in this way, if care were taken that the policy taken out on the goods would suffice to cover it; but it would be unreasonable to stipulate that the landing stipulated for in this clause should be at the risk and expense of the owner of the goods; the clause may, we think, stand, the following portion of it being omitted, viz:—

"at the expense and risk of the owners of the goods, and the ship's responsibility shall cease when the goods are so discharged into proper and safe keeping."

16. So far as the lien is in respect of unpaid freight

it is unobjectionable, or merely an express stipulation for that which is a legal incident to the contract of affreightment; as to the other matters they are, having regard to the fact that we

have advised the clauses under which only the liabilities in question could arise being objected to, inapplicable. Another very serious objection to this clause is, that it would probably affect the negotiability of Bills of Lading containing it.

17. In the event of claim for short delivery, price to be the market price of the day at the port of discharge on the day of the ship reporting at the Custom House, less charges and brokerage.

17. This clause is a reasonable one and seems unobjectionable.

TELEGRAPH SERVICE.

It is to be regretted that the Government of India did not see their way to communicate to the public the papers asked for by the Chamber in the subjoined correspondence.

The revised rules adopted last June by the London International Telegraph Conference will, if enforced, have the effect of rendering useless the majority of existing codes, and throw upon the mercantile community the burden of constructing new ones at a time when merchants have only just got accustomed to those already in use. These repeated alterations are most vexatious, and cause immense annoyance and expense to the very parties who are the main support of the telegraph lines, and whose convenience ought to be consulted rather than ignored as is too much the case at present. No reasons are published for the changes which have been notified, and unless some assurance is given that no further alteration in the rules will be attempted, the Committee

would hail with satisfaction any movement for the establishment of an independent mercantile line.

From Chamber to Government of India.

Calcutta, 26th June 1879.

In the memorandum of instructions for the officers appointed by the Government of India to represent the Indian Telegraph Department at the International Conference to be held in London this month, which you were good enough to forward with your letter No. 149 of the 5th ultimo, several annexures—A to F—are referred to, which it is presumed form the correspondence, alluded to in the 5th paragraph, to be forwarded in continuation of the instructions already acknowledged; and the Committee of the Chamber desire me to say that they will be obliged by the early transmission of the promised correspondence, as it will more fully detail the proposals of the Indian Administration which the Conference will have under consideration, and place the Chamber in possession of particulars which cannot fail to be of special interest to them and to the other associations who have been communicated with.

From Government of India to Chamber.

Simla, 12th July 1879.

In reply to your letter, dated the 26th ultimo, requesting to be furnished with copies of the correspondence referred to in paragraph 5 of this office letter No. 149T of the 5th May last to your address, I am directed to inform

that that correspondence includes merely the letter from the Government of India quoted above and of that from the Chamber, dated the 26th March 1879 to which it was a reply, copies of which have been transmitted to the Delegates as promised.

*From Chamber to Government of India.
Calcutta, 21st July 1879.*

I have the honor to acknowledge the receipt of your letter No. 274 of the 12th instant, and to express my regret that I did not explain with sufficient clearness the documents for which I was directed to apply.

The papers which the Committee are anxious to see are not the letters indicated by you as forming the correspondence transmitted to the Delegates at the International Telegraph Conference held in London, but the several annexures—A to F—inclusive, referred to in the memorandum of instructions to Major Mallock; and the Committee desire me to say that they will be obliged by your obtaining the permission of the Government of India to have copies of these several annexures placed at their disposal.

*From Government of India to Chamber.
Simla, 9th August 1879.*

I am directed to acknowledge the receipt of your letter dated 21st July last, and in reply, to inform you that as the papers asked for are confidential His Excellency the Governor-General in Council regrets that the request of the Chamber cannot be complied with.

TELEGRAPH SERVICE.
REVISED RULES UNDER THE LONDON CONVENTION.

From Government of India to Chamber.

Simla, 30th October 1879.

I am directed to inform you that the Rules for Foreign Telegraph Messages, as revised under the terms of the International Telegraph Conference recently held in London, will be published for general information in the Gazette of India of the 1st November.

2. The Revised Rules will come into operation on the 1st of April 1880, but they will not be rigidly enforced until the 1st July, in so far as they affect codes.

3. The Rules are now passing through the Press, and copies will be forwarded to you as soon as they are printed.

*From the Chamber to the Govt. of India,
Calcutta, 27th November 1879.*

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 499 of the 30th ultimo, advising them that the revised rules for foreign telegraph messages would be published in the Gazette of India of the 1st instant, and that although the rules will come into operation on the 1st April 1880, they will not be rigidly enforced until the 1st July following, in so far as they affect codes.

The Committee being now in possession of the published rules, desire me to submit for the consideration of the

Government of India that the new regulations involve very material changes in those adopted by the St. Petersburg Conference, now in force. The amendments that have been decided upon are open to the strongest objections that can be urged against disturbing a system with the working of which the mercantile community have become familiar, and against introducing alterations which virtually deprive them of the facilities by which their code and cipher messages have been hitherto transmitted, and throw upon them the burden of reconstructing laborious and expensive methods for the conduct of their telegraphic communications.

The most material alterations as far as extra-European correspondence is concerned appear to be, 1st—that 8 European languages only are permitted to be used in the wording of telegrams; 2nd—that cipher messages are reduced to three figures to count as one word; and 3rd—that proper names of persons and places in a code message, except in their natural sense, are interdicted.

1.—The restriction to words of 8 languages will deprive the commercial public of the employment of words of 12 other languages used in the territories of the States which were parties to the Convention of 1875, and hitherto permitted; it contracts the scope for selecting the large number of words essential to the formation of mercantile codes, and limits the choice within a proportionally smaller compass, with corresponding disadvantages.

2.—By the reduction of groups of figures from 5 to 3, merchants will be exposed to the utmost inconvenience because it practically limits them to the use of 1,000 groups of figures, and is besides equivalent to a further

increase of the tariff, inasmuch as, under existing rules, code groups of 5 figures when used as cipher pay 50 per cent. more than one word of ten letters—making 3-333 figures equal to one such word—whereas under the new rule 3 figures only will count for one word. But setting aside the matter of code messages in cipher, the proposed reduction in the number of figures will act very prejudicially in a large number of cases, where figures are used in clear language in telegraphing numbers of samples, cloths, cases, invoices, drafts, &c. These formerly could be transmitted at the tariff rate for a word of 10 letters, but will now be charged for as two words, whenever, as is generally the case, they consist of more than 3 figures.

3.—The last named alteration will preclude the use of names of persons, places, rivers, &c.; and the inter-diction of the entire geographical nomenclature, which forms the basis of so many codes, will cause the framing of code-dictionaries under the new rules to be attended with the greatest difficulty. In the absence of any argument for the prohibition, the Committee of the Chamber fail to see what possible difference it can make to telegraph signalers to transmit well-known geographical expressions instead of words in various languages, to which they are, for the most part, strangers.

The extra-European correspondence will be materially affected by all these changes; and to the Committee of the Chamber it is inexplicable that the Government of India and the Home authorities consent to a proposal which can only harass and inconvenience those who conduct the trade between England and the East, and who contribute probably more than three-fourths of the

revenue derived from foreign messages beyond Europe. While the new rules will work very hardly upon merchants generally, they will in no way lessen the labor of the Telegraph Department nor add to its income, for endeavours will no doubt be made by the former to circumscribe their messages within the narrowest limits, and the result will bring no advantage to the Telegraph Administration.

It is scarcely necessary to inquire for what purpose code words are used if not for the purpose of conveying, in a limited number of words, the maximum amount of information to be so conveyed: but as at present a telegraph line—more especially a cable—will only allow the transmission of a given number of words within a given time, the proper aim of telegraphy should have been directed long ago to increasing the working capacity of the lines to the fullest extent.

The Telegraph Administrations have hitherto failed to accomplish this, and the public have been driven to do the best they could for themselves by the construction of codes, differing more or less from each other, but virtually promoting the purpose of what, properly speaking, should have been the essential and primary object of Telegraph Conferences.

The Committee cannot but view with alarm the power which, they understand, the Convention have reserved to themselves of making further alterations in their rules before the next triennial meeting. After the harrassing changes which have been made at each Conference, the mercantile community are likely to view with distrust a clause which may, if acted on, render useless any new

codes which they may make within a few days of their completion. It is impossible now to go back from code messages, and the Chamber would have much liked to have seen a final settlement of what will be admitted as code words. This they consider would have been better arrived at by a letter tariff, as advocated in their letter of 22nd May last, which, while not interfering with existing codes, would have a tendency to eradicate the long words to which the telegraph officials so much object.

As the Committee of the Chamber entertain the gravest apprehensions that the commercial community will be subjected to the most pressing inconveniences under the operation of the proposed new rules, they respectfully solicit the earnest attention of the Government of India and of Her Majesty's Secretary of State to the expediency of withholding assent to the Resolutions of the Conference, and, if necessary, of withdrawing from the Convention, or of limiting the power of their Delegates so as not to become parties to impactionable and useless alterations of rules regarding telegraphic traffic.

CUSTOMS.

PROCEDURE AS TO SHIPMENT OF GOODS WITH THE VIEW TO SECURE ACCURATE STATISTICS OF EXPORT TRADE.

The correspondence which follows has reference to certain proposals made by the customs authorities for securing accuracy in the statistics of the export trade of the port. These were very carefully considered, and will be found fully discussed in the Committee's letter of 18th June.

*From Board of Revenue to Chamber.
The 1st March 1879.*

I have the honor, under the direction of the Board of Revenue, to forward you a copy of the papers noted on the margin regarding the procedure to be observed in the Custom House at the time of shipping goods, and the measures to be adopted for securing accuracy in the statistics of the export trade, and I am desired to request that the Chamber of Commerce will favour the Board with an expression of its opinion on the questions discussed in the correspondence, with especial reference to the plans proposed in paragraphs 5 to 8 of the Government letter No. 2758, dated 13th November 1878.

2. The Government letter in question, in accordance with the instructions contained in the last paragraph, was, in the first instance, sent to the Collector of Customs for consideration and for an expression of his opinion on the subject, and the report of that officer has recently been received by the Board. The Collector, in the first place, notices the enquiry made in paragraph 2 of the Government letter, how, in the case of free goods, the Collector is to know when the obligation to report short-shipment has been evaded; and he makes answer to this portion of the letter by a reference to the existing practice in the Custom House for determining short-shipment, from which it appears that the Collector is satisfied that

the procedure in this respect is practically efficient for the purpose. He thus writes:—

"*First*, manifests, under section 63, are at once checked with commanders' copies of bills of lading which have been signed up to time of clearance, and these, with the exception of a few items, generally represent the entire cargoes; and,

"*Secondly*, with the registers of this office,* it being taken for granted that all goods for which passes have been issued, but which are omitted from the manifests, have been shut out or short-shipped. On the fifth day after each vessel's departure the manifests are compared with the notices of short-shipment filed, and penalties are adjusted against exporters whose goods have been shut out as per manifest, but who have failed to furnish notices of short-shipment up to that time. Should exporters subsequently prove that their goods *were* shipped, and that the omission in the manifest is a mistake, the agents of the vessel are called upon to explain the discrepancy in the manifest.

"In such cases agents generally produce their freight list in support of their statement, and this officer refers to the endorsement on the passes and the preventive officer's book, which, in the case of free export, is compiled from the ship's officer's accounts. I have invariably found that by these measures practically correct statistics are obtained.

"With reference to the manifests of vessels clearing under guarantee (section 66), a similar system is adopted

immediately on presentation of manifests, the only difference being that the examination of manifests with the commander's copies of the bills of lading is of necessity omitted, the last named documents being carried away by masters."

3. The Collector's remark that by the measures above described he has *invariably* found that practically correct statistics are obtained must be accepted with some reservation, for, further on in his letter, the Collector mentions instances in which difficulty has been experienced in the matter. For example, when goods are entered in the manifest for which no pass can be traced in the books of the Custom House, it becomes a troublesome matter to reconcile or adjust the discrepancies, and until the difference is explained, it seems to be the practice to assume that the goods have been shipped in contravention of section 137 of the Customs' Act, and this frequently leads to a lengthy correspondence and delay. Again, in the case of coasting vessels, which visit the port occasionally, the Collector observes that "great difficulty is experienced in procuring even approximately correct statistics;" and again he writes:—

"The difficulty in procuring correct returns of short-shipped goods arises from the fact that the majority of the shippers to coast ports are native traders, and itinerant leazar dealers, who are ignorant of the law, whose residences are unknown, and the similarity of whose names causes difficulty of identification. The practice of making such shippers enter their addresses in the shipping-bills has been adopted, but the addresses given are in localities so distant and varied that it would necessitate a consider-

able increase to the staff of peons to convey the letters; and in cases where attempts have been made to deliver such letters they have been refused, and no satisfactory results obtained; and in some cases, when penalties have been imposed the parties concerned have simply denied identity and passed subsequent shipments under different names."

4. In paragraph 5 of the Government letter it is suggested that the agents should be compelled to produce with the manifest the "mate's receipts," and that these should be used for testing the manifests. The Collector, however, considers that this plan is not feasible, as the "mate's receipts," which are the vouchers granted by the ship's officers are invariably returned to masters in exchange for bills of lading. This appears to be correct, but the difficulty might be got over by requiring the production of a copy of the mate's receipt, which could be insisted upon under the terms of section 63, clause (b) of the Customs' Act. The Board of Revenue will, however, be obliged if the Chamber of Commerce will consider this view of the case, together with the Collector's objection.

5. The first proposal in paragraph 6 of the Government letter is that the name and address of every shipper applying for a pass should be carefully registered at the Custom House. The Collector considers that this measure might with advantage be adopted, as it would compel itinerant shippers to pass goods in the name of some known firm or individual who would be communicated with, when necessary, to avoid the alternative of producing a shipping-order.

6. It is next suggested that in the case of men not known, or of men suspected of habitual failure to report short-shipment, the Collector should insist on their producing a shipping-order for the goods from the agents of the vessel before granting a pass. The Collector is entirely in favour of this proposal, and asks that he may be authorized to give effect to it in instances where he may consider it requisite.

7. The next suggestion is that the *number* of the shipping bill or pass should be entered in the "mate's receipt" and by the agents in their manifest. The Collector is silent as regards the entry in the "mate's receipt," but he supports the proposal as regards the entry in the manifest, and, in fact, this plan has already been adopted in a new form of manifest which has been recently prescribed by the Board. The Board see no reason why a like entry should not also be made in the "mate's receipt," and in the copy of that document, which it would be necessary to present with the manifest, if their view, expressed in paragraph 4 above, should be carried out.

8. In paragraph 16 of the Board's letter No. 741B of the 4th September 1878, it was proposed to extend the provisions of section 66 as regards the delivery of the manifest to coasting vessels. The Collector is in favour of this proposal, and remarks as follows:—

"To meet any objection which may be urged against extending the provisions of section 66 to the coasting trade, on the ground that it is necessary manifests should accompany vessels, I have to observe that the passes issued under section 137 might be considered to be in themselves

detailed manifests of each individual shipment, and, if properly endorsed by ships' officers, would not only represent the goods passed, but those actually shipped as well, and would be infinitely more useful at the port of destination than the admittedly incorrect manifests now used. Besides, one copy of the correct manifests filed in duplicate after five days should, I suggest, be sent direct from the Customs' authority at port of lading to the Customs' authorities at each port of destination."

9. The Collector has summed up his report by making a series of proposals to the following purport, and the Board will be glad if the Chamber of Commerce will take these proposals into consideration in dealing with this subject:—

- (1) To empower the Collector of Customs to demand the production of freight lists and the whole of the books in which the ship's accounts are kept, and which he may consider necessary to verify manifests furnished.
- (2) To reject shipping-bills, unless supported by *bonâ fide* shipping orders duly signed by agents and charterers, when presented by shippers who are not well known, and who are consequently likely to evade the provisions of the law with reference to section 140.
- (3) To amend the 57th clause of section 167, by including in its provisions instances where the notices of short-shipment furnished are not in accordance with actual transactions.
- (4) To insist upon exporters returning shipping bills upon which no goods have been actually shipped,

and on their failing to do so to enforce a penalty as in the case of non-delivery of short-shipment notices.

- (5) To abolish the present coasting pass form for vessels other than native craft, and to substitute in lieu thereof the form of manifest referred to in paragraph 7 of this letter.
- (6) That the duplicate manifests for coast ports, instead of being returned to the master or agent, as directed in section 158 of Act VIII of 1878, should be retained and despatched by post by the Customs' authorities at each port of lading to the customs authorities at the several ports of call. (The above proposal is contingent on the extension of the provisions of section 66 to coasters.)
- (7) That the publication of daily exports for goods passed for coast ports should be discontinued with consent of subscribers, and in place thereof a corrected list of goods actually exported should be published as soon after the manifests are adjusted as possible.

Extract from the Proceedings of the Government of India, in the Department of Revenue, Agriculture and Commerce,—Nos. 141-145, the 14th March 1878.

READ the following papers:—

Letter from the Government of Bombay, No. 7614, dated the 27th December 1876, forwarding a letter from the Commissioner of Customs, Bombay, contain-

ing suggestions for reducing the bulk of the Trade and Navigation Statistics volumes of that Presidency.

Office memorandum from the Financial Department, No. 1995, dated the 7th April 1877, inviting attention to the increased size of the Bombay Trade and Navigation Statistics volume for the year 1875-76, and enquiring whether all the information of real value contained in it might not be embodied in a smaller compass.

Despatch from Her Majesty's Secretary of State for India, No. 123, dated the 23rd August 1877 (paragraph 6), directing attention to the importance of securing economy in the printing of the Trade and Navigation Statistics of the several provinces wherever this can be effected without loss of efficiency.

Read also the following papers relating to the adoption of a system providing for increased accuracy in the statistics of the coasting trade:—

Letter to the Government of Bengal, No. 20, dated the 14th January 1876 (paragraph 18).

Letter from the Government of Bengal, No. 2026, dated the 10th August 1876.

Letter to the Government of Bengal, No. 2990, dated the 20th September 1876.

Letter from the Board of Revenue, Lower Provinces, No. 16B, dated 9th January 1877, received under endorsement by the Government of Bengal, No. 148, dated the 18th January 1877.

Circular Nos. 107-109, dated the 15th January 1877 to the Governments of Madras and Bombay, and the Chief Commissioner of British Burmah.

Letter from the Chief Commissioner of British Burmah, No. 818-151, dated the 19th May 1877.

Letters from the Government of Bombay, Nos. 3308, dated the 25th May 1877, and 4057, dated the 30th June 1877.

Letter from the Government of Madras, No. 2422 dated the 1st August 1877.

RESOLUTION.

ATTENTION has for some time been directed to the best way in which a reduction in the bulk of the volumes annually published in the several maritime provinces of British India, containing the statistics of trade and navigation, might be effected without sacrificing any portion of their usefulness; and the following curtailment of the information contained in them has been decided upon.

2. In the tables of the foreign trade, particulars of the trade with different ports in each foreign country need not in future be shown, but only the total trade with each country. Independently of the fact that the adoption of this course will reduce the cost of printing the volumes, it does not appear that the publication of the details of the trade with each port serves any useful end.

3. Such ports in any Presidency as have had no foreign trade during the year may be omitted from the tables altogether.

4. The articles now specified in the tables of the existing trade are the same as those prescribed for the foreign trade, but there does not appear to be any sufficient reason for having identical lists of articles in equally great detail in the record of both branches of trade. An article may be of importance in the foreign trade and have very little real importance, though the trade may be comparatively large, in the returns of the coasting trade; while, on the other hand, some articles which possess importance in the coasting trade have little or no importance in the foreign trade. In future, therefore, only the articles enumerated in the list annexed to this Resolution shall be exhibited in the tables of the coasting trade, all others being grouped together and entered under the head "all other articles of merchandise."

5. These modifications should be carried into effect in the volumes for each province for the current and future official years, and in the volumes for the years 1875-76 and 1876-77 for those provinces for which they have not yet been printed. It is not, however, intended that any change should be made in the monthly returns sent to this department, which should continue to show the trade with different ports in each foreign country separately, and to show the coasting trade in the same detail as at present.

6. The application of an efficient remedy to the inaccuracy which exists in all the provinces, but especially in Bengal and Burmah, in the statistics of the coasting or interport trade, has formed the subject of prolonged correspondence. The measures proposed by the Government of Bengal do not seem to be adopted to

secure the object in view, nor, if they were, is it at all certain that they could be satisfactorily worked. The Government of India considers that the only efficient remedy will be to provide by law for the return by importers and exporters of accurate information, and to insist upon the responsibility of Customs officers in rigorously enforcing the provisions of the law. The principal inaccuracies are now found to exist in the returns of shipments, the system in force being such that a merchant taking out a shipping pass for merchandise not subject to duty is not bound, and does not consider it necessary, to make a return to the Custom House of the quantity actually shipped, though that may be only half or a third of the quantity entered in the shipping pass from which the statistics of trade are compiled.

7. Similar inaccuracies, arising out of the same cause, exist in the record of the export of non-dutiable goods to foreign ports. As far as regards such trade, provision has been made in the new Sea Customs' Act (sections 137 and 140), under which shippers of goods are bound, under penalty, to make a return to the Custom House of the quantity and value of the goods actually shipped. It will be the duty of all Collectors of Customs to see that the law is strictly enforced. The officer in charge of the Custom House must insist that the duplicate shipping bill shall invariably be returned to the Custom House within five days after the departure of the vessel, with a certificate thereon, signed by the shipper or his authorised agent, of the quantity and value of the goods actually shipped. From this duplicate the necessary amendments in the records should be made. Care must be taken that

the original shipping pass shall be put away by the compiling department as finally done with until the duplicate has been returned to the Custom House, compared with the original, and needful amendments made. It will be desirable, too, to print in a conspicuous place and in prominent type on the forms of shipping pass, employed in the Custom House, a notice that shippers must return the pass to the Custom House with the endorsement required after shipment of the goods.

8. As regards the coasting trade, by Section 156 of the Act the two sections mentioned in the preceding paragraph, which provide for the accurate record of shipments to foreign countries, apply also to this branch of trade. The Governor-General in Council requests that the local Governments will at once draw the attention of all officers of Customs to these provisions, and instruct them to enforce the law as strictly as in dealing with shippers to foreign ports. Care should also be taken to enforce the responsibility of masters of vessels in the return of manifests, as provided in the Act. The instructions suggested in the preceding paragraph for the guidance of Customs officers should be held to apply equally to the case of the coasting trade. What the Government of India wants, in fact, is that the measures which under the law will now be taken to secure a correct record of the exports to foreign ports, should be adopted to secure a correct record of the coasting trade where the system of work in Custom Houses is the same for both branches of trade.

ORDER.—Copy forwarded to the Governments of Bengal, Bombay, and Madras, and to the Chief Commissioner of British Burmah, for information and guidance.

Copy also forwarded to the Financial Department, for information.

(True extract.)

G. H. M. BATTEN,
Offg. Secy. to the Govt. of India.

From W. H. GRIMLEY, Esq., Secretary to the Board of Revenue, L. P., to the Secretary to the Government of Bengal, Revenue Department,—No. 741 B. Fort William, the 4th September 1878.

I am directed to acknowledge the receipt of Government Order No. 179, dated 2nd HOS'BLE C. T. BECKLAND. April last, forwarding copy of a Resolution of the Government of India, in the Department of Revenue, Agriculture, and Commerce, No. 41, dated 14th March 1878.

2. This Resolution contains two sets of instructions. The first set relates to the arrangement of statistics in the trade and navigation volumes, so as to reduce the bulk of that work; the second set deals with the procedure to be followed under the Customs' Act at the time of shipping goods, and is intended to ensure greater accuracy in the statistics of the foreign export and coasting trade.

3. The orders of Government on the first point are being carried out; but as regards the second, some difficulty has been felt by the officers to whom the orders were communicated in giving effect to them, and they have sought further instructions on the subject. The Board have considered the matter, and find that the difficulties in laying down rules of practice, which shall be in accordance with the Government orders, and at the same time consistent with the provisions of the Customs' Act, are

even greater than is represented; they therefore are compelled to re-submit the whole question to Government for the issue of further instructions.

4. The directions contained in paragraphs 7 and 8 of the Resolution referred to above are to some extent, or at

Government Order No. 299,
dated 31st January 1876.
Board's No. 6204, dated
19th July 1876.

Government Order No.
2495, dated 7th October 1876.
Board's No. 1613, dated
9th January 1877.

any rate as far as the coasting trade is concerned, the outcome of the correspondence noted on the margin. The object of this correspondence was to provide a simple system for securing accuracy in the figures of the coasting trade. In paragraph 18 of the Resolution of the Government of India in the Department of Revenue, Agriculture, and Commerce, enclosed with Government Order No. 299, dated 31st January 1876, it was suggested that a rule should be passed under Section 4 of Act VI of 1863, compelling shippers of goods under penalty to return to the *Customs House all passes for free goods, noting thereon the exact quantity finally shipped.* It was further suggested that masters of coasting vessels might be compelled to furnish the Customs officers with their cargo-books before clearance, to enable the Collector of Customs to compare the cargo-book with the shipping passes.

5. The Board, in their letters Nos 530B and 16 B, dated, respectively, 19th July 1876 and 9th January 1877, proposed a more simple plan, which would impose fewer restrictions on shippers. They recommended that shippers should be allowed to ship goods by means of an ordinary pass, and that, after the goods had been taken on board, the agent of the ship should obtain from the shippers, at

the time of granting a bill of lading, fully detailed shipping bills, which, together with the manifest of the vessel, would be forwarded to the Collector of Customs within three days after the ship had left.

6. It appears that this proposal was submitted to the Government of India, but it was not accepted for the reason given in paragraph 6 of the Resolution. The measures proposed did not seem to the Government of India to be adapted to secure the object in view, and it was not certain that they could be worked. The Resolution then comments upon inaccuracies in shipment returns in consequence of a shipper not being bound, or not considering it necessary, to make a return of short-shipments to the Custom House in the case of goods not subject to duty, and the orders of Government are then expressed in these terms:—

“The Government of India considers that the only efficient remedy will be to provide by law for the return by importers and exporters of accurate information, and to insist upon the responsibility of Customs officers in enforcing the provisions of the law.”

7. The Resolution then notices the fact that the remedy is just as much needed in the case of exports of non-dutiable goods to foreign ports, as it is as regards the figures for the coasting trade; and it proceeds to point out that adequate provision for ensuring correct returns has been made in the Sea Customs' Act VIII of 1878, and how the law can be applied.

8. It states that under sections 137 and 140 of the Act shippers are bound, under penalty, to make a return to the Custom House of the quantity and value of the goods

actually shipped, and it directs that the Collector of Customs should insist that the duplicate shipping bill shall invariably be returned to the Custom House within five days after the departure of the vessel, with a certificate thereon, signed by the shipper or his authorized agent, of the quantity and value of the goods actually shipped. This duplicate is intended to be used by the Collector in amending the original record of shipments.

9. The above procedure is to be followed in the case of the coasting trade as well as in the treatment of non-dutiable exports to foreign ports.

10. It seems to the Board that the order of Government depends upon the interpretation to be placed on the procedure prescribed by Section 140. It is assumed that a shipper is bound by that section, in every instance of shipment of goods, to forward to the Collector of Customs a statement of goods actually shipped before the expiration of five days from the departure of the vessel, in addition to the original shipping bill delivered in duplicate under Section 137. But this is not the case. It is only in the case of short-shipment or re-landing that the owner is bound to send any intimation to the Collector of Customs under Section 140. Where everything is correct, *i. e.*, where all the goods mentioned in the shipping bills or manifest have been placed on board, the owner's responsibility as regards supplying the Collector of Customs with particulars of the goods shipped is at an end. The law does not require him to do anything further, and he cannot be made to do so by a rule, for such a rule would go beyond the Act and be *ultra vires*.

11. But even if this were not the case, it appears to be impracticable to carry out the instructions of Government in the particular manner directed. The Resolution says:—

“The officer in charge of the Custom House must insist that the duplicate shipping bill shall invariably be returned to the Custom House within five days after the departure of the vessel.”

It is not evident what is meant by “the duplicate shipping bill,” or where such document is referred to in the Act. In the case of coasting vessels it cannot be any of the shipping bills mentioned in Section 158 which form the accompaniments of the manifests which the master delivers to the Collector of Customs at the time of obtaining port-clearance, because such accompaniments are returned to the master and are carried away by him in the

* Vide Section 159, Act VIII of 1878.

arrival.* Nor is it apparent, in either case of foreign or coasting vessels, that the duplicate shipping bill referred to can be one of the documents mentioned in Sections 63 and 137, for there is no provision of the law which makes it compulsory that a duplicate of such document shall remain with the ship's agent after the departure of the vessel, and according to general practice this would be very inconvenient. In Calcutta an intending shipper presents shipping bills in duplicate as enjoined in section 137. One is kept by the Collector of Customs to be used for the preparation of trade statistics; and the other, which may be here called “the duplicate,” is returned to the shipper with the Collector's order to pass the goods endorsed thereon. “The duplicate” is then

taken on board by the shipper along with the goods, and in the case of foreign-going vessels is there taken possession of by the preventive officer, who tallies the goods and endorses on “the duplicate” the quantities actually shipped. “The duplicate” is then forwarded to the Collector of Customs, and is used by him to check the returns of short-shipment presented under Section 140. In the case of coasting vessels the procedure differs so far that “the duplicate,” when taken on board with the goods, is retained by the master as his authority for the reception of the goods.

12. When application is made for the port-clearance, the Collector of Customs, acting under Section 63 in the case of foreign-going vessels, and under Section 158 in the case of coasters, might require the production of “the duplicate” along with the manifest, but the practice is not to insist upon their production. The Collector of Customs considers that he has a discretion allowed him under the section named, and in the case of foreign-going vessels does not require “the duplicate” to be produced with the manifest, as it is already with the preventive officer, or has been delivered up in his office, while in the case of coasting vessels the Collector of Customs considers it would be inconvenient to the master if he were required to bring away the document before the loading of the vessel was completed. Besides, as above mentioned, the document would have to be returned to the master to be produced by him at the port of arrival under Section 159.

13. It is therefore obvious that there are difficulties in the way of giving effect to the orders of the Government of India. It might be possible to carry them out

by insisting upon the presentation of shipping bills in *triplicate*, and by providing a rule compelling the agents of ships to file a corrected triplicate shipping bill after the vessel had left; but the Board have already expressed a doubt whether such a rule would not be inconsistent with Section 140 of the law, which only requires notice to be given of short-shipment or of re-landing.

14. The question here arises whether it is absolutely necessary to go to the length of putting shippers to the trouble and expense involved in the proposed arrangement. The Collector of Customs, Calcutta, considers that in the case of a foreign-going ship the check provided by the preventive officer's tally and endorsement on the duplicate shipping bill is sufficient to ensure a correct record of shipments, and he further takes objection to the order requiring these endorsements and amendments to be transcribed on the original shipping bill, which could not be satisfactorily carried out without some considerable increase to his establishment. He writes:—

"Apart from these difficulties, however, I am of opinion that such comparison and endorsement appear unnecessary, for, under sections 63 and 140 of the new Customs' Act, agents and shippers can be compelled to reconcile the discrepancies in their accounts of cargo exported in a way they could not be forced to do under Act VI of 1863, and I believe that by carefully comparing the quantity declared by the agents in their manifests of goods exported, and the notices of short-shipment which the shippers are now bound to give, with the total quantity for which passes have been issued, and by strictly enforcing the law when incorrect information is wilfully

given, or necessary information is neglected to be furnished, practically correct statistics may be secured without any additional cost to the State, or seriously inconveniencing or harrasing the public; and, in fact, I find the result to be obtained here, and I propose to adhere to this practice unless the Board think it necessary to direct otherwise."

The practice described above seems to be in conformity with the Act, and it seems to the Board desirable to let the plan have a fair trial before introducing a system which involves the multiplication of documents, increase of labour to shippers and the officials of the Custom House, as well as the imposition of restrictions not contemplated in any provision of the Act.

15. As regards coasting vessels, it must be confessed that the existing system is defective, inasmuch as the Collector of Customs has no means of checking the shipping bills by the quantities actually shipped, as the duplicate shipping bills are carried away in the vessel. He is entirely dependent upon the information which the shipper may supply him of re-lands and short-shipments, and if such notice be omitted, the Collector of Customs has no means of knowing the fact. In this way the statistics of the coasting trade derived from the original manifests and shipping bills may be full of inaccuracies, as was the case last year in connection with the transport of rice to Madras.

16. The Board observe that there are objections to the plan proposed by the Government of India, and that the introduction of it in the out-ports would be impracticable. In only one of the Orissa ports is a shipping bill used.

The practice is for ships to load under the system of general passes. The Board think that the object in view will be gained by adopting the following procedure. They would make a rule, under Section 157 (b), exempting coasting vessels and the goods exported therein from the provisions of Section 137. Under Section 157 (a) so much of Section 66 as relates to delivery of manifest may be extended to such vessels and goods, and under Section 164 the Collector of Customs may be authorized to grant general passes. Under Section 165 the Board would direct the master to keep a cargo-book on board, and would dispense with the manifest required under Sections 158, 159, and 160.

17. The object of extending the provisions of Section 60 to coasting vessels is to enable the Collector of Customs, Calcutta, to receive a correct manifest after the vessel has left. Owing to the distance of the ports from the Collector's and agent's offices, five days may be insufficient; the Board would allow ten days, which would perhaps give ample time for the master of the vessel to communicate with the agent. Reference on the subject has been made to the Commissioners of Chittagong and Orissa.

18. In paragraph 8 of the Resolution there is a direction that the responsibility of masters of vessels in the return of manifests, as provided in the Act, should be enforced. The Board do not know what this refers to, as there is nothing in the Act VIII of 1878 which enjoins that masters of vessels are to return manifests.

19. In conclusion, I am desired to request that the views expressed by the Board may be considered by the

Government, and further instructions issued, the existing practice being allowed to continue meanwhile in force.

From A. MACKENZIE, Esq., Secretary to the Government of Bengal, to the Secretary to the Board of Revenue, L. P., Calcutta, the 13th November 1878.

I am directed to acknowledge the receipt of your letter No. 741B, dated 4th September, on the procedure to be followed at the time of shipping goods and the best mode of securing accuracy in the statistics of the export trade, foreign and coasting. The Board show clearly enough that the orders of the Government of India, contained in paragraph 7 of their Resolution in the Revenue, Agriculture, and Commerce Department, No. 141 of the 14th March last, are based upon a misapprehension of the exact effect of Section 140 of Act VIII of 1878, and of the practice with regard to shipping bills. In paragraph 14 of your letter, the Board go on to discuss the system which they would recommend. It is stated that the Collector of Customs considers that in a foreign-going ship the check provided by the preventive officer's tally and endorsement on the duplicate shipping bills is sufficient to secure a correct record of shipments. Mr. Maclean goes on to remark that "by carefully comparing the quantity declared by the agents in their manifests of goods exported, and the notices of short-shipment which the shippers are now bound to give, with the total quantity for which passes have been issued, correct statistics may be secured"; and the Board suggest that this plan should be tried.

2. If the system under which goods are shipped and manifests prepared at this port has been correctly repre-

sented, the Lieutenant-Governor fears that the anticipations of the Board and Collector of being able to secure correct statistics in the way proposed are far too sanguine. It is understood that shippers, many of them small bazar dealers, unknown personally to the Custom House, apply for shipping passes under Section 137 for certain quantities of goods. If the goods are not shipped in full, and if they are dutiable, the shippers report the short-shipment under Section 140 and obtain a refund of duty. In the case of dutiable goods we may feel quite sure that all short-shipments are reported, because the preventive officer also keeps a careful tally of these. But it is believed that the preventive officers keep no tally of non-dutiable goods, and do not endorse in any way the shipping bills of such goods. Only three articles of export are now dutiable, and although Section 140 imposes on shippers the obligation of reporting short-shipments of free goods also, the question is, how is the Collector to know when the obligation has been evaded, as it often is?

3. Under Section 63, the master of the vessel, when applying for port-clearance, is bound to produce a manifest in duplicate, specifying all goods to be exported by his vessel, together with such shipping bills or other documents as the Customs' authorities may prescribe. These subsidiary documents may be kept by the Collector, and it was evidently the intention of the Government of India that the duplicate shipping bill or pass (returned to the shipper under Section 130.) should form one of these documents after having been endorsed with the actual quantity of goods shipped under its protection. There are, however, practical difficulties in the way of getting

such correct endorsements made. In practice, port-clearance is nearly always granted under the provisions of Section 66 on the ship's agents undertaking to deliver within five days the manifest and other documents specified. The ship is being loaded up to the last moment, and it would be impossible for the master to give a correct manifest of actual shipments when getting his port-clearance on the day before sailing. Now, if the manifest filed by the agents were really, and in all cases, made up from the receipts given by the vessel to shippers for goods actually delivered on board, or from the duplicates of those furnished to the agents as the ground-work of the bills of lading, there could be no better record of actual shipments. But it is believed that, in many cases, the agents being unable to prepare such a correct freight manifest within five days, depending as they sometimes do on documents that are sent back by the pilot, or posted down the river, endeavour to relieve themselves of their obligation under Section 66 by filing a manifest prepared *ad hoc* and based upon the original shipping passes. In that case, if the shippers also neglect to report short-shipments, the Collector has no possible means of detecting errors, and comparison of the manifest with the original shipping bill will lead to no result.

4. It would certainly be possible to order the agents to file with the manifest the duplicate shipping bills, endorsed in each case by the ship's officers with the actual quantity shipped. But in the case of goods shipped in a hurry, twenty-four hours before the vessel left, it would probably be impossible to expect that such endorsements could be made by the ship's officers at the moment

and the agents would have to await receipt of the bills from the pilot or by post, and not be able to file them within five days. To make such endorsements on the duplicate shipping passes would also add considerably to the work of the ship's officers, and it is understood that they could not be made by the preventive officers on board unless their numbers were increased. The duplicate shipping bills are in fact in practice not so endorsed.

5. Apparently the simplest plan would be to insist on the agents producing with the manifest the actual "mate's receipts" as they are termed, *i.e.*, the acknowledgments given by the vessel or the duplicates of those on which the agent's bills of lading are prepared. These are documents which the agents have to retain as their own vouchers, but they might perhaps be produced, used for testing the manifest, and returned. The Lieutenant-Governor would like to know if this procedure could not be adopted.

6. If this plan was much objected to, the following arrangement would apparently give the Collector a greater power of check than he now has. Let the name and address of every shipper applying for a pass be carefully registered at the Custom House. In the case of men not known, or of men suspected of habitual failure to report short-shipment, let the Collector insist on their producing a *shipping order* for the goods from the agents of the vessel, before granting the pass. Let it be ordered that the number of the shipping bill or pass be entered in the "mate's receipt," and by the agents in their manifest. This would enable the Collector to compare at once the original shipping bills filed in his office with the reported shipments in each case, and the necessity for giving this

number would almost compel the agents to refer to the mate's receipts in preparing their manifest. If the Collector saw reason to doubt that the manifest was correct, he could call on the agents to produce their "freight manifest" showing actual charges made on actual shipments, or the mate's receipts. He might do this occasionally with advantage in the case of all firms. It would ensure care and correctness. If the Collector then punished promptly shippers not reporting short-shipments, and agents filing incorrect manifests, the dread of detection would very soon ensure the general accuracy of the returns made.

7. In the foregoing paragraphs, the case of foreign trade vessels alone has been considered. But it would seem that the plan described in paragraph 6 might very well be applied to all coasting vessels loading under the system described in sections 157, 158, 159 and 160.

8. Where a cargo-book is kept, and shipping bills or passes are used, the numbers of the shipping bills should also be entered in the cargo-book to assist the Collector in detecting failures to report short-shipments under Section 140. A copy of the cargo-book should in all cases, both under the general pass and the shipping bill systems, be made over by the master when taking port-clearance, or by the agents after the vessel's departure. It is presumed there would be no difficulty in getting agents to agree to this as less troublesome than if the Collector were to insist on the production of the original book and stop all shipment after it had been shown to him, which is the only alternative. The Collector should occasionally call for the original book, or for

freight manifests of the voyage, and test the accuracy of the copies submitted to him.

9. It appears to the Lieutenant-Governor that by some one or other of the plans suggested above the statistics of both foreign and coasting export trade might be made more accurate than they are at present. The plan proposed by the Board for the coasting trade in paragraph 16 of your letter does not commend itself to the Lieutenant-Governor as suitable in all cases, and he would prefer that the Board should again consult the Collector and the Chamber of Commerce, and draw up rules on the lines now sketched out with such modifications as may seem to be necessary or desirable. The matter could then again be laid in a complete form before the Government of India.

I have the honor to be,

SIR,

Your most obedient servant,

A. MACKENZIE,

Secretary to the Government of Bengal.

From Chamber to Board of Revenue.

Calcutta, 18th June 1879.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 319 of 1st March with its enclosures, relative to the procedure to be observed in the Custom House at the time of shipping goods and the measures to be adopted for securing accuracy in the statistics of the export trade of the port of Calcutta.

Having carefully considered the paragraphs in Government of Bengal letter No. 2758 of 13th November 1878, to which their attention has been specially called by the Board, as well as the Collector's proposals, and the general correspondence on the subject, the Committee direct me to submit the following remarks in reply to your reference.

In discussing the best method of securing accuracy in the statistics of both foreign and coasting export trade the Government of Bengal say, "apparently the simplest plan would be to insist on the agent producing, with the manifest, the actual mate's receipts, as they are termed, *i. e.*, the acknowledgments given by the vessel, or the duplicates of those on which the agent's bills of lading are prepared. Those are documents which the agents have to retain as their own vouchers, but they might perhaps be produced, used for testing the manifest, and returned."

If this plan is objected to, then it is proposed by the Government that the name and address of every shipper applying for a pass be carefully registered at the Custom House. In the case of men not known, or of men suspected of habitual failure to report short-shipment, the Collector should insist on their producing a shipping order for the goods from the agents of the vessel before granting the pass. It is also proposed that the number of the shipping bill or pass be entered in the mate's receipt, and by the agents in their manifest, with the view to enable the Collector to compare at once the original shipping bills filed in his office with reported shipments in each case, and the necessity for giving this number would almost compel the agents to produce their

freight manifest, showing actual charges made on actual shipments, or to produce the mate's receipts. And an additional provision is suggested, *viz.*, where a cargo-book is kept, and shipping bills or passes are used, the numbers of the shipping bills should also be entered in the cargo-book to assist the Collector in detecting failures to report short-shipments. A copy of the cargo-book should, in all cases, both under the general pass and the shipping bill systems, be made over by the master when taking port-clearance, or by the agents after ship's departure. The Government presume there would be no difficulty in getting agents to agree to this, as being less troublesome than if the Collector were to insist on the production of the original book and stop all shipments after it had been shown to him, which is the only alternative; the Collector calling occasionally for the original book, or for freight manifests of the voyage, and testing the accuracy of the copies submitted to him.

The documents referred to in your letter and its enclosures, upon one or more of which it is proposed to rely for securing accurate statistics, are—

The Shipping Bill, or Customs Pass.

The Shipping Order, granted by agents,

The Mate's Receipt, for goods shipped,

The Bill of Lading, prepared from the mate's receipt.

or Manifest, or summary of cargo shipped.

Upon each of these documents the Committee would remark as follows:—

The Shipping Bill or Pass would not, in their opinion realise the object in view, namely, the inducing or compelling native shippers to furnish accurate records of their

transactions. The proposed registration of names and addresses might effect something, but in view of the extreme difficulty of finding or identifying a native who desires to remain *perdu* it is questionable whether the result obtained would compensate for the extra labor and friction necessarily involved.

The number of the shipping bill or pass is, in practice, now given in the manifest, and it does not appear necessary that it should be given in the mate's receipt also.

The Shipping Order is a document from the agent to the commander of the vessel, authorizing the latter to receive certain goods if tendered by a certain shipper. Frequently a shipping order is granted for several hundreds of tons of various articles at varying freights, the particular merchandize to be shipped being then left to the option of the freighter, who may, in his turn, sublet his assigned space to other shippers, more or less numerous. The captain of the vessel receives no cargo until the agent's order has been delivered to him; so that with the very first boat-load tendered by virtue of the original shipping order, this document passes out of the shipper's hands, and it may be long before he or those to whom he has sublet have fully decided upon all the cargo to be shipped.

Hence is seen the impracticable nature of the suggestion that when a pass is applied for the Collector should have power to demand production of the shipping order. Moreover, merchants frequently receive orders to ship goods with such despatch that the delay involved in procuring shipping orders might make the intending shippers late for the Custom House and thereby prevent business.

Lastly, a shipping order is a record of a private contract, and it may frequently be inconvenient to disclose its terms.

The Mate's Receipt is the vessel's acknowledgment for goods shipped. It is usually, but not invariably, exchanged for a bill of lading; when not so exchanged, it is a document upon which the holder may demand, at the ship's destination, the goods specified therein. The mate's receipt being thus a paper of value, and one which does not necessarily come into the agent's or captain's hands, it will be objectionable to demand that manifests filed at the Custom House shall be accompanied by mate's receipts, whether in original or in duplicate. To throw on a vessel the obligation of issuing every mate's receipt in duplicate would frequently mean, for the shipowner, either loss by delay of his vessel or the employment of additional officers; to require copies of mate's receipts would involve an immense amount of extra work on a vessel at her busiest moment; documents so prepared would be unreliable and productive of complication and confusion; moreover, these receipts are extremely voluminous, 100 or more being sometimes attached to the manifest of a general cargo ship, and if filed with manifests would prove inconvenient alike for ship's officer, for ship's agent, and for Custom House officials.

The Bill of Lading—Excepting in cases extremely rare, mate's receipts are exchanged for this document, which, on account of its importance, is most carefully verified by shipper, agent, and captain. At present, the bill of lading is usually signed in quadruplicate, *i. e.*, three stamped copies for the use of the shippers and one un-

stamped copy for the guidance of the captain and his owner or consignee at port of destination; and no one of these four parts can consequently be filed at the Custom House. There is, however, no reason why a fifth (or "Customs") unstamped copy should not be added; and this copy, signed by the captain, might be retained by the agent and handed into the Custom House with the manifest.

The Manifest.—As the bill of lading is made out from mate's receipts, so the final manifest is prepared from bills of lading and checked over with the freight list or account showing amount of freight earned; and the Committee submit that it would not be possible to devise a record of export more perfect or satisfactory than such summaries of cargoes, vouched for, if required, by signed "Customs" copies of bills of lading.

Having thus indicated where they venture to think the Customs are searching amiss for the record they require and where they believe it already exists in the most convenient of forms, the Committee proceed to notice the series of proposals submitted by the Collector.

1. The proposal that the Collector shall have power to demand the production of freight lists and the whole of the books in which the ship's accounts are kept for the purpose of verifying manifests is one which has the Committee's entire disapproval, and which they do not hesitate, to characterise as a most unreasonable and inquisitorial suggestion. If the Collector's recommendation were adopted, a complete set of books would have to be kept for each separate vessel, or else agents would have to submit to the work of their offices being periodically

stopped and thrown into arrears and confusion at the pleasure of the Collector. The Committee believe that no agent would decline to show his ship's freight list to the Collector, if applied for to clear up any doubtful entry in the manifest, and that such lists have occasionally been submitted for his information; but they are strongly opposed to the compulsory exhibition for which the Collector demands official authority.

2. The proposal to reject shipping bills, unless supported by *bond fide* shipping orders duly signed by agents and charterers when presented by shippers who are not well known and likely to evade the law, has already been dealt with in a previous paragraph.

3. To amend the 57th Clause of Section 167, by including in its provisions instances where notices of short-shipment are not in accordance with actual transactions appears to be a reasonable suggestion; for the Committee are of opinion that shippers should be bound to report short-shipments with accuracy: but Section 140 already provides that such notices shall be given, and non-compliance with it would seem to be covered by the clause which the Collector desires to amend.

4. To insist upon exporters returning shipping bills upon which no goods have been actually shipped, and on their failing to do so to enforce a penalty, as in the case of non-delivery of short-shipment notices, seems to the Committee an unnecessary requirement if the suggestion immediately preceding be adopted, and as that would sufficiently meet the case there is hardly any reason for imposing the additional liability.

5. & 6. Manifests for coasting vessels and coast ports.—The extension of the provisions of Section 66 of Act 8 of 1878 to coasting steamers is a reform which the Committee are glad to find is advocated by the Collector. At present a foreign-going ship is permitted to clear on the agent giving security for delivery of a correct manifest within five days; but for some unexplained reason this privilege is not extended to coasting steamers generally. Some vessels are occasionally allowed to avail of this section under sufferance, but the privilege is liable to be suddenly withdrawn at the pleasure of a Custom House official, and the loss through delay thus inflicted on owners may be very serious; as for example, when a steamer which completes loading on Saturday night is detained till Tuesday, waiting for her port-clearance.

Were the section extended as now proposed, the shipping bills would, to a large extent, practically take the place of manifests, but as these shipping bills would be numerous and (being used on deck in wind and rain) more liable than manifests to be lost, a vessel should, in case of any pass not being forthcoming, be allowed time to communicate with the port at which such missing pass might have been issued originally, before being adjudged guilty of any breach of rules, and meantime entry inwards should not be denied.

The Committee are inclined to doubt whether the Customs' authorities at ports of loading would habitually forward manifests to the ports of call with necessary promptness, and they think that the transmission of those documents had better be left, as at present, to the parties

directly interested in the papers quickly reaching their destination—*viz.*, to the owners or agents of vessels.

7. The Committee understand that subscribers to the publication of daily exports desire the continuance of details of goods passed for coast ports, as they are found useful in many ways; and to those who are interested in the coast trade the returns are of not less importance than the published returns of the home or foreign trade are to those who conduct that branch of the business of the port. Subscribers would gladly welcome, as an addition to present particulars, a correct list of goods actually exported and published as soon as possible after manifests have been adjusted; and, instead of any diminution of official information, the Committee would be glad to find that the Collector is in a position to afford the fullest particulars in his power.

The Committee desire to add for the consideration of Government, that the present period—5 days—within which, according to the Customs' Act, correct manifests must be filed is, in many cases, insufficient to enable an agent to guarantee the accuracy of the manifest. Either the time for filing should be extended, or a further period of grace given for correction of errors free of fine, Customs officers being instructed in the meantime to draw the attention of agents to any mistakes, or seeming mistakes, which may have been detected.

And this leads the Committee to submit a few observations on the subject of fines. No respectable firm can have the slightest objection to furnish the Government with any statistical information which can reasonably

be required; but what it may properly object to is to be treated habitually as if it could only be restrained from fraud by the fear of punishment: and the Committee submit that instead of being the rule fines should be the exception, imposed only when a palpable attempt to evade the law is detected, or as a punishment for gross and repeated carelessness. The Committee apprehend that the provision in the Customs' Act for the imposition of fines was not intended to warrant the Collector in levying them under all circumstances of discrepancies in documents or for every breach of Customs' rule: in the conduct of extensive shipping transactions it is unreasonable to suppose that errors will not creep in, or to believe that it was intended that as surely as an error was discovered a fine should follow. Clerical errors cannot always be avoided, and the Committee submit that the system under which penalties are imposed should be materially amended, and that any extra powers that the Collector may receive should be accompanied by a distinct intimation of the conditions under which he would be justified in imposing fines, under ordinary circumstances, and as to their amount when so imposed.

CUSTOMS.

RULES AS TO PASSING GOODS FROM JETTY SHEDS.

From Collector of Customs, to the Chamber of Commerce,—No. 2175, dated 15th July 1872.

I have the honor to request that you will ask the attention of the Committee of the Chamber to the

enclosed copy of certain rules which, in consultation with the Port Commissioners, I have had framed, with a view of obviating the delay arising from the necessity for frequent reference to the Custom House in the case of goods bearing defaced marks or marks slightly differing from the entries, about which there have been some complaints of late.

2. You will observe that the rules dispense with reference to the Custom House except in important cases, and I shall be obliged if your Committee will take measures to inform the mercantile public of the rules, in order that the system may be fully understood and groundless complaints of delay from searcs and others prevented.

3. The forms in question will be supplied by the Jetty Superintendent.

Office Order No. 240.

1. In future the officers at the jetty gates in passing **LOOSE METALS** need only satisfy themselves that the quantity and description are correct by the bills of entry, and that such marks as are visible on the loaded carts correspond with the entry: they will not be held responsible for seeing *all* marks, and the present system of applications to pass without reference to marks is to be discontinued.

2. In the case of **PACKAGES** bearing defaced marks and numbers, or marks and numbers slightly different to the entry, an application in the annexed form, counter-signed by the jetty officer as being necessary, will be presented to the appraiser in charge of the shed where

the goods are lying. The appraiser is to open and examine the packages noted in the application and (if he finds they are part of the consignment represented by the entry quoted and have paid the correct amount of duty), is to mark the packages with his initials in chalk, and sign on the application the order for the gate officer to pass them. The appraiser's order will be the gate officer's authority for passing out.

3. In any case where there is a discrepancy involving payment of extra duty, or such a considerable variation in the marks as renders the amendment of the Custom House documents advisable, the case is to be referred by the appraiser for orders before the order to pass is given.

J. D. MACLEAN,

Collector of Customs.

**DAY OF DEPARTURE OF MAIL STEAMERS
FROM BOMBAY.**

The day named by the Committee (Wednesday) for the closing of the weekly overland mail at Calcutta, under the new contract has, they are glad to say, been adopted by the postal authorities. This, under present arrangements, allows the mail to reach Bombay in time to permit of the departure of the P. & O. Co.'s steamer from that port at noon on Saturday, and that hour and day were suggested by the Chamber with a view to meet the convenience of the Bombay community, so as not to interfere with the Saturday

half-holiday now generally allowed. The Indian Postal authorities would seem to have supported this proposal, only naming 2 p.m. on Saturday instead of noon as the hour of the steamer's departure from Bombay.

From Director-General of the Post Office of India, to Chamber.

Simla, the 21st June 1879.

The accepted tender of the Peninsular and Oriental Steam Navigation Company for the new contract for the Mail service between Bombay and Brindisi provides, it is believed, for a sea transit less by two days than the time taken under the present contract: and for a monsoon allowance on the homeward voyage of two days instead of the present allowance of three days.

2. The British Post Office will probably have the choice of the day of the departure of the outward mail from London, and it has already intimated a desire for the same day as at present, *viz.*, Friday.

3. Similarly, the Indian Post Office will probably have the choice of the days of the departure of the homeward mail from Bombay; and a reference has now been received from the British Post Office on the subject. The British Post Office suggests a departure from Bombay on Monday in the fair season, and on Saturday in the monsoon. A Saturday start from Bombay would be objectionable (as interfering with the usual half-holiday), but this objection might be obviated by arranging for the

steamer to start at (say) 2-30 p. m. on Saturday, the mails being closed in Bombay at 1 p. m. But another objection occurs to this arrangement, owing to the fact that it would result in a closing of the mail at Madras on Saturday evening in the monsoon season.

4. Perhaps, on the whole, the best days for the starting of the steamers from Bombay would be Saturday (at 2-30 p. m.) in the fair season and Thursday in the monsoon.

5. The two suggestions referred to above are shown below, the first being marked A and the second B.

	Mail to be closed in Calcutta. Evening.	Mail to be closed in Madras. Evening.	Steamer to leave Bombay at the hour men- tioned. Mail to be closed 1/2 hour be- fore the steamer starts.
A.			
Fair Season ...	Friday ...	Saturday ...	Monday 7 p. m.
Monsoon ...	Wednesday ...	Thursday ...	Saturday 2-30 ..
B.			
Fair Season ...	Wednesday	Thursday	Saturday 2-30 ..
Monsoon ...	Monday ...	Tuesday ...	Thursday 6-30 ..

6. I annex a table showing the effect of a departure of the mail steamer from Bombay on other days of the week.

7. I shall be glad to receive any remarks which the Chamber have to make on the subject, only asking that

the convenience of the other Presidency Towns may be borne in mind in making them.

TABLE.

Season.	Mail to be despatched in Calcutta.	Mail to be despatched in Madras.	Steamer to leave Bombay on the above mentioned day 11 hours before the steamer starts.	Mail reaches London.
Fair .. Monsoon	Sunday Friday	Monday Saturday	Wednesday 7 P.M. Monday 5-30 P.M.	Monday.*
Fair .. Monsoon	Monday Saturday	Tuesday Sunday	Thursday 7 P.M. Thursday 5-30 P.M.	Tuesday.*
Fair .. Monsoon	Tuesday Sunday	Wednesday Monday	Friday 7 P.M. Wednesday 5-30 P.M.	Wednesday.*
B.				
Fair .. Monsoon	Wednesday Monday	Thursday Tuesday	Saturday 2-30 P.M. Friday 5-30 P.M.	Thursday.*
C.				
Fair .. Monsoon	Thursday Tuesday	Friday Wednesday	Sunday 2-30 P.M. Friday 5-30 P.M.	Friday.*
A.				
Fair .. Monsoon	Friday Wednesday	Saturday Thursday	Monday 7 P.M. Saturday 2-30 P.M.	Saturday.*
Fair .. Monsoon	Saturday Thursday	Sunday Friday	Tuesday 7 P.M. Sunday 5-30 P.M.	Sunday.*

* Or before the previous day, if the present interval allowed for transit between Surat and Alexandria should be shortened.

From Chamber to Director-General.

Calcutta, 21st July, 1879.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 2472 of 21st of last month, and to inform you, in reply, that copies of it having been circulated among members for their opinions as to the most convenient days for despatch of overland mails from Calcutta, a considerable majority is in favor of Fridays during the fair season and Wednesdays during the monsoon.

This view accords with the arrangement suggested by the British Post Office, and it appears to the Committee that the combined mails of Calcutta and Madras being more important than those of Bombay alone, the community of the latter Presidency should give way to the other two.

The Committee are not aware whether you have had under consideration, in correspondence with the British Post Office, the question of a fixed day for the departure of mails from Bombay all the year round: the Committee think it would be convenient to all the Presidencies if such an arrangement could be adopted.

From Director-General to Post Office, London.

Simsa, the 22nd August 1879.

My telegram of the 21st instant copied on the margin *

* Your telegram (of) 31st July: India desires a fixed day (of) departure (from) Bombay throughout the year. Friday evening selected. Government concurs.

the mail Steamers from Bombay

under the new contract.

2. The system of different dates of departure at different seasons has always been found to be a very inconvenient one; and India has submitted to the inconvenience only under the conviction that it was a necessity.

3. The fact that the monsoon allowance in the Time Table to the steamer from Bombay was three days, whereas the corresponding allowance to the steamer from Galle (where all the other eastern mails converge) was only two days, made it impossible for India to claim a fixed date throughout the year without throwing back to an otherwise needless extent the whole eastern mail. But now that the monsoon allowance to the steamer from Bombay is to be reduced to the Galle standard of two days, this special objection will cease to exist. A fixed day of departure from Bombay will be compatible with a fixed day from Galle and all the Australian ports.

4. And I may also mention that especial difficulty was found to exist under the variable date system in meeting the convenience of the several Indian centres of government and commerce under the new arrangement: indeed, no arrangement could be found which did not involve very serious inconvenience.

5. There is no good reason why London should have not merely a fixed Time Table date of departure (which all would concede), but a fixed Time Table date of arrival, seeing that such a result can be accomplished only at excessive inconvenience to India. The time of the arrival of a mail is subject to more or less fluctuation, even when there is a fixed due date, and the alteration of the due date of arrival in London by two days during a portion of the year would not produce nearly the same inconvenience

as is found to result in India from a periodical alteration of the date of departure.

6. And, apart from this, I believe that it is a just principle, while owning the reasonableness of regulating the outward mail from London with primary reference to the convenience of the British public, that the corresponding regulation of the homeward mail from Bombay should have primary reference to the convenience of the Indian public.

CIRCULAR No. 85.

Copy forwarded to the Secretary, Chamber of Commerce, Calcutta.

A. M. MONTEATH,

Director-General of the Post Office of India.

SIMLA :
The 22nd August 1879. }

*From Chamber to Director-General of the
Post Office of India.*

Calcutta, 18th September 1879.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your Circular No. 85 of the 22nd ultimo, forwarding copy of your letter, No. 4486 of same date, to the address of the Secretary to the General Post Office, London.

The Committee observe with satisfaction that the Government of India have submitted for the consideration of the British Post Office that, under the new contract with the Peninsular and Oriental Steam Navigation Com-

pany, the mail steamers should take their departure from Bombay on a fixed day throughout the year, in the same way as the outward mail from London is regulated; a proposal which supports the Committee's suggestion submitted in their letter of 21st July, and the adoption of which would relieve the Indian public from inconveniences resulting from a periodical change in arrangements for despatching the mails for Europe.

The Committee notice, however, that the Government concur in your selection of Friday evening as the day and time of departure from Bombay, an arrangement which will no doubt suit the public there as well as at Madras, but it will involve the closing of mails in Calcutta on Tuesday, a very early day in the week, and the compulsory observance of which during monsoon months has been attended with great inconvenience to merchants and bankers here, so much so, indeed, that the Committee request you will permit the matter to receive your further attention.

It appears to them that, in determining an arrangement of this important nature, the magnitude of the business of Calcutta as compared with that of the other Presidency towns should influence the decision that may be arrived at, and that the convenience and requirements of this port should control the postal arrangements of other places of less commercial activity.

The Committee therefore represent that instead of Friday being selected for the departure of the mail steamer from Bombay, that day should be fixed for despatch of mails from Calcutta: it is the closing day here throughout the fair season, and the Committee see no reason why

it should not be the appointed mail day throughout the year.

But if the Government are of opinion that their selection of Friday for Bombay is the best that can be made under all circumstances, then the Committee submit that the time for closing the mail in Calcutta should be extended by 24 hours: they are of opinion that this may be conceded without materially disturbing the arrangements under the mail contract. If the steamer were to start from Bombay on Saturday at noon instead of Friday evening, it would admit of the mails closing in Calcutta on Wednesday evening, Madras on Thursday evening, and Bombay on Friday evening. The Calcutta Wednesday-mail would reach Bombay, as it does now, at about 10-30 on Saturday morning, and there would be ample time for its being put on board the mail packet to admit of her departure not later than 12 o'clock.

While, therefore, Calcutta would gain a day, Bombay would not only have Friday for mail day, as proposed, but also the opportunity of an after-packet, if that accommodation was at any time required.

Another point in favor of this arrangement would be the avoiding several hours detention of the Calcutta mails, which arrive at Bombay at half-past 10 in the morning, but are not sent off till the steamer is ready to start in the evening.

In proposing this latter plan for the consideration of Government, the Committee do not overlook the Saturday departure from Bombay as affecting the mails' arrival in London; but they think too much importance is attached to the delivery of letters a day or two before or after

the Friday despatch from London; in the former case, they can be acknowledged or answered by the outgoing mail; in the latter, there would be a week's leisure for reply.

A fixed day for the departure of mails carrying the correspondence of the whole of British India is as important as a fixed day for the departure of the London mails, and any slight fluctuations in the time of receipt in London or Bombay should be regarded as subordinate in their bearing on the general postal service between the two countries.

In conclusion, I am directed to say that if neither of the alternative plans submitted by the Committee finds favor with the Government as compatible with general public convenience the Chamber would not press for a fixed day throughout the year, as they prefer the arrangement for mail days during the fair season and the monsoon months, namely, on Fridays and Wednesdays, respectively, as already communicated to you, notwithstanding the inconvenience of a periodical change, which would be of less moment than that of having Tuesday for a fixed mail day.

*From Director-General to Chamber,
Simla, the 30th September 1870.*

I have the honor to acknowledge the receipt of your letter of the 18th September 1870, in which objections are raised to the selection of Friday as the day for the departure of the weekly mail steamer from Bombay.

2. I think that it is now too late to re-open the question with reference to the Time Table of 1880, for

my telegram to London of the 21st August, intimating the desire for a fixed day and the selection of Friday, was sent in reply to urgent requisitions on the subject from the British Post Office.

3. But as the Time Tables are made out afresh for each year, there will be no difficulty in bringing the views of the Bengal Chamber under consideration in reference to the Time Table of the next year.

4. So far as I am able to judge, the proposal to fix Friday as the day of departure from Calcutta would be very unacceptable in Bombay, where the mail day would thus become Monday, in Madras where it would be Saturday, and in a large portion of the Mofussil where it would be either Saturday or Sunday.

5. And I think also that the alternative proposal of starting the steamers about noon on Saturday would be objected to in Bombay, on the ground of a Saturday forenoon closing in Bombay being a graver inconvenience than a Tuesday evening closing in Calcutta.

6. I shall take steps for ascertaining the extent to which the Saturday departure would practically interfere with Bombay convenience.

*From Director-General to Chamber,
Simla, 20th October.*

Copy of Telegram.

Mail departure from Bombay under new contract fixed for Saturday.

**IMPORTATION AND STORAGE OF
INFLAMMABLE OILS.**

It will be seen that in June last the Committee of the Chamber suggested to Government the appointment of a special committee of officials, experts, and others, to consider the question of the importation and storage of inflammable oils, and that the suggestion was adopted, and a committee formed. The report of this special committee has not yet been made public.

From Chamber to Government of Bengal.

Calcutta, 6th June 1879.

The closing paragraphs of the Chamber's letter of 24th February last had reference to the question of the storage of inflammable oils as proposed in Government of Bengal letter of 31st December 1878, and the Committee were informed in reply, under date 1st March, that the Lieutenant-Governor was of opinion that it was necessary to postpone until next session the consideration of a subject which involved some difficulty as to the best method of dealing with it.

The Committee have since then received a copy of a memorial addressed to His Honor the Lieutenant-Governor by some importers of kerosine oil, in which are pointed out the difficulty and hardship the trade in that article is laboring under in consequence of the sudden and unexpected operation of Act 2 of 1865, the restrictive provisions of which render the sale of kerosine oil almost prohibitory.

The memorialists give statistics showing the great increase that has, of late, taken place in the importation of an article of very general use, and they affirm that, as holders of large stocks, they are exposed to serious loss if the restrictions on the sale and delivery of the oil are not removed or relaxed so as to admit of its disposal to dealers, who are virtually prevented from taking it off their hands as trade demands may require.

To alleviate the difficulty and hardship complained of, the memorialists have submitted some suggestions for the Lieutenant-Governor's consideration, and in the Committee's judgment the suggestions are not unreasonable or such as to justify the rejection of the application for relief.

The Committee concur, however, in the opinion that kerosine oil is an article which requires caution in determining the most efficient method of dealing with it, and probably the appointment of a special committee, comprised of official and other experts and some of the principal importers and other merchants and dealers, would not be an undesirable means of having the subject competently discussed and of placing it before the Lieutenant-Governor for His Honor's orders.

RESOLUTION.

Calcutta, 21st July 1879.

READ—A letter, dated the 6th June 1879, from the Secretary to the Bengal Chamber of Commerce, recommending the appointment of a special committee consisting of officials, experts, and other persons interested in the trade in kerosine and other inflammable oils, to

report on the most efficient method of regulating the transport and storage of such oils.

Read also the following papers :—

1. Memorial, dated the 19th May 1879, from Messrs. Balmer, Laurie and Co., and three other mercantile firms in Calcutta, importers and vendors of kerosine oil, complaining of the manner in which the Inflammable Oils' Act (III B.C. of 1865) is being worked by the Calcutta Police.
2. Government letter No. 482, dated the 11th June 1879, to the Commissioner of Police, Calcutta, calling for a report on the above memorial.
3. Reply of the Commissioner of Police, No. 2077, dated the 13th idem.
4. A letter, dated the 24th March 1879, from Messrs. Schroder, Smidt & Co., expressing their intention to erect a godown for the storage of kerosine oil, and enquiring whether it is likely that a Central Government warehouse for kerosine oil will be erected.
5. The reply of Government, No. 263, dated 31st March 1879.

Read further the following papers about the necessity of legislation for regulating the importation of mineral oils :—

1. Letter from the Government of India, Home Department, No. 53, dated the 15th January 1879, forwarding certain papers regarding the dangerous nature of the kerosine oil imported into Bombay, and enquiring whether any accidents or confag-

tions have occurred in Bengal traceable to the use of any of the rock or earth oils igniting at a low temperature, which would, in the opinion of this Government, render legislation on the subject necessary or expedient.

2. Endorsement Nos. 82 to 84, dated the 7th February 1879, to the Commissioner of Police, Calcutta, and the Commissioners of the Presidency and Burdwan Divisions, calling for a report and an expression of opinion on the subject.

Replies to the above :—

1. Letter from Commissioner of Police, Calcutta, No. 585, dated the 18th February 1879.
2. Letter from Commissioner of Burdwan, No. 318, dated the 22nd May 1879.
3. Letters from Commissioner of the Presidency Division, Nos. 43JJ and 49JJ, dated respectively the 26th April and 14th May 1879.
4. Government letter to Commissioner of the Presidency Division, No. 511, dated the 20th June 1879.

Read again the following correspondence about the introduction of Act III (B.C.) of 1865 into the Municipality of Howrah.

1. Letter from the Commissioner of Burdwan, No. 498, dated the 22nd August 1878.
2. Letter to the Commissioner of Burdwan, No. 4442, dated 27th September 1878.
3. Letter from the Commissioner of Burdwan, No. 637, dated the 9th November 1878.

4. Letter to the Commissioner of Burdwan, No. 5422, dated the 2nd December 1878, and notification of same date.
5. Letter to the Commissioner of Burdwan, No. 205, dated the 19th March 1879.
6. Letter from the Commissioner of Burdwan, No. 170, dated the 22nd March 1879.
7. Letter to the Commissioner of Burdwan, No. 262, dated the 31st March 1879, and two notifications of same date.

Read again also the correspondence noted below—

1. Letter from the Commissioner of Police, Calcutta, No. 1671, dated the 18th July 1877, submitting the opinion of the Advocate-General as to the construction to be put upon the definition of inflammable oils in Act III (B.C.) of 1865.
2. Reply of Government, No. 3679, dated the 6th August 1877, to the above, requesting the Commissioner of Police to explain clearly how the definition of inflammable oils given in Rule 10 of the Port Rule passed under Section 7 of Act XXII of 1855 interferes with his powers under Act III (B.C.) of 1865, and asking him to consult the Chamber of Commerce as to the necessity of more stringent control.

And the following correspondence about the amendment of the Jute Warehouse Acts:—

1. Letter to the Assistant Secretary to this Government, in the Legislative Department, No. 4455, dated the 28th September 1878.

2. Letter from the Assistant Secretary to this Government, in the Legislative Department, No. 508, dated the 26th November 1878.
3. Letter to the Bengal Chamber of Commerce, No. 5913, dated the 31st December 1878.
4. Letter to the Vice-Chairman of the Port Commissioners, No. 5914, dated 31st December 1878.
5. Letter from the Vice-Chairman of the Port Commissioners, No. 3447, dated the 7th February 1879.
6. Letter from the Chamber of Commerce, dated the 24th February 1879.
7. Letter to the Chamber of Commerce, No. 151, dated the 1st March 1879.

OBSERVATIONS.—The question of regulating the transport and storage of inflammable oils, so as to combine practical security of life and valuable property with the minimum of restrictions on an important and rapidly developing trade, has for some time past engaged the anxious consideration of the Lieutenant-Governor of Bengal, as indicated by the voluminous correspondence detailed above. The following brief outline will show how the question at present stands.

1. In 1877 the Advocate-General gave it as his opinion that all kerosine oil, and not merely such as flashes below 100°F., comes under the definition of inflammable oils in Section I Act III (B.C.) of 1865. This opinion, however, has never been given practical effect to, as it was believed by Government that it was not the intention of the Legislature to make the Act applicable

to any kind of oil which did not emit an inflammable vapour at a temperature limit of 100°F, and as it would have imposed unnecessary restrictions on the storage and transport by land of certain classes of oil which were safe for all practical purposes. It was questioned, however, whether the limit of 100°F was not too low, and accordingly in December 1878, the Port Commissioners and the Chamber of Commerce were asked whether 100°F was not a dangerously low limit for India, and whether the limit might not be raised in connection with the Bill then before the Bengal Legislative Council regarding the safe storage of inflammable articles. The question was at the same time asked whether all mineral oils might not be stored in public warehouses, the cost being covered by a fee.

The Port Commissioners considered the temperature limit too low, and also recommended the construction of a public warehouse at Neemuck Mehal Ghât. The Chamber of Commerce deprecated the proposal to raise the limit, considering that oil which does not throw off an inflammable vapour below and up to 100°F is practically safe, but favoured the idea of Government warehouses if the storage fees were moderate.

By this time, however, the Fire-Brigade and Jute Warehouse Bill was too far advanced to be re-considered, and the Chamber of Commerce were accordingly informed, on the 1st March last, that the difficult question of dealing with inflammable oils must be postponed to the next session.

2. It was reported in the latter part of 1878 that, owing to the restrictions imposed by Act III (B. C.) of

1865 in Calcutta, large quantities of kerosine oil were being stored in Howrah, and it was urged that the Act ought to be extended there also. This was accordingly done, and the Calcutta rules, *mutatis mutandis*, were also made applicable to Howrah.

3. On the 15th January last the Government of India forwarded to this Government certain papers from the Government of Bombay, noticing the dangerous character of the kerosine oil recently imported into that city, some of which flashed at a temperature of 83°F, and asked whether legislation was not needed, as Act XII of 1875, which contains some provisions on the subject, only applied to ports.

Apparently there is no Act in Bombay corresponding to the Bengal Act III of 1865, which, by Section 2, can be extended to all places within the provinces under the Lieutenant-Governor of Bengal, and which, therefore, to some extent, meets the difficulty pointed out by the Government of India. As, however, this Act was already under consideration for the purpose of amendment, and as it was important to ascertain whether its further extension under Section 2 was desirable, reports were called for from the Commissioners of the Burdwan and Presidency Divisions and the Commissioner of Police, Calcutta. The Commissioner of Burdwan reported that no accidents had occurred in his Division attributable to the use of kerosine oil igniting at low temperatures. The Commissioner of Police, writing on the 18th February last, also reports that no accidents had occurred in Calcutta. The Commissioner of the Presidency Division, however, reporting on the 26th April last, stated that some

accidents due to kerosine oil igniting at a low temperature had occurred at Moorsheadabad; that the demand for the oil was daily increasing; that it seemed probable, therefore, that oil of a dangerous character would find its way into the market, and that legislation was very necessary. He also forwarded a letter from the Magistrate of the 24-Pergunnahs strongly contending for the same conclusion. As both the Commissioner and the Magistrate made no allusion to the existing Act, but recommended legislation generally, it is possible that they overlooked it. Soon afterwards the Commissioner reported in continuation that out of six specimens of oil sent to the Chemical Examiner four flashed below 95°F.

4. The importance of taking sufficient precautions with reference to the inferior quality of oils that were being imported was further impressed upon the Government by the event of the 24th April last, on which day a serious explosion occurred in the river on board two out of six cargo-boats conveying kerosine oil from two American ships at Neemuck Mehal Ghât *through the port* to godowns near the Chitpore Canal. The fire was a most serious one, lasting three or four hours; and had it not been for the fortunate concurrence of a southerly wind with an ebb-tide, the consequence might have been very disastrous. As it was, the sheet of flame was driven down the river and to the north shore. The ghâts and buildings of the Botanical Gardens were in serious danger. Dr. King, the Superintendent of the Gardens, reported that the jetty at his house was on fire three times, and he only saved his office by bringing all his men to keep

down the fire. Two boatmen were missing, and two or three others were badly burnt.

This disaster led to a recommendation by the Port Commissioners to amend Port Rules 13 and 14;—Rule 12 by raising the limit from 100° to 120°F, and by fixing Budge-Budge instead of Meïnbrooj as the limit above which ships with inflammable oils on board may not come; and Rule 14 by substituting the ferry-ghât at Budge-Budge for the Neemuck Mehal Ghât as the landing place for such oils. This subject is under consideration in the Marine Department of this Government.

5. On the 14th of March last the Commissioner of Police, Calcutta, reported that a large quantity of kerosine oil flashing at 93°F, consigned to Messrs. Balmer, Laurie and Co., was being stored in Howrah. On the 27th of the same month he reported that a portion of the oil had found its way into Calcutta, and that prosecutions had been instituted against six persons for storing them in premises which were in no way secured, and convictions obtained. Messrs. Balmer, Laurie and Co., and other importers, on the other hand, complained of these proceedings of the police as being unnecessary. In their memorial they notice the rapid growth of the trade from 211,000 gallons imported in 1875-76 to 969,000 in 1877-78, and 1,185,000 in about eleven months of 1878-79, but deny that any oils flashing at a temperature below 100°F. have been imported by them. This, however, is contrary to the information which has reached Government from other sources above mentioned. This information leads to the inference that the greater demand for the oil has led to the recent importation of cheaper and more dangerous oils.

The Chamber of Commerce, with reference to the facts related above, have addressed the Lieutenant-Governor, and suggested the appointment of a Committee composed of officials, experts, and gentlemen interested in the trade, for the purpose of considering the question in all its bearings, and advising Government as to the action which it is requisite to take in the public interests.

This recommendation appears to be well-timed, and the Lieutenant-Governor considers it very expedient that the whole subject should be considered by a Committee constituted as suggested by the Chamber of Commerce.

Resolved.—That a Committee composed of the gentlemen named below be appointed, and that copies of all the correspondence quoted in the preamble be laid before them for consideration and report, with special reference to the questions raised in the correspondence as above noticed :—

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| 1. Mr. F. B. Peacock, Commissioner of the Presidency Division. | } President. |
| 2. Mr. J. D. Maclean, Collector of Customs. | |
| 3. Mr. J. N. Stuart, of Messrs. Balmce, Lawrie & Co. | } Members. |
| 4. Mr. J. Lambert, Deputy Commissioner of Police, Calcutta. | |
| 5. Mr. W. D. Bruce, Vice-Chairman of the Port Commissioners. | |
| 6. Mr. C. J. Brookes, Master of the Calcutta Traders' Association. | |
| 7. Mr. C. H. Wood, Chemical Examiner. | |
| 8. Mr. A. Peller, Professor of Chemistry, Presidency College. | |

ORDER.—Ordered that a copy of this Resolution, together with copies of the papers quoted in the preamble, be forwarded to the Commissioner of the Presidency

Division, with a request that he will arrange for the meeting of the Committee as early as possible.

Ordered also that copies of the Resolution be forwarded to the other members of the Committee for information and guidance, and that the Resolution be published in the *Calcutta Gazette*.

By order of the Lieutenant-Governor of Bengal,

H. L. HARRISON,

Offy. Secretary to the Govt. of Bengal.

No. 592

Copy of the Resolution forwarded to the Secretary to the Chamber of Commerce, for the information of the Committee of the Chamber.

By order of the Lieutenant-Governor of Bengal,

RAJENDRA NATH MITRA,

Asst. Secy. to the Govt. of Bengal.

CALCUTTA,

The 21st July 1879.

DOORCA POOJAH HOLIDAYS.

In the last report it was stated that the Committee appointed by Government to enquire into the subject of the Doorca Poojah Holidays had, by a majority, recommended their curtailment from twelve days to four. It will be seen from the letter of 4th October that the Supreme Government, to whom the question was referred, have

accepted the recommendations of the majority of the Committee, with effect from this year. This, from the merchants' point of view, is satisfactory; and if in some cases the curtailment inflicts some hardship on native employés in mercantile offices, who have been accustomed to go to their homes at that season, arrangements will no doubt be made to extend the period of leave in deserving cases.

From Chamber to Government of Bengal.

Calcutta, 23rd August 1879.

On the 27th of November last I had the honor to submit for the consideration of Government the views of the Chamber of Commerce on the subject of the long vacation observed at the time of the Hindoo festival of Doorga Poojah.

Although no reply has been received to that communication, the Committee of the Chamber have understood that the subject of their representation has been referred to a Committee appointed to enquire into the subject and a report thereon submitted to Government.

As the usual period for the Doorga Poojah holidays is not far distant, and as it would be convenient to the commercial public to know what arrangements have been sanctioned, I am directed to request you will do the Committee of the Chamber the favor of acquainting them with the orders which His Honor the Lieutenant-Governor may have passed.

From Government of Bengal to Chamber.

Dated Calcutta, 13th September 1879.

I am directed to acknowledge the receipt of your letter, dated the 23rd ultimo, and, in reply, to state for the information of the Chamber of Commerce that the question of reducing the period now allowed as a public holiday at the time of the Doorga Poojah, has been referred by the Lieutenant-Governor for the decision of the Government of India.

The 30th September 1879.

In continuation of my No. 3817, dated the 13th instant, I am directed to say that His Excellency the Governor-General in Council has decided that there shall be no alteration this year in the length of the Doorga Poojah vacation, which will last for 12 days as hitherto.

From Govt. of India to Govt. of Bengal.

Simla, 4th October 1879.

I am directed to acknowledge the receipt of your letter No. 5809, dated 12th September 1879, upon the subject of the number of holidays to be allowed annually in Bengal on the occasion of the Durgá and Lakhshmi Pôjás.

2. From the history of these holidays recited in your letter, there appears to be a conflict of opinion upon this subject between Hindu society and the mercantile community, who have repeatedly represented the serious injury caused to commercial interests of Calcutta by the more or

less complete periodical interruption of business during so long a period as twelve consecutive days.

3. It seems to be universally admitted that not more than four close holidays are really required for the religious observances of orthodox Hindus in Bengal on the occasion of the Durgá Pôjâ. This conclusion is in accordance with that constantly arrived at on former occasions when the question has been discussed, and it is thus stated in your letter now under acknowledgment :—

“The curtailment of the holidays proposed by the majority of the Committee will not interfere with any *tendâ fide* religious prejudices of the Hindu community. Any shortening of the vacation may prevent social ceremonies, visits home, and the enjoyment of the rest and recreation of a holiday ; but when the question of opening the Custom House was discussed in 1874 to 1876, it was clearly decided that five days are all that are necessary for the purely religious observances of Hindus during the Durgâ and Lakshmi Pôjâs ; and this decision must be considered applicable to the Hindu clerks in all other offices.”

The practice in other parts of India corresponds with this conclusion ; and it is clear that no questions of a religious character are really involved.

4. The majority of the Committee appointed by the Government of Bengal recommend—

(1) that only the four days required for strictly religious purposes be close holidays ;

(2) that if the fourth religious day fall on Friday, the offices shall not re-open until the following Monday ;

(3) that the Public Debt Office, the Treasury, the Currency Office, the Money Order Office, the Stamp Office, and all the Pay Offices be closed on these four days only ; but that in other Government offices, the Heads of Departments should have discretion to give leave to their subordinates for the whole or any part of the twelve days, provided the current work of their offices is carried on.”

5. The Government of Bengal, however, comes to the conclusion that, on the whole—

“the inconvenience and loss which the mercantile community suffer from the existing state of things, great and vexatious as they are, cannot be remedied without inflicting a still more serious hardship on a far more numerous, though less, influential portion of the community.”

The Local Government, therefore, does not recommend any alteration in the present holiday.

6. The Governor-General in Council cannot concur in this conclusion. The whole burden of proof lies upon those who allege that the interests of even a large majority of the community require the infliction of serious inconvenience and loss upon the minority. In the present case it is admitted that the most orthodox Hindu does not absolutely require more than four holidays for the religious observances of the Durgâ Pôjâ ; the other eight days are really prized because they give an opportunity for rest, refreshment, and family gatherings, the usefulness of which the Governor-General in Council is far from undervaluing ; but these objects can be suffi-

ciently attained in Government offices by a free concession to ministerial officers of the periodical leave to which they are entitled by rule, and which they may properly be encouraged to take. The Government would not be justified, by such considerations, in continuing to impose upon the commerce of the Port of Calcutta restrictions and inconveniences which are believed by those interested to cause serious loss.

7. The Governor-General in Council therefore accepts the recommendations of the majority of the Committee as quoted in the 4th paragraph of this letter; and, with effect from next year, the public holidays on the occasion of the Durgá Pújā should be regulated accordingly.

PROPOSED EXTENSION OF THE VALUE-PAYABLE SYSTEM TO GOODS TRANSMITTED BY RAILWAY.

The correspondence on this subject will inform the Chamber that the Director-General of the Post Office has, for the present, abandoned his proposal to extend the *value-payable* system to railway goods traffic. The Committee thought the plan would probably answer, if the charge for collecting the value of goods so transmitted was moderate, and suggested $\frac{1}{2}$ per cent. as a sufficient rate instead of 2 per cent. as proposed by the Director-General.

From Director-General to Chamber.

Simla, 27th June 1879.

I would like to have the benefit of advice in the following matter:—

2. I have it in contemplation to make the value-payable system applicable to goods transmitted by Railway: the object being to enable the consignors to make the delivery dependent upon the payment by the consignee to the Post Office at the delivery station of the value of the goods.

3. The plan would be somewhat as follows:—

- (1.) The consignor who wishes to take advantage of the system would address the goods to the consignee, care of "the Post Office."
- (2.) The consignor would make over the Railway receipt to the Post Office with indication of the value to be realized.

The Post Office would transmit this receipt to the office of destination, but would not deliver it to the consignee until the latter had paid the value. On receipt of payment, the Post Office would hand the receipt to the consignee who would then be able to claim the goods from the Railway.

- (3.) The Post Office would pay at the place of origin to the sender the value so recovered less 2 per cent. commission.
4. For the working of this system, the Railway would require to see that goods addressed "care of Post Office" were not delivered without production of the receipt. In other respects, I do not think that the Railway would have to

take any cognizance of the arrangement. It would be an arrangement between the consignor and the Post Office. Similarly the Post Office would have no concern with the goods: but merely with the custody of the receipt and with the duty of delivering it to the consignee on payment by him of the value.

*From Chamber to Director-General,
Calcutta, 28th July 1879.*

The Committee of the Chamber of Commerce have had under consideration your memorandum of the 27th of last month as to the application of the value-payable system to goods transmitted by Railway; and I am directed to state in reply, that in the Committee's judgment the proposed system is not likely to be made use of to any extent, unless the charge for commission is materially reduced. A commission of 2 per cent. is considered excessive; but if it were reduced to 8 annas per cent. it is probable that the system would be largely availed of.

*From Director-General to Chamber,
Simla, 2nd September 1879.*

Referring to your communication noted on the margin,
Dated 25th July 1879. I have the honor to annex copy of a further memorandum on the subject of the application of the "value-payable" system to railway goods traffic.

In a memorandum, dated the 27th June 1879, I gave a brief description of a plan under which I thought that the value-payable system might be applied to goods

transmitted by Railway: the Post Office undertaking at the instance of the consignor to deliver to the addressee the Railway receipt after recovering from him the value of the goods, and the Railway undertaking not to deliver the goods without production of the receipt. The addressee having obtained the receipt from the Post Office would take delivery of the goods in the usual way direct from the Railway, and the Post Office having received from him the value would remit it to the consignor (less 2 per cent. commission).

I distributed copies of the memorandum to the public bodies mentioned on the margin requesting the favor of expressions of opinion. The opinions given may be summarized as follows:—

The Agent, East Indian Railway remarks that the matter is not one in which the Railway Company would have any immediate concern, as they would only deliver goods to the consignee or his order on production of the Railway receipt and payment of all charges. But he regards the system as one likely to enhance delay in taking delivery of goods, thereby causing obstruction to the course of railway business and giving rise possibly to disputes about demurrage. He further considers that no regular traffic could bear the 2 per cent. commission charge (for collection and remittance of value) and that few consignees would care to pay an enhanced rate in advance for goods which might turn out to be not in accordance with order.

The Bengal Chamber of Commerce considers that the proposed system is not likely to be made use of to any extent unless the charge for commission were to be materially reduced. If it were reduced to $\frac{1}{2}$ per cent, the Chamber thinks it probable that the system would be largely availed of.

The Bombay Chamber of Commerce intimates approval of the plan but apprehends inconvenience from the divided responsibility of the Railway Companies and the Post Office. A suggestion is accordingly made that the Post Office should, on realization of the value, undertake the delivery of the goods to the consignee instead of merely giving him the Railway receipt and leaving him to take delivery himself.

The Madras Chamber of Commerce is not prepared to say that the scheme might not save the convenience of tradesmen, but raises the question of the desirability of Government undertaking work which private traders would probably do better for themselves and which would probably give rise to Government responsibility for lost or damaged goods.

3. The risk referred to by the Madras Chamber could, in my opinion, be easily avoided: but there is probably force in the anticipation of the East Indian Railway Agency about the practical delay of delivery.

4. It seems also to be doubtful whether the plan would be practically useful without either a large reduction of the proposed rate of commission, or the acceptance by the Post Office of work and responsibility in connection with the delivery of the goods.

I am not therefore (for the present at all events) prepared to go on with the scheme.

ABSTRACT OF ACCOUNTS OF THE DEPARTMENT OF ISSUE OF PAPER CURRENCY.

An alteration in the form in which the Abstract of Accounts of the Department of Issue of Paper Currency had been published in the *Gazette of India*, since its introduction nearly 20 years ago, led to the following representation by the Committee, which fully explains their reasons for desiring that the detailed returns hitherto given should be continued in lieu of the condensed abstract which appeared last August. The Governor-General in Council was of opinion that the latter conformed precisely to the requirements of the law and contained all the information of public interest and importance; but in compliance with the Committee's request, His Excellency was pleased to direct the publication as previously observed.

From Chamber to Government of India.

Calcutta, 23rd August 1879.

The Committee of the Chamber of Commerce desire me to submit for the consideration of His Excellency the Governor-General in Council the following representation regarding the change that has been made in the monthly

Abstract of the Accounts of the Department of Issue of Paper Currency.

In the *Gazette of India* of the 19th of last month, the Abstract for the month ending 30th June 1879 was published according to the form which, the Committee believe, has been observed since Act 19 of 1861 came into operation: but in the *Gazette* of the 16th instant the Abstract for the month of July appears in a form which excludes the usual returns of each circle of issue, and gives only the aggregate of circulation and corresponding reserve in coin, bullion, and Government securities.

The Committee are aware that the statement last published is strictly in accordance with the 23rd Section of Act 3 of 1871; but they are, at the same time, not unmindful that it is a departure from the wise provision made by the eminent minister by whom the Paper Currency system was introduced into the financial policy of the country, and they are of opinion that strong reasons are required to justify a change in arrangements sanctioned by his high authority.

In a minute on the despatch of the Secretary of State respecting the Paper Currency, dated the 25th December 1859, the Right Honorable James Wilson, while minutely detailing the plan of the proposed measure, wrote as follows:—

“33. On this part of the subject it is only necessary to add that I would, by enactment, provide for a monthly publication in the *Gazette* of the amount of notes in circulation by each branch, with an aggregate of the whole; also of the amount of coin and bullion held by each branch, with an aggregate of the whole; and of

the amount of securities held by the Commissioners in Calcutta, Bombay and Madras, respectively, on account of the branches, and the aggregate of the whole, in a form to be given in the Schedule of the Act. Such a return would have a great effect in creating a confidence in the system.”

In the judgment of the Committee, the wisdom and prudence of giving the fullest information in connection with a great financial reform like the Paper Currency of the Government of India have been amply confirmed, and the development of the scheme into the dimensions to which it has gradually expanded has unquestionably been materially aided by the periodical publication of returns of the operations of that Department.

To withdraw the detailed information which was sanctioned on the ground of securing public confidence in the administration of so valuable a branch of the imperial service appears to the Committee of the Chamber a step of a seriously retrograde character, inasmuch as it not only bars the public from possessing means of testing the relative importance of the trade and wealth of the several Presidencies, and of comparing the circulation which each requires, but the discontinuance of the details hitherto given is open to objection as likely to impair that confidence to which the Government stands so largely indebted for the successful results thus far attained: and it would be a disadvantage to the State if its currency system were exposed to the danger of being publicly regarded as deficient in precautions essential to its intrinsic soundness:

To remove any impression that may be unfavorable to that system, and to guard against any results injurious to

the credit of the country, the publication of the returns as hitherto given to the public appears to the Committee a measure of primary importance and necessity; and they respectfully suggest for the consideration of His Excellency the Governor-General in Council, that the practice which has been observed for nearly 20 years be promptly reverted to.

From Government of India to Chamber.

Simla, 17th September 1879.

I am directed to acknowledge the receipt of your letter dated 23rd August 1879, and to say that, in compliance with the request of the Committee of the Bengal Chamber of Commerce, the Governor-General in Council will order the publication of the monthly abstract of the accounts of the Department of Issue of Paper Currency in the details heretofore supplied, and to which they consider so much public importance to attach.

2. The change to which exception has been taken was made because the Governor-General in Council preferred to conform precisely to the requirements of the law in these matters, and because the condensed abstract seemed to His Excellency in Council to contain all the information that is of public interest or importance.

3. The Governor-General in Council believes that no more information than is comprised in that abstract is published by the Banks of England and France and other Banks which issue notes. Such Banks do not consider the details of the notes issued from their branches of sufficient public interest for publication.

4. Whatever may have been the motive of the Government in originally publishing the details of each circle, the Governor-General in Council does not consider that the publication of such details contributes in any way whatever to the public confidence which is now justly established in the Indian Paper Currency, and His Excellency in Council would have had no apprehension whatever of any loss of that confidence following upon the Government ceasing to publish those details.

From Chamber to Government of India.

Calcutta, 23rd September 1879.

The Committee of the Chamber direct me to acknowledge the receipt of your letter No. 2802 of the 17th instant, informing them that the Governor-General in Council has been pleased, in compliance with their request, to order the publication of the monthly abstract of the Accounts of the Department of Issue of Paper Currency in the details heretofore supplied.

The Committee are grateful to His Excellency for this concession, and desire me to convey their respectful acknowledgment of it.

**EFFECT OF RAILWAY FREIGHT ON THE
TRADE IN WHEAT AND OIL SEEDS.**

The reference by Government on this subject was replied to by the Committee to the effect that any material reduction in the charge for carrying wheat and oil seeds by railway would

encourage the export trade in those articles, but that the reduction should be so made as to enable the railway to compete successfully with river traffic and without sacrifice of public revenue.

From Government of India to Chamber.

Calcutta, 16th June 1879.

I am directed to transmit copy of a Circular by this Department No. 253C to 255C, dated the 16th instant, on the subject of the effect of the railway rates of freight for wheat and oilseeds on export of these goods to Europe, and to state that the Government of India will esteem it a favor if the Chamber of Commerce would be good enough to obtain for the Government of India, from merchants dealing largely in such goods, periodical information (say once a quarter) as to their wholesale prices, and their views as to the effect of the railway rates on the trade.

The Governor-General in Council is desirous that the effect of the railway rates of freight for wheat and oilseeds on export of these articles to Europe should be carefully watched and reported upon, and I am, with this object in view, directed to request that, with the permission of His Honor the Lieutenant-Governor, arrangements may be made for the transmission to this Department at Calcutta of a monthly statement showing the average wholesale prices per 100 maunds prevailing for wheat, linseed, rapeseed, poppyseed, and teel or gingile seed, at each of the large marts whence these goods are

generally sent by rail to the ports of shipment. The first return should be for the current month of June.

From Chamber to Government of India.

Calcutta, 7th July 1879.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 262 of the 16th ultimo, on the subject of the effect of railway rates of freight for wheat and oilseeds on the export of those articles to Europe, and of their wholesale prices.

With regard to the latter point I am to state that the Chamber's fortnightly Price Current gives the most reliable and independent quotations, and will prove a sufficient guide for your purpose.

With respect to the effect of railway freight on wheat and oilseeds, the Committee are of opinion that, although the present rates are not excessive, any material reduction of the charge would encourage the export trade in these articles. If the rates are high they will necessarily check the trade or direct it into the slower but less expensive channels of boat traffic. About the time when the rivers begin to rise, a very considerable portion of the trade is carried by water, part of which might be secured by the railway if timely reduction of rates were made, as the competition between rail and boat carriage would most probably favor the former means of transit.

On the other hand, if competition with traffic by water proved unsuccessful, the reduced rates would affect railway receipts, and it would be for the consideration of Govern-

ment whether in the present condition of the finances of the country the risk of loss of revenue should be incurred.

In order, however, that contracts may be affected as lightly as possible, the Railway Company should give ample notice of any intended change in their freight tariff so as to avert the inconvenient results of fluctuating charges.

If the enquiry of the Government has been induced by the large falling off in the exports of wheat and oilseeds during the past two seasons, the answer is, that such deficiency has been caused by a partial failure of the crops of both kinds of produce and by the high prices that have, in consequence of the scarcity, been ruling throughout the country for both seeds and food grains.

VESSELS LEAVING DURING STRONG SPRING TIDES.

The attention of members who are interested as agents, exporters of cargo, or underwriters, is specially drawn to the following warning communication from the Port Officer regarding vessels leaving the harbour when strong spring tides and freshets during the S.-W. monsoon expose them to unusual risks, which may be prudently avoided by reference to the Port Officer, whose experience and judgment might be sought with advantage.

From the Port Officer to Chamber.

Calcutta, 19th September 1879.

In view of the accident to the "Alghitha" which has so nearly had a fatal termination, I feel it to be my duty to bring to the notice of the Chamber of Commerce, chiefly as comprising among its members the leading insurance agents, the very serious extra risks run by ships leaving this Port during springs while the freshes are in the river. No doubt many members and most masters of vessels are well aware of the risk run, but it is right that it should be brought to the notice of all interested in a prominent manner.

2. The feeling of the Pilot Service appears to be that ships should be altogether debarred from leaving at such times, especially during such full springs as the last. This has been done in the case of vessels carrying emigrants.
3. Although I should not feel justified in adopting to the full extent such a change in the working of the Port, the new rules will leave it to the discretion of the pilot not to proceed at such times, if thought by him too hazardous, until after special reference to the Port Officer.
4. There is of course a great difference in ships; a handy powerful steamer, with steam steering gear, can proceed safely at a time when an unhandy, sluggish vessel, with hand steering gear, is utterly unmanageable. Clearly also much depends on whether the springs happen at the moon's perigee.
5. In the event of it being considered absolutely necessary for certain ships to leave, the advice of this office

might be sought with advantage in each case, as it is hardly fair to the pilots to put on them the entire onus of refusing to proceed.

PROPOSAL TO IMPROVE AND EXTEND THE STORM SIGNAL SERVICE.

Members will observe with satisfaction that endeavours are being made by the Meteorological Department to improve and extend the storm-signal service for the protection of this Port, and the Committee hope that the proposals submitted for the consideration of the Government of India will be sanctioned.

From Govt. of Bengal to Chamber.

Calcutta, 9th July 1879.

In forwarding a copy

* Letter from the Meteorological Reporter, to the Government of Bengal, No. 205, dated 21st May 1879.

Letter from the Meteorological Reporter, to the Government of India, No. 652, dated 26th June 1879.

Letter to the Secretary to the Government of India, Department of Revenue, Agriculture and Commerce, No. 155 miscellaneous, dated 6th July 1879.

Blauford.

of the correspondence noted on the margin* relative to the improvement and extension of the storm signal service established for the protection of the Port of Calcutta, I am directed to enquire what number of firms would subscribe to a daily issue of the weather reports and charts if these are lithographed and issued as suggested by Mr. Eliot and Mr.

From J. Eliot, Esq., Meteorological Reporter, to the Government of Bengal, to the Secretary to the Government of Bengal, General Department,—No. 205, dated Calcutta, the 21st May 1879.

I have the honor to submit the following proposals for the improvement and extension of the storm signal service established some years ago for the protection of the Port of Calcutta.

2. The principal reasons I would urge for the adoption of the proposals are :—

1st.—That the present system is very defective. The Bengal Meteorological Office at the present time receives daily telegrams from only six stations around the coast of the Bay. They are too few in number to give more than a rough approximation of the character of the weather round the coast outline and fail to localize any except the major cyclonic disturbances.

2nd.—The service is unnecessarily slow. By the orders of Government these weather telegrams are accorded "precedence," and therefore ought to arrive within a few minutes after observation. As a matter of fact the few telegrams the Bengal Meteorological Office each day receives are frequently not all delivered until late in the afternoon. The delay appears to arise partly from the indolence and carelessness of the Observers, but partly, so far as I can judge, from delays in transmission not warranted in the case of "precedence" telegrams.

3rd.—The cost of this telegraphic service has been reduced very considerably during the past year by the adoption of a telegraphic code for the trans-

mision of the weather telegrams. I have not figures at hand giving the actual reduction in cost, but, estimating roughly, the annual charge of the present service has been reduced from about Rs. 15,000 to about Rs. 3,000. A portion of the savings might, I venture to suggest, be appropriately applied to the improvement and extension of the service. The object of the proposal is to publish at the earliest possible time every-day observations taken at the coast stations of the Bay of Bengal for the information of the Port Officers, Port Commissioners, shipping interest of Calcutta, and to utilize the information when necessary for the hoisting of storm signals for the protection of the shipping in the Hooghly.

3. I would suggest that the following meteorological stations around the Bay should send daily "precedence" telegrams at 10 A.M., viz. :—

Saugor Island, False Point, Vizagapatam, Masulipatam, Madras, Negapatam, Trincomally, Galle, Diamond Island, Akyab, Chittagong, Dacca ;

and also that the Port Officers and Master Attendants at the following stations be requested to forward daily telegrams of the readings of the barometer, wind direction, wind velocity, and rainfall :—

Balassore, Ganjam, Coconada.

These would give a daily service of 15 stations and would furnish a fairly complete view of the meteorology of the Coast of the Bay, and afford more satisfactory data for inferring the general state of the weather in the Bay itself than is possible at present.

4. With a view to the rapid preparation of the weather report I would suggest that these 15 stations should be permitted to send the weather telegrams as at present "precedence." As under the new arrangements just completed, the Bengal Meteorological Office will be in direct telegraphic communication with the Calcutta Head Telegraph Office, the whole of these 15 telegrams should be received at the Bengal Meteorological Office before noon. The reduction of the observations would not require more than an hour, and hence the returns would be ready for publication by 1 P.M. at the latest.

5. At present the reduced observations are sent in written forms to the various newspapers and to the interested Port Officers about 6 P.M. I should suggest that the observations should be lithographed, and, if necessary, a few brief remarks added daily, summarizing the weather and the changes in the weather over the coast and the probable weather in the Bay. This could easily be effected when the lithographic presses which are being prepared for the publication of the daily weather reports of the Meteorological Reporter to the Government of India have been received. The presses at the Calcutta Office will be absolutely idle during six months of the year, i. e., from April to October, as during that period the reports will be published at Simla. A very slight additional expense (for the working of the lithographic presses in Calcutta during the Simla season) will enable the Bengal Meteorological Office to issue lithographed copies of the morning's observations at the selected stations, with a brief summary, not later than 3 P. M.

6. I shall also suggest as a further development of the storm signal service, and as almost essential in the present state of meteorology, the daily publication of a chart of the Bay of Bengal, embodying in some form to be selected the day's observations in a graphic manner. The charts would be immediately intelligible to a much larger number of people than the mere observations would be.

7. The last extension, although desirable is, however, not necessary. The two former, *viz.*, the extension of the service to 15 stations and the rapid publication of the reports for general information. I, however, consider to be absolutely necessary; and I beg to urge the Government of Bengal to sanction the present proposals, or any modified form of them which will secure the rapid publication of more complete meteorological data of the weather of the Bay than is possible under the present system.

8. If the proposals meet with the sanction of Government I shall submit in detail the additional cost for the extended service. It will, however, be much less than the annual savings effected by the introduction of the telegraphic code.

No. 1270—111 M.

FORWARDED to the Meteorological Reporter to the Government of India, for the favor of an expression of his opinion on Mr. Eliot's proposals.

By order of the Lieutenant-Governor of Bengal,

C. W. BOLTON,

Under-Secy. to the Government of Bengal,

CALCUTTA,

REVENUE DEPT.—*Mis. Revenue,*
The 6th June 1870.

From H.F. BLASFORD, Esq., *Meteorological Reporter to the Government of India, to the Secretary to the Government of Bengal, General Department, —No. 552, dated Calcutta, the 25th June 1870.*

I have the honor to submit, for the information of the Lieutenant-Governor, the following remarks on Mr. Eliot's proposals for the improvement of the storm-warning system communicated to me for report under your endorsement, No. 1270—111 Mis, dated the 6th instant.

2. Mr. Eliot's proposals are four-fold:—

1st.—To increase the number of stations from which telegraphic reports of the weather are transmitted daily to Calcutta Office from six to fifteen.

2nd.—To expedite their despatch by giving them priority of transmission as 'precedence telegrams.'

3rd.—To expedite publication by lithographing the daily reports issued from the Calcutta Office.

4th.—To supplement the daily weather reports by a weather chart of the Bay of Bengal, also to be lithographed in the Office.

3. To the first and second of these proposals, I give my unqualified support. It is abundantly supported by experience that telegraphic reports from the six stations originally established for the purpose of the storm-warning system are insufficient to afford information respecting the state of the weather around the coasts, from which a trustworthy inference may be drawn as to the state of the weather in the Bay. With our present greatly advanced knowledge of the premonitory indications of storms, it seems possible to frame conclusions

not only as to the existence of cyclonic disturbance in the Bay, but also to a certain extent as to that part of the coast which is most threatened by the storm; but in order to apply this knowledge, it is necessary to obtain reports, more especially of the barometer readings and the directions and strength of the wind, and I may add the state of the sea, from stations at much shorter intervals than on those which at present report. The stations selected by Mr. Eliot are well situated for furnishing this information; and since it is proposed to entrust the duty of reporting to the Port Officers at those stations at which no regular meteorological observatory exists, the extension of the system will involve only the cost of nine additional telegrams—an expense which is only nominal. The Port Officer should of course be furnished with barometers verified at the Calcutta Observatory, preferentially those constructed on the Kew principle, which require no external adjustment. These can be furnished from the stores of the office.

4. The necessity of according 'precedence' and insisting on the due observance of prompt despatch, is obvious. Any supposed neglect on the part of the Electric Telegraph Masters to observe this rule should be reported to the Electric Telegraph Department.

5. The third and fourth proposals made by Mr. Eliot cannot be carried out until the lithographic presses now being constructed in England shall have arrived. Whenever the proposed scheme for issuing a daily weather chart of the whole of India shall be carried into effect, there will be no difficulty in lithographing also the Calcutta weather reports and a chart of the Bay as proposed by

Mr. Eliot, and some little saving in office labor will be gained thereby, as well as despatch in the issue of the reports; but the existing financial circumstances having rendered it necessary to defer the execution of this part of the scheme of general weather reports, the press establishment that will be required for working the press for the storm-warning system would have to be specially provided; at all events, for the present. The number of copies of the report at present issued is so small, as in my opinion hardly to make it worth while to entertain a printing establishment for this purpose alone; and before it is sanctioned, I should recommend that enquiries be made through the Chamber of Commerce and the Trades' Association, whether, in the event of such publication, a sufficient number of copies would be subscribed for by commercial and trading firms and others, to cover in some measure the expense of printing and distributing the reports by a sufficient establishment of peons; such a subscription need not be large. The press establishment and contingent expenses may be put at Rs. 50 per month as a maximum, and two or three peons for distributing would bring the total up to about Rs. 70 per month. Thirty-five subscribers at Rs. 2 per month would cover this outlay.

6. There are two additions which I should desire to make to Mr. Eliot's proposals—one, with a view to increasing the effectiveness of the system, the other, to increase its utility. These are to empower the Meteorological Reporter, in the case of threatening weather being reported from any part of the coasts, to call for additional reports from any station at such

intervals as may appear desirable. These reports to be paid for, but to have precedence over other messages. The second is that in case he shall consider the approach of a storm to any part of the coasts probable, he shall be empowered to telegraph a warning to any port or ports there situated, whether in this or another Presidency. Now that a telegraph line is laid between the Meteorological Office and Electric Telegraph Office, the Meteorological Reporter is, or will be, in a position to exercise a *regime* over the whole coast of the Bay from Diamond Island to Ceylon, and he alone can form a just opinion of storm probabilities as affecting any part of this coast. Since every part of the coast may derive the benefit of his supervision at no greater trouble or cost than that of transmitting a telegram from the office, it seems desirable that this advantage should not be sacrificed; and as the whole cost of the meteorological system is charged to imperial expenses, no difficulty can arise from financial considerations in connection therewith.

The enclosure of your endorsement under reply is herewith returned.

From Govt. of Bengal to Government of India.

Calcutta, the 9th July 1879.

I am directed to submit, for the favourable consideration and orders of the Government of India, the enclosed copies of the letters noted on the margin, relative to the improvement and extension of the storm signal service established for the protection of the Port of Calcutta.

Letter from the Meteorological Reporter, to the Government of Bengal, No. 295, dated 21st May 1879.

Letter from the Meteorological Reporter, to the Government of India, No. 422, dated 25th June 1879.

2. The Bengal Meteorological Office in Calcutta at present receives daily telegraphic reports of the weather from only six stations around the coast of the Bay of Bengal, and Mr. Eliot represents that these are too few in number to indicate more than a rough approximation of the character of the weather round the coast outline and insufficient to fix the locality of any, except the major, cyclonic disturbances. He suggests that the number of reporting stations on the coast should be increased, and proposes that arrangements should be made to supply his office with daily telegraphic reports from the following "Meteorological" stations around the Bay:—

Sunder Island,
Pala Point,
Vizagapatam,
Masulipatam.

Maitra,
Nagapatam,
Trincomally,
Galle,

Diamond Island,
Akyah,
Chittagong,
Dacca;

and that the Port Officers, Master Attendants at Balasore, Ganjam, and Coconada should at the same time be asked to forward to him daily telegrams of the readings of the barometer, the direction, strength, and velocity of the wind, and rain-fall. Mr. Blanford, Meteorological Reporter to the Government of India, who has been consulted on the subject, strongly supports Mr. Eliot's proposal, as calculated to afford fairly complete and satisfactory data for inferring the general state of the weather on the coast and in the Bay itself. The stations selected by Mr. Eliot are, in Mr. Blanford's opinion, well situated for furnishing the requisite information; while the proposal to increase the number of reporting stations is said to involve no further expenditure than the cost of nine additional telegrams daily. The Port Officers at those stations named above, at which no regular Meteorological Observatory

exists, should, Mr. Blanford thinks, be supplied with barometers verified at the Calcutta Observatory, preferentially those constructed on the Kew principle, which require no cistern adjustment, and which can be furnished from the stores of the Meteorological Department.

3. As several of the stations and ports from which the Meteorological Department wishes to receive daily reports lie outside the jurisdiction of this Government, I am to solicit the approval of the Government of India to the arrangements, and to request that, with the permission of his Excellency the Governor-General in Council, the other local Governments and Administrations concerned may be directed to allow the Meteorological Reporter for Bengal to place himself in communication with their local officers in order to secure the establishment of the more complete system of reporting now proposed.

4. It will be seen that Mr. Eliot lays much stress on the rapid transmission and delivery of the weather telegrams by giving them priority as "precedence" telegrams. Mr. Eliot complains that, although under the orders of Government such telegrams are now accorded "precedence," they are as a matter of fact frequently not delivered at his office until long after time. The delay is attributed in some measure to neglect in the Telegraph Department; and he asks that steps may be taken to secure the prompt despatch of the weather telegrams from the 15 reporting stations above referred to, by treating them as "precedence" telegrams. Mr. Blanford supports Mr. Eliot's proposal, and it would perhaps have a good effect if the Supreme Government were to call the special

attention of the Director-General of Telegraphs to this matter.

5. Mr. Blanford, while reporting on Mr. Eliot's letter, has made certain additional proposals of his own for increasing the effectiveness and utility of the storm-warning system in Bengal. He proposes to empower the local Meteorological Reporter, in the case of threatening weather being reported from any part of the coast of the Bay of Bengal, to call for additional "precedence" telegraphic reports (to be paid for) from any station, at such intervals as may appear to him desirable; and in case he shall consider the approach of a storm to any part of the coast probable, to telegraph a warning to any port or ports there situated, whether in this or another Presidency. The reasons urged by Mr. Blanford for the adoption of these proposals are set forth in paragraph 6 *seq.* of his letter; and the Lieutenant-Governor thinks the slight additional expense should not stand in the way of such a manifestly useful procedure. Mr. Eliot also makes suggestions for lithographing the daily reports and issuing them more rapidly, and for the preparation of a daily chart of the Bay. With reference to Mr. Blanford's remarks upon these points in paragraph 5 of his letter, the Lieutenant-Governor will cause enquiries to be made as to the amount of public support likely to be accorded to such a special issue.

From Chamber to Government of Bengal.

Calcutta, 11th August 1879.

I am directed to acknowledge the receipt of your letter No. $\frac{147}{24}$ of the 9th July, and to inform you that

the 22 firms whose names are hereto annexed are willing to subscribe for copies of the lithographed weather charts and reports as proposed to be prepared and issued by the Meteorological Department.

The Committee of the Chamber suggest for your consideration that in the event of a sufficient number of subscribers not being found to cover the outlay for the lithographed forms advantage be taken of the Government Telegraph Gazette as a convenient channel for publishing the weather reports, in the same way as the rain-fall returns are given to the public.

MELBOURNE INTERNATIONAL EXHIBITION.

Mr. T. S. Anderson having obligingly undertaken to act as a Member of the Committee to represent Indian interests at the Melbourne International Exhibition, that gentleman was nominated by the Committee and his services have been accepted by Government.

From Government of Bengal to Chamber.

Calcutta, 29th August 1879.

I am directed to forward herewith a letter to your address from the Government of India, with its enclosures, and to say that the Lieutenant-Governor will be glad if the Chamber will nominate one of their body to act with Messrs. Buck Gamble, and O'Connor on the Committee which it is proposed to assemble for the representation of India at the Melbourne International Exhibition.

From Government of India to Chamber.

Simla, the 9th August 1879.

I am directed to forward for the information of the Chamber of Commerce copy of the papers marginally noted, and to say, with reference to para. 5 of the Resolution of the Government of India, dated the 9th instant, that the Government of India, dated the 9th August 1879, prospectus of the Melbourne Exhibition. the Government of India, dated the 9th instant, that the Governor-General in Council would be glad if the Chamber would nominate one of their body to act on the Committee which it is proposed to appoint with a view to making the necessary arrangements for the representation of this country at the forthcoming International Exhibition at Melbourne.

From Chamber to Government of Bengal.

Calcutta, 23rd September 1879.

I am directed to acknowledge the receipt of your letter of the 29th ultimo, with its enclosures, and to state for the information of his Honor the Lieutenant-Governor that the Committee of the Chamber have the pleasure to nominate Mr. T. S. Anderson, of Messrs. Anderson Wright & Co., as a member of the Committee proposed to be appointed with the view to making the necessary arrangements for the representation of this country at the International Exhibition to be held at Melbourne next year.

**CHARGES FOR REGISTRATION OF
CARGO BOATS.**

Proprietors of cargo-boats having represented to the Committee that the fees payable for registration and licensing were higher than actual expenditure required, the Committee communicated with the Port Commissioners and expressed the opinion that the fees should not exceed the actual cost incurred in that process; but the Commissioners are not in a position to say what reduction in charges can be made until the total annual receipts have been ascertained.

From Chamber to Port Commissioners.

Calcutta, 17th May 1879.

Messrs. Simpson and Co. and other proprietors of cargo-boats have been in communication with the Committee of the Chamber regarding the rules and orders lately passed for the registration and licensing of cargo-boats in the port of Calcutta.

In the petition presented by them to the Lieutenant-Governor they point out (in paragraph 12) that the fees payable under Rule VI are excessive, and for more than the actual expenditure incurred for the various items included in the schedule of charges.

It appears to the Committee that a charge of 8 annas per ton on tonnage for which license is issued is open to the objection raised by the petitioners; and they are

of opinion that the fees should be so levied as to cover the Commissioners' actual expenditure, and no more.

No doubt the Commissioners have sufficient data on which the scale of fees has been made, and they will much oblige the Committee by placing them in possession of the number and tonnage of licensed boats and the actual cost incurred by the Commissioners in carrying out the provisions of the rule referred to.

From Port Commissioners to the Chamber.

5th June 1879.

I am directed to acknowledge the receipt of your letter of the 17th ultimo, regarding the scale of fees charged for licensing cargo-boats, and in reply, to inform you that the letter was considered by the Commissioners at their last meeting, and I beg to forward herewith for the information of the Chamber a copy of the Resolution then passed on the subject.

Copy of a Resolution passed at the 276th meeting of the Commissioners.

Read—letter from the Secretary, Bengal Chamber of Commerce regarding the scale of fees charged for licensing cargo-boats.

Resolved :—That in reply to his letter of the 17th instant, the Secretary to the Chamber of Commerce be informed that it is not the intention of the Commissioners to levy charges for registration of cargo-boats in excess of what is actually required to do the work and to contribute annually the sum of Rs. 12,000 towards

the cost of the River Police, a contribution which has always been made from this source of income. The average receipts for the three months since the Commissioners took charge are not more than sufficient to cover these charges, but the registration of passenger boats has not yet been taken over, and until this is done, and the Commissioners know what the total annual receipts are likely to be, they will not be in a position to say what reduction it will be possible to make.

The following Resolutions by the Government of Bengal on the reports submitted by the Port Commissioners and the Port Officer for 1878-79 are here reproduced for convenience of reference.

PORT COMMISSIONERS' REPORT FOR 1878-79.

Calcutta, the 1st August 1879.

RESOLUTION.

Read :—The Administration Report of the Commissioners for making improvements in the Port of Calcutta for the year 1878-79.

As in previous years, the Commissioners have divided their report into two parts. In the first part an account is given of the financial position of the Trust constituted under Act V. (B.C.) of 1870 for carrying out works of improvement in the port. The second part deals with the administration of the Harbour Department, which was made over to the Commissioners as Conservators of the port in 1871.

THE PORT TRUST.

2. The following statement shows the expenditure incurred on account of the Trust from the time of its creation up to the end of the year, and the sources from which the funds have been derived :—

EXPENDITURE.		Rs.
On jetties and works for the accommodation of sea-going vessels	...	42,42,462
On wharves, &c., for the accommodation of boat traffic, and tramway to connect railways with wharves and jetties	...	46,29,719
On investments for a Reserve Fund	...	59,370
Ditto for an Insurance Fund	...	27,349
Total	...	89,59,100

RECEIPTS.

	Rs.	Rs.
Loans from Government	...	60,25,100
Less unexpended balance	...	2,81,555
		57,43,545
Contribution from Government for new road	...	74,584
Revenue	...	27,41,880
Sale of Surplus Land	...	3,96,091
Total	...	89,59,100

3. The different loans received from Government for the execution of works have amounted to Rs. 60,25,100, but repayments have been made from time to time, and the outstanding balance is actually Rs. 54,28,567. In

addition to payments on account of capital, the Commissioners have also paid interest on their loans to the amount of Rs. 11,07,197. In compliance with instructions from the Government of India, all the loans were consolidated on the 1st January last, into a single loan repayable in half-yearly instalments in 30 years, with interest at 4½ per cent. It has been further decided that the Commissioners should, henceforth, borrow in the open market, in India and in the Indian currency; and with the view of facilitating such borrowing, the Government of India has consented to give up its prior lien on the property of the Trust, on the condition that a sinking fund is provided for the liquidation of all future loans in thirty years. The orders of the Government of India in this matter having rendered it necessary to amend certain sections of Act V (D.C.) of 1870, a draft Bill to effect the requisite amendments has been submitted to that Government for approval.

4. The net revenue derived from works and lands since the creation of the Trust has been Rs. 34,46,606. From this sum Rs. 26,80,794 have been spent on new works and improvements, Rs. 5,87,653 in the repayment of loans, Rs. 60,000 for the formation of a reserve fund, and Rs. 31,042 for an insurance fund. There was a cash balance of Rs. 87,117 in hand at the end of the year.

5. The amount expended during the year on new works of improvement was Rs. 10,72,040, distributed as follows:—

	Rs.
Accommodation for sea-going vessels	4,07,427
Works to facilitate inland boat traffic	3,62,233

Extension of the tramway	99,930
New moorings	58,076
Works of general improvement	1,44,374

The expenditure under the first head was chiefly incurred in the extension of three of the jetties, in protecting jetty-heads with sheet piling, in erecting a new jetty, and in rebuilding an old jetty on a new site. For the convenience of boat traffic, the retaining wall at the inland vessels' wharves has been further extended and the construction of the frontage of the new riverside road from Aheerestollah to Baug Bazar has been taken in hand. The tramway was brought into direct communication with the Chitpore station of the Eastern Bengal Railway in June 1878 by the opening of the lift bridge over the Chitpore Canal. The works of general improvement carried out during the year include the building of a new warehouse and the completion of the new office of the Commissioners.

6. The dredger was at work during only 152 days of the year, and the amount of dredging done fell far below that in the previous year. The vessel was twice laid up for repairs, and it appears that portions of her fittings have suffered much from the wear-and-tear which she has undergone. The cost of her maintenance was Rs. 55,594, but the hopper barges earned by towing Rs. 24,310, so that the net cost of the dredging operations of the year was Rs. 11,284.

7. The income derived from the jetties amounted to Rs. 6,77,650, as against Rs. 8,00,521 in 1877-78. The falling-off is partly accounted for by the reduction in the landing charges on import cargo which was noticed in the last report. The revised tariff came into force on the 1st

August 1878, and was thus in operation for eight months of the year. The loss of revenue during this period was Rs. 22,441, or at the rate of Rs. 48,663 per annum. A considerable decrease in the quantity of piece-goods imported caused a further loss of Rs. 41,346. The receipts on account of export cargo also fell off by Rs. 39,333, owing to the cessation of the abnormal grain exports to Madras. Hides and tea now furnish the bulk of the revenue derived from exports shipped at the jetties. The expenditure of the year was Rs. 4,58,270, as against Rs. 4,25,897 in 1877-78. The increase is fully explained by the adjustment of the cost of several new cranes against revenue.

8. The number of vessels accommodated at the jetties was 184. The average amount paid by each vessel for jetty hire was Rs. 454, and the average income received from each vessel on all accounts was Rs. 3,588. The receipts on account of jetty hire have risen considerably owing to the higher rate of charge introduced since October 1877; but vessels have been permitted, at the same time, to work longer hours at the jetties. All vessels wishing to make use of the jetties had an opportunity of doing so during the year, but it was sometimes found necessary to order vessels away before they had completely loaded, or to keep arriving vessels waiting. A good deal of inconvenience was thus caused to the shipping, and no time should be lost in bringing to completion the works now in progress for increasing the jetty accommodation.

9. The thirty-ton crane earned Rs. 17,084 during the year. Of this amount Rs. 9,378 were received for work done

at the jetties, and Rs. 7,656 for moving heavy material about the port, and for lifting and moving the machinery of steamers under repairs. The expenditure was Rs. 10,773.

10. The receipts of the inland vessels' wharves (under which head the tramway is included) amounted to Rs. 4,50,862, and the expenditure to Rs. 2,65,157. The figures for 1877-78 were Rs. 5,49,137 and Rs. 2,50,762 respectively. The income of that year was exceptionally high, owing to the traffic in grain. The increase of expenditure last year was due to a larger outlay on the tramway, which was, however, fully compensated for by the higher net revenue received. The working of the line is now under the superintendence of a manager appointed by the Eastern Bengal Railway Company. The convenience which it affords for the conveyance of goods has been much enhanced since the opening of the bridge over the Chitpore canal, and the line is likely to prove a highly remunerative undertaking to the Commissioners.

11. The circumstances under which the control of cargo boats was transferred to the Commissioners were mentioned in the Resolution on the Report for 1877-78. Rules for the registering and licensing of these boats were drawn up by the Commissioners in the past year and received the sanction of Government. They came into operation on the 1st March last. Since the close of the year, passenger boats have also been placed under the supervision of the Commissioners. To carry out this measure a special enactment was passed, repealing certain sections of Act IV (B.C.) of 1866,

which vested the Commissioner of Police with the control of these boats.

12. The total income from the Strand Bank lands was Rs. 1,40,294, as against Rs. 1,43,809 in 1877-78. Owing, however, to a reduction of expenditure the net revenue of the year was Rs. 53,495, against Rs. 43,337 in the previous year. The fall in income is explained by the fact that the rents were partially in arrears at the end of the year, and that nine months' rental of a plot of land required by the Commissioners for the new warehouse was lost.

THE PORT.

13. The financial position of the port is shown in the following statements:—

LIABILITIES.		Rs.
Capital debt	... ..	17,65,000
Net revenue	... ..	9,61,177
Total	... ..	<u>27,26,177</u>
ASSETS.		Rs.
Value of block, originally Rs. 17,65,000, less depreciation, Rs. 2,87,608	... ..	14,77,392
Value of new block acquired by the Port Commissioners since 1871	... ..	4,18,557
Paid in liquidation of portion of loans advanced for port works	... ..	6,614

	Rs.
Investment for reserved fund	3,64,250
Depreciation fund	2,00,000
Set aside to meet cost of new block now in course of construction	66,634
Cash balance of 1st April 1879	1,92,730
Total	<u>27,26,177</u>

The capital debt represents the original value of the block made over to Commissioners by Government. The debt is a permanent one on which the Commissioners pay interest at the rate of 4½ per cent. It is explained in the Report that "up to the close of 1877-78, the amount written off annually for depreciation of block was regulated by a scale adopted by the Commissioners in 1872, and it was then ordered that the surplus of this account, not spent in actual renewal of block, should be allowed to accumulate until the sum of Rs. 2,00,000 was reached, after which the amount to be charged to depreciation should no longer be regulated by the fixed scale, but should be the amount annually spent in renewal of block. By the close of 1877-78, the maximum sum of Rs. 2,00,000 had been accumulated, and the block therefore stands as an asset for 1878-79 at value shown at the close of 1877-78. This sum of Rs. 2,00,000 has been invested in Government Securities, and the Commissioners also hold Government Securities for Rs. 3,50,000, the reserve fund accumulated to meet any extraordinary losses, such as may be caused by the occurrence of a cyclone. The balance of the revenue accounts of the several years has

been spent in adding to the block of the port." While the Commissioners have realised a net revenue of Rs. 9,61,177 during the eight years of their administration, charges for mooring hire have been reduced by an amount which would aggregate Rs. 5,52,481 in the same period.

14. The total income of the port during the past year was Rs. 5,80,184, against Rs. 6,10,171 in the previous year. The receipts from mooring hire increased by Rs. 35,184, while the earnings of Harbour-masters fell by Rs. 49,206. These results were due to a large reduction of shipping, and a decline in freights necessitating the detention of vessels in port for long periods in expectation of more favourable rates. At one period there were 172 ships in the ports, and every available mooring was occupied. Total expenditure of the year was Rs. 3,98,106, against Rs. 4,28,909 in the previous year.

15. The total number of vessels which entered the port was 967, consisting of 489 steamers and 478 sailing ships. The gross tonnage was 1,430,787 tons. The decrease in both classes of vessels was most marked. In 1877-78, 726 steamers and 646 sailing ships, with a total gross tonnage of 2,056,954 tons, entered the port. Of these vessels, however, 224 were specially employed in grain traffic. The number of steamers which arrived from Europe *via* Suez Canal in the past year was less than in 1877-78, but the average tonnage of the vessels shows a large increase.

16. The Harbour-masters' Department has worked satisfactorily. There was a slight increase in the percen-

tage of accidents, but this is attributed to the freshets of the season being unusually strong. None of the accidents call for remark.

17. The floating fire-engine has been thoroughly repaired. She assisted in putting out fires on one ship and five boats during the year.

18. The anchor boats recovered 48 anchors and 743 fathoms of chain. Eighteen anchors and 236 fathoms of chain were restored to their owners, and 12 anchors and 145 fathoms of chain were sold for Rs. 1,039.

19. The amount collected by the Commissioners on account of pilotage fees, port dues, and hospital dues, was Rs. 21,28,878. Of this sum Rs. 11,81,318 were credited to Government, Rs. 6,89,096 were paid to the Commissioners for charges due to them, and Rs. 3,08,459 were refunded to the agents of vessels.

20. All the moorings were examined and repaired. Owing to the crowded state of the port in the two preceding years, they had not been thoroughly looked after, and a complete overhaul of them was needed. The outer revetment walls at Fort Point, which are believed to have caused the deterioration of the moorings between that spot and Tolly's nullah, have lately been removed with the sanction of the Government of India, and are being replaced by a paved slope.

21. A survey of the port has been commenced by the River Survey Department since the close of the year. The work was of a pressing nature, as no survey had been made since 1872, and several changes are known to have occurred in the navigable channels.

22. A draft Bill to provide for the detention of unseaworthy ships was received from the Government of India in the course of the year, and a report was submitted on its provisions after consulting the Port Commissioners, the Chamber of Commerce, and certain Government officers. Considerable modifications of the draft have been suggested, with the view of bringing within the scope of the Bill all classes of vessels and all cases in respect of which legislation is needed. The Bill proposes to authorise the Lieutenant-Governor to vest the Commissioners with the power of enforcing its provisions at their discretion, and they will be thus in a position, when the measure becomes law, to prevent ships leaving the port in an unseaworthy condition. The provisions of the English Merchant Shipping Act of 1876, with regard to the load-line, having been held to be applicable to ships on the British register in Indian waters, the Bill leaves such ships to be dealt with, in respect of this matter, under the English Act. The Deputy Conservator of the port has been appointed to report breaches of the Act and institute prosecutions against the offenders.

23. In paragraph 60 of their report, the Commissioners refer to the action taken, and the decisions arrived at by them, in reference to the desire of the Lieutenant-Governor, conveyed in the Resolution on the last report, that they should consider, in consultation with the Superintendent of Marine and the Port Officer, whether the relations of the Port Officer to them might not be advantageously defined and made closer. Their reply on this question has been for some time before Government, but it was thought advisable to postpone passing orders upon it, pending the appointment of a new Port Officer. Now that Lieutenant-

Stiffe has been appointed, the matter will be again taken up and disposed of as soon as possible.

24. The report of the Auditors on the cash and store accounts of the Commissioners for the second-half of the past year draws attention to an irregularity on the part of the Commissioners in appropriating, for expenditure on the retaining wall at Schalch's Wharf, funds which had been expressly set aside for other works. The Commissioners have explained the circumstances under which the appropriations were made, and separate orders will be issued on the subject.

By order of the Lieutenant-Governor of Bengal,

A. MACKENZIE,

Secretary to the Government of Bengal.

No. 93.

Copy of the above Resolution and of the Report forwarded to the Bengal Chamber of Commerce for information.

By order of the Lieutenant-Governor of Bengal,

C. W. BOLTON,

For Secretary to the Government of Bengal.

CALCUTTA,

The 1st August 1879.

PORT OFFICER'S REPORT FOR 1878-79.*Calcutta, the 17th July 1879.***RESOLUTION.***Read.*—The annual Report of the Port Officer for 1878-79.

1. Since the appointment of a Superintendent of Marine at Calcutta, the Port Officer's duties have been confined to the administration of the local marine attached to the Port, and the charge of the Port approaches, of which he is Conservator. His office establishments has been revised, and is now a charge on Provincial Funds. Lieutenant Warden officiated as Port Officer during the year.

2. In dealing with questions that have come before him in connection with marine expenditure during the past year, the Lieutenant-Governor has found reason to believe that there is at present an insufficient check on the growth of marine charges, and that there is room for saving in the matter of stores and establishments. He has accordingly appointed a Committee to enquire thoroughly into the working of the whole system of provincial marine accounts, with the object of securing efficiency and economy in the administration of the grant received from the Imperial Government for marine expenditure. The Committee is still proceeding with the enquiry.

3. During the year fifty-four pilots were on the running list, two were in command of brigs, and eight were on leave. One was on detached duty. There were three casualties, all occurring in the Masters' grade. Five Leads-men Apprentices joined the service on appointment by the Secretary of State, but no officer of that grade qualified for promotion to pilot. The service consists at present of 85 members—65 being Pilots and 20 Leads-men.

4. The number of arrivals and departures of vessels was 1,067, comprising 996 steamers and 971 sailing ships. The total gross tonnage of these vessels was 2,911,774 tons. There was a considerable falling off in the total of arrivals and departures as compared with the figures of the two immediately preceding years; but both the number of ships and the gross tonnage were higher than in any year from 1869-70 to 1875-76 inclusive. In 1877-78 the number of arrivals and departures was 2,698 and the gross tonnage 4,043,985 tons. The figures for 1876-77 were 2,282 and 3,204,951 respectively. The trade of the port was, however, in these two years abnormally active, owing to the Madras and Bombay famines. A decrease in the shipping was to be looked for, as relief operations came to an end in those Presidencies, and it is satisfactory to find that, after all the effect of the extraordinary demand for freight had passed away, the gross tonnage of the Port was still 352,500 tons more than in 1875-76. The earnings of the Pilot Service naturally vary with the number of ships entering and leaving the port. The monthly average of ships piloted by the several grades during the past year was 436 for Branch Pilots, 333 for Masters, and 365 for Mates. The work has thus not yet fallen below the standard taken by the Committee of 1872, *viz.*, three ships a month for each pilot.

5. The following statement, reproduced from the report, gives particulars of the shipping during the past two years:—

		1877-78.	1876-79.
Arrivals ...	{	Number of steamers ...	739 489
		Ditto of sailing vessels	646 478
		Ditto of steamers which came through Suez Canal	165 128

Departures	}	Number of steamers ...	735	507
		Ditto of sailing vessels	586	493
		Ditto of steamers which went through Suez Canal	159	154
Total tonnage inwards and outwards				
		of steamers ...	2,037,992	1,825,888
		Average tonnage of steamers ...	1,805	1,833
Total tonnage inwards and outwards				
		of sailing vessels ...	1,405,993	1,085,886
		Average tonnage of sailing vessels	1,141	1,118
Grand total tonnage of steamers and sailing vessels, inwards and outwards				
		...	4,043,985	2,911,774
Average tonnage of steamers and sailing vessels inwards and outwards				
		...	1,501	1,480

6. The percentage of accidents was somewhat higher than in the previous year, being 2.69 against 2.27; but having regard to the difficulties of the river, and the great size and draught of many of the vessels (382 drawing over 21 feet), the result of the year's work is, on the whole, creditable to the Pilot Service. There were 37 groundings and 16 collisions. In most of these accidents no damage was caused, and no blame was attributable to the pilots in charge; but one serious and deplorable case—the total loss of the steam-ship *Queen Anne* with six lives on the Fullah Sands—was entirely due to the misconduct of the pilot. He was brought to trial and dismissed. The only other case of any importance was the collision between the Peninsular and Oriental Company's Steamer *Peshawar* and the flat *Jellinghee* in tow of the inland Steamer *Madras*, in which the flat was sunk. For this accident the Captain of the *Madras* was entirely responsible.

7. Three Marine Courts were held during the year. In the first case a licensed tug pilot was charged with intoxication while on duty, but acquitted for want of sufficient evidence. The second case was the trial of the pilot of the steam-ship *Queen Anne*. In the third case the licensed master pilot was sentenced to forfeiture of half his earnings for six weeks for unskillfulness in handling the Government Steamer *Undaunted*. The conduct of marine prosecutions on behalf of Government has lately been transferred from the Assistant Port Officer to the Deputy Legal Remembrancer, as it was found desirable that the marine authorities should have professional legal assistance in these cases.

8. A Special Court under Act IV of 1875 was appointed to enquire into the collision between the steam-ship *Peshawar* and the flat *Jellinghee*. In the absence of any law requiring the employment of certificated masters on board inland steam vessels, it was deemed useless to frame charges under the Act against the Captain of the *Madras*, through whose incompetency the collision was caused. This case, and others, which occurred previously, demonstrated the necessity of providing by law for the appointment of none but competent men to the charge of river steamers of a certain burden, and for their trial and punishment in case of incompetency or misconduct. An Act has accordingly been passed, requiring commanders of inland steam vessels, of a burden exceeding 100 tons, to undergo examination and obtain a certificate of competency, and rendering them liable to suspension or cancellation of their certificate in case they are found guilty of incompetency or misconduct, or are convicted of a nonbailable offence.

9. The report gives a full account of the work of the River Survey Department and of the state of the Port approaches during the year. The River Survey Department made the usual yearly examination of the Eastern Channel, overhauled and replaced the buoys of the Western Channel, surveyed completely the Gasper Channel and Middle Ground, re-surveyed the Saugor Roads and Mud Point Channel, and effected the repairs and alterations needed in the river marks. Changes have occurred in some of the channels, shoals, and anchorages of the river; but they appear not to have materially affected the navigation. The steamer *Olyde* was the survey vessel during the year.

10. Under orders of the Government of India passed in January last, all local vessels maintained out of Port Funds, or belonging to local departments and employed on local duties, have been placed under the independent control of the Local Government. All other vessels will remain under the orders of the Supreme Government. The services of the Steamer *Undaunted* have, however, been placed at the disposal of this Government for the present. She was usefully employed during the year in towing pilot brigs and light-ships up to the Dockyard for repairs and back to their stations, in provisioning them, and in conveying pilots to the Sandheads. In September last she proceeded to Galle and towed up the light-ship *Colombo*, a vessel purchased by the Government of India from the Ceylon Government for service in the Hooghly, but now guarding the Krishna Shoal. Most of the local vessels are reported to be in good condition. Three of the pilot brigs were repaired during the year.

11. The anchor vessel *Fulean* recovered a good deal of property in the course of the year. Her earnings amounted to Rs. 2,257. Allowing for salvage, this sum fell short of the cost of her establishment by Rs. 3,869-12. Against this unfavourable balance, however, must be set off the value of her services as an auxiliary vessel of the Survey Department, and a large stock of unsold anchors and cables which is valued at Rs. 5,800.

12. The houses of refuge on the southern face of the Sunderbans have been inspected and supplied with a fresh stock of stores. These houses are systematically plundered every year by wood-cutters; but, owing to their remoteness from habitation, no practicable measures for their protection can be devised. It may be possible hereafter to have them looked after by the officers of the Forest Department. Meantime, only absolute necessaries are supplied to them.

13. The periodical examinations for certificates as masters, mates, and engineers attracted more candidates than in the previous year. Nineteen went up for Masters' and 45 for mates' certificates. Of the former, 6 obtained colonial and 4 local certificates; and of the latter, 6 obtained colonial and 23 local certificates. Eleven engineers appeared for examination in steam: 7 passed—5 obtaining colonial and 2 local certificates. One master also went up for this examination and passed.

14. The number of certificates issued to steam vessels surveyed under the local Acts was 152. Native passenger steamers were also surveyed as usual under Act VIII-1876. Two of these vessels suffered severely from small-pox while conveying pilgrims from Jeddah to this Port during the year. These cases drew attention to the

necessity of laying down a more explicit rule than that actually in force for the provision of suitable hospital accommodation on board of native passenger ships. A draft rule has accordingly been submitted for the approval of the Government of India.

ORDER.—Ordered that a copy of the Report and of this Resolution be submitted to the Government of India in the Home, Revenue and Agricultural Departments.

Ordered also that a copy of the Report and of this Resolution be submitted to the Government of India in the Marine Department.

Also that a copy of the Report and of this Resolution be forwarded to the Officiating Port Officer.

Also that a copy of the Report and of this Resolution be forwarded to the Bengal Chamber of Commerce.

Also that a copy of the Report and of this Resolution be forwarded to the Port Commissioners.

Also that a copy of the Report and of this Resolution be forwarded to the Superintendent of Marine.

By order of the Lieutenant-Governor of Bengal,

A. MACKENZIE,

Secretary to the Govt. of Bengal.

No. 866.

COPY of the Report and of this Resolution forwarded to the Bengal Chamber of Commerce, for information.

By order of the Lieutenant-Governor of Bengal,

C. H. BOLTON,

Under-Secy. to the Govt. of Bengal.

CALCUTTA,

The 17th July 1879.

THE COMMITTEE.

Under the provisions of Rule VIII the Committee have appointed as their colleagues Mr. William Duncan and Mr. John Morrison in the room of Mr. Ewing and Mr. G. H. Morrison, and the confirmation of their election is now requested.

FUNDS OF THE CHAMBER.

The balance at credit of the Chamber on the 31st October 1879 amounted to Rs. 3,381-14-8, exclusive of Rs. 15,000 in 4 per cent. Government Securities.

A. B. INGLIS,

Vice President.

APPENDIX.

FUNDS OF THE CHAMBER.

Statement of the Funds of the Bengal Chamber of Commerce,
from 1st May 1879 to 31st October 1879.

				Rs.	A.	P.					Rs.	A.	P.	Rs.	A.	P.
To Office Rent	...	...	...	900	0	0	By Balance	...	...	...	2,628	8	5			
" Establishment	...	...	...	5,361	0	0	" Government Securities	...	...	...	15,000	0	0			
" Charges, General	...	...	...	4,351	7	10					17,628	8	5			
				10,612	7	10										
To Balance—							" Subscriptions	...	7,744	0	0					
Cash in Bank of Bengal	704	4	2				" Price current and other publications	...	3,321	14	1					
" in hand	3,677	10	6				" Interest	...	300	0	0					
Reserve in Government Paper	15,000	0	0								11,865	14	1			
				18,381	14	8										
				Rupees	28,994	6	6				Rupees	29,994	6	6		

CALCUTTA,
31st October 1879.

E. E.
H. W. I. WOOD,
Secretary.

TONNAGE SCHEDULE for the Port of Calcutta, adopted at a Special General Meeting of the Bengal Chamber of Commerce, held on 1st July 1879, in pursuance of a resolution of the Chamber, passed on 1st July 1879, in relation to the measurement of Cotton, Hemp, Jute, Java Cattle, Iron, Salt, and other articles shewn in the Schedule, which, under the Chamber's resolution of 14th June 1879, had effect from 1st July 1879.

ARTICLES.	Cat. per 100 lbs.	Fee per Ton.	Calcutta
Aloe, in bags and boxes	50	50	50
Alum, in bags	50	50	50
Arrowroot, in casks	8	50	50
Asafoetida, in casks	50	50	50
Auriferous earth, in bags and boxes	50	50	50
Apples, in boxes	50	50	50
Bacon, in boxes	50	50	50
Bark, in boxes	50	50	50
Berries, in boxes	50	50	50
Bones, in boxes	50	50	50
Brazil, in boxes	50	50	50
Bismuth, in boxes	50	50	50
Bolton, in bags	50	50	50
Bottle, in boxes	50	50	50
Camellia, in casks	50	50	50
Campyloids, in casks	50	50	50
Cashew, in boxes	50	50	50
Cashew, in bags	50	50	50
China Tea, in bags	50	50	50
China Tea, in boxes	50	50	50
Chintha, in boxes	50	50	50
Chintha, in bags	50	50	50
Cloves, in boxes	50	50	50
Cloves, in bags	50	50	50
Cocoa, in boxes	50	50	50
Cocoa, in bags	50	50	50
Colden, in bags	50	50	50
Colden, in boxes	50	50	50
Colden, in casks	50	50	50
Colden, in barrels	50	50	50

ARTICLES.	Cwt. per Ton Net.	Cubic feet per Ton.
Coral, rough	20	.....
Coir, loose and unscrewed	12	.....
Copras, or Coconut Kernel	14	.....
Coriander Seed	12	.....
Cotton	.....	50
Cowries	20	.....
Cumin Seed	8	.....
" Black	8	.....
Cutch, in bags	18	.....
Dates, wet	20	.....
" dry	16	.....
Dholl	20	.....
Elephants' Teeth in bulk	20	.....
Furniture	20	.....
Garlic and Onions	12	.....
Ginger	16	.....
Gram	20	.....
Gums, in cases	.....	50
Gunny Bags and Gunny Cloth	.....	50
Gunjah	.....	50
Hemp	.....	50
Hides, Buffalo, or Cow, cured	14	.....
Horns, Horn Shavings and Tips	20	.....
Horns, Cow, Buffalo, or Deer	20	.....
India Rubber, in bags	16	.....
" cases	.....	50
Indigo	.....	50
Iron	20	.....
Jute	.....	50
Jute Cuttings	.....	50
Lea Dye	.....	50
Lard	20	.....
Linseed	20	.....
" grams	.....	50
Alaca	.....	50
Machinery	20	.....
Metals	20	.....
Nichu Seed	18	.....
Mirabolans	16	.....
Molasses	.....	2 puchoons or 4 hids.
Mother o' Pearl, in bags	20	.....
" cists	20	.....
Munjeet	20	.....
Muscad or Rape Seed	20	.....
Niger Seed	20	.....
Nutmegs, in cases or casks	20	.....

ARTICLES.	Cwt. per Ton Net.	Cubic feet per Ton.
Nux Vomica	16	.....
Ons	16	.....
Oil, in cases	.....	50
" casks	.....	4 hids.
Opium	.....	per chest.
Paddy	16	.....
Palmasino, in bags	16	.....
Peas	20	.....
Pepper, Long	12	.....
" Black	14	.....
Planks and Deals	.....	50
Poppy Seed	20	.....
Putchuck	10	.....
Rags	.....	50
Raw Silk, in lales	10	.....
Rattans for dunnage	20	.....
Red Wood, cutto	20	.....
Rhea	.....	50
Rice	20	.....
Ropes, in coils	.....	50
" Lanes and Twines in bundles	.....	16
Rum, in casks	.....	2 puchoons or 4 hids.
Saltflower	.....	50
Sago, in cases	.....	50
Sai-monic, in bags	.....	20 gross.
" boxes	.....	20 gross.
Salpetro	20	.....
Salts	20	.....
Sajan Wood for dunnage	20	.....
Sealing 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 Chussum	.....	50
" Waste	.....	50
Silk Piece-Goods	.....	50
Skins	14	.....
Soup, country, in cases	.....	15
" bags	.....	20
Stick Lac, in cases	.....	50
" bags	.....	16

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Sugar	20	.....
Tallow, in casks or casks	20	.....
Talc	20	.....
Tannarinds, in casks or casks	20	.....
Tapoca	50	.....
Tax	50	.....
Teel Seed	20	.....
Timber, round	40	.....
" squared	50	.....
Tinical	20	.....
Tobacco, in hales	16	.....
Tortoise Shells, in chests	16	.....
Turneric	20	.....
Wheat	20	.....
Wool	50	.....

1. 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 be taken on the Custom House wharf, or other shipping wharf within a radius of 5 miles from the Custom House, except in the case of Cotton, the measurement of which shall be taken at the Screw-house.

2. Measurement to be taken at largest part of the bale,—inside the lashing on one side and outside on the other.

3. Jute, Jute-cuttings, Hemp, Cotton, Safflower, and other articles similarly packed, are screwed in bales varying from 300 to 400lbs.

4. The term "dead weight" shall be understood to mean the following articles:—Sugar, Saltpetre, Rice, Wheat, Gram, Dioll, Peas, Linseed, Rapeseed and all Metals.

H. W. I. WOOD,
Secretary

SCHEDULE OF COMMISSION CHARGES

Revised and adopted by a Special General Meeting of the Bengal Chamber of Commerce, held on the 16th June 1861,—with effect from 1st January 1862.

- On the sale, purchase, or shipment of Bullion, Gold Dust or Coin ... 1 per cent.
- On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece-Goods, Opium, Pearls, Precious Stones, or Jewellery ... 2½ "
- On purchasing ditto when funds are provided by the Agent ... 5 "
- On the sale or purchase of all other goods—the commission in all cases to be charged upon the gross amount of sales, and in regard to purchases upon both cost and charges ... 5 "
- On returns for Consignments if made in produce ... 2½ "
- On returns of Consignments if in Bills, Bullion, or Treasure ... 1 "
- On accepting Bills against Consignments ... 1 "
- On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ... 2½ "
- On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2s. per rupee. half com.
- On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent. ... 2½ per cent.
- 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 "

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 per cent.
13. On *del-credere*, or guaranteeing the due realization of sales 2½ "
14. On the management of Estates for Executors or Administrators 2½ "
16. On chartering ships or engaging tonnage for commitments 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 Agent's 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, Captains, 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 "
10. 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 troops, 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 "
- 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 2½ per cent.
23. On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium 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 ½ "
32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value ... ½ "
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 ½ "
- For Brokerage when paid to be separately charged.

H. W. I. WOOD,
Secretary.

**CONVERSION OF STERLING FREIGHT
INTO INDIAN CURRENCY.**

*The following Resolutions were adopted at a General Meeting of
the Chamber, held on the 31st May 1876.*

"1. That the Resolution adopted at a Special General Meeting of the Chamber of Commerce, held on the 18th June 1861 is hereby superseded; that the conversion into Indian Currency of Sterling Freight payable in Calcutta on goods from Great Britain or any port or place where the freight is expressed in sterling money shall be made payable by an approved Bank Bill on demand, or at the rate for Bank Bills on London payable on demand, unless otherwise stipulated; that the rate ruling at the close of a mail shall be the rate applicable for such purpose during the week next ensuing; and that this Resolution shall have effect from the 1st January 1877."

2. That the words *current rate of Exchange* shall be held to mean the rate current for Bank Bills on London payable on demand, unless otherwise stipulated.

3. That the rate for Bank Bills on London payable on demand shall be taken for reducing sterling into Indian money in all cases of commission payable in Calcutta on effecting charters for, or at, the ports of Akyah, Basson, Rangoon, and Moulmein, for rice or timber; as well as in all cases of difference of freight payable at the said ports on re-charter or relet of tonnage, unless otherwise stipulated.

*Forms of Bill of Lading and Boat Note as adopted at a
General Meeting of the Chamber of Commerce on the 17th
January 1880.*

Shipped

in good order and well conditioned,

by _____
in and upon the good Ship or Vessel called the _____
whereof is Master for this present Voyage _____
and now lying in the Port of Calcutta and bound for _____

being marked and numbered as in the margin, and to be delivered,
in the like good order and well conditioned, at the aforesaid Port
of _____

*(The Act of God, the Queen's Enemies, fire, and all and every other
damages and accidents of the Seas, Rivers, and Navigation of whatever
nature and kind soever excepted)*

unto _____
or to _____ Assigns, Freight for the said Goods
being payable as customary _____

with Average accustomed. **IN WITNESS** whereof, the Master or
Agents of the said Ship hath affixed to _____ Bills of Lading, all of
this tenor and date, one of which being accomplished, the others to
stand void.

Dated in CALCUTTA, this _____ day of _____ 18
Weight and Contents unknown.

No.
Calcutta, 18

To
 THE COMMANDING OFFICER OF THE
 Ship

SIR,

Please receive on board the undernoted Goods
 from Messrs.

and grant a clean receipt for the same.

N. B.—This cargo is only shipped on the special
 understanding that the Chief Officer will sign for
 all counter or quality marks and numbers, and the
 Bales or Packages are not to be taken on board
 except on these terms, and also when a Sircar is
 in attendance to check the tally.

In case of any dispute, the Shippers request
 prompt information in writing from one of the
 Officers of the ship.

Marks and Numbers.	Number of packages.	Description of Goods.

No.
Calcutta, 18

Received on board the ship
 in good order and condition the undermen-
 tioned Goods from Messrs.

N. B.—The Chief Officer is requested not to take
 in any package unless he is prepared to sign for all
 the qualifying marks and numbers.
 All packages in bad order must be returned.

Marks and Numbers.	Number of packages.	Description of goods.

Arrived alongside

Discharged

Returned

Remarks

(Signature)

Chief Officer.

Ship

Moorings

MEMBERS OF THE CHAMBER OF COMMERCE,

Aikman, J., Esq., *Acting Agent, Governor of Bank of India, Australia, and China.*
 Agulasto, A. and Co.
 Apeas and Co.
 Ashburner and Co.
 Anderson, Wright and Co.
 Balow and Co.
 Berg, Dunlop and Co.
 Burn and Co.
 Berry and Co.
 Balzen, Lawrie and Co.
 Hilmeyer Brothers,
 Bullock, Welland and Co. (*Messrs.*)
 Canlies, Nephews and Co.
 Carrut and Co.
 Cochran, S., Esq., *Manager, Agrn Bank.*
 Colvin, Cowie and Co.
 Cooke, Home and Co.
 Cox, Henry S., Esq.
 Colin Brothers and Pucha.
 Duncan Brothers and Co.
 Dewankanth Dutt and Co.
 Duffin, J.
 Eds and Hobson,
 Rensthausen and Ousterley.
 Young and Co.
 Elliott, John and Co.
 Ezra, E. D. J.
 Finlay, Maie and Co.
 Gibbons and Co.
 Grant and Manager.
 Graham and Co.
 Girdlay and Co.
 Gubbey, Elias S.
 Hauser, G., Esq., *Agent, Oriental Bank Corporation.*
 Henderson, George and Co.
 Heigera, F. W. and Co.
 Harbert, G. H., Esq., *Agent, Chartered Mercantile Bank of India, London and China.*
 Howe, Miller and Co.
 Howe, Goodwin & Coie.
 Huber and Co.
 Jardine, Skinner and Co.
 Kuttlerell, Bullen and Co.

Honorary Member:

J. A. Crawford, Esq., c. s., late Collector of Customs.

Kelly and Co.
 Ker, Duth and Co.
 King, Hamilton and Co.
 Longmuir, T., Esq., *Manager, Delhi & London Bank, Limited.*
 Morris, E., Esq., *Agent, Hono-King and Receipt Banking Corporation.*
 Mackilloan, J., and Co.
 Menzies, E., and Co.
 Mackinnon, Mackenzie and Co.
 Mackenzie, Izell and Co.
 Mansell and Co.
 Macknight, Anderson and Co.
 McIntosh, A. R., and Co.
 Meares, W., and Co.
 McKewan and Co.
 Oltmeyer and Hadenfeldt,
 Eysa, F., Esq., *Manager, Compisre d'Escompte de Paris.*
 Pateraschino Brothers,
 Prasannaiah Law and Co.
 Prastava, F., Esq., *Agent, Eastern Bengal Railway Company.*
 Ralli Brothers,
 Reinhold and Co.
 Robert and Christof.
 Reitzers and Co.
 Schindler, Smith and Co.
 Schreier, Kuhn and Co.
 Sawson, David, and Co.
 Shaw, Tinsley and Co.
 Sieck, Octavius, and Co.
 Thomas, J., and Co.
 Turner, Morrison and Co.
 Tamboer and Co.
 Tomkins, Paul and Son.
 Uthmanis, Hirschberg and Co.
 Weinhold Brothers,
 Williams, Captain C. J., *Superintendent, P. & O. Company.*
 Wilson, H. F., (*Messrs.*)
 Windham, J., Esq., *Manager, National Bank of India.*
 Whistery, Brothers and Co.
 Williamson, Brothers and Co.
 Wiseman, Mitchell, Read and Co.
 Yule, Andrew, and Co.

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 and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.
- Third*... That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.
- Fourth*... That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.

Fifth..... That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.

Sixth..... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed by a Committee of not less than five nor more than seven members, including the President and Vice-President, 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. Three to form a quorum.

Eighth... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary, numbered and bearing his signature; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months, or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the members of the Committee shall be forthwith filled up by selection by the Committee, subject to approval at first ordinary general meeting thereafter.

It is specially requested that before a member is returned to serve on the Committee, his nominator shall have ascertained his willingness to accept office in the event of his election by voting cards.

Ninth.... That parties holding powers of procurator shall, in the absence of their principals, be eligible to serve as members of the Committee.

- Tenth*..... Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.
- Eleventh*. That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that the record of their proceedings be open to the inspection of members, subject to such regulations as the Committee may deem expedient.
- Twelfth*. That all proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.
- Thirteenth*. That a half-yearly report of the proceedings of the Committee be prepared, printed, and circulated for information of members three days previous to the General Meeting at which such report and proceedings of the Committee shall be submitted for approval.
- Fourteenth*. That the Secretary shall be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.
- Fifteenth*. That General Meetings of the Chamber shall be held at such times as the Com-

- mittee may consider convenient for the despatch of business.
- Sixteenth*. 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.
- Seventeenth*. That on the requisition of any five members of the Chamber, the President, or, in his absence, the Vice-President, or Chairman of Committee, shall call a Special General Meeting, to be held within 15 days subsequent to receipt of such requisition.
- Eighteenth*. That every subscribing firm or bank shall be entitled to one vote only, and that the Chairman of Committee and Chairman of General Meetings and Special General Meetings shall have a casting vote in cases of equality of votes.
- Nineteenth*. That parties holding powers of procuration shall, in the absence of their principals, be entitled to vote.
- Twentieth*. That voting by proxy shall be allowed; provided proxies are in favour of members of the Chamber.
- Twenty-first*. 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 members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

Twenty-second. That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.

Twenty-third. That no change in the rules and regulations of the Chamber shall be made, except by the votes of a majority of the members of the Chamber present in person or by proxy at a Special General Meeting to be held after previous notice of three months.

