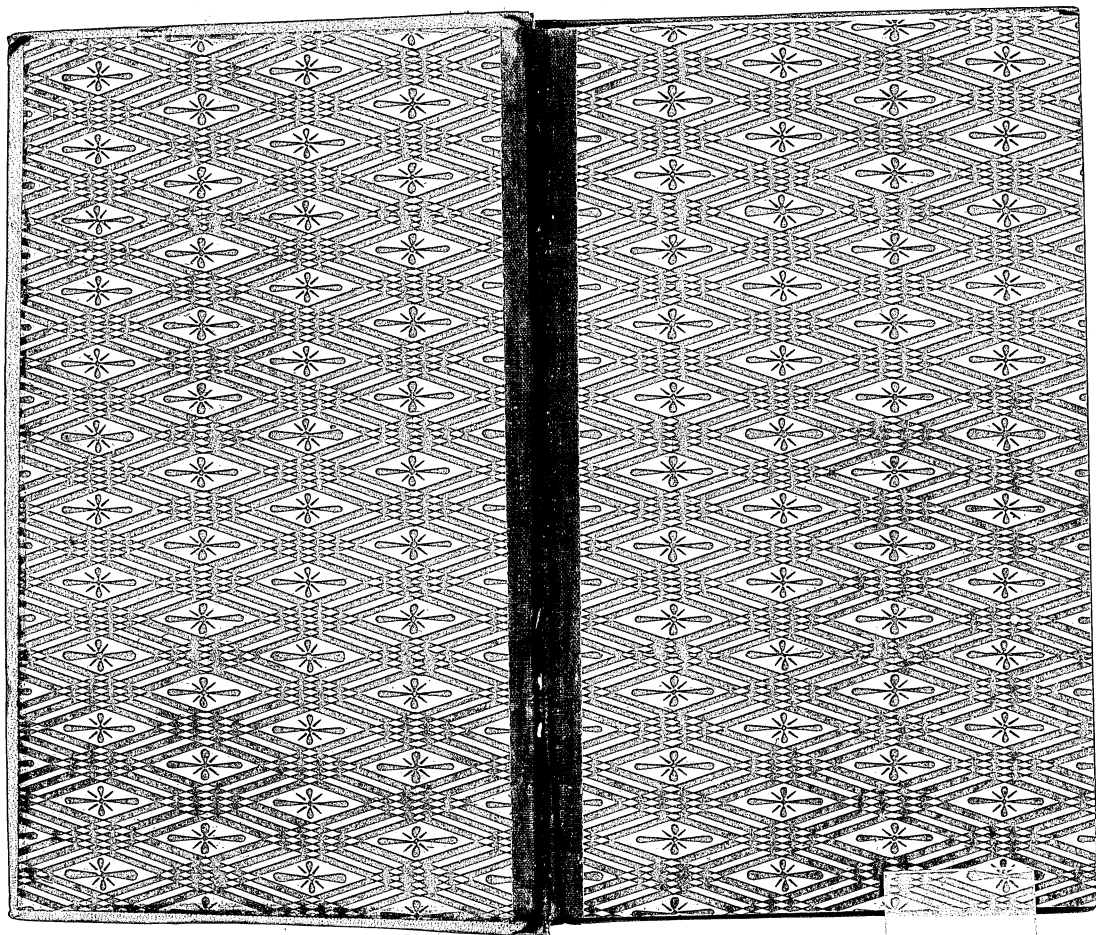


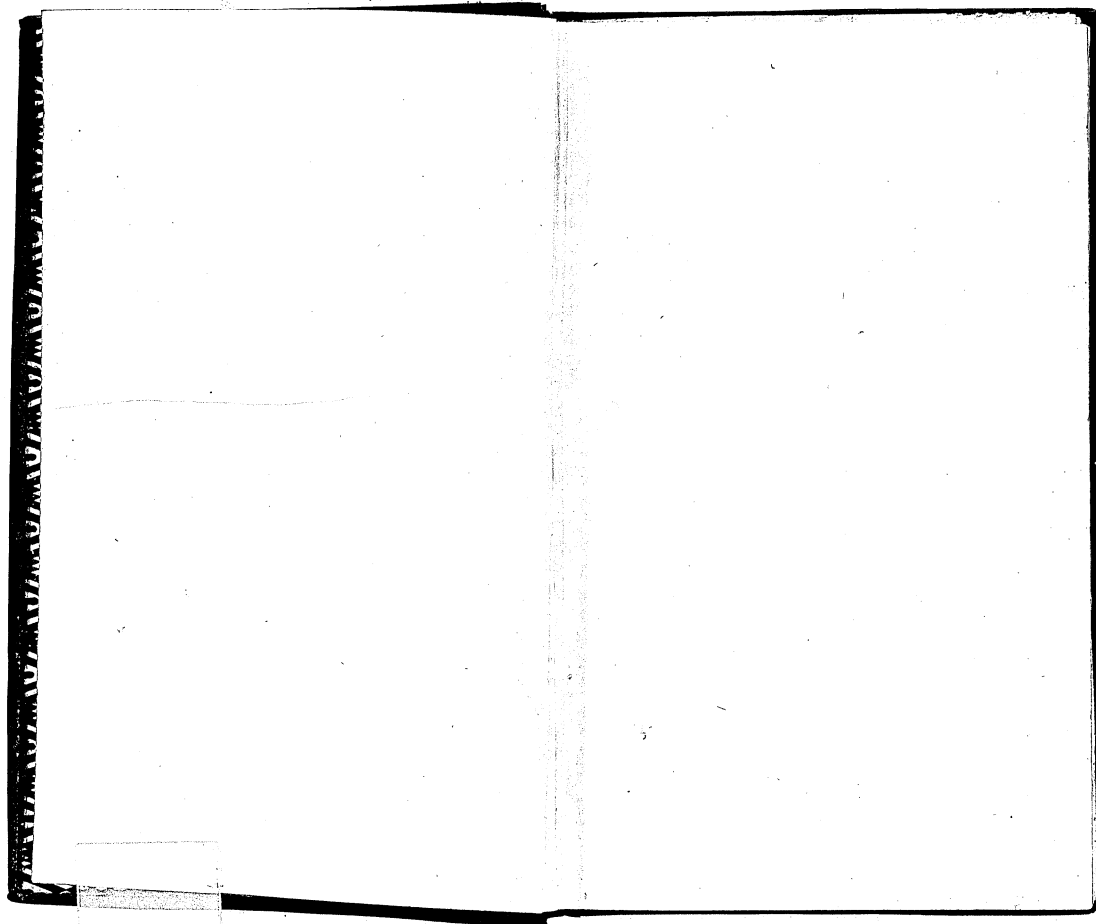
REPORT

OF THE

BENGAL CHAMBER OF COMMERCE

1ST. JAN. 1859-30TH. APR. 1860





REPORTS

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

From 1st Jan. 1859 to 30th April 1860.

Calcutta:

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A General Meeting of the Chamber of Commerce was held on Saturday, the 28th May 1859 ; and the proceedings were commenced by the President, Mr. D. Mackinlay, reading the Advertisement under which the meeting had been convened.

THE Report of the Committee to the Members having been read by Mr. J. N. Bullen, it was unanimously resolved, on the proposition of Mr. R. S. Palmer, seconded by Mr. P. T. Ralli, that the Report be adopted by the meeting.

The conditional election by the Committee of the following Members was confirmed, viz : Messrs. Wm. C. Stewart and Co. ; Dickinson Brothers and Co. ; Church, Lindsay and Co. ; J. P. Schneider, Esq. ; and John Herriot, Esq.

Messrs. H. Camin and Lamouroux, proposed by Mr. J. M. Hall, seconded by Mr. James Rose, were unanimously elected Members.

The revised Tonnage Schedule having been submitted to the meeting was—on the proposition of Mr. C. E. Schoene, seconded by Mr. J. N. Bullen—adopted, with the addition of the following words:—
“Where freight is made payable on measurement the measurement be taken on the Custom House Wharf, or other Shipping Wharf within the limits of, the port of Calcutta.”

The Meeting was of opinion that some date should be fixed for bringing the Schedule into operation, and with the view of giving ample notice to parties in England and elsewhere, it was decided that the Schedule should have effect from 1st January 1860.

With the above proceedings the functions of the late Committee terminated: and the Chairman on behalf of himself and colleagues thanked members generally for the cordial support with which they had been able to conduct the business of the Chamber, and on his own behalf the Chairman acknowledged the great honor his brother merchants had conferred on him by electing him as their President for two successive years. He then continued,

With reference to the report which you have now heard read, we may congratulate ourselves that the record of the past year may be characterised as one of peace, prosperity, and progress. In March of last year Lucknow fell, followed by Jhansi, Culpée, and Gwalior, and after that, the Commander-in-Chief issued a general order, stating that 'the large plan designed by the Governor General combining the resources of the three presidencies,' had been carried out, and thanking the Generals engaged 'for having admirably performed their share in the general combination.' In the engagements which our troops have since had with the scattered bodies of the rebels, we have been of course invariably successful. Lady Canning left this in July last year to join Lord Canning at Allahabad; and all since then, has been serene. But in the midst

of all this present security it may not be out of place to call the attention of our rulers to the advice given by Lord Canning's predecessor on the eve of his throwing up the reins of Government. 'No prudent man, who has any knowledge of Eastern affairs, would ever venture to predict the maintenance of continued peace within our Eastern possessions, experience,—frequent, hard, and recent experience—has taught us, that war from without or rebellion from within, may at any time be raised against us, in quarters where they were the least to be expected, and by the most feeble and unlikely instruments. No man, therefore, can ever prudently hold forth assurance of continued peace in India.'

The great event of the past year, and one of the greatest of the century, has been the transfer of the Government of this country from the East India Company to the Crown, and although on this side of India we have not seen much evidence of the benefits of the change I am satisfied that we shall do so more and more in every future year, for the affairs of India seem to have taken a permanent hold on Parliament and the community of England, which will be strengthened immediately that the two countries are brought into electric communication with one another, which I hope will be before long. At home our friends are generally obtaining information, through the evidence taken before the Colonization Committee and otherwise, as to the position of the adventurer in this country. And the state of our finances has

given a keen edge to the enquiry. We are now curious to know what are to be the further measures under which it is expected to make 'both ends meet.' I think that we have some reason to complain that Lord Canning and his Council did not consider their financial position a little earlier of the day. An old lady, Mrs. Hannah Moore, tells us that—'A sound economy is a sound understanding brought into action; it is calculation realized; it is the doctrine of proportion reduced to practice; it is *foreseeing consequences, and guarding against them*; it is *expecting contingencies, and being prepared for them*.' Now, why did not Lord Canning and his Council do this; why did they not come out with the increase of custom duties? Why did they not prepare a comprehensive scheme of taxation more than a year ago? For the country was quiet, and even if it had not been, that should have found no excuse; because Sir Robert Peel introduced his comprehensive scheme of taxation when England had two wars, the Afghan and China wars on her hands. Beyond reducing the salary of the Civil Servants, which would be but a drop in the bucket, we have heard of nothing that Lord Canning and his Council are doing, although we are the parties chiefly interested in the matter. We have already tendered our opinion to his lordship, that nothing short of a succession duty, and a property and income tax, with an increase in the stamp duties, will be sufficient to enable his lordship to make the income come nearer the expenditure. His lordship should also take another

bit of advice from us—and that is to close the 5½ per cent. Loan, and borrow all that is required in England. It was satisfactory to see the progress made in the extension of the Electric Telegraph, of Railways, and, in a small way, of the canals near Calcutta, but I regret that Government has not informed us whether the plan of Colonel Cotton for connecting the Hooghly with the Ganges, is to be carried. A work like this would signalize Lord Canning's administration, with which it was to be regretted so much that is unfortunate will be associated in history. Lord Dalhousie said that 'of all the works of public improvement which can be applied to an Indian province, works of irrigation are the happiest in their effect on the physical condition of the people,' and, 'next in order stand works for improving the general communications of the country.' The proposed canal between Calcutta and Rajmahal would have the merit of doing both in an eminent degree. It is clear that it is by works such as these that India is to be raised from a state of insolvency; and this view is so ably supported by the *Saturday Review*, which advocates also the policy of an imperial guarantee, that I cannot resist reading to you the following extract from one of its recent articles on the subject:—

'Notwithstanding the emphasis with which Lord Stanley seemed to insist upon the prosecution of reproductive works, there is some reason to doubt whether he has adequately appreciated the critical nature of the present epoch in Indian finance. In his

financial despatch to the Governor-General we find the ominous remark that, but for the expenses entailed by the mutiny, an increased activity in the prosecution of public works would have been justified. If this observation, followed as it is by injunctions to make the local resources of India provide for the whole expenditure, is to be understood as implying that profitable investments are to be suspended or checked until there shall again be an Indian surplus the prospects are hopeless enough. We see no ground for despairing of the complete restoration of the Indian finances; but every fact that has been brought to light confirms the opinion that the energetic extension of remunerative undertakings affords the only chance of enabling India to support the heavy cost of English Government. Public works on a large scale can alone produce a surplus, and if they are to be starved till a surplus is found, each year will only add to the accumulated difficulties of the past. A large expenditure at a time when the revenue is deficient may be a bold policy; but the most enterprising is not always the most perilous course. The loan which has so long been open in Calcutta is very languidly negotiated at a rate of interest equivalent to 6 per cent.; and it may be impracticable to raise any considerable funds without the effective support of the English Government. But this, although an additional reason for granting an Imperial guarantee, will not justify—for nothing can justify—any slackness in the prosecution of public improvements. It

should never be forgotten that the works which before the mutiny were desirable for the development of Indian prosperity, have now become essential for the maintenance of Indian solvency. If they are to wait for the return of a surplus they will wait till the Greek Calends.'

The Chairman concluded his brief address by requesting the meeting to appoint scrutineers for the purpose of taking the votes for the new Committee. Messrs. Pickford and Hall undertook the examination of the voting cards, and reported the election of the following gentlemen as the Committee of the Chamber for the ensuing year:—

D. MACKINLAY, Esq., *President*.
 J. N. BULLER, Esq., *Vice-President*.
 C. E. SCHOENE, Esq.
 JAMES ROSE, Esq.
 SETH A. APCAR, Esq.
 P. T. RALLI, Esq., and
 D. B. LINDSAY, Esq.

Thanks were voted to the chair, and the meeting separated.

H. W. I. WOOD,
Secretary.

BENGAL CHAMBER OF COMMERCE.

REPORT OF THE COMMITTEE.

Submitted at the General Meeting of 28th May 1859.

Our last Report contained a summary of the most important matters which had engaged our attention to the end of 1858, and we have now to submit a recital of those which have come before us since then up to 30th April, the close of the commercial year.

PRICE CURRENT.

Our Price Current has now obtained a circulation of 1,550 copies.

CUSTOM HOUSE SHEDS.

The Custom House Sheds, we are glad to state, have at last received the attention of Government; and Shed No. 2 is now in course of erection.

THE CANALS.

The land for the new cut was made over in October last, and it is now nearly finished. A new bridge costing 70,000 Rs. is in course of erection, the estimates for which were obtained in February last, and Mr. Leonard, who is superintending the work, informs us that the Canal will be opened for traffic on 1st July

next; great exertions having been made to push the work on towards completion. Improvements are being made on the East Canal from Calcutta to Koolnah, a tow path has been made for forty-six miles of the distance, and it is to be completed all the way at an expense of 60,000 Rs. Three new cuts, nine miles in length, are to be made, which will shorten the distance to Koolnah some twenty-four miles. They will cost a lac of rupees, and are not expected to be finished for about two years.

It is proposed to deepen the Circular Canal from Chitpore to Dhappa, probably in the course of next season; so that there seems a vigour infused of late into this department which has not been previously exhibited.

POST OFFICE.

The Post Office authorities have had their attention directed to expediting the conveyance of the Dāk between this and Bombay: and recently we are glad to notice some improvement in the speed of the express portion of the overland mail.

The public will notice with satisfaction the appointment of Mr. Dove as Post Master General of Bengal.

Canal between the Ganges and Hooghly, and Wet Docks.

APPENDIX A.

We have not been favored with any reply from Government regarding the Canal between the Ganges and Hooghly proposed by Colonel Cotton; or to our

letter on the subject of Wet Docks, or to the suggestion for bringing Banking Institutions within the principle of Limited Liability. We have again addressed the Lieutenant Governor about Wet Docks, which, with the increasing trade of the port, are now a necessity.

TONNAGE SCHEDULE.

APPENDIX B.

The existing Schedule was adopted by the Chamber in 1854; but it having been recently brought to the notice of the Committee that there were many articles invariably shipped not in accordance with this Schedule, and that great inconvenience arose in consequence, in deciding what is the custom of the port, it was resolved at a meeting specially called that the Schedule should be revised, and the Committee then appointed have just submitted for your consideration the Tariff which they propose in lieu of the existing one. The revised Schedule is now submitted for the adoption of this General Meeting.

Rate of Exchange for Seamen's Wages.

The Government of Bengal having enquired whether the exchange of 2s. per rupee should be established as the rate for the payment of wages of seamen engaged or discharged in the presence of the shipping master of the port, we suggested 2s. 1d. per rupee as the proper rate.

PILOTS.

A Bill to amend the law for the trial of Pilots for breach of duty having been before the Legislative Council, we suggested that of the jury proposed the mercantile members should be reduced from two merchants to one, and that an additional nautical assessor should be substituted. This, however, does not seem to have met with the approval of the Council, the bill having been since passed as it originally stood.

We addressed the Government of Bengal in January last regarding the inconvenience arising from vessels proceeding up and down the river being reported in the Telegram as "number not shown," and suggested that every Pilot be required to hoist the ship's number on approaching each Telegraph station, and to keep it flying till duly acknowledged. In particular China steamers have been much complained of on this ground, and the Marine Superintendent suggested to the Lieutenant Governor that the hoisting of the vessel's number on arrival within signal distance of any of the river stations be made imperative on all masters of ship, the signal to be kept flying until answered, and a penalty to be inflicted in case of neglect; that Pilots shall see that the vessel's number be properly shown, and that they be held responsible, under pain of punishment for any disregard of this order. Of this measure we, on being referred to by the Lieutenant Governor, entirely approved. We suggested in addition that the proposed fine recoverable

from the Captain of the ship is totally inadequate in the case of steam ships engaged in the Opium trade; and that for any proved infraction of the Post Office regulations the owners be liable to a fine of not less than Rs. 10,000; the Captain to a fine of 1,000 Rs., or, at the discretion of the Magistrate, to imprisonment not exceeding one month; and the Pilot be liable to suspension, or fine, or both.

We have, in consequence of the detention of the inward bound mail steamers down the river on several occasions of late, suggested to the Government of India the expediency of empowering the Pilot in charge, in conjunction with the admiralty agent, to arrange for the transmission of the Mails by any available Tug steamer; and in the event of there being no available Tug steamer, then to telegraph to the proper authorities in Calcutta that they may make the necessary arrangement for getting the mails up with the least possible delay.

DARJEELING WASTE LANDS.

In our last report we noticed a reference made by the Lieutenant Governor to us on this subject, and we are glad to observe that our recommendation, that an absolute sale or grant of the land in place of a perpetual lease, has been adopted; the upset price of such grants to be ten rupees an acre; and the sale to convey a title to all mines and minerals, which last shall be subject, however to a royalty not exceeding ten per cent. leviable by Government under rules to be made from time to time.

Compensation for Losses by the Mutiny.

A petition to Parliament was forwarded by the Compensation Committee early in March, but in consequence of the dissolution it is not likely to have been brought forward until the new Parliament meets, when we presume the general report from the Government as to the nature and extent of the claims will be in possession of the Secretary of State for India, from whose recent speeches in Parliament, alluding to the claims for compensation as one of the items of expenditure to be provided for, we infer it to be the intention of Her Majesty's Government to recognize. The Governor General in a communication just received by the Compensation Committee, in reply to a letter from their Secretary, informs them that the local reports and the report of the Government of India on the claims to compensation for losses sustained in the mutinies were forwarded on 23rd March to the Secretary of State for India, and that the report of the Government of India included the recommendation and suggestions of the Governor General in Council as to the mode in which the claims should be dealt with; but that this Government does not consider itself at liberty to communicate copies or abstracts of its reports or of local reports for general information.

CUSTOMS' TARIFF.

The apprehension indicated in our last report that Government contemplated increasing the valuations of imports for duty has proved to be correct. The

Board of Revenue has sent us lately a Schedule submitted to it by the Collector of Customs, which was laid before the Tariff Committee who have reported what in their judgment will be a fair and equitable Schedule of valuations. In preparing this report the principle adopted by the Tariff Committee has been, as regard imports, to assess the article for duty—not at its gross market value, but—at its market value less the duty which will be levied on it, and the discount and other necessary sale charges to which it is subject. On exports a fair average valuation has been placed, assuming that the revised Tariff is to have effect for the usual period of three years.

CUSTOMS' DUTIES.

On the 12th March, without any previous notice, the Governor General brought forward a bill for increasing the Customs' Duties to 20 per cent. on the following articles, viz :—tobacco, spices, haberdashery, millinery, hosiery, confectionery, oilman's stores, provisions, hams and cheese, perfumery, jewellery, plate and plated-ware. The following articles to pay duty of so much per imperial gallon, viz., porter, ale, beer, cider, and other fermented liquors four annas; spirits three rupees, and wines and liqueurs two rupees. The duty on cotton thread, twist, and yarn, to be 5 per cent.; and all articles not included in the above enumeration to pay a duty of 10 per cent.; the following articles to be duty free :—bullion and coin, precious stones and pearls, grain, horses and other living animals,

ice, coal, coke, bricks, chalk and stone, cotton' wool, books, and machinery for the improvement of the communications and the development of the resources of the country. On Exports the following rates of duty to be levied, excepting on bullion and coin, precious stones, and pearls, books, maps, and drawings, printed in India, horses and other living animals, cotton, wool, sugar and rum, spirits, tobacco and raw silk which are to be duty free, viz. on grain and pulse of sorts two annas per maund, indigo three rupees per maund, lacdye and shell lac 4 per cent. and on all country articles not enumerated above 3 per cent. The bill did not pass Council before the 14th March, but the increased duties were exacted by the Custom House Officials on 12th March, actually before the Meeting of the Council at which the bill was introduced had terminated. The rapidity with which the bill was introduced and passed through Council formed the subject of well grounded complaints not only on the part of the community, but of some of the members of the Legislative Council. The Governor General explained the circumstances under which he was compelled to resort to this measure for increasing the revenue; shewed an enormous excess of expenditure over income during the last two years; and calculated that to make up a portion of this deficiency the increase in custom's duty would yield ninety-two lacs, and Malwa opium (the duty on which has been raised 100 rupees per chest) thirty-seven lacs more. To the discussion which followed here and in the other Presidencies, with

which you are all so familiar, we need not refer. The Chamber protested against the increase of duties on imports as a retrograde step, and one opposed to the commercial policy adopted by England with so much benefit for many years past; and expressed the hope that when the state of the finances would enable the Government to do so, the additional duties imposed by the above Act would be at once removed.

DUTY ON GOODS IN BOND.

APPENDIX C.

The 4th clause of the new Act throws the additional duty upon the purchaser of goods sold *to arrive*. The buyers considered this to be an unjust imposition upon them, and having expressed their determination to try the question, many of the importing Houses compromised the matter by agreeing to pay one-half the duty, the other half being paid by the purchaser. Another question has arisen as to the duty leviable on goods bonded previous to the passing of the Act. The Collector of Customs was for charging the additional duties on all bonded goods; but conceiving that under the bonding Act XXV. of 1836 he is not entitled to do so, we on 20th April addressed the Lieutenant Governor on the subject, pointing out that when the Act IX. of 1845 came into operation the duty on goods previously bonded and cleared subsequently was paid at the rate assessed at the time the goods were bonded. To this communication we have not been favored with a reply.

The new Act assimilates the duties on British and Foreign Goods—a measure which the Chamber has for many years past endeavoured to persuade the Government to adopt, though not in the sense in which that assimilation has now been decreed.

GOVERNMENT SECURITIES.

BONDS WITH COUPONS.

In our last report we adverted to a suggestion made by us in November last to the Financial Secretary, viz., the exchanging of Government Securities held in England for bonds payable to order, and transferable by endorsement in England, with coupons attached payable to bearer; and to the extent of the coupons the suggestion has been adopted in the Government Notification of 28th April last in the following terms:—

“If desired, interest will also be made payable at the General Treasury at Fort William, for the period for which the Loan is guaranteed by coupons payable to bearer. Promissory notes with coupons attached will be granted on application instead of Promissory notes in the usual form.”

Publication of Subscriptions to Open Loans.

APPENDIX D.

We renewed our application to Government regarding the publication monthly of the subscriptions to the open loans. We first met with a refusal, on the ground that it is not apparent in what respect the

“publication of the returns in question would be of service to the public generally, while it is very probable that it might prove detrimental to the interests of the State.” The correspondence, which has been published, resulted in the Governor-General in Council ultimately consenting to the publication quarterly, “along with the cash balance return, of a statement of subscription to the open Loans of the day.”

PROPOSED MODE OF RAISING LOANS.

APPENDIX E.

With reference to the Government Notification of 26th January last, noticed in our last report, a letter adopted at a Meeting of the Chamber was on 19th February addressed to Government, in which it was suggested that future loans should be raised in England, or if raised in this country that the most effectual means of doing so at present would be—

By a modification of the recent Notification for the issue of Treasury Bills.

By a declaration of the amount required to be borrowed in the course of one or if possible of two years.

By the statement that, so soon as such amount shall be received, the loan will be immediately closed.

By the assurance that no other loan will be raised within a period named; and—

By declaring that no higher rate of interest will be paid in India than five per cent. per annum; but that failing the loan being taken up within a given time it will be raised in England.

By issuing Treasury Bills payable at three months from the date of issue instead of twelve months as proposed, at two pie in the place of three pie interest per centum per diem.

5½ PER CENT. LOAN AND TREASURY BILLS.

On 21st February, the Governor General in a Notification communicated to the public the measures contemplated for providing means for carrying on the Public Service in 1859-60; and explained the grounds on which he justified his financial arrangements. His Lordship looked to the Indian market to provide five crores for the service of 1859-60; when this amount has been subscribed no further loan will be opened during the year. The loan to be a 5½ per cent. loan; subscriptions to which, received on and after 1st May, will be in cash or half in cash and half in 5 per cent. paper; and no loan bearing a higher rate of interest to be opened in India in the course of 1859-60, unless under instructions from the Home Government. The interest on Treasury Bills to be reduced after 1st May to two and half pie per centum per diem.

These financial arrangements of our Government have been very freely commented upon at home, and as the subject has been taken up very warmly in and out of Parliament, we are in hopes that some good will result from the discussion on Indian finance which is still going on. On the following points there seems to be a growing concurrence:—1st, to borrow money

in England, where it can be done on cheaper terms; 2nd, to give the Imperial guarantee to all Indian loans; 3rd, to send out a Financial Member of Council, or a Financial Commissioner.

The views of some of the ablest of the English Journals are found to be in harmony with those of the community—here upon this important subject. The *Times* in one of its articles says:—

“It is now a twelve months since Mr. Disraeli in his Budget speech told the House of Commons that England has given to India many great Generals, but not one Chancellor of the Exchequer. The great *dé-bâcle* of Indian finance recalls and justifies this rather suggestive phrase. The Notification just issued by the Government of India, transcends in conciseness, in sharpness, and in frank ingenuousness, any confession of blunders which we ever remember to have read. It speaks of 4 per cent. loans, 5 per cent. loans, and 6 per cent. loans, as though it was the custom of financiers to increase their offers of interest as the money crisis grew graver, and their credit less steady; it takes credit to itself for the worn out shifts and long exploded contrivances of receiving a certain percentage of old stock in payment of other of a higher denomination; and it addresses the Baboos of Calcutta in almost suppliant language, begging them to come in and lend money at 5½ per cent. promising that only £3,000,000 shall be borrowed next year, and that no rise will be made upon the present offer, unless under instructions from the Home Government. A

junior clerk in the English Treasury could have taught them better than this. If there is a contrivance adapted infallibly to close the coffers of a capitalist it is one which shall exhibit great immediate necessity, and an inclination to go on increasing the bidding for money until the money be obtained. *** Every Hindoo who has lent money at 4 per cent. and sees his friends now lending it at $5\frac{1}{2}$, naturally thinks himself robbed. The class of men to whom the rate of $5\frac{1}{2}$ is now offered think that $7\frac{1}{2}$ may yet be possible, and are loth to run the risk of having to reproach themselves for having parted with their money too readily. The first rudiment of finance is never to vary your rate of interest—unless, indeed, circumstances enable you to reduce it—but to vary the price of the stock according to your necessities and the exigencies of the money market. Some shifting shuffling Railway Company, half insolvent and casting about for money to open a little traffic and to have earnings to show, may accumulate debts of every possible character with every diversity of guarantee and at varying rates of interest—but these are the miserable contrivances to which speculators are forced by their necessities. It is not thus that the finances of a great empire or of any department of a great empire can be managed. Even Russia and Austria know better than this."

The *Daily News* observes:—"It appears probable from Lord Derby's statement, that, after the passing of the bill now before Parliament, a further sum of five

millions will be asked for like the former amount on the guarantee of the revenues of India, and therefore at comparatively high rate of interest, a still higher rate being paid for the money subscribed in India." "Now this is to inflict permanently an unnecessary drain upon the Indian exchequer. To borrow money at a high rate of interest when it can be borrowed at a low, is to impose a penalty on the people of India, and ultimately, perhaps, on the people of this country, which is as foolish in principle as it is unjust in effect. If the revenues of India are insufficient for all demands upon them, the revenues of this country must make good the deficiency. Can the army be left unpaid? Can the large number of troops on the imperial establishment, but now eating into the resources of India, be defrauded of their hire? If the public creditor be first paid the Imperial Treasury will not be called upon to satisfy his claim for the interest of the money he has advanced; but what does it matter to the English tax-payer whether his contribution goes toward the payment of his neighbour's dividends or towards the wages of the soldiery so long as the amount paid is the same? But will the amount in either case be the same? Now the difference is just this; the capitalist will take less interest, the soldier will not take less pay. The man who enlists into the service of Her Majesty has unquestionably an imperial guarantee for the payment of his wages. And, whatever may be the financial state of the dependencies to which he is despatched, those wages must be paid in full. He will not take less pay on account

of the value of his security, for his original covenant contemplated nothing but the best security. But the capitalist will take less interest if the security given be of the best character; and, therefore, it is better for the people of England that the Imperial Government should practically guarantee the payment of the dividend than the payment of the army. If the revenues of India be ample for all purposes, it matters not at all what the country might have been called upon to pay under other circumstances; but if it be insufficient, it matters very much, for if the interest of the different loans stands at 5 per cent. instead of at 3 per cent., the country, whether it pay the public creditor or the soldiery, will have a larger deficiency to meet. The true policy of the nation is therefore to guarantee the debt and thus to reduce the possible deficiency to the smallest practicable amount.—“*q. q.*” The advantages of this plan would be that the money would be raised with the utmost facility and at again in point of terms which would of itself be equivalent to a *large sinking fund*; that the uncertain future would not be saddled with heavy and inevitable liabilities, such as are involved in an issue of debentures redeemable at a fixed date, and that the new loan would not be brought into a mutually damaging competition with the existing railway and other securities guaranteed by the Indian Government.”

EAST INDIAN RAILWAY.

Mr. Palmer, the Agent of the Company, has obligingly furnished us with a copy of the report of

Mr. Turnbull, the chief Engineer, up to the 18th of February last, and a later report to 21st March, shewing the progress made in the construction of the work as far as the Soane district. Mr. Turnbull lays great stress upon the importance of the means of transport and remarks that not only does the opening to Rajmahal depend on the transport of materials, but the opening of detached portions of the line perhaps equally important—such as between Patna and Benares—is equally dependent on a full supply of permanent way materials. Steamers and flats are building in England as well as in Calcutta, the completion of which Mr. Turnbull urges cannot be hurried on too rapidly.

On 21st October last the first portion of the extension line from the junction to the village of Beddiah, twenty-one miles was opened; making now an aggregate of 142 miles of open line.

As to the rest of the line Mr. Turnbull expects that from this last point it will be ready for public traffic through to a place called Cynthea, forty-five miles from Raneegeunge, before the end of the present year. Of the thirty-three and half miles through north Beerbhoom, twenty-six miles are now ready for the permanent way; and if a sufficient supply of rails be available, and the iron girders received in due time, trains may run over this distance in June 1860. Of the twenty-five miles of South Rajmahal Division two and half miles of permanent way are laid, and eighteen and half miles of line are finished ready for

permanent way, and this distance may be finished by the end of the year.

The twenty-five miles extending from this point to the Ganges at Rajmahal it is not expected will be finished at the earliest before 1860. The next or North Rajmahal Division of twenty-four miles gets on very slowly in consequence of the difficulty of obtaining labourers from the unhealthiness of the situation. Of the next or Colgong Division of twenty-six miles about nineteen miles may be completed before the end of this season, and the remainder should be ready for the rails about this time next year. Of the next or Bhaugulpore Division of twenty-three miles, about thirteen miles will be ready for rails at the end of the season. Of the Jenhangerah Division of twenty miles, thirteen miles are ready for the rails, but none are yet delivered. Of the Monghyr Division of thirty-one and half miles, fifteen miles are ready for permanent way. Of the Keul Division of seven and half miles; nearly 80 per cent. of the earth work is finished, and 24 per cent. of the brick-work. The Hallowbur Division of seventeen miles progresses but slowly owing to the difficulty in importing labour "into a district annually submerged from one to ten feet in depth for a breadth of ten miles," and therefore the date of the completion of this section of the line cannot be spoken to with confidence. Of the Barrh Division of thirty-one and half miles, seventeen are ready for the rails. All the earth work will be finished before the rains, and after being trimmed and ballasted

will be ready for the rails. The Patna Division of thirty-one and half miles goes on with spirit, thirteen miles are ready for the permanent way, and were the rails, &c., transported in time a locomotive and its train of carriages might be at work within a year. The seventy-eight and half miles comprehending the Soane district, the Contractors, Messrs. Burn and Co., are pushing on with spirit, the works having been frequently suspended on account of the disturbed state of the country. There will be forty-three miles ready for permanent way before the rains, and here the want of permanent way materials is much felt. The works for the bridging of the Soane are again progressing, having been damaged on two separate occasions by the mutineers; one of the piers has been founded on clay thirty feet below the bed of sand, two other piers will be founded before the rains, and were the heavy iron work required ready at hand several more piers would be founded this season. Temporary rails are laid across more than one-half the breadth of the river.

The result is that of the 371 miles from the river More to the Kurrunnassa, 174 miles are ready for the rails, and that many miles more will be ready six months hence. Mr. Turnbull in his report of 21st March says that there is a fair prospect of all foundations being in, and all embankments connected up to Rajmahal, before next rains. The average number of laborers daily employed on the line is 1,15,635. The amount of engine mileage run for the half year to 31st December last is 3,30,195 being 16,951 more

than in the preceding half year, and the number of passengers conveyed has been 5,91,578, being an increase in the previous half year of 10,304.

The completion of this line of Railway being a matter in which we feel a deep interest from its importance, not only in a commercial point of view, but socially and politically, we have ventured to trouble you with the above details, although disappointment will no doubt continue to be expressed by many that a line sanctioned in 1849 is not in 1859 nearer its completion.

THE EASTERN BENGAL RAILWAY.

The whole of the Line from Calcutta to Kooshtie on the Ganges, near Commerceilly, has been surveyed, approved of by Government, and nicked out. Land Plans for the entire distance on the scale of 150 feet to the inch, are nearly completed, and nothing but possession of the land from Government is required, to enable the Contractors, Brassey Wythes and Sir Joseph Paxton, who have undertaken the construction of the whole Line, and whose Agent is on the spot, to proceed vigorously and rapidly with the work. The site of the terminus is fixed at Sealdah, opposite to where the Bow Bazar runs into the Circular Road. It will communicate with the Mutlah Station on the opposite side of the Balliaghatta road, and embracing the Circular Canal, to which facilities of access will be afforded by the construction of docks for boats, ready means of transport to the shipping and the port will be available.

MUTLAH OR SOUTH-EASTERN RAILWAY.

We are informed that after a great deal of delay on the part of the Supreme Government in sanctioning the exact direction of the Line, the point has now been decided in favour of the most direct route, very nearly the line laid down by the Engineer, Mr. Longridge. The land commissioner is now making over portions of the land, the whole of which it is expected will be made over before the next cold weather sets in, when active operations will commence on all points of the land; and unless the *Piallee River* Bridge should present any formidable difficulties, the Chief Engineer, in charge of the works, hopes to have the line completed by 1861.

ELECTRIC TELEGRAPH.

There are now 8,996 miles and 138 offices in full operation, excluding the great line from Kurrachee to Lahore, and the Central India line from Mirzapore to Nagpore, Hyderabad and Bellary, very nearly completed. Every possible effort has been made to strengthen all the lines to prepare for the approaching Monsoon, and Sir Win. O'Shaughnessy, in a letter received from him last month, states that, although numerous interruptions must take place, he has every hope that correspondence will be maintained with fair speed and regularity, through the operation of the alternative lines now connecting all the great capitals of the Empire. As an illustration of the present satisfactory working of the lines, Sir William states

that the first Bulletin of the Mail News by the *Candia* from Suez was dispatched from Point de Galle on the 21st April at 10-30 A. M., and was received in Calcutta at 1-15 P. M. It reached Benares, Agra, Delhi and Umballa before 2 P. M., and Bombay and Indore by the Madras and Bangalore line at 1-40 P. M. Thus the news was spread over more than 5,000 miles of line and delivered in all the great cities of British India in less than four hours.

The charge for messages as you will have seen advertised has been recently considerably reduced.

The Red Sea Telegraph Company are in the course of laying the Wire between Suez and Aden, and there is some expectation that before the end of this month Telegraphic Communication will be established between these two places.

GOLD CURRENCY.

APPENDIX F.

This important question has been on more than one occasion under the consideration of previous Committees. We have had a recent communication about it from the Trades Association; and some of the Native Bankers and Merchants, in a letter which is on the Table, have signified their approval of the introduction of a gold currency into this country. Being of opinion that it will be beneficial we have suggested to Government that we conceive it to be expedient to make gold a legal tender to the extent of 200 rupees, recognising the sovereign as the equivalent of ten rupees.

Comparative Statement of Imports and Exports for 1857-8 and 1858-9.

The importations of Piece Goods in comparison with the return of the previous year shew a very large increase—for instance,

	1857-8.	1858-9.
White Cotton Piece Goods,.....	pes. 63,08,364	1,19,73,299
Increase,.....	" 56,64,335	
Grey Cotton Piece Goods,	" 1,49,76,017	2,52,89,721
Increase,	" 1,03,13,704	
Printed and Colored Goods, ...	" 68,42,778	76,45,450
Increase,	" 8,02,672	
Total value of the above,	Rs. 2,81,27,159	4,49,08,470
Increase,	" 1,67,81,311	
In Grey Yarns,	bales 21,665	32,390
Increase,	" 10,725	
Long Cloth Shirtings,.....	pes. 30,29,074	56,19,500
Increase,	" 25,90,426	
Madapollams,	" 7,75,932	15,72,191
Increase,	" 7,96,259	
Jaconnets,	" 24,61,016	35,30,626
Increase,	" 10,69,610	
Mull Mulls,	" 5,03,799	15,61,752
Increase,	" 10,57,953	
Flannels,	" 4,353	13,680
Increase,	" 9,827	
Coals,	mds. 9,03,318	12,47,713
Increase,	" 3,44,595	
Spelter,	" 23,182	48,452
Increase,	" 20,270	

The Export Statistics compared with the previous year show the following result :—

	1857-8.	1858-9.	Decrease.	Increase.
Indigo,.....	mds. 83,610	83,577	33	.....

	1857-8.	1858-9.	Decrease.	Increase.
Sugar,	10,35,803	14,31,734	.....	3,95,931
Saltetre,	5,89,157	8,09,014	.....	2,19,857
Rice,	82,54,348	48,90,092	33,64,456	.....
Wheat,	3,70,810	2,62,796	1,08,014	.....
Linseed,	19,93,172	30,26,919	.....	10,33,747
Mustard Seed, ..	1,65,518	9,07,513	.....	7,41,995
Poppy Seed, ...	37,595	1,11,282	.....	73,687
Raw Silk,	19,305	18,003	1,392	.....
S. P. Goods, ... pcs.	3,43,799	5,43,489	.....	1,93,690
Jute,	10,69,499	18,52,442	.....	7,82,943
Gunny Cloth, ... pcs.	3,51,813	9,10,090	.....	5,58,277
Gunny Bags, ...	1,58,09,743	1,68,60,983	.....	10,51,240
Hides,	34,49,614	31,03,929	3,45,685	.....
Opium,	38,874	34,685	4,189	.....
Runn,	20,487	56,297	.....	35,810
Safflower,	11,003	29,817	.....	12,214
Shell Lac,	49,957	35,233	14,724	.....
Lac Dye,	20,458	16,002	4,456	.....
Cutch,	42,070	73,236	.....	31,166
Turnerie,	64,742	55,061	9,681	.....
Borax & Tincal ..	11,906	3,318	8,588	.....
Ginger,	44,307	43,510	797	.....

The following is a Statement of the Shipping arrived during the past and previous years :—

	1857-58.	1858-59.
Under British Colors,	Ships. Tons.	Ships. Tons.
" American "	703 4,44,243	700 4,75,622
" French "	150 1,21,952	139 1,23,839
" Other Foreign "	111 48,791	102 45,911
	40 18,289	51 26,016
	1,004 6,33,275	992 6,71,388

The average tonnage during the past year of the English ships is 679, of the American 887, and of the French arrivals 450 tons.

MEMBERS.

The following Members have been elected since we last met, subject to confirmation at this meeting :—

Mr. J. P. Schneider.

Mr. John Herriot.

Messrs. W. C. Stewart and Co.

Messrs. Church, Lindsay and Co.

Messrs. Dickinson Brothers and Co.

And in the same period the following have retired :—

Mr. P. M. Tait.

Messrs. W. R. Paterson and Co.

Messrs. Goddard, Wills and Co.

Messrs. White and Co.

CHAMBER'S FUNDS.

The Financial position of the Chamber continues satisfactory.

D. MACKINLAY,

President.

Calcutta,
28th May, 1859.

REPORT OF THE COMMITTEE.

SUBMITTED AT THE GENERAL MEETING OF THE BENGAL
CHAMBER OF COMMERCE HELD ON 1ST SEPT. 1859.

THE last report submitted to you completed the labours of the previous to the end of the past commercial year, and we have now to lay before you a statement of such matters as have occupied our attention during the first quarter of the current one.

TRAFFIC PASSING THROUGH THE CANALS.

The Board of Revenue having addressed us in June, requesting to know whether any advantage attended the frequent publication in the *Government Gazette* of the Traffic which passed through the Circular and Eastern Canals, or whether any injury to the public interests would result if they were published at longer intervals, we replied that their less frequent publication would be attended with no detriment whatever to the public interest, and suggested that if the returns in question could be made more complete, so as to embrace the whole of the produce that comes by water to Calcutta, they would be much more valuable to the mercantile community than by their being confined, as at present, to the canal traffic alone: but the Board answered that as they had no control over any other channels than the canals, it was impossible for them to meet the wishes of the Chamber. The Government of

Bengal, to whom reference was subsequently made, have however ordered the necessary returns.

Additional Customs Establishment at Howrah.

On 1st June the officiating Collector of Customs requested the suggestion of the Chamber as to the expediency of having an additional establishment at Howrah, so as to facilitate the import and export of goods, with reference to certain arrangements proposed in December 1855; and in reply we stated that at present there appears to us to be no necessity for any such additional establishment, although the question is one that will deserve consideration when the East India Railway touches the Ganges, and the traffic on it in goods and produce comes to be on an increased scale.

Goods bonded previous to the new Customs' Duties.

In our last report we noticed the application made on this subject, and on 24th June a communication was received from the Bengal Government intimating that the Government of India had authorized the exemption from the new rates of import duty goods which had been bonded previous to Act VII of 1859 coming into operation, and the refund of excess payment in all cases in which the duty had been levied at the enhanced rates.

Duty assessed on Goods the day on which the new Act was proposed in Council.

With reference to the applications upon this subject His Excellency the Governor General in Council has

decided that in cases in which goods had been assessed at the old rates of duty, at the time of the receipt by the Collector of Customs of the order of the Supreme Government to clear no goods upon which the higher rates of duty had not been paid, the new rates under Act VII of 1859 shall not be imposed; and in cases in which the increased duty has been paid upon goods assessed for duty at the old rates the excess payment shall be refunded.

Drawback of the import duty on Goods re-exported.

The Government of Bengal, in consequence of a communication from the Secretary of State for India, suggesting for the consideration of the authorities of this country the expediency of doing away with the practice of allowing drawback of import duty upon goods re-exported, requested the opinion of the Chamber of Commerce as to whether the abolition of the system would be regarded as objectionable; and in reply we stated that it would be so regarded by the commercial community, because under the drawback system they can avail themselves of other markets for goods for which there is no demand here, while they would be prohibited from doing so were no drawback allowed; while if the system were abolished, the present bonding accommodation would be found quite inadequate for the business of the Port.

Vessels passing signal stations without showing their numbers.

In our last report we noticed a correspondence which

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 had passed between us and the Government of Bengal upon this subject, and in which we approved of the suggestions made by the Marine Superintendent to the Lieutenant Governor of Bengal,—on whose representation a Bill was introduced into the Legislative Council by Mr. Sconce, the Member for Bengal, for “the purpose of compelling Masters of vessels to report or signalize the arrival of their vessels,” which he considered would be advantageous to the public. Mr. Sconce prefaced the first reading of the Bill with the following remarks :—“They must look to the connection existing between the navigators and the public. It appeared to him that the Masters of vessels ought to be answerable in serving the purpose of the object of this Bill. They came to this port ; they had the protection of the Government ; they had the benefit of the port itself ; and other circumstances which arose from good legislation ; and as public traders they offered themselves to the public as carriers on a large scale, and in fact they should be considered as public servants ; and being so, should to the best of their abilities return those advantages which they received from the public,—they should at least return some acknowledgment for the benefits they received. Now, if they looked to those vessels engaged in the China trade, and the position they occupied and the advantages they held, it would be perceived that they had quite a monopoly, and in return they should be made to disclose that they had returned to the port.” On the second reading of the Bill Mr. Harington,

Member for the North-West, opposed it on the ground, as he stated, of its being “a Bill to give one class of opium speculators an advantage against another class of opium speculators ;” and Mr. LeGeyt followed Mr. Harington on the same side, because the proposed fine of a hundred rupees, for declining signals, was so small as to amount to nothing ; and the Chairman agreed with them that “as no fraud is alleged as necessary to be prevented,” the thing should be let alone, adding as a further objection that the Bill did not apply to foreign bottoms. Mr. Sconce re-stated the reasons expressed by him on the first reading of the Bill ; but the question of the second reading having been put, it was decided in the negative ; and the Bill was thus thrown out, which is to be regretted. We hope that the Bengal Government will not allow the matter to drop, and that a new Bill will be brought forward again, including foreign bottoms—the omission objected to in the first Bill. For foreign bottoms can claim no exclusion ; they receive all the benefits of the port as much as British bottoms ; and in times like these it should be deemed of some importance to the authorities to be informed, whether “a large Steam Vessel number not shewn,” coming up the River, is a British or foreign bottom,—English, French or Russian.

THE DETENTION OF THE MAILS IN THE RIVER.

His Excellency the Governor-General in Council, in reply to our communication on this matter, replied

that the Post Master General will be instructed to adopt measures to save a night's detention of the Mails in the river whenever it may be practicable to effect that object, and when the smaller steamer to be employed will undertake to deliver the Mails in Calcutta on the evening of the day on which she receives them on board. In the course of the correspondence we suggested to His Lordship that the keeping up of a small steamer for the purpose of sending after-packets or Mails to, and bringing Mails and passengers from, the Mail steamers, on occasions of detention in the river, as lately in the case of the *Nemesis*, is one that should be borne by the Peninsular and Oriental Company, and that in any future contracts to be entered into with them, or with other parties, for the conveyance of Mails and passengers to Calcutta, this is a provision which, it appeared to your Committee, the Government can reasonably insist upon. This suggestion, His Lordship informs us, has been already noted for consideration when the time for renewing the contracts for carrying the Mail approaches.

NEW PILOT STATION AT FALSE POINT.

We are informed by Mr. LePatourel, Master Pilot, that the Pilot boat *Kestrel* arrived at False Point, the new free licensed Pilot station, on 12th July, having up to the date of his letter supplied an American and a French Ship with Pilots. The free licensed Pilots find this vessel at their own expense, and hitherto

they have received no pecuniary consideration from Government who provide the licensed Pilots with vessels free of expense. Mr. LePatourel mentions that they are to get a vessel of about, 150 tons on the model of the celebrated American Clipper *America*; and believing that the enterprising free licensed Pilots who have joined him are deserving of encouragement, we trust that from the Government and public they will obtain every support.

JOINT STOCK BANKS WITH LIMITED LIABILITY.

APPENDIX G.

We presented a petition to the Legislative Council in February last, praying for the extension of limited liability to Joint Stock Banking Companies, and on the motion of Mr. Currie, the then Member for Bengal, the petition was ordered to be printed. Nothing further having been done, we recently addressed Mr. Sconce, the present Member for Bengal, who immediately acted in the matter by moving the first reading of a Bill introduced by him for the extension of the limited liability Act as prayed for.

OUT-PASS SYSTEM.

APPENDIX H.

In consequence of a rumour which has been in circulation lately that it was the intention of Government to abolish the out-pass system, we addressed the Officiating Collector of Customs, who in reply informs us

that the rumour is well founded, such being the intention, and that a Committee has been appointed to report on the accommodation which can be obtained by alterations in and additions to the Custom House, with a view to provide room for the storing of goods, and the Officiating Collector had been directed to report on the change in the system which is contemplated. The out-pass system commenced in the year 1836, and has hitherto worked satisfactorily for all parties—for the Government, the Customs Officials, and the Merchants,—and we can see nothing but confusion and a stoppage to business if the system is now to be abolished, and the whole of the goods exported and imported forced to go through the Custom House for examination. We have considered it proper to address the Lieutenant Governor on the subject, expressing surprise at the contemplated change without any apparent necessity for it, and pointing out the great inconvenience and expense which the change will entail, without any practical benefit to the Government.

Traffic by the Inland Steamers—Ganges Company.

The Manager of the Ganges Company has obligingly furnished us with a statement of the goods conveyed upwards by the *Mirzapore* two trips, the *Benares* three trips, and the *Chunar* two trips, from 1st January to 30th June last, shewing a total of 9,343 bales and cases of Merchandize, 3,263 cases of Wine, Beer and other packages, and 5,448 maunds of weight goods.

India General Steam Navigation Company.

The Secretary informs us that for the half year from 1st January to 30th June, the boats of this Company have carried on their upward trips 57,574 packages of all descriptions—no particulars are given.

EAST INDIAN RAILWAY.

We have received from the Agent, Mr. Palmer, a copy of report of the Chief Engineer, Mr. Turnbull, on the condition and progress of the works for the half year ending 30th June last; which shows an increase in the engine mileage for the half year as compared with the previous one of 96,281; an increase of passengers conveyed of 88,776; an increase in the gross amount of merchandize and minerals carried of 47,087; and an increase of gross earnings of Rs. 3,69,493. The cost of maintenance of way and works for the half year is 6½d. per train per mile, being ¼d. a mile lower than in the last half year of 1858. Before the middle of October, it is expected that a double line from Howrah to the junction will be finished, which will afford accommodation for traffic equal to that of any line in England. In consequence of the increase of traffic the enlargement and improvement of the whole of the stations generally have become almost a matter of necessity. The line from Howrah may be opened for traffic on the 1st September to the banks of the river More at Cynthia, a distance of 118 miles. The Section of thirty-three and half miles through north Beerbhoom in continuation from Cynthia

will be completed probably in June 1860 ; and although progress is somewhat impeded by the want of permanent way, and of the iron girders and ballast waggons on the South Rajmahal Division, thirty-three and half miles ; yet, according to the report, there appears no reason why this section should not be finished also in June 1860. Mr. Turnbull anticipates with confidence that the entire line will be opened all the way to Rajmahal about the 1st July 1860, and that it may be available to the public soon after. The work on the other divisions as far as Barrh is progressing rapidly. Some of the sections will be completed in 1860, and some in 1861. The line in the Patna division of thirty-one and half miles, if permanent way be supplied of an early date, might be opened on 1st January 1860 ; of the Soane division seventy-eight and half miles, there are forty-five miles ready for the permanent way ; and the Karrunnassa Bridge, consisting of thirteen arches of fourteen spans each, should be completed next season. The Soane Bridge, twenty-eight spans or 128 feet, is progressing satisfactorily ; and there is every prospect that it will be completed for public traffic before the end of 1863.

THE EASTERN BENGAL RAILWAY.

The *Eastern Bengal* has not made much apparent progress since the notice in our last report, for two reasons ; firstly, owing to the season of the year ; and secondly, to the difficulty experienced in obtaining possession of the land required from Government.

We understand, however, that the Government Commissioner has promised the land for the whole distance by the beginning of the cold weather, and in the meantime the importation by the Company of permanent way and other materials has commenced, and the contractors have made every preparation to put a large force on the works immediately. A survey had been ordered of a branch line to connect the terminus at Sealdah with the river at Chitpore, at the spot where the entrance of the projected outer canal was to have been, and which will be of great importance as connecting the port of Mutlah with the river Hooghly by an unbroken line of Rail, and at the terminus at Sealdah there is to be a large dock for boats, with a lock into the canals, which will be a great accommodation for heavy goods traffic. In connection with this subject we cannot help remarking how much it is to be regretted that occasion is not taken of the large clearances necessary for the termini of the Eastern Bengal and Mutlah Railways to open and lay out suburbs and clear the jungle on the other side of the Circular Road. The city itself can never be healthy or clean until this is done ; but as the improvement now suggested is not one which it can be expected, the Magistrate of the 24-Pergunnahs, who has no Municipal funds at his disposal, is likely to undertake, or carry out, we would, therefore, venture to direct the attention of the Calcutta Municipal Commissioners to this important subject, with the view of having their Jurisdiction extended so as to embrace the ground in

question ; for there can be no doubt that the health and comfort of the inhabitants of Calcutta would be much improved by the above recommendations being carried out.

MUTLAH OR SOUTH EASTERN RAILWAY.

The direction of this line is now as good as sanctioned, and most of the land has been made over by Government, the exception being the last three miles at the Calcutta and the Mutlah ends of the line—plans of which are now under the consideration of Government. A good deal of the materials required for the construction of the line is in course of collection, and nearly 2,000 tons of rails, sleepers, &c., have been shipped from England, and it is confidently expected that the whole of the earthway will be completed in the ensuing cold season, and that it will be possible to throw the line open for traffic before the end of May 1861.

ELECTRIC TELEGRAPHS—INDIAN TELEGRAPH.

In answer to our application to Sir William O'Shaughnessy requesting to be informed of the present state of the Telegraph line, Sir William has forwarded extracts from his Annual Report to the Government of India for the commercial year to 30th April last, with notes reporting on the lines and offices up to 31st July, the whole of which are exceedingly interesting ; and we shall send them to the newspapers in the hope that they will publish them for general information.

mation. In forwarding these details Sir William accompanies them with some remarks from which we give the following extract;—"From the information contained in the report you will learn that all the main lines on the continent of India and in Ceylon are now completed ; also the branch lines to the several important ports on the East Coast and to the mountain stations of Kussowlee, Simla, and Murree. In all we have now 10,250 miles of lines, and 151 offices, open to the public ; and there remains only to be finished the line from Dacca to Akyab and Prome, to connect the Indian system with that already open in Pegu. We are already half over the monsoon, and, excepting only in the immediate vicinity of Calcutta, the lines have worked well without any material interruption all over India, even on the Malabar Coast in Bombay and Guzerat, where the rains have been of almost unexampled violence this season.

"There is now but little more required to render the whole system thoroughly efficient. A few weeks practice and drilling of the numerous new hands on the lines, and in the offices recently opened, will accomplish all that we can fairly expect.

"It gives me great pleasure personally to report to the Chamber of Commerce of Calcutta the completion of the vast system of Telegraphic communication which was commenced in 1853, with their cordial encouragement. How our progress has been impeded by the calamities of 1857, and their results, I need not remind you. To make up for this over 5,000

"miles of line have been constructed, and sixty-seven new offices opened, within the last eighteen months. The hurry of construction being over, the internal improvement of the offices, the attainment of minute accuracy, and full speed, and the strict enforcement of secrecy in the office, will now engage the best exertions of the whole staff of the department. I look with entire confidence to be enabled before another year has elapsed to report the Telegraph in India, as regards these essential attributes, to be all that the community has such just right to desire."

RED SEA TELEGRAPH.

This line was completed as far as Aden in the month of June last, and before the *Nemesis* left Aden with the mail of 10th July a Telegram had reached with London news to 18th July. On the arrival of the *Nemesis* on the 4th August at Galle a Telegram despatched thence was received here on 6th August, announcing that Preliminaries of Peace had been signed at Villa Franca between the French and Austrian Emperors on 13th July, and had the line between this and Ceylon been perfect at the time, this news should have reached us on 4th August—being in transit from London only seventeen days.

We hope that the Imperial Parliament will see the vast importance of continuing the line from Aden to India without delay, and that sufficient encouragement will be given by it to the Red Sea Telegraph Company, or to some other Company, to induce them to

carry out the line; for in the present embarrassed state of the finances no aid can reasonably be expected for such a purpose from the Indian Government.

GOLD CURRENCY.

APPENDIX I.

In the report submitted to the last general meeting it was stated that this important question had been the subject of consideration with previous Committees, and that your late Committee before retiring from office had addressed His Excellency the Governor General in Council suggesting the expediency of introducing a gold currency into India to the extent of £20 or 200 rupees; recognising the sovereign as the equivalent of ten rupees. Being unaware whether His Lordship had any objections to the measure so proposed, we did not conceive it necessary to anticipate them or to answer them in anticipation. His Lordship as you are aware has decided against our suggestion, for the reasons given in the Financial Secretary's letter, sent to the papers for publication before we made any reply to it. In our reply forwarded on 25th July we answered very fully the whole of His Lordship's objections, and concluded by stating that although your Committee were in favor of making gold, in supercession of silver, the legal standard in India, the same as in England, with silver and copper as subsidiary currencies, yet we should be satisfied in the meantime with a gold currency even to a more limited extent than £20, should His Lord-

ship's objections be based mainly on the sum named by us being too high a limit. Our letter is on the table, and we shall now publish it for the information of the members of the Chamber.

COMPENSATION FOR LOSSES BY THE MUTINY.

It was mentioned in our last report that a petition to Parliament by the Compensation Committee had been sent to England, and that the report of the Government of India, including the recommendations and suggestions of the Governor General in Council, had been forwarded to Lord Stanley, who had expressed himself generally, while he was in office, in favor of the right of the claimants to compensation. In consequence of the dissolution of Parliament and of the subsequent change of Ministry, nothing further has been done. We trust that Sir Charles Wood will take up the question without delay, and that the decision of Parliament will satisfy all those unfortunate claimants who are now anxiously awaiting the result.

GOVERNMENT TREASURY BILLS.

APPENDIX J.

On 19th February last it was suggested by the Chamber that the Treasury Bills to be issued by the Government should be made payable at three months from the date of issue in place of twelve months as proposed, and with such modification the Chamber approved of the principle of their issue as a floating debt, a system which has been found to work so beneficially in England for Government and the public.

These Treasury Bills being issued in single sets, we suggested to the Government that they should in future be issued in triplicate, which would probably lead to greater demand for them as a medium of remittance; and in compliance with this request the Bills will in future be issued in triplicate on the application of parties, in the form referred to in the Financial Secretary's answer to our communication.

GOVERNMENT FINANCE.

The $5\frac{1}{2}$ per cent. Loan opened on 1st May last is not producing the amount expected by the Governor General in Council, who, in his financial notification of 21st February last, announced that the amount of money for which his Lordship will look to the Indian market to be raised by Loan in order to provide for the service for 1859-60, is five crores of rupees. A statement of the subscriptions to the loan recently published shews the cash subscriptions to be about fifty lacs, and if the subscriptions for the other three quarters of the year are to be in the same proportions, the total for the year will be no more than two crores instead of five crores of rupees. We would again beg respectfully to urge upon his Lordship the expediency of closing this $5\frac{1}{2}$ per cent. loan with as little delay as possible, and that his Lordship should recommend to the Secretary of State for India to apply for the deficiency in England, which in the notification alluded to of 21st February was promised, should the $5\frac{1}{2}$ per cent. loan not produce the required amount of five millions. The subscriptions to the 5 per cent. loan

since it was opened in January 1857 until it was closed on 30th April last, are as follows, *viz* :—

Total in cash, 11,43,89,555
 By transfer of 3½
 4 and 4½ per ct. } Total, . . . 20,72,51,998
 paper 9,28,62,443

Total subscriptions to 5½ per cent. loan for the first quarter of 1859-60, ending 31st ultimo :—

In cash, 49,43,400 } Total, . . . 98,02,800
 By transfer of 5
 per cent. paper . . . 48,59,400 }

Total subscriptions to the Treasury Bill

Loan, bearing interest at 3 pie per cent.
 per diem 16,14,600
 Ditto, ditto, at 2½ pie per cent. per diem,
 during the first quarter of 1859-60 . . . 54,87,600

If the Government of India had borrowed the above amount of cash in England, as recommended by the Chamber, at 4 per cent. there would have been a yearly saving to the country in interest alone of Rs. 22,19,520 or £221,952, as will be seen from the following figures :—

Principal.	Interest at 4 per cent.	Interest at 5 per cent.	Difference.
Rs.	Rs.	Rs.	Rs.
20,72,52,000	82,90,080	1,03,62,600 at 5½ per cent.	20,72,620
98,00,000	3,92,000	5,39,000	1,47,000
21,70,52,000	86,82,080	1,09,01,600	22,19,520

If the money had been borrowed on the imperial guarantee in place of on the revenues of India, the money might have been borrowed in England at 3 per cent., which would make the yearly interest on Rs. 21,70,52,000, amount to Rs. 65,11,560, instead of the yearly interest as now paid at 5 and 5½ per cent.—or in favor of India a gain of Rs. 43,90,040, or £439,004.

The saving of interest if the money had been borrowed at 4 per cent., or say Rs. 22,19,520 or £221,952, would have enabled the Government to have paid or guaranteed the interest on nearly four and half crores or four and half millions of capital to be expended on re-productive public works, such as Canals, Wet Docks, Irrigation works, &c., and the saving of £439,004, would have paid the interest on nearly nine crores, or nine millions, similarly expended. When the loans come to be paid off, or say at the end of twenty years—the saving, if the money had been borrowed at 4 per cent., would amount to Rs. 44,390,400 or £4,439,040, and if borrowed with the imperial guarantee, at 3 per cent., the saving would come to Rs. 8,78,00,800 or £8,780,080, *without interest*; with simple interest at 5 per cent. the sums at the end of twenty years would be £67,61,979, and £133,91,580 respectively.

Bill for Amending the Law relating to Stamp Duties.

The object of this Bill is to raise revenue on stamps: and to make the law applicable to all presidencies, it

is proposed to charge an uniform duty of one anna on all drafts and orders for the payment of money and on all receipts for money paid to the amount of ten rupees or upwards. Bills of exchange, foreign as well as inland, are to pay duty on an average about two annas per cent. on bills running from 500 to 1,000 rupees, about one anna and half per cent. on bills 1,000 to 2,000 Rs., and on larger bills about one anna and two pie per cent. On all civil suits up to ten thousand rupees an uniform duty of 5 per cent., and on every additional sum of 100 in excess of 10,000 rupees a charge of $2\frac{1}{2}$ per cent. Mr. Sence having introduced the Bill in the Legislative Council calculates that the contemplated change will yield a Revenue of Rs. 1,25,000 by one anna stamps in Bengal alone. The Bill has passed a second reading.

.Bill for Licensing Trades and Professions.

This Bill was read for the first time in the Legislative Council on 13th August. Mr. Harington, by whom it was brought forward, said that though the title of the Bill did not disclose its purpose the sole and entire object for which it was introduced was to augment the public revenue. By the XXII Section of the original Bill any person who shall hold any office, employment or commission under the Government of India is exempted. The Schedule contains ten classes : the highest class to be assessed at Rs. 2,000, and the lowest at rupees two. Mr. Harington looks for an addition to the Revenue from this tax of 100 to

150 lacs of rupees. On the second reading of the Bill Sir Barnes Peacock, Sir Charles Jackson, and Mr. Sence strongly opposed it on the ground of its not including the official classes, and they suggested that a Bill for imposing a proper income tax, which, would fall equally upon all classes, should at once be introduced by the Government. Mr. Harington declined to withdraw his Bill, which after further discussion and with some amendments, passed the second reading on 30th August. The Chamber has from the beginning been of opinion that to make up the deficiency required to balance the increased expenditure, it is the duty of the Government to lay on a proper Income tax, with probate and succession duties; and we are glad to observe that as regards the Income tax the independent members of the Legislative Council are of the same opinion. We therefore think that the Chamber should, either by itself or in concert with other bodies, petition against Mr. Harington's Bill, on the ground that certain classes who should be taxed are omitted; and that being in consequence not a just Bill to all concerned, it should be thrown out by the Council.

D. MACKINLAY,

President.

Calcutta, 1st September 1859.

*Proceedings of the General Meeting of the Bengal
Chamber of Commerce held on Wednesday, the
25th January, 1860.*

D. MACKINLAY, Esq., PRESIDENT, *in the Chair.*

THE Report of the Committee having been read by the Secretary, it was proposed by Mr. R. Stuart Palmer, seconded by Mr. E. D. Kilburn :—

That the Report now read be received, adopted, and published for general information, and that the conditional election by the Committee of Messrs. Mosley and Hurst, Honigberger and Co., Sir A. de H. Larpent Bart, and Messrs. Henry Cope and Co. of Unritsur be confirmed, as well as the election of Mr. James Rose as a Member of the Committee on his return from England.

Mr. H. H. Murdoch was of opinion that it would be useful to merchants at home if commercial messages, similar to those received by the Chamber from its London Correspondent, were telegraphed from Calcutta by each mail ; and proposed that the Committee should prepare a summary of commercial news for transmission weekly to "The Exchange" in London, and the Chambers of Commerce at Liverpool and Manchester.

The Meeting approved of this suggestion, and the Chairman promised the Committee's early attention to the subject.

The Meeting also approved of Mr. James Macdonald's proposition that the arrival in London of latest mails from Calcutta should be included in Mr. Lane's Commercial Report.

On the proposition of Mr. James Macdonald, seconded by Mr. James Rome, the thanks of the Meeting were voted to the Committee for their satisfactory management of the business of the Chamber.

The Meeting separated after thanks to the Chair.

REPORT OF THE COMMITTEE.

Submitted at the General Meeting of 25th January 1860.

We have now to submit to you a summary of the principal matters which have engaged our attention, up to the end of the past year, since we laid before you our last Report.

Engaging Troop-ships for Government.

APPENDIX K.

Complaints having been frequently brought to the notice of the Committee of the system prevailing in the Marine Department of taking up ships for the conveyance of troops or for other Government employment without publicly advertising for tenders, we respectfully suggested to the Government that the Superintendent of Marine should be directed in all future cases to adhere to the following rules, viz.: 1st, that tonnage for the public service should be engaged, only by public tender; second, that the lowest tender should be accepted, subject to the vessel passing the usual survey; third, that tenders should in all cases be opened at a fixed hour by the Superintendent of Marine, or his Secretary, in the presence of the parties tendering, or their agents; and with reference to these suggestions the Hon'ble the President in Coun-

cil, in a letter dated 31st October, informed the Superintendent of Marine that it is the opinion of His Honor in Council that what is stated to be the usual practice of the Marine Office, viz., to engage all tonnage by public tender, should be departed from as seldom as possible, and only upon the clearest grounds of advantage to the public service.

RIVER DACOITIES.

We received a communication in October last from the Dacoity Commissioner that, in consequence of the frequent occurrence of dacoities on the boats of travellers and merchants passing through the Soonderbunds having been brought to the notice of Government, a gun-boat, in charge of an efficient police officer, had been ordered to proceed to the Soonderbund Channels, to be employed in the suppression of river dacoity and in the capture of dacoits; and the Commissioner invited all those who might have information on the subject to communicate with him, promising his best exertions in tracing the offenders, and in preventing the witnesses from unnecessary trouble, annoyance, and expence. This letter you have already seen.

OVERLAND EXPRESS LETTERS.

APPENDIX L.

With the view of expediting the transmission of all express letters and papers from Bombay to Calcutta, we have suggested to Her Majesty's Post Master General that he should cause to be made up in London

all letters and papers so marked, in bags or boxes separate from the letters not marked for express, and to be packed up for transmission in a mail box conspicuously marked "Express," so that immediately on its arrival at Bombay this mail should be despatched to its destination. To this letter there has not been time to receive any reply.

OUTPASS SYSTEM.

In our last report we noticed that in consequence of a rumour of the intention to abolish the outpass system we had addressed the Lieut.-Governor on the subject. The change then contemplated, though not yet carried out, will, we fear, involve the greatest confusion in getting goods through the Custom House; but we believe that if it is possible to make the system work smoothly it will be done by the present Collector, with as little inconvenience as possible to the public.

EAST INDIAN RAILWAY.

In our last report we gave the substance of the report of the Chief Engineer for the Bengal Division, Mr. Turnbull, up to the 30th June. No further information as to the progress of the line has since been received; but the Agent, Mr. Palmer, mentions that the Report for the half-year to 31st ultimo will appear next month.

EASTERN BENGAL RAILWAY.

The whole of the land has been delivered over by the Government, with the exception of two miles, for

which an alternative line had been suggested ; and the preliminary operations of clearing and levelling the ground have been completed.

The state of the labour market has prevented the contractors from getting on so fast as could have been wished in the neighbourhood of Calcutta ; but a large proportion of the permanent way has already been shipped, a good deal of it having arrived ; and other arrangements are in a state of forwardness.

The Chief Engineer, Mr. Purdon, in company with the Deputy Consulting Engineer to Government, is now examining the country between Kooshtee and Dacca.

In common with other Indian Railways the Eastern Bengal feels much the exaction of the heavy customs duties on rails and other materials imported, which add to the cost of the lines and will prevent their being so useful as they otherwise might be.

MUTLAH RAILWAY.

With the exception of about a mile and a half of land in the immediate vicinity of Calcutta, the Company have been placed in possession of the whole of their line, and the works are satisfactorily progressing at all points. Last week they had upwards of 2,000 coolies employed on the earth-work alone, and a good portion of the lower embankments are thrown up and ready for trimming and ballasting. In another week the bridge over Tolly's Nullah will be commenced upon, and the soundings for the bridge over the Piallee

are now in full progress. If the ground proves as favorable as the latest investigations lead to suppose, the *greatest* obstacle is overcome.

The Supreme Government have yielded to the representations of the Company, and given their consent to the proposed change in the situation of the Mutlah Terminus ; the line will now run alongside of Mallee Khal, and not between the Town and Custom House as originally sketched out. This arrangement provides ample river frontage for any possible large traffic that may reasonably be anticipated.

Near the Piallee there has been hitherto some want of labour on account of the harvest time and a considerable sickness among the local native population ; but the former is over now, and the other has abated, so that the latest returns shew an increase in the number of hands at work ; independent of this a fresh supply of labour is already on its way.

The only question of importance still pending is that of the level on which the Railway should enter Calcutta, the Town Commissioners claiming a higher approach for this intended work than what the Company's Chief Engineer is willing to concede ; but this question has been fully ventilated, and is now before the Lieutenant Governor who will no doubt bring it to a speedy and satisfactory settlement, enabling the Company to obtain the definite sanction for all their station arrangements, plans of which are before Government. Of the permanent way material about one-fourth has arrived, another one-fourth is afloat,

and the remaining half in course of shipment : some rolling stock has also been despatched.

CALCUTTA AND EASTERN CANALS.

The new Cut and new Canal taken in hand last year have been completed. They were opened for traffic in the beginning of October last, when the old canal and lock were closed for repairs and improvements. The bridge over the new Cut has also been finished. The two works have cost about 1,00,000 rupees. The old Canal was closed at Dhoppa and Chitpore for repairs and improvements in the beginning of October ; though closed at both ends, the communication has been kept up with the stores along the Canal between Bhaliaghatta and Chitpore by the line of the new Cut and Canal. If these had not been opened in time the whole of the old Canal must have been closed.

The improvements now going on in the old Canal consist in deepening it right through about four feet, so that boats may not ground and burst at low water, for many of the wrecks last year were from this cause ; in making a road along about two miles of it—between Bhaliaghatta and Dhoppa—so that there may be a double line of stores and a double row of boats moored there instead of a single one as at present ; in putting new gates to the locks and providing them with additional sluicing power, so that boats may pass through in about half the time formerly required ; in facing the lock with cut stone in lieu of the old brick

work, much worn ; and in putting a new iron bridge instead of the present wooden one at Bhaliaghatta, the present one being inconveniently low for the traffic.

It was intended to have completed the whole of this work this season if possible ; labour is now more abundant, and steam has been used to economise in pumping whenever it was practicable. The completion of these improvements will cost about a lakh and a half of rupees.

The traffic now passes through Tolly's Nullah, which requires general improvement. An estimate for the improvements of this Nullah has been submitted to Government amounting to nearly two lakhs of rupees. The eastern Canals from Calcutta to Khogolna have not been neglected. Tow-paths have been made along the banks, and wooden bridges built over the Khalls nearly the whole way, so that boats can tow right through in any weather ; formerly they could not go against the wind even with the tide. One of the worst places in the line is being deepened. Proposals have been sent in for three new cuts which would shorten the distance about thirty miles and the time twenty-four hours. They will no doubt be sanctioned. The line requires deepening in many places. It will take three or four years to put it in good order. The Lieut. Governor has recognized the principle of keeping the Canals in good order out of the proceeds of their own tolls before any portion of them is handed over for any other purpose.

Tramway from the Sealdah Railway Termini to the centre of business.

A Committee has been appointed by the Lieutenant Governor to report upon this subject. His Honor is against locomotives through the heart of the town, cutting in the middle every one of its thoroughfares; and he remarks that a Railway from the Euston Square Terminus to London Bridge, crossing all the streets on the level, would not be more inconvenient to the people of London than a Railway from the Sealdah Termini to the river would be to the people of Calcutta. It is proposed to bring the projected Tramway to the centre of business at or near the Custom House. As Bow-Bazar and Loll Bazar streets are not wide enough to admit of the narrowest single line, it will be necessary to open out a new street along which to carry the Tramway to the East or West of these streets, and as the bulk of the goods traffic will run in the direction of Burra Bazar and Clive streets, we would suggest that on this ground, as well as on the ground of the land required for the line being of less value to the north than to the south of Loll Bazar, the Tramway should pass to the north of Loll Bazar street.

WET DOCKS.

On 29th December 1858, we took the liberty of addressing the Lieutenant-Governor of Bengal regarding the construction of Wet Docks to the following effect:—

"The construction of Wet Docks has been under discussion for many years, but without any practical results other than plans, estimates, returns, and the collection of much useful statistical information; but no further progress has been made since the subject was first under attention in 1824, and revived in Committee twenty years later.

"The time has arrived however when nothing less than the absolute possession of Wet Dock accommodation will satisfy the increasing requirements of the extending commerce of Bengal; the trade of the Port has never been so urgently in need of it as at the present moment; and its incessant increase adds largely to the necessity of providing accommodation commensurate with its actual, and-prospectively greater, demands.

"In a separate communication on the subject of the proposed canal between Calcutta and Rajmahal, it was stated that the supply of water obtained from it would immensely facilitate the construction of Wet Docks; and the facility which Colonel Cotton's scheme would give in the construction of what is so urgently required adds considerably to the value of the proposed undertaking.

"The Committee respectfully submit that this subject should receive the earliest attention the Lieut. Governor can bestow, as it is important to determine on a site which, if possible, should make the Docks a terminus for the canal, and be contiguous at the same time to the termini of the new Railways about to

be built. The moment is most propitious for carrying out one grand scheme calculated to centralise in one focus all the traffic of the port; so favorable an opportunity should not be lost; and the Committee therefore suggest that a commission, composed of Government and Railway Engineers and Merchants, be appointed to enquire into the proposition, to consider the most eligible site, to collect all obtainable information, and to draw up a full report, to be submitted to Government for its information, and that of private capitalists who may be disposed to engage in the undertaking.

"The Committee desire to add that from the enquiries, they have been able to institute, they feel satisfied that there would be an ample revenue sufficient to give a handsome return on the capital required, and that its collection, so far from being an extra expense to the shipping or the merchants, would be attended with a manifest saving and advantage to both interests."

In reply to this communication the Bengal Government informed the Chamber, that the subject was closely connected with the larger question of the employment of private agency in the construction of public works, which had been referred to the Board of Revenue, by whom a report had been submitted with the opinions of some of the Commissioners who had been consulted on the matter, and that the reply to the enquiries of the Chamber was delayed, pending the receipt of further report.

Colonel Cotton's Scheme of a Canal for Connecting the Ganges and Hooghly.

We noticed this important proposition in a former report; but, so far as we know, no further notice has been taken of it by Government.

MR. HARINGTON'S LICENSE BILL.

APPENDIX M.

A petition from the Chamber was presented against this measure, and a public meeting of the inhabitants was held on 12th of September at which a petition to Parliament was adopted against the bill, praying to have the general taxation of India placed on broad and sound principles; to prevent the establishment of a system of exceptional taxation on the industrial classes and on trades and professions, and of any general system for putting commerce and trades and professions under fiscal license; for the establishment of an equitable income and property tax in conjunction with such other taxes as may from time to time be expedient; to take such measures as appear expedient to obtain from the Executive Government an annual statement of income and expenditure, and of the financial state of the Government, and for early publication of the same for the information of the public of India; to take such means as may appear expedient for having an authoritative enquiry made into the general administration of the Government, and the cause of the prevailing discontent; for the opening of the Legislative Council to the non-official

classes, and the admission therein of a sufficient number of non-official and independent members to ensure the representation of public opinion in the said Council ; and, consequent thereupon, for abolishing the Executive Council, and placing the office of Governor-General and Governors in a proper state at once of freedom and responsibility in the exercise of their executive functions. The above petition will be presented to Parliament when it meets. No further movement has been made in the Legislative Council in carrying through this bill, or the bill for the increase of stamp duties, which it is generally believed will in their future stages be entrusted to the Right Hon'ble James Wilson on his return from the North-West Provinces.

CUSTOMS' TARIFF.

APPENDIX N.

The Board of Revenue having intimated the intention of Government to increase the valuations of certain articles of the Tariff on which duties are levied, a statement was furnished to us of the articles in question, and the following gentlemen, viz. : Messrs. John N. Bullen, James Rose, C. E. Schoene, P. T. Ralli, and Seth A. Apear, were appointed as the Tariff Committee to confer on this important subject with Government. They have had one or two interviews with the Board of Revenue, who urged the Committee for the grounds of their objections to the valuations as soon as possible, as the revised Tariff must be sub-

mitted to Government by the Board without delay. On the 15th December the Tariff Committee addressed the Board of Revenue, stating that to collect the facts, bearing on each article would be a matter of time, and that in objecting to the increased valuations they had consequently been compelled to confine themselves to some of the leading articles. The Tariff Committee showed that the increased rates suggested by the Board were too high, by taking the average prices for three years, of Grey Shirtings, Bleached Shirtings, Grey Jaconets, Bleached Jaconets, Grey Madapollams, Figured Shirtings, Prints, Turkey Red Mulls, Turkey Red Jaconets and Mule Twist in this market. We need not trouble you with the details ; but by way of illustration we may mention first, that Grey Shirtings which by the present tariff are valued at one anna six pie per yard, the Tariff Committee proposed to be one anna nine pie, and the Board of Revenue to be two annas a yard ; second, Bleached Shirtings—present rate one anna eight pie, proposed by Tariff Committee two annas, and the Board of Revenue two annas six pie ; third, Grey Jaconets—present rate Rs. 1-10, Tariff Committee proposed Rs. 1-12, and the Board of Revenue Rs. 2-4 per piece ; 4th, Bleached Jaconets—present rate Rs. 2-8, proposed by Tariff Committee Rs. 2-8, proposed by Board of Revenue Rs. 3-4 ; 5th, Prints—present rate Rs. 3, Tariff Committee proposed Rs. 3-8, and the Board of Revenue Rs. 4-13 ; and Mule Twist—present rate three annas five pie, rate proposed by the Committee four annas, and by the

Board four annas six pic. To the increase of valuations of Exports it did not appear to the Tariff Committee that there was much room for objection, excepting as to the articles of Hides and Jute, the former of which they proposed to be thirty-five rupees per corgé, and the latter thirteen rupees per bale. The Committee trusted that the Board of Revenue would on reconsideration admit their valuations, but, if unable to do so, they solicited the extension of time for shewing cause: why the increased rates, so arbitrarily fixed by the Board, should not be adopted. The Board of Revenue have sent in, or are about to send in, their report to Government.

Classification of Fabrics under Schedule XV. of Act VII.

APPENDIX C.

We brought to the notice of the Board of Revenue that duty was levied on printed Jaconets of ten to fifteen yards, which are worn by the poorest classes, at the rate of twenty per cent, these goods being classed as millinery under the above Schedule; and believing that the Government desired to maintain the principle of admitting the lower duty on goods in general use by the mass of the population, we suggested that Cotton Prints consumed by the poorer classes should be passed at the lower duty of 10 per cent. only. In reply, the Board of Revenue on 28th November last informed us that His Honor the Lieutenant Governor had been pleased to direct that all bonâ fide made up dresses shall be classed as millinery and

subjected to the duty of 20 per cent., but that all pieces of any sort of fabric not made up, and not capable of being put to use as dresses without undergoing regular process of manufacture, shall, without any distinction as to dimensions, be treated as piece goods liable (as unenumerated articles) to a duty of ten per cent. only.

GOVERNMENT SECURITIES.

APPENDIX P.

The $5\frac{1}{2}$ per cent. loan opened on 1st of May still continues open, and the subscriptions of late, in consequence of the improvement of the securities here and at home, have been flowing in more freely, and the probability is that the five millions cash for which the loan was opened will be obtained before the end of the Commercial year. The subscriptions up to the 31st October last amounted to

Cash	Rs. 1,32,31,500
Transfer	Rs. 1,29,37,900
Total	Rs. 2,61,69,400

It is to be kept in view that all the cash subscribed to this costs the Government 6 per cent. The New Indian Loan (Sir Charles Wood's 5 per cent.) is quoted in the English market at 104 to 104½ ex-dividend: our $5\frac{1}{2}$ per cent. loan at 103, and our 5 per cent., at 96, according to the latest quotations. Here the present selling price of $5\frac{1}{2}$ per cents. is about four, and of

5 per cents. eight, discount ; there being a difference to a seller in favour of the London market as compared with this one of 7 per cent. as regards 5½, and of 4 per cent. as regards 5 per cent. paper.

We recently brought under the notice of the Financial Secretary the risk and inconvenience to which parties who make use of Government paper with coupons thereto attached are liable when they have to transmit them to England, as has been done extensively of late ; and we suggested that, to avoid this, steps should be taken with the view of issuing notes with coupons in England, on the production there of a proper receipt from the Accountant General's Department of this and the other Presidencies. To this communication we have not had any reply, but as Government must naturally be desirous to extend the area over which their securities can be with greater facility negotiated, we have no doubt that this suggestion will, like some of those previously made by us, receive favorable consideration.

COMPENSATION FOR LOSSES BY THE MUTINY.

In the *Government Gazette* of the 29th October there appeared a despatch from the Secretary of State for India on the subject of the claims preferred for compensation for losses of properties by the mutiny. In this communication the Secretary of State for India states that Her Majesty's Government cannot admit that there is any ground for the claims put forward for the property of individuals for losses of profit,

which but for the mutiny might have been realized, or by insurance offices for loss of premiums by the death of persons whose lives were insured. After full consideration of the subject Her Majesty's Government are of opinion that in granting compensation a distinction should be made between losses on buildings, factories, or crops ; and losses of cash, jewels, and articles of personality. They have accordingly determined that in regard to the former when the amount of the admitted loss shall not exceed Rs. 2,000 compensation to the extent of one-half shall be awarded, and in case where the admitted loss shall exceed Rs. 2,000, compensation shall be awarded to the extent of Rs. 1,000, and one-third of the sum by which the loss shall exceed Rs. 2,000. In regard to cash, jewels, and articles of personality they consider it proper to limit the compensation to one-third of the admitted loss, in no one case granting a larger amount than Rs. 5,000.

The amount which will have to be provided as compensation under the principle laid down in this despatch will not exceed Rs. 80,00,000 ; but Her Majesty's Government desire that it should be distinctly understood that whatever may be the amount of losses substantiated, no larger sum than Rs. 1,00,00,000 can be granted for payment of compensation, and that in the event of this sum being insufficient to satisfy the claims established on the foregoing principles, a *pro rata* reduction must be made. The Governor-General has appointed commissioners

for the purpose of conducting such further enquiries as may be deemed necessary into the claims which had been registered, and for disposing of the same; the decision of the commissioners to be final, and their enquiries to be completed within four months from the 15th of November. Losses in merchandize and stock in trade to be classed as losses of factories, buildings, and crops.

The Compensation Committee with reference to the above suggested that the full million should be distributed in compensation on the principle laid down in the despatch of Her Majesty's Secretary of State; it being the opinion of the Committee that a million will cover the claims in full, and that no *pro rata* reduction will therefore be necessary. The Governor General has been pleased to state that the full million will be distributed as suggested by the Compensation Committee. The Insurance offices consider themselves so much wronged by the decision come to by the Secretary of State excluding them from all compensation, that there is a probability of the question being brought forward in Parliament during the ensuing session.

ELECTRIC TELEGRAPH.

In our last report we noticed the completion of the line as far as Aden, and within the last few days the line has been successfully laid between Kurrachee and Muscat; and when the line between Muscat and Aden is completed, we shall, if there are no breaks

beyond, be in direct telegraphic communication with London. When the China war begins the line from this to Singapore will perhaps be completed; Singapore and Batavia are already in electric communication. The commercial intelligence from England at present telegraphed to all the Presidencies on the arrival of each mail at Bombay and Galle is collated by Mr. Lane of London and paid for by the Chamber. In anticipation of the extension of the telegraphic line, we enquired of the Bombay and Madras Chambers of Commerce whether they were willing to co-operate with us and pay a portion of the expense of such commercial intelligence as might be agreed upon by the three Chambers jointly should be communicated by Mr. Lane as often as might be required.

The expense of each message will be heavy, and the suggestion made was that the cost incurred should be borne equally by the Chambers of the three Presidencies. The Madras Chamber cannot consent to this because the number of subscribers of each Chamber is widely different, and the trade of the respective ports greatly disproportioned; but it is willing to consider any scheme which may involve a proportionate payment. The Bombay Chamber thinks that it will be better to wait until the line is opened, and the public informed what measures the respective authorities may take for the dissemination of public news.

For the present therefore we confine our means of information to the existing arrangement with our London correspondent.

GOLD CURRENCY.

The last letter addressed on this subject to the Governor-General has not been replied to; the question is probably one which has been referred to Mr. Wilson, whose views upon it we may possibly know before many weeks are over. In the meantime the expediency of a gold currency has undergone a good deal of discussion in the public journals here and in England. On this point we have only to repeat the conclusion to which we came when addressing Government on 25th July last, viz. the expediency of adopting gold as standard in place of silver, and of making silver and copper ancillary to gold in the same proportion as in the currency of Great Britain. The adoption of the English standard, we are persuaded, will in the course of time result as beneficially for India as upwards of forty years' experience has proved it to have done for England, who effected the change in her standard in 1816, after having contracted upwards of 800 millions of her debt, while India's obligations to her creditors do not at present amount to more than 100 millions, chiefly of recent contraction.

PAPER CURRENCY.

APPENDIX Q.

In September last the Financial Secretary forwarded for the information of the Chamber a correspondence transmitted by the Governor of Madras to the Supreme Government regarding the extension of the

circulation of Bank notes in that Presidency in payment of sums due to Government; as also copy of a note by the Financial Secretary himself, dated 11th February 1859, on the advantage of an extension of a paper currency, throughout India generally, both to the public and to the Government.

This paper has been forwarded by the Governor-General in Council to Sir Charles Wood, the Secretary of State for India, with the view of obtaining an expression of the sentiments of the Home Government thereon. Its main features are the proposed issue by Government of Bank notes in sums of ten rupees and upwards from central treasuries within a circle of 300 to 400 miles; such notes being payable on demand at the treasury from which they were issued, and receivable, in whole or in part, in payment of Government dues within that circle, but otherwise not to be absolutely a legal tender. Payment of the notes to be secured by a cash reserve of at least $\frac{1}{4}$ th of the issue in the central treasuries, and to prevent over issue an Act to be passed limiting the total issue for the whole country absolutely, or relatively in proportion to the cash balances in hand, which Act, for greater force, it is proposed should be passed by the Imperial Parliament. It is estimated that three to four millions sterling of these notes would be absorbed in a short time; and that the circulation would eventually rise to seven millions. The extension of a paper currency in India on a sound basis is manifest, but opinion is divided as to whether the

sole control should rest with the Government, or whether the issue of it should not be entrusted to institutions, similar to the Bank of England, having the sanction and support of the Government, and transacting all the Government's money business in receipts and payments.

ADDRESS TO THE RT. HON. JAS. WILSON.

APPENDIX R.

On the 6th of last month a deputation from the Chamber joined by a deputation from the Indigo Planters' Association waited upon Mr. Wilson, and presented an address congratulating the Right Hon'ble gentleman on his arrival, and on his having taken his seat in the Supreme and Legislative Councils. Mr. Wilson received the deputation with great cordiality, and warmly reciprocated the kindly feeling of the address. In his reply he remarked that the extension of commerce was the great pioneer of a high civilization, and, glad of the sympathy of the mercantile classes, he sought their co-operation, being satisfied that one and all wished to see this country relieved from her present complication and difficulties, and to see her progress in a well conducted and extending commerce. Years ago two simple and well defined principles, he said, had fixed themselves in his mind, one was that capital must find its life in investment and enterprise, and the other that a well ordered, well governed country must happily and fully employ the great industrial masses of the people. The mercantile

community have reason to congratulate themselves that a man of Mr. Wilson's broad and liberal principles has come with authority amongst them, and we shall look forward with considerable interest to the measures of the Government in finance and taxation which we hear are to be committed chiefly to his guidance.

The following elections have been made by your Committee subject to confirmation :

MESSRS. MOSLEY AND HURST.

„ HONIGBERGER AND Co.

SIR A. DE H. LARPENT, Bt. and

MESSRS. HENRY COPE AND Co. of Umritsur.

They have also, subject to your confirmation, re-elected Mr. James Rose, member of the Committee, on his return from England.

D. MACKINLAY,

President.

Calcutta, 25th January, 1860.

*Proceedings of a General Meeting of the Chamber of
Commerce held on Saturday, the 19th May 1860.*

JOHN N. BULLEN, Esq., V. P., *in the Chair.*

THE Chairman having read the advertisement under which the Meeting was convened, requested the Secretary to read the report of the Committee up to the 30th April 1860.

The report having been read, the Chairman addressed the meeting as follows:—

“Before I move, as I shall presently do, that the report which has just been read be received, I wish to be allowed on behalf of the Committee to make a few remarks on that portion of the report wherein it is recommended that the Chamber should take advantage of this opportunity to express in general terms its adhesion to the principle of the Income Tax introduced by the Government into the Legislative Council. I am well aware, gentlemen, that taxation, in whatever form it may be imposed, is not an agreeable operation to submit to, and certainly it will not be the less distasteful when it is brought home to us as individuals so directly and so tangibly as it will be by the proposed Income tax. But, gentlemen, what is to be done? We none of us want to be taxed any more than do the people of Madras or Bombay, or

those sections of the community on this side of India, who, on various pretexts, are clamouring for exemption. Still somehow or other the money must be had. There is a deficit in the current year of six and a half millions. And we have it on Mr. Wilson's authority that that deficit exists after retrenchment has reached its utmost possible limit. If the deficit were for this year alone, no doubt it might be met out of the large cash balances which have accumulated in the treasuries; but from the same authority we learn that although further retrenchment in the military charges is possible, and will be carried into effect, yet that, making every allowance for saving under this head, no reasonable hope exists that the deficit of the coming year can be reduced below £5,700,000, unless new sources of revenue are opened up. What then, I again say, is to be done? Government no more than individuals can do without money, and if we are to accept Mr. Wilson's exposition as correct—and I for one am prepared to place implicit reliance on statements put forth by him so advisedly—if, I say, we are to accept that exposition as a true statement of the position of the finances, that there is a deficiency this year of six and a half millions, and a prospective deficiency next year of £5,700,000, then it is quite clear only one of two courses is open to the Government—either they must open new loans or they must impose new taxation. No doubt it would be a very comfortable way of tiding over the difficulty to borrow six millions this year, and five millions next year, and so on, as long as people could

be found fools enough to lend their money to a Government pursuing so dishonest and suicidal a course. But that is not a course which this Chamber could recommend. No body of men has more strongly and more frequently denounced the system of open loans than this Chamber, that miserable and disreputable system of open loans in times of peace, as Mr. Wilson fitly termed it; and it is impossible the Chamber could advocate a return to that system. If then, as we all hope, that system of hand-to-mouth finance, of supplementing a deficient revenue by perpetual loans, is once for all given up, as it must be if the country is ever to emerge from its present state of financial embarrassment, only one other course is open to the Government. Retrenchment having reached its limit, the deficiency which still remains must be met by additional taxation. If that position is accepted, then the question is virtually narrowed to this,—in what way can that inevitable taxation be most equitably and most economically raised? Are we to bring to the decision of this question the intellect, the experience, and the resources, of western civilisation, or are we to fall back on the expedients of a bye-gone age? Are we again to see transit duties revived, and the trade of the country strangled by a system of octroi at every town and village? Are the import duties to be raised from 10 per cent. to 20 per cent., and our exports also—coming as many of them do into competition in the markets of consumption with similar articles produced in other countries—are they to be

taxed until the trade withers under its burdens? Mind you, Government must have money, and if money cannot be raised in the way it proposes, it must be raised in other and probably less legitimate ways, for necessity is superior to all law. If then we would escape these evils,—if, as I believe we all do, we wish to see the vessel of the State righted and to assist in bringing her out of the troubled waters in which she has lately been tossed, let us shew our patriotism by lending all the support in our power to the measures which the Government consider necessary for the financial regeneration of the country. We profess to have confidence in the experienced statesman into whose hands the financial interests of the empire are now committed; let us shew that confidence by lending a hearty support to the general principle of his measures. Not, Gentlemen, that we think it necessary the Chamber should commit itself to an entire approval of that measure as it at present stands. There are clauses under which property already paying Income tax in England will again be subjected to Income tax in this country. There are other clauses of the bill which are open to, and will probably receive, amendment in Committee, but these are details into which it is not necessary we should at present enter. What we ask is only that this meeting shall pronounce in favor of the principle of the measure. Believing as we do that the Income tax is the only engine by which the financial regeneration of the country can be accomplished, we ask you to give your adhesion to the

principle of the measure, and, in assuring the Government of our support, to strengthen, as far as may be in our power, their hands at this juncture.

I now move that the Committee's report be received."

The following resolutions were then duly submitted and unanimously adopted :—

Proposed by Mr. J. N. Bullen.

Seconded by Mr. James Macdonald.

That the Report of the Committee be received.

Proposed by Mr. J. N. Bullen.

Seconded by Mr. James Rose.

That, believing additional taxation to be a necessity in the present embarrassed state of the public finances, this Chamber desires to express its approval of the general principles of an Income tax falling equally on all classes.

Proposed by Mr. H. A. Hurst.

Seconded by Mr. James Macdonald.

That, while approving of the general principle of an Income tax, this Chamber desires to represent the hardship of subjecting incomes already liable to Income tax in England to another Income tax in this country, as is proposed in the bill now before the Legislative Council; and that the foregoing resolutions be communicated to Government.

The Chairman announces to the meeting that the voting cards for the election of a Committee for the

current year having been examined, the votes were in favour of

Mr. J. N. Ballen, as President.

Mr. E. D. Kilburn, as Vice-President.

Mr. P. T. Ralli,

Mr. James Rose,

Mr. W. S. Fitzwilliam,

Mr. Seth A. Apear,

Mr. James Rome,

} As members.

Mr. Rose having expressed his inability to act as a member of the Committee, Mr. F. Schiller, next in order of votes, was elected in his place.

The cordial thanks of the meeting were tendered to the late Committee for their valuable services in behalf of the Chamber; and the meeting separated after a vote of thanks to the Chairman.

H. W. I. WOOD,

Secretary.

REPORT OF THE COMMITTEE.

SUBMITTED AT THE GENERAL MEETING OF THE BENGAL
CHAMBER OF COMMERCE HELD ON 19TH MAY 1860.

MR. WILSON'S FINANCIAL MEASURES.

The *Budget Speech* of 18th February. The exposition of the state of the public finances, and of the measures which Government had decided on introducing to restore an equilibrium, is so familiar to the members of the Chamber that it is not necessary the Committee should advert to it at any length. That differences of opinion should exist on the details of these measures is only what might be expected; but as a whole the Committee believe they have been received with satisfaction by the European commercial community on this side of India. In the face of the deficit which is stated to exist, and of the impossibility of extinguishing that deficit by reduction of expenditure, only one of two courses is open to the Government; either new taxes must be imposed or the discreditable system of open loans in time of peace must be continued. The latter course all feel to be impossible. Assuming therefore that additional taxation is a necessity, the Committee believe that no more equitable means of levying that taxation exists than by a graduated Income tax falling on all classes without exception as proposed by Mr. Wilson. Believ-

ing that by this measure only can the finances of the country be restored to a healthy condition, the Committee have seen with regret the opposition to it which has sprung up in Madras and Bombay, and amongst sections of the native community in this Presidency. And, without committing the Chamber to an unqualified approval of every clause of the bill, as it at present stands, they think that this opportunity may legitimately be taken of expressing in general terms the adhesion of the Chamber to the principle of the Income tax, and to assure the Government that on the passing of that measure with such modifications as may be decided on in select Committee, they will have the full support of the mercantile classes represented by this Chamber.

The Currency bill introduced by Mr. Wilson on the 3rd March is also a measure of the greatest importance. The principles on which it is based have been assailed from many quarters, but in the opinion of the Committee the safeguards which the Bill provides against over issues, and for the convertibility of the note, will in practice be found sufficient. It is impossible to say that circumstances may not arise when the notes may be inconvertible; but no system that was ever devised could provide for every possible contingency; even if coined silver was deposited for every rupee of notes issued, circumstances might still arise when such reserves would be swept away and be unavailable for payment of the notes. The Committee are aware that

considerable difference of opinion exists in regard to this measure; many, whose opinions are entitled to respect, considering that the faculty of issuing paper money should never under any circumstances be entrusted to the Government: others again are of opinion that no necessity existed for depriving the presidency Banks of their privilege of issue, thereby diminishing their power (already too restricted) of rendering banking accommodation to the public. A controversy on these points would be out of place in this report. What however all will be inclined to agree in is the right of the public to participate in the advantages to arise from this issue of paper money, advantages which are secured to it under Mr. Wilson's scheme. It may be added that, if carried, Mr. Wilson's measure disposes of the oft-mooted question of a gold coinage in substitution of or auxiliary to the present silver currency.

CUSTOMS TARIFF.

APPENDIX N.

This matter was referred to in our last report. The Chamber is aware that a revision of the fixed rates of valuation for assessment of duties on imports and exports has for sometime been impending, and that a sub-committee was appointed to confer on the subject with the Board of Revenue, and to protect, as far as was possible, under the present system, the interests of the trading community. That committee took great pains to collect information, and it was hoped

it had induced the Board of Revenue to moderate the excessive valuation it seemed disposed to adopt. These expectations have however been disappointed. The Chamber is aware that a new Tariff was published on the 4th ultimo, which by order of the Lieutenant Governor took immediate effect in this presidency. By that Tariff the valuations are in almost every case considerably raised, the effect being of course the same as if a further addition was made to the duties. On the appearance of this Tariff the Committee

Messrs. Bollen,
Rosa,
Reli,
Apar,
Miller,
Rome,
Schiller,
Sagrandi,
Mickey,
Holgers,
Murdock,
Kilburn,
Walker, and
Keith.

convened a special meeting of the members of the Chamber, at which a sub-committee—consisting of the following gentlemen—was appointed to take this matter under their management. These gentlemen commenced by memorialising the Lieutenant Governor, requesting that pending an appeal which it was their intention

of making against the new Tariff its operation might be suspended. This his Honor declared himself unable to comply with. The Committee then addressed themselves direct to Mr. Wilson, requesting an interview which that gentleman immediately conceded. The committee waited on him at his residence on the 25th April, and through the Vice President explained at length the objections they had to the matter of the Tariff, and to the manner in which it had been compiled: the points principally dwelt upon were that the valuations were actually in excess of either

the current rates of the day or of the average valuation of the last three years, high as that average was—owing to exceptional causes which were fully pointed out: that considering the changed position of the market for native raw cotton and the increasing supply of American cotton, it was almost certain a lower range of prices than the average of the last three years must be looked forward to, and that consequently valuations based on the average of the last three years were in reality too high. It was also pointed out that these duties acted as a protective duty in favor of the native manufacturer, which was opposed to all sound principles, and that although the revenue could perhaps not at present be spared, yet that care should be taken that the duties imposed were not so heavy that English manufactures would be undersold, and that astonishing expansion of the trade witnessed during the last two years receive a check. The true policy of Government in the opinion of the deputation lay in the encouragement of a trade of so much value both to India and the mother country. That if not checked by ill considered measures—such as the one appealed against—the trade would continue to increase, less rapidly perhaps than during the last two years, but still to increase, and that an increased revenue was more safely to be looked to from such natural development than from spasmodic efforts to extract from it at once larger amounts by increased duties, whither levied directly by an increased percentage or indirectly by an increase

of the fixed valuations. Finally, in support of their case, the deputation handed in several statements exhibiting the average prices of the last three years. Mr. Wilson listened with courteous attention to the representations of the deputation to which he promised every consideration, and a reply so soon as he had had time to go into the matter. The reply has not yet reached the Committee. Papers connected with this subject will be found in the Appendix.

P. & O. COMPANY'S CONTRACT.

APPENDIX S.

In former reports the Committee have referred to the delay which has not unfrequently occurred in the delivery of the inward mails by the P. & O.'s contract steamers in consequence of their having to anchor short of Calcutta owing to an insufficient depth of water at certain states of the tides. The Committee recommended to the Government of India (and their recommendation was forwarded to the Secretary of State,) that in the event of the P. & O. Co.'s contract being renewed for a further term, a clause should be inserted binding them in such cases to have a small steamer in readiness to at once receive the mails and bring them on to Calcutta. It will be seen by the correspondence in the Appendix that the Committee's suggestion has met due consideration, and that a clause to the desired effect will be inserted in any new contract which may be concluded with that Company. It is to be inferred however from the letter of

Captain Lovell, the late Superintendent at Calcutta, which appears amongst these papers, that instead of having a small steamer of their own available at all times for this service, the P. & O. Company are inclined to depend on engaging the services of one of the Tug steamers when the necessity for transhipping the mail arises. Yet it must be well understood by the Company that these steamers are all frequently under engagement for their more legitimate occupation of towing vessels, and that if reliance is placed entirely on them disappointment will constantly ensue. With the liberal subsidy this Company receives from the public, it can well afford to maintain a small boat of its own for this special service, and the community will have just cause for complaint if proper measures are not adopted for giving effect with certainty to the proposed clause. With the telegraph in working order between this and Madras, the arrival of the steamers at Kedgerree can be estimated almost to an hour, and even if the P. & O. Co.'s agent is himself unable to calculate whether on her arrival at Kedgerree at a sufficiently early hour to reach Calcutta, there will be water to enable her to proceed without anchoring, he will have no difficulty in obtaining the requisite information from the Master Attendant's office. It can consequently always be known when the service of a small boat will be required, and the public will be impatient of any excuse should avoidable delay in the delivery of the mails occur.

Whilst on the subject of the P. and O. steamers

the Committee cannot refrain from congratulating the mercantile community on the fact of the old "Bentinck" and "Hindoostan," being at length extruded from the mail service. It is to be hoped the service may henceforward be maintained with regularity by the more modern boats now on the line, and that the discreditable spectacle will not again be witnessed of the Marseilles mail being forty-one days in transit, as was the case so recently as the London mail of 26th January, delivered in Calcutta by the "Bentinck" on the 7th March last.

TELEGRAPHIC COMMUNICATION WITH ENGLAND.

APPENDIX T. U.

Since our last report the remaining section of the Red Sea line has been successfully laid between Aden and Kurrachee, and though there has since been an interruption of about three weeks on this section it is again in working order. Unfortunately about the time this section was completed communication became interrupted on the other side of Aden, and is not yet restored, so that the full benefit of this line, by which India will be brought into direct communication with the shores of the Mediterranean, and eventually with all the capitals of Europe, is not yet experienced. The communication will, it is to be feared, at the outset be liable to similar interruptions from time to time, but the perfect feasibility of the scheme having been demonstrated, it is to be hoped efforts will not be relaxed until, either by the adoption of an improved description of cable or by the

laying of duplicate lines, our permanent connection with Europe will be secured. That a line should have been laid between Suez and Kurrachee before Alexandria has been brought into correspondence with the European system of telegraphs is creditable to the energetic administration of the Red Sea Company. The link now wanting in our communication with Europe is however certain to be supplied at no distant period, and, independent of extensions of Continental lines, we may expect that within two years at the furthest England will be connected with Alexandria by the sea route via Gibraltar and Malta. Already the first section of this Cable, constructed on what is believed to be an improved principle, to be laid between England and Gibraltar, is nearly ready. Direct communication between England and her Indian possessions is in fact a political, if not a commercial, necessity, and it is certain such communication must be established.

It will be in the recollection of the Chamber that at the meeting held in January last it was suggested that in view of the probability of the early opening of the line between Calcutta and Suez arrangements should be made for the despatch of a weekly message to the Chambers of Commerce in Liverpool, Manchester, and Glasgow, containing a summary of the changes which had intermediately taken place in our markets. To give effect to this recommendation the Committee on the 15th March addressed a circular to the members of the Chamber enquiring to what extent they

would be willing to contribute towards the expences of such messages. The result of the reference was as follows :—Twenty-one members declined to contribute at all : eleven only agreed unconditionally to contribute their share of such expences : nine would contribute if the English Chambers joined in the expence ; five, if the expences did not exceed Rs. 100 to 150 per annum, and twenty-three were of opinion that it should be carried out by the Chamber as a body, that is, that the expences should be borne by the general funds of the Chamber, and not be raised by individual subscription, leaving it to be inferred that they would not contribute individually towards the expences. Adding these to the dissentients the result of the voting may be taken at forty-five against and twenty-five in favor of the proposition. It is obvious that on the existing scale of subscription the expence of such messages could not be borne by the general funds of the Chamber. The Chamber's ordinary revenue is sufficient to meet its ordinary expenditure, and to leave a small surplus, but such messages with the utmost compression could scarcely contain less than 100 words entailing a monthly charge on its resources of at least Rs. 800. The Committee have therefore necessarily abandoned the idea of carrying out the scheme for the present. But they have placed themselves in communication with the Manchester and Liverpool Chambers, offering to prepare such a summary and transmit it weekly to Kurrachee, if these bodies will agree to bear the expence of its trans-

mission from Kurrachee. This correspondence will be found in Appendix T.

In connection with the subject of the Electric Telegraph the Committee regret that not only can no improvement be reported in the working of the lines on this side of India, but that complaints of delay in the receipt of messages and of the unintelligibility of such messages when they come to hand have increased during the last three or four months. These complaints have found frequent expression in the public papers, and all those who have had occasion to employ the telegraph must feel how well founded such complaints are. It was announced only three days ago, probably as some answer to these complaints, that Calcutta was in direct communication with Bombay, and that messages of thirty words had been received in five minutes. As a scientific feat this is no doubt interesting, but the community would have been much more gratified if the telegraph department could have announced that in future all messages from Bombay should ordinarily be delivered in an intelligible condition in five hours. The Committee unwillingly make these remarks which they fear may give pain to the Superintendent, Sir William O'Shaughnessy, who they deeply regret to hear will be compelled by the state of his health to leave India for a time. No Government has ever had a more energetic and valuable public servant than Sir William O'Shaughnessy. His heart has been in his work, and to him more than to any other human being is India indebted for that vast system of

communication which has been completed under difficulties which nothing but his energy could have overcome. The Committee believe that Sir William O'Shaughnessy has earned the lasting gratitude of all classes of the community, and they look on his departure from India as a great misfortune. They gave expression to those feelings which they consider due personally to the Superintendent in a letter which they addressed to him shortly before his late departure from the Presidency, which with the reply will be found in Appendix U. But that the working of the line is defective is beyond a doubt, and in giving expression to this fact the Committee are only performing a public duty.

EAST INDIAN RAILWAY.

We have been favored with copies of the reports of Mr. George Turnbull, Chief Engineer, Bengal Division, detailing the progress of the East Indian line from Howrah to Buxar; of Mr. George Sibley, Chief Engineer, North Western Provinces, with similar details of the progress of the line from the Kurrumnassa to Delhi—where it will join the Punjab line; and from Mr. H. P. LeMesurier with details of the proposed line from Allahabad to Jubbulpore, where the East India Railway will form a junction with the Great India Peninsular Railway, completing that portion of the grand triangular system by which the eastern and western capitals of British India will be united. These documents are too lengthy to be embodied

entire in the Appendix of this report, but their contents may be thus summarised:—

1st.—Extensions are proposed of the existing mineral line which will open up a large tract of country in the Raneegunge district and facilitate the supply of coal, for which there is a constant and ever increasing demand. These extensions are understood to have been sanctioned, though no official communication to that effect had reached Mr. Turnbull at the date of his report (18th February 1860.)

2nd.—Opening of the line to the Ganges at Rajmahal. This Mr. Turnbull hopes may be accomplished by the 1st July next, although at the date of his report much work remained to be completed on different sections. It is not however expected that the line will be at once available for public traffic, the urgency of the requirements of the Railway Company for transport of its own material and permanent way being such that its conveyance will necessarily take precedence of all other traffic. A junction with the Ganges will however be of almost incalculable advantage to the Railway Company, enabling them to push forward to Rajmahal the mass of material constantly arriving in Calcutta, from whence it will be taken on, and distributed to other points, by their fleet of steamers and flats. One of the great difficulties the Company have hitherto had to contend with, viz., the conveyance of permanent way, and heavy pieces of machinery required for distant sections of the line entirely by tedious and dangerous river navigation

will then, to a very great extent, be overcome; the happy result of which will no doubt be speedily apparent in the increased speed with which the works on these sections will attain completion.

3rd.—From Rajmahal to Colgong. Mr. Turnbull considers that by great exertion a locomotive may run from end to end by the spring of 1861, and possibly the next section to Bhaugulpore may be completed by the same time, though some heavy work appears by the report to be still unfinished, and the whole of the permanent way had not at the date of the report been supplied. Beyond Bhaugulpore, though in places the works appear advanced, no estimate is given of the probable time when they will be entirely completed owing to heavy bridge works and to the short supply of permanent way. Thus under the head of the Monghyr division Mr. Turnbull reports as follows:—

"I can only add that none of the Iron-work for the abovementioned bridges has yet left Howrah, and the sites of these bridges being far inland and no passable roads leading to them, it is next to impracticable to convey the Ironwork otherwise than by Railway. We have every reason to believe that the Railway from Sufflabad (opposite Monghyr) to the river Keul, a distance of thirty-one miles, will be ready for an engine at the end of this year, but no use can be made of this part of the line till the branch to the river by which the Iron bridge work and other materials may be transported is finished."

A short branch line from Monghyr to the Ganges had been recommended and sanctioned as a temporary line, but Government having decided that no authority existed to give land for temporary purposes, and the Railway Company being unable to make private arrangements with the owners and occupiers of the land, the permission to make the branch was of little avail. Mr. Turnbull strongly recommends that it should be a permanent and not a temporary branch, the northern end of the branch touching the Ganges at the only place where there is deep water throughout the year, and where all the permanent way, all the machinery for the workshops, and all the heavy iron work for the Keul and Hulohur bridges must be landed. The grand difficulty the Engineers on these sections of the line have to contend with appears to be the want of an adequate supply of permanent way. This difficulty the opening of the line to Rajmahal is calculated materially to mitigate.

4th.—In Mr. Sibley's report of progress in the North-west we find the same constant complaint of want of permanent way material. The only part of the line open in this division is from Allahabad to Cawnpore, 120 miles, on which the traffic has continued uninterrupted during the past half year. On other sections of the line the earth and brick works appear well advanced, but in this division there are some heavy bridge works, the completion of which will under the most favorable circumstances necessarily occupy considerable time.

5th.—From Mr. LeMesurier's report we find that during last cold season nine engineering parties were employed surveying alternative lines between Allahabad and Jubbulpore, the result of which Mr. LeMesurier himself gives as follows :—

"By the end of the cold season we shall have four alternative lines from Allahabad to the Ghats, and from the Ghats, or to the table land of Rewah traversed and levelled. Two lines in addition to Mr. LaTouche's line from the Ghats to Meyhere two lines from Meyhere to Jokahie, and three lines from Jokahie to Jubbulpore with alternatives in one or two portions of that distance. We shall also be in possession of cross sections of all questionable localities, plans of all important river crossings, and complete information as to the supply of all materials and labour to assist in the preparation of alternative estimates."

The longest line likely to be adopted between those two places is 227 miles, and the cost of construction Mr. LeMesurier estimates at £10,000 per mile or £2,270,000. The mileage may possibly be reduced by adopting one of the alternative lines lately surveyed, but this would not necessarily decrease the above estimate of construction, as it will only be effected by the carrying out of heavy works in ascending the Ghats.

EASTERN BENGAL RAILWAY.

The upper portions of this line have made very considerable progress during the last three months, a

large amount of earthwork having been satisfactorily completed : and large quantities of ballast have been prepared all along the lower portions. Surveying parties who have been actively engaged since the beginning of February in the survey of the country for the continuation of the line to Dacca have lately returned, having completed the survey of the entire length of one line from Khoostee to Dacca, by way of Eldunt, Demrah and Shazadpoor, and crossing the Burhampooter by ferry near Bara Pukhee. Part of an alternative line by Pubna, as direct as the nature of the country will admit, to the confluence of the Coorasgur with the Burhampooter, crossing there by a ferry, has also been surveyed since the other line was finished, and this will be completed next cold season.

CALCUTTA AND S. E. RAILWAY.

The Agent reports as follows :—

1. The earthwork along the Calcutta and South Eastern has progressed satisfactorily, and the greater portion of it will be finished before the rains set in ; the remainder is likely to be completed early next year.

2. On the first five miles the permanent way material is in place, thus facilitating the forwarding of all descriptions of material and rolling stock.

3. The two station houses at Soonnapoor and Laddapoor are nearly finished, but the brick-work along the line has made very little progress beyond the preparation of common ballast. There was a good deal

of unavoidable delay in the beginning in consequence of the great demand for labor and the exorbitant rates asked, but the constant changes in the Government Railway department have latterly been the main cause of all delay, and have brought some of our works nearly to a stand-still, and are seriously interfering with the settlement of questions which were either left in abeyance or not clearly disposed of by the officers who had from time to time charge of the office.

Of our bridges the only work of importance—the Piale bridge has been commenced, and the wells for the pillars are now being sunk.

At the Mutlah end no operations have been entered on, this season being rather advanced, and competition for labour very keen on the part of Government, who are making roads and tanks in the new town.

Our Calcutta station would have been in a forward state had it not been for the unreasonable claims advanced by the Municipal Commissioners, with whose intended drainage outlet sewer the situation of our terminus interferes, and in consequence of which claims we have neither been able to get possession of our land nor a decision as to the level of the station. The question being one not only affecting the Railway Company but the sanitary condition of the suburbs through which the line runs, and that of Calcutta generally, I have been obliged to reject the compromise suggested by Government, as it did not relieve

us of our dangerous neighbours, who seem to have succeeded in obtaining the consent of the local authorities to the establishment of their works in so central a position regardless of all public considerations. As I am still without a reply to my representations it is possible that I may have to call on the Chamber to exercise their influence in this important question.

About one-half of our permanent way material has now arrived, and is being deposited on various points along the line.

With the delays above described I cannot expect the line to be open for traffic before the end of next year.

CALCUTTA AND EASTERN CANALS.

The improvements to the Circular Canal between the Salt Lakes and Chitpore, reported as having been commenced in October last, are very nearly complete; the only portion remaining to be done is about half a mile at the Chitpore end, which there is every reason to hope will be complete before the rains set in. The remainder, about four and half miles, is complete, and now occupied by boats. The progress has been very satisfactory. There was great competition for men between the Eastern Bengal Rail, the Mutlah Rail, the Calcutta drainage, and the canal works. Steam was used almost entirely for unwatering; so all the labor which could be procured was available for the excavation. And that portion which would have required very heavy un-watering is being very successfully re-

moved by a sixteen H. P. Steam dredger,—built for the use of the canals.

The road from Bhaliaghatta to Dhappa is in progress, but a very small amount of labor can be spared to it till the excavation of the canal is complete. It will be completed and the land ready to let out for stores in six or eight months. The old wooden bridge has been removed from Bhaliaghatta and a Warren's iron girder put up,—giving ample head-room in the canal : it will be finished in a few months.

The improvements to Chitpore lock are quite complete. New gates have been put in, the machinery all renewed, the old brick facing has been cut away, and replaced by cut stone.

When these works are completed, the circular canal will be in thoroughly efficient working order.

The canal between Bhaliaghatta bridge and Nurkol-danga bridge is crossed by the Eastern Bengal Rail : their dock and station will be close by. This makes the locality so important, and the lands along the canal banks so valuable, that it is thought desirable to improve the appearance and permanency of the place as much as possible. With this view, a general design for store-houses has been prepared, by which it is proposed that all parties who take land along the banks for storage purposes shall build.

Tolly's canal remains in the same state as when last reported on ; no attempt could have been made to improve it this year, as the whole of the through traffic to the Hooghly used it.

The improvements to the Eastern canals are being steadily carried out. Bungalows have been erected at convenient distances along it for the Overseers,—the first step to real improvement—bridges and tow-paths are being repaired : and about three-fourths of a mile of a shallow winding nullah is being deepened and straightened ; it is now nearly complete. No orders have been passed on a proposition for three new cuts mentioned in the last report.

The importance of the canals may be seen from the fact that tolls were paid in 1859-60 on over 6,13,00,000 of maunds.

TRAMWAY.

In connection with the Railways having their Termini at Scaldah, a Committee appointed by the Lieutenant Governor to report on a plan for constructing a tramway, to be worked by animal power, for conveyance of passengers and light goods from those termini to the vicinity of Tank Square, have recommended to the Lieut. Governor the construction of such a line. The Committee is now enquiring into the expediency of adapting this line for heavy goods also, in view of the increase of traffic which may be expected when these lines of Railway get into operation.

COUPON PAPER.

APPENDIX V.

The Appendix contains copies of correspondence with the Government of India on the subject of

the risk of loss to which parties are exposed, who resort to the *coupon* forms in remitting Government stock to England by post. The Committee suggested that, instead of issuing these coupons here, the Treasury should give a simple receipt in triplicate for the money deposited, exchangeable in England at the proper department for notes with coupons attached, thus to a great extent avoiding the risk of loss in transmission between the two countries. The President in Council does not in his reply touch the principle involved in our application, but states merely that the demand for paper in coupon-paper having declined during the last few months, he does not at present consider it expedient to recommend the adoption of the change suggested to the Secretary of State.

DUTY ON TEAK TIMBER AT MOULMAIN.

APPENDIX W.

In the Appendix will be found a very interesting letter from Capt. Hopkinson, Commissioner of the Tenasserim and Martaban Provinces, on the subject of a recommendation which he had made to the Government of India to substitute an export duty of four rupees per ton for the present system of free export from, but of taxed imports into, the port of Moulmein. Capt. Hopkinson gives a vivid description of the demoralizing effect of the system at present in force. The Supreme Government by whom the question was referred for our opinion appears to consider that a heavier export duty than four rupees per ton might be

raised without injury to the trade. The Committee have strongly supported the change of system so ably advocated by Capt. Hopkinson. On the question of increased duty they remarked that as a general rule it does not follow that an increase of nominal duty is followed by a proportionate increase of revenue. An export duty on such an article as Timber is in fact indefensible on principle and must sooner or later be removed altogether: but in the present state of the finances and of the general revenue of the Tenasserim provinces it must no doubt be looked on as a revenue duty which cannot be spared.

FLAX CULTIVATION.

APPENDIX X.

We publish in the Appendix correspondence with the Flax Supply Association of Leeds.

COMPENSATION FOR LOSSES BY THE MUTINY.

In referring to this subject in their last report the Committee stated that with reference to the letter from the Secretary of State fixing the principle by which the million which had been voted should be distributed, the Governor-General had recommended that in the event of the whole amount not being absorbed by this distribution the amount receivable by each claimant should be *pro-rata* increased out of any balance which might remain undisposed of. They regret now to state that this recommendation has been disallowed by Sir C. Wood.

INDIGO COMMISSION.

Although this subject has not come under the immediate notice of the Committee (the Indigo interest having an organized association of its own to protect its own interests) the Committee have seen with pleasure that a Commission has been appointed by Government to enquire into the whole system of planting, and of the relations between the ryots and the planters and the zemindars in Bengal. They trust that the result of this Commission—by exposing whatever is defective in the present system of planting, and whatever is defective in the state of the law and its administration in the Mofussil, and causing such defects to be remedied—will be to restore this important interest to a sound and prosperous condition.

ARBITRATION FEES.

The Committee have recently passed a resolution that in all cases where reference is made to them on questions of custom, such reference should be accompanied by a fee of one gold mohur. And where cases are submitted for their arbitration a fee of two gold mohurs should be charged. The object of these charges is to form a fund for the purchase of standard works for the Chamber's library.

NEW MEMBERS.

The Committee have elected as Members of the

Chamber since the last meeting, subject to confirmation at the present meeting,

Messrs. Argenti Sechiari and Co.

„ Purrier and Co.

Mr. J. H. Fergusson.

And the following Members have retired—

Messrs. Whitney and Young.

„ Samuel Smith Sons and Co.

Mr. P. Johnson.

Messrs. Church, Lindsay and Co.

PRICE CURRENT

The circulation of the Chamber's Price Current has steadily improved, and increased to 1,750 copies.

THE FINANCIAL POSITION

of the Chamber is exhibited in Appendix Y., which shews a cash balance on 30th April of Rs. 1,694-9-2, together with 4 per cent. paper for Rs. 7,500.

JOHN N. BULLEN,

Vice-President.

Calcutta, 19th May, 1860.

APPENDIX A.

WET DOCKS.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 26th May, 1859.

A. R. YOUNG, Esq.,

Secretary to the Government of Bengal.

SIR,—The subject of Wet Dock accommodation for the shipping of the port of Calcutta was brought before the Government of Bengal in my letter of 29th December last,—to which I am directed to observe no reply has yet been received—and the question is now reverted to as the Committee of the Chamber of Commerce understand that influential parties are desirous of taking steps with the view to introduce the project to the notice of Capitalists in England, and of others interested in the Shipping and Trade of the port, and who are anxious that such introduction should be accompanied by as clear and complete an exposition as they can submit of the circumstances which justify their recommendation of the undertaking.

This subject was very fully investigated by the Committee appointed by Government in 1844, who in their report of 1st May 1846 entered into all the points involved in the scheme, embracing the various plans which had been discussed several years previously, the general and peculiar advantages of Wet Docks, their general plan, capacity, site, estimated cost, annual expenditure and receipts, estimated saving to the public and to the State; and the Committee, after a careful consideration of all the circumstances which their investigation elicited, unanimously arrived at the conclusion "that the construction of Wet Docks would be an easily practicable as well as a duly remunerative and highly beneficial undertaking; and that the most expedient plan for raising the requisite funds would be by means of a Joint Stock Company, aided by a grant from Government in the form of shares, and supported by it in a way that all experience has proved is best calculated to secure utility and to command success."

This report was submitted to the Deputy Governor of Bengal, who while expressing his general approval of the suggestions laid before, him, stated that he would be prepared, should it be found practicable,

"to recommend for the consideration of the Supreme Government the outline of a plan for securing to the port of Calcutta the important advantages of Export and Import Docks by means of a Joint Stock Company, of which the Government will, if necessary, become a considerable shareholder." His Honor was also of opinion that opportunity should be taken of making known the desire of Government to encourage the work, and the Committee were informed that he would gladly receive proposals for forming a Company either in the manner suggested or on any other footing that on further consideration may be preferred.

The preliminary measures of the Committee were in this satisfactory and encouraging position with every prospect of prosecuting and accomplishing their important undertaking when the crisis of 1847 overtook the commercial world, and all further action in the scheme of Wet Docks for Calcutta, with the required capital of half a million sterling, was necessarily suspended.

With the subsequent revival of Trade, however, which has given an unprecedented impetus to the commercial operations of Calcutta, attended by a corresponding increase in its import and export tonnage, the question of providing Wet Dock accommodation for the shipping of the Port has again received the earnest attention of the mercantile community, and, as already remarked, influential parties are desirous of bringing the subject prominently before the public with the view to raise the necessary capital, and to commence the construction of Wet Docks with all practicable expedition. Before venturing however to submit their scheme for the consideration and co-operation of those who may be disposed to embark in it, the promoters of this important work are anxious to ascertain if the Government of India entertain the favorable view which was taken by the Government of Bengal already referred to, and to what extent and in what manner its support and encouragement will be given.

With the view to obtain this information the Committee of the Chamber of Commerce have been requested to address His Honor the Lieutenant Governor. They have been assured that the construction of Wet Docks would be attended with the most successful results; that while a remunerative investment of capital would be secured to proprietors, the many serious disadvantages under which the shipping of the port is exposed would be removed, the insecurity and enormous loss of property arising from the present system of loading and discharging vessels would give place to the fullest protection, and the trade of Calcutta be materially facilitated and extended.

If therefore the practicability of the enterprise can be fully established, its remunerative results exhibited as not beyond reasonable expectation, and the advantages arising to the shipping and mercantile interests of Calcutta placed beyond dispute, the Committee of the Chamber respectfully submit that the undertaking is worthy of the consideration of Government as to the measure of encouragement it should receive.

In the opinion of those interested in the plan of Wet Docks three important concessions by the State are indispensable to its effectual accomplishment.

- 1st.—That the Government guarantee a certain rate of interest on the paid-up capital of the Joint Stock Association.
- 2nd.—That a grant of land for the site of the Docks, Warehouses, Offices, and other necessary buildings, be sanctioned on the conditions observed in requirements for railways or other public undertakings.
- 3rd.—That Government by legislative enactment secure for the Association an amount of revenue by means of certain authorized charges on the shipping of the Port as Dock Dues, and as wharfage rates on all goods, produce, and other property passing through Docks.

On these three points the Committee would offer the following observations.

1st. *Government Guarantee.*—This question has already been the subject of previous correspondence in connection with the employment of private agency in the construction of public works; regarding which the opinion of the Chamber was requested by Government; the Committee expressed their belief that by the adoption of such a plan the country would be largely benefited, but to bring private agency into operation on any important scale the assistance of the State by means of a guarantee was absolutely indispensable; that the required capital would be available mainly in the Home market; and that its introduction into this country would be hopeless unless capitalists were encouraged and protected by such guarantee.

In the undertaking now under consideration the magnitude of requisite capital, which the Committee understand would be about a million sterling, would be an insurmountable difficulty unless removed by an imperial guarantee; but with that concession the amount would be at once available.

If the scheme recommends itself to the favorable consideration of Government, and in furtherance of an important undertaking largely

affecting the interests of the capital of British India, such concession will not probably be withheld.

2nd. *Grant of Land*.—In the report of the Wet Dock Committee of 1st May 1846, two sites were spoken of, viz. at Kidderpore and at Akra, the latter being ultimately preferred. Since then however other localities have been considered as better adapted to the requirements of the shipping; and the Committee learn that the one most in favor with the projectors of the Docks is a piece of land skirting the Chitpore Canal near its entrance to the river, the situation of which is considered admirably suited to the more extended accommodation now required for the shipping, as well in point of position, accessibility by land and water, and contiguity to the Railway Termini which it is believed will be hereafter established in that neighbourhood, as in respect to the greater probability of the land being obtained at a very much less cost than similar accommodation elsewhere would involve. With the exception of one or two insignificant buildings on it, the ground is reported to be as waste land, and where no public interests would be sacrificed or interfered with if appropriated to Wet Docks.

3rd. *Legalised Dock Dues and Charges*.—The Committee believe that such privileges are secured by Parliamentary enactment to all Wet Dock Associations in England, and as the revenues derived from such authorized sources mainly form the income of those Associations, their legalised collection would of necessity be essential to the success of a similar undertaking in Calcutta.

With these general observations the committee submit the subject for the consideration of the Government of Bengal, with a request that His Honor the Lieutenant Governor will be pleased to favor the Chamber with an expression of his views for the information of the parties on whose behalf I have now the honor of addressing you.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 25th August, 1850.

E. H. LUSHINGTON, Esq.,

Offg. Secretary to the Government of Bengal.

SIR,—I am directed by the Committee of the Chamber of Commerce to request the favor of your drawing the attention of the Honor-

able the Lieutenant Governor to the subject of Wet Dock accommodation for the shipping of the Port of Calcutta as communicated in my letter of the 26th May last, and to solicit an early expression of His Honor's views on the question submitted for his consideration.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 3361.

FROM

RIVERS THOMPSON, Esq.,

Junior Secretary to the Government of Bengal.

TO

THE SECY. TO THE BENGAL CHAMBER OF COMMERCE,

Fort William, the 21st September, 1850.

PUBLIC WORKS.

General,
Public Works.

SIR,—I am directed to acknowledge the receipt of your two letters dated respectively the 26th May last and 26th ultimo; and in reply to state, for the information of the Committee of the Chamber of Commerce, that the question of the employment of private Agency in the construction of Public Works, of a remunerative character, has been referred to the Board of Revenue, by whom a report has been submitted with the opinions of some of the Commissioners who have been consulted on this subject.

2. As the subject of the formation of Wet Docks for this Port is closely connected with the larger question above adverted to, the reply to the enquiries of the Chamber of Commerce is delayed pending the receipt of further report.

I have the honor to be,

Sir,

Your most obedient Servant,

RIVERS THOMPSON,

Junior Secretary to the Government of Bengal.

APPENDIX B.

TONNAGE SCHEDULE

TONNAGE SCHEDULE for the Port of Calcutta adopted at the General Meeting of the Bengal Chamber of Commerce held on the 28th May 1859. The Schedule is to come into operation from 1st January 1860.

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Aloes, in Bags and Boxes,	20	.....
Alum, in Ditto,	20	.....
Aniseed, in Bags,	8	.....
Arrowroot, in Cases,	20	50
Asafetida, in Bags and Boxes,	20	.....
Apparel, in Boxes, .....	.....	50
Black, in Bags,	8	.....
Bees' Wax,	20 cwt. gross.	.....
Barilla,	20	.....
Beld-nut,	20	.....
Books,	20	50
Borax or Tineul,	20	.....
Brimstone,	20	.....
Bullion,	16	at per cent.
Cake-lac, in Bags,	16	.....
Camphor, in Cases,	20	50
Cardamoms, in Robbins,	8	50
" Boxes, .....	.....	50
Cassia, in Boxes, .....	.....	50
" in Bags,	12	.....
China Root, in Bags,	11	.....
" Boxes, .....	.....	50
Chiretta, .....	.....	50
Cigars, .....	.....	50
Cleves, in Bags,	8	.....
" Boxes,	20	50
Coals,	20	.....
Cochinell,	18	50
Coffee, in Bags,	16	.....
" Casks,	20	62
Coral, Rough,	20	.....
Cotton, in Bales, 5 to the ton, not to exceed,	20	.....
Covvies,	18	.....
Cutch, in Bags,	20	.....
Dates, Wet,	16	.....
" Dry, .....	.....	.....

Tonnage Schedule.—Continued.

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Dholl,	20	.....
Elephants' Teeth, in Bulk,	20	50
Furniture,	12	.....
Garlic and Onions,	16	.....
Ginger,	20	.....
Gram, .....	.....	50
Gums, in Cases, .....	.....	50
Gunny Bags and Gunny Cloth, .....	.....	50
Gunjah, .....	.....	52
Hemp, in Bales, per Ton of 5 Bales, not to exceed, .....	.....	14
Hides, Buffalo, or Cow, Curried,	20	.....
Hoots, Horn Shavings and Tips,	20	.....
Horns, Cow, Buffalo or Deer, .....	.....	50
Indigo, .....	.....	52
Jute, 5 Bales to the Ton not exceeding, .....	.....	50
Lac Dye,	20 cwt. gross.	.....
Lard,	20	50
Linseed,	20	.....
Mace,	20	.....
Machinery,	20	.....
Metals,	16	.....
Mirabolans,	20	2 puncheons or 4 hds.
Molasses,	20	.....
Mother o' Pearl, in Bags,	20	.....
" Chests, .....	.....	50
Musical,	20	.....
Mustard or Rape Seed,	20	.....
Nutmegs, in cases or Casks,	16	.....
Nux Vomica,	16	.....
Oats, .....	.....	50
Oil in Cases, .....	.....	4 hogheads, per chest.
" Casks,	16	.....
Opium,	20	.....
Paddy,	12	.....
Peas,	12	.....
Pepper, Long,	14	.....
" Black, .....	.....	50
Planks and Deals,	20	.....
Poppy Seed,	10	.....
Putchuck,	10	.....
Raw Silk, in Bales,	20	.....
Restons for Dummage,	20	.....
Red Wood Ditto, .....	.....	52
Rhea, in Bales, per Ton of 5 Bils. not exdng,	20	.....

Tonnage Schedule.—Continued.

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Roping in Coils,	16	50
Lines and Twines, in Bundles,	20	50
Rum, in Casks,	2 puncheons or 4 blads,	50
Safflower, in Bls, p. Ton of 5 Bls. not exd.,	50	50
Sago, in Cases,	20	50
Sal-ammoniac, in Bags,	20 cwt gross,	50
Boxes,	20	50
Saltpetre,	20	50
Sail,	20	50
Sapan Wood for Dunning,	20	50
Sealing Wax, in Cases,	50	50
Seed-luc, in Cases,	50	50
Bags,	16	50
Senna,	20	50
Shells, Rough, in Bags,	20	50
Shell-luc, in Cases,	16	50
Bags,	15	50
Silk Piece Goods,	14	50
Skins,	15	50
Snap, Country, in Cases,	15	50
Bags,	20	50
Stick Lac, in Cases,	16	50
in Bags,	20	50
Sugar,	20	50
Yellow, in Cases or Casks,	20	50
Talc,	20	50
Tamarind, Cases or Casks,	20	50
Tea,	50	50
Teel Seed,	20	50
Timber, Round,	40	50
Squared,	50	50
Tobacco, in Bales,	16	50
Tortoise Shells, in Chests,	50	50
Turnerie,	16	50
Wheat,	20	50
Wool,	50	50

N. B.—Goods in Cases or Casks 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 the limits of the Port of Calcutta.

H. W. I. WOOD,

Secretary.

APPENDIX C.

DUTY ON GOODS IN BOND.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 20th April, 1829.

A. R. YOUNG, Esq.,

Secretary to the Government of Bengal.

SIR,—I am desired by the Committee of the Chamber of Commerce to submit for the consideration of the Hon'ble the Lieut. Governor the following representation regarding the payment of duty on goods bonded previous to the passing of Act VII. of 1829.

The Committee have been informed that on application to pass out of bond goods which had been bonded prior to that date, the duty on which had been assessed in the usual manner in accordance with the provisions of Section III. of Act XXV. of 1836, and in respect of which the customary bond had been duly executed, the Collector of Customs declined to release the goods except on payment of duties leviable under the recent Act.

The Committee are of opinion that the Collector has taken an erroneous view of the position occupied by goods under such circumstances, and are unable to accept his interpretation of the Act in this respect, or to recognise his power to vary the conditions of bonds already accepted by the Government for specified amounts. No such authority is conveyed to the Collector by the Act of 1839, and the Committee are of opinion that the whole scope of the Act of 1836 must be construed in favor of the duty assessed before execution of bond as a *fixed* duty, which cannot be increased against the importer or his assigns.

That such was the view of Government when Act IX. of 1845 was passed is manifest from the course adopted with regard to goods then in bond; and it is difficult to reconcile the measure attempted by the Collector with his official intimation of what the practice *then* was; for the Chamber is informed by him "that duty on goods bonded previous, and cleared subsequent, to the passing of Act IX. of 1845 was paid at the rates assessed at the time they were bonded."

The Committee submit that the terms in which such assessments were made obligatory on bonders can bear but one clear interpretation; and the mode in which bonds dated prior to date of Act IX. of 1845 were discharged confirms the view entertained by the Committee as to the course which should be adopted now.

The Committee have been given to understand that the Collectors of Customs at Madras and Bombay place this construction on the question; and they trust His Honor will be pleased to direct that the new duties shall not be leviable on goods bonded previous to the 12th ultimo.

I have, &c.,

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 25th April, 1859.

A. R. YOUNG, Esq.,

Secretary to the Government of Bengal.

SIR,—With reference to the levy of duties under the operation of Act IX. of 1859, the Committee of the Chamber of Commerce direct me to submit for the consideration of His Honor the Lieutenant Governor that the stringent application of the enhanced rates has in many instances been a matter of extreme hardship upon importers. It has been represented to them that the Collector of Customs rejected the amount of duties payable at the old rates in cases where the clearance of goods had passed through all the necessary forms except the final one of the Collector's signature to the Duty Bill, and they respectfully submit that in all cases in which application to pass had been made and admitted the old rates of duty should apply. The Committee further represent that the cargoes of the Ships "Arelville," "Princess Royal," and "City of Manchester," which had arrived within the limits of the Port before the passing of the Act on the 12th ultimo, should be exempt from its operation; and that the same principle should be recognised here in this respect as has been, the Committee believe, adopted by the authorities at Madras and Bombay.

I have, &c.,

H. W. I. WOOD,

Secretary.

No. 1304.

FROM

A. R. YOUNG, Esq.,

Secretary to the Government of Bengal.

TO

THE SECRETARY TO THE CHAMBER OF COMMERCE,
CALCUTTA,

Fort William, the 27th May, 1859.

Mrs. Rev.
Customs.

SIR,—With reference to your letters dated the 20th and 25th April last, I am directed to state, for the information of the Chamber of Commerce, that their representations have been submitted for the consideration of the Government of India, as the officiating Collector of Customs appears to have acted in the matter under orders from that authority.

I have the honor to be,

Sir,

Your most obedient Servant,

A. R. YOUNG,

Secretary to the Government of Bengal.

No. 1394.

FROM

A. R. YOUNG, Esq.,

Secretary to the Government of Bengal.

TO

THE SECY. TO THE BENGAL CHAMBER OF COMMERCE,

Fort William, 9th June, 1859.

Mrs. Rev.
Customs.

SIR,—With reference to your letter dated the 25th April last, I am directed to state for the information of the Chamber of Commerce, that it has been ascertained, that they were mis-informed when it was represented to them, that the new rate of duty was insisted upon in cases where the clearance of goods had passed through all the necessary forms, except the final one of the Collector's signature to the duty bill.

The Officiating Collector of Customs has reported, that he required payment at the new rates, only on goods on which the duty at the old rate *had not been paid*, at the moment of his receiving the order to raise the Customs duties. In so acting Mr. J. H. Young strictly obeyed the orders he had received.

2. With reference to the remark in your letter under reply concerning the duty leviable on the cargoes of the Ships *Arethusa*, *Princess Royal*, and *City of Manchester*, the Chamber will perceive on referring to Act VII. of 1859, that it allows no privilege of exemption to the cargoes of vessels in the port at the time the new tariff took effect. They will also perceive that if the executive authority had given any privilege of exemption to any particular parties, beyond the law which was made equally applicable to all, they would have acted with impropriety. Any line drawn between the cargo of one vessel and the cargo of another vessel must have been quite arbitrary; and the effect of any privilege so granted would not have been to give any advantage to importers generally, but to give a peculiar advantage to individual importers at the expense of traders generally, whom such illegitimate exemption would have enabled the individuals exempted to undersell.

I have the honor to be,

Sir,

Your most obedient Servant,

A. R. YOUNG,

Secretary to the Government of Bengal.

No. 1828.

FROM

A. R. YOUNG, Esq.,

Secretary to the Government of Bengal.

TO

THE SECY. TO THE BENGAL CHAMBER or COMMERCE,

Fort William, the 24th June, 1859.

Mrs. Rev.
Customs.

SIR,—In continuation of my letter No. 1364, dated the 27th ultimo, I am directed to state, for the information of the Chamber of Commerce, that the Government of India have authorized the exemption from the

new rates of import duty of goods which were bonded previous to Act VII. of 1859 coming into operation, and the refund of excess payment in all cases in which duty has been levied on such goods at the enhanced rates.

I have the honor to be,

Sir,

Your most obedient Servant,

A. R. YOUNG,

Secretary to the Government of Bengal.

No. 1826.

FROM

A. R. YOUNG, Esq.,

Secretary to the Government of Bengal.

TO

THE SECY. TO THE BENGAL CHAMBER or COMMERCE,

Fort William, the 24th June, 1859.

Mrs. Rev.
Customs.

SIR,—With reference to my letter of the 9th instant, No. 1394, No. 1394, I am directed by the Lieutenant-Governor to state, for the information of the Chamber of Commerce, that His Excellency the Governor-General in Council has decided, that, in cases in which goods had been assessed at the old rates of duty at the time of the receipt by the Collector of Customs of the order of the Supreme Government to clear no goods upon which the higher rates of duty had not been paid, the new rates under Act VII. of 1859 shall not be imposed, and in cases in which the increased duty has been paid upon goods assessed for duty at the old rates the excess payment shall be refunded.

I have the honor to be,

Sir,

Your most obedient Servant,

A. R. YOUNG,

Secretary to the Government of Bengal.

APPENDIX D.

Publication of Subscriptions to open Loans.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 15th March, 1859.

C. H. LUSHINGTON, Esq.,

*Secretary to the Government of India,
Financial Department.*

SIR,—On the 30th December 1856, the Committee of the Chamber of Commerce solicited the Right Honorable the Governor General in Council to publish a weekly statement of the total amount of subscriptions to the then open 4½ per cent. loan; and suggested the expediency of giving notice of the sum required to be thus raised for the public service: but His Lordship was unable to comply with either of those requests.

Whatever objections may have been entertained to the course which the Chamber of Commerce then strongly urged on the Government, it is satisfactory to observe that with respect to the proposed official declaration of the amount necessary to provide for the exigencies of the State those objections do not now exist, and that the views of the Chamber have thus far been met.

The other suggestion however is, in the opinion of the Chamber, of considerable importance; and the Committee respectfully desire to renew their application for the issue of a monthly statement of subscriptions to any loans which now are, or may in future be, open, trusting His Excellency will be pleased to adopt the measure which is again submitted for His Lordship's favorable consideration.

I have, &c.,

H. W. I. WOOD,

Secretary.

XV

No. 9258.

To

THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE.

SIR,—I am directed to acknowledge the receipt of your letter of the 15th instant, in which, after referring to their application of the 30th December 1856, for the publication of a Weekly Statement of the total amount of subscriptions to the then open Loan, the Committee of the Chamber of Commerce ask for the issue of a monthly statement of subscriptions to any Loans which now are or may, in future, be open.

2. In reply I am desired to inform you that His Excellency the Governor-General in Council will always be willing to meet the wishes of the Committee by the publication of any returns which can be published consistently with the interests of the State. But no reasons have been adduced by the Chamber in support of their application, and as it is not apparent in what respect the publication of the returns in question would be of service to the public generally, while it is very probable that it might prove detrimental to the interests of the State, His Excellency in Council is not disposed to accede to the request of the Committee.

3. I am to add however that any reasons which the Committee may desire to urge in support of their request will receive careful consideration from His Excellency in Council.

I have the honor to be,

Sir,

Your most obedient Servant,

C. HUGH LUSHINGTON,

Secy. to the Govt. of India.

COUNCIL CHAMBER, }
The 26th March, 1859.

BENGAL CHAMBER OF COMMERCE.

Calcutta, 31st March, 1859.

C. H. LUSHINGTON, Esq.,

*Secretary to the Government of India.**Financial Department.*

Sir,—I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter of the 26th, in reply to the letter which I had the honor of addressing to you on the 15th instant.

In this reply the Committee are informed that because no reasons have been adduced in support of the application made in the above letter for the issue of a monthly statement of subscriptions to any loans, which now are, or may in future be, open; and because it is not apparent in what respect the publication of the returns in question would be of service to the public generally, while it is very probable that it might prove detrimental to the interests of the State, the Governor General in Council is not disposed to accede to the request of the Committee; and you conclude by observing that any reasons which the Committee may desire to urge in support of their request will receive careful consideration from His Excellency in Council.

Of His Excellency's permission the Committee beg to avail themselves, and in support of the request contained in my previous letter I am directed by them to urge—

1. That they cannot see any good ground on which the publication of the returns called for can be in any way detrimental to the interests of the State.

2. That in all matters of public accounts between the Governors and the governed there should be no secrecy, but on the contrary the utmost publicity as early as possible.

3. That the want of information as to the subscriptions made to loans opened from time to time by Government is detrimental to the interests not only of the State but of the public. For instance as to the loan now open the general impression is that very little money is being subscribed. Of this opinion the public will continue, and if the fact be in accordance with this general impression, the publication if it cannot be of any detriment to the public interests, in as much as the

public act and will act upon it. If the fact be the other way, that is that the subscriptions to the Loan are larger than the public suppose, the publication thereof will do good rather than detriment to the State as well as to the public.

4. That while in Great Britain the subscriptions to public Loans, whether Loans of the English or of a Foreign Government, are never made a secret of, but on the contrary are made public at once to the world, the Committee can see no reason why the Government of India should not be equally communicative in what so much concerns the Indian Public.

5. That as the public have the opportunity of knowing monthly how the income of the State is added to by the duties on salt, customs, opium, &c. the Committee are at a loss to know why the amount added to the public funds through the public loans should not be made equally patent to the public. In England this is shewn in the quarterly accounts, and the Government or Public Deposits are seen weekly in the Bank of England returns.

6. That as the progress made in filling up an open Loan in India affects the securities of the previous Loans, as well as the operations of the monied classes, the proper policy of the Government is to make the truth known as early as possible. It is secrecy and not publicity which always in such matters injures the interests of the State.

7. That as the returns now called for can any day be obtained on the motion of any Member of Parliament who takes the trouble of calling for them, that Committee are unable to see what possible injury can result from the publication here of the same returns a few weeks sooner for the information of the parties most interested.

The Committee of the Chamber trust that for the reasons above stated His Excellency in Council will on re-consideration consent to the publication of the returns asked for in my letter of the 15th instant, a measure which they are certain will be quite as much appreciated by the public as was His Excellency's recent statement of the probable requirements of the State for the year 1859-60.

I have the honor, &c.,

H. W. I. WOOD,

Secretary.

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No. 2754 A.

TO THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE.

SIR,—I am directed to acknowledge the receipt of your letter dated the 31st ultimo, and in reply to inform you that His Excellency the Governor General in Council consents to the publication quarterly, along with the cash balance return, of a statement of subscriptions to the open loans of the day.

I have the honor to be,

Sir,

Your most obedient Servant,
C. HUGH LUSHINGTON,
Secretary to the Government of India.

Council Chamber,
The 12th April, 1859. }

BENGAL CHAMBER OF COMMERCE,
Calcutta, 16th April, 1859.

C. H. LUSHINGTON, Esq.,
Secretary to the Government of India,
Financial Department.

SIR,—I have had the honor to receive your letter No. 2754 A, of the 12th instant, which informs the Committee of the Chamber of Commerce that His Excellency the Governor General in Council consents to the publication quarterly of a statement of subscriptions to the open loans of the day; and I am desired by the Committee to request you will have the goodness to submit to His Lordship in Council their most respectful acknowledgment of the consideration with which their representation has been regarded.

Although His Lordship's compliance is not to the full extent hoped for by the Committee, they are very sensible of the value of the modified concession which His Excellency has been pleased to make.

I have the honor to be, &c.,

H. W. L. WOOD,
Secretary.

APPENDIX E.

PROPOSED MODE OF RAISING LOANS.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 19th February, 1859.

C. H. LUSHINGTON, Esq.,
Secretary to the Government of India,
Financial Department.

SIR,—I am requested to address you on behalf of the Members of the Chamber of Commerce and others, assembled at a Public Meeting this day held to consider what course should be pursued in reference to the recent financial operations of the Government.

The Meeting desires respectfully but firmly to express its strong feeling of the injury inflicted on all classes by the action of the Government in bringing out new loans at higher rates of interest than on existing open loans,—such loans being opened without any previous notice, and without any information to the Public as to what the financial wants of the Government, present and future, are or are likely to be; the meeting desires to renew and urge again in the strongest manner the recommendation to Government, by the Committee of the Chamber in 1855, that the greatest possible publicity should be given to the financial proceedings and position, present and future, of the Government; a course which has ever been attended with the happiest effects in England, while the contrary course adopted in this country has produced, is now producing, and must hereafter produce if continued, results injurious, at once, to the Government and to the Public at large.

As every financial operation of the Government must necessarily affect all classes of the community, and especially the commercial class, the Meeting has felt it to be quite within its province, and deems it its duty to lay before the Government its views as to the present position of the money market in connection with the Loan lately opened, and as to the best mode of raising future loans; these views they present with an ear-

nest hope that they may be found at once serviceable to the Government and beneficial to the public.

The Meeting entertains, and desires to express, its decided opinion that, as a general rule, and so far as may be found practicable, future loans for the service of India should be raised in England; in no other way can loans be raised with so much facility or on such favourable terms; and it is believed that the circumstance of English Capitalists investing freely in Indian Loans at moderate rates of interest will afford the strongest inducement that can be found for wealthy Natives of India to continue and extend their interest in existing loans, and to subscribe to any future loans which it may be found necessary to raise in India; it is universally known that England is the great centre of the commercial and monetary transactions of the world, and that the English money market is the general resort of nations and communities wishing to raise loans; already the principle of raising loans for India in England has been recognised and acted on by the 4 per cent. Debenture loan of eight millions in 1858, a loan raised with the greatest facility, and which is maintained nearly at par, while in India is witnessed at this moment the extraordinary spectacle of a 4 per cent. loan at 26, and a 5 per cent. loan at 12, discount.

The Meeting however is well aware that there may be circumstances at the present time which, in the opinion of Government, render undesirable a recourse to the English Money Market; should this unfortunately be so, it respectfully suggests to the Government that the most effectual means of raising money in India at present would be—

By a modification of the recent Notification for the issue of Treasury Bills.

By a declaration of the amount required to be borrowed in the course of one or if possible of two years.

By the statement that, so soon as such amount shall be received, the loan will be immediately closed.

By the assurance that no other loan will be raised within a period named; and

By declaring that no higher rate of interest will be paid in India than 5 per cent. per annum; but that failing the loan being taken up within a given time it will be raised in England.

The limit of time for conversion of the 4 per cent. and other loans into 5 per cents. to be 30th April next, the date already fixed by the Government.

The Meeting is strongly of opinion that, until confidence is restored by

such declarations as the foregoing, the offer on the part of Government of any enhanced rate of interest will not produce subscriptions, and will only place the monetary affairs of India in still greater confusion.

The Meeting is of opinion that it would be desirable to maintain the principle adopted in the recent loan of an issue of Treasury Bills bearing interest, thus constituting a Floating as well as a Funded Debt,—a system found in England to work beneficially at once to the Government and the Public: to be successful however the Meeting believes the present plan must be modified by making the Bills receivable in payment of Dues to Government at three months from the date of their issue, instead of twelve months as at present proposed; and considers that, with such modification, the Treasury Bills would become current at a lower rate of interest than that named, and that two p^{ie} per diem instead of three would be sufficient, while the lower rate would prevent the Treasury Bills depreciating the value of the Funded Debt.

Should it be found necessary, in future, to supply any part of the wants of Government by loans in India, the Meeting would urge the adoption of the English system of raising such loans by public Tenders for the whole, or any part, of the amount before declared to be required, a reserve price being fixed by the Government, and ample time given for Capitalists in England, as well as in India, to tender.

But whilst expressing its opinion as to the best mode of raising loans in India, should such course be sometimes imperative, the Meeting would again urge that, so far as practicable, loans for the service of India should be raised in England; and that, now that the British possessions in India are placed under the direct Government of the Queen, the advantages of the English Money Market should be available to India, as they already are to every Nation and every Public Community of the world.

I have the honor to be,

Sir,

Your obedient Servant,

D. MACKINLAY,

President,

To

THE PRESIDENT OF THE BENGAL CHAMBER OF

COMMERCE.

SIR,—I am directed to acknowledge the receipt of your letter of the 19th instant, relative to the recent financial operations of this Government, in which you

renew the recommendation made by the Chamber in 1855, "that the greatest possible publicity should be given to the financial proceedings and position, present and future, of the Government;" and in which you suggest that future Loans for the service of India be raised in England, or, if recourse to the English money market is deemed undesirable, that the most effectual means of raising money would be the following:—

"By a modification of the recent Notification for the issue of Treasury Bills."

"By a declaration of the amount required to be borrowed in the course of one, or if possible of two years."

"By the statement that, so soon as such amount shall be received, the Loan will be immediately closed."

"By the assurance that no other loan will be raised within a period named, and,

"By declaring that no higher rate of interest will be paid in India than 5 per cent. per annum, but that failing the loan being taken up within a given time, it will be raised in England."

"The limit of time for conversion of the 4 per cent. and other loans into 5 per cents. to be 30th April next, the date already fixed by the Government."

2. With respect to the first point I am desired to repeat the assurance contained in my letter No. 3304 of the 11th July 1856, that His Excellency the Right Hon'ble the Governor General in Council is entirely in favor of the largest and the earliest possible publication in financial affairs which this Government may be able to give to the Indian public without the risk of misreading rather than informing them. With this view measures will be taken for the early renewal of the publication of the quarterly and annual statements of receipts and disbursements which has recently been in abeyance owing to the disturbed state of the country, as well as of statements of the total cash balances in the Indian Treasuries at the close of the period comprised in each return.

3. The question of raising loans in England, His Excellency in Council observes, is one which can be decided only by Her Majesty's Government at Home and the imperial legislature. But he cannot concur in the opinion expressed by the Chamber that, "as a general rule," all money borrowed for service in India should be raised in England, though on extraordinary occasions, and in real difficulties, a reasonable degree of assistance in that form may always be fairly hoped for.

4. The other points mentioned above have for the most part been met by the notification issued from this department on the 21st instant, to which I am desired to refer you; only remarking with reference to the suggestion that no higher rate of interest should be paid in India than 5 per cent., that in effect Government has been obliged to pay 6 per cent. for all the money it has raised since July 1857; and that the course proposed by the Chamber would be equivalent, in the existing state of the money market, to closing the loan, which at present is simply impossible. The Chamber may rest assured that it will always be the object of the Government to raise whatever money it requires on the best terms the money market for the time being affords; but as the state of the money market is liable to indefinite change from causes beyond the control of the Government, any attempt to fix an arbitrary limit, of whatever amount, to the rate of interest, would be an attempt to do what is impossible in the nature of things.

5. In regard to the issue of Treasury bills on the terms mentioned in the 7th para. of your letter, viz. by making them "receivable in payment of dues to Government at three months from the date of their issue instead of twelve months as at present," His Excellency in Council remarks that these bills on the present terms are receivable on maturity as cash at all Treasuries over a vast extent of territory, between different parts of which the rate of exchange is often considerable, and that this is one of their chief uses. The Government therefore, to some extent, is liable to charges of remittance in consequence of these bills, which liability might become an excessive expense and inconvenience if it were quadrupled; which is the effect the measure proposed by the Chamber would have. The Government contemplates the eventual reduction of interest on all Treasury Bills, when the great convenience of this sort of paper shall have become known, below two and a half pie, and for its own sake it will not pay a higher rate than the market may demand.

6. I am desired to add that the question of raising money by tenders has already received the consideration of the Government, and that it will not be overlooked when future occasions for considering it shall arise.

I have the honor to be,

Sir,

Your most obedient Servant,

C. HUGH LUSHINGTON,

Secretary to the Government of India.

*Council Chamber,
the 25th February, 1839.*

APPENDIX F.

Introduction of a Gold Currency into India.

To

H. W. I. WOOD, Esq.,

Secretary, Chamber of Commerce.

DEAR SIR,—The Committee of the Trades Association would be happy to have the views of your Committee on the following subject:—

The recent improvement admitting the drawal of interest on Indian State Loans in England, exhibits, on the part of our new Government, a disposition not only to consult the wishes of the people but to promote any measures tending to the good and prosperity of this country.

Amongst the foremost wants of India however we think is that of a *gold currency*. At present we have the anomaly of a Government Mint striking off a coin—the gold mohur—which the Government itself will not accept in payment, and the excuse in former years was this, that gold fluctuates in value and it might occasion loss if taken for revenues. Now, in no other country we are aware of is this policy pursued, a gold currency for every purpose of state being held to be legally current. Why then should India be an exception to this rule of nations?

The value of gold as a material is not decreasing, and it being the concentration of portable and tangible metallic material makes it preferable to silver for the purposes of coin, and that it is desirable to have a gold coinage for India.

The days of Gold Mohurs are passed. With the new regime we would suggest the adoption of the sovereign as a legal standard of coin for India, as in all Her Majesty's Colonies. It represents as nearly as possible ten rupees in value, and it might be fixed by law at that standard, and should be so received at all the Imperial Treasuries, and be recognized in all Government transactions.

Its circulation would at once supersede the present clumsy circulation of rupees, and be an economy to the State, and we believe a great boon to the people, the practice which obtains of hoarding gold in the mass would probably give way to their preferring to keep the gold in the better circulating form of coin ready for employment at fixed and under-

stood value for trade, investment, or pleasure, and so there would be a more current exhibit and use of a gold coinage throughout India both by Europeans and natives. To the former many advantages will probably occur in its easy transmission, and especially by the introduction generally of cash payments which are now difficult of accomplishment.

There would be no necessity to depend on England for the coin.

Sovereigns and half sovereigns would be struck off here, and English ones can be made of equal currency with them.

We would be happy to make this matter the subject of either a joint or separate simultaneous memorial to Government if the views of your Committee are favorable thereto.

Awaiting your reply,

Believe me,

Dear Sir,

Yours very faithfully,

CECIL HUTTMANN,

Secy., Calcutta Trades Association.

Calcutta Trades Rooms,
28, Tank-Square,
20th November, 1858.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 25th May, 1859.

C. HUGH LUSHINGTON, Esq.,

Secretary to the Govt. of India,

Financial Department.

SIR,—The expediency of introducing a gold currency into India has been on several occasions under the consideration of the Chamber of Commerce; and their attention has been again directed to the question in a communication from the Calcutta Trade Association, as also by the native shroffs and merchants of Calcutta in a letter of which I beg to append a copy.

The Committee of the Chamber after having maturely considered this important subject have come to the opinion that it is now desirable to introduce into this country gold as a subsidiary currency to the extent of two hundred rupees; adopting the English sovereign at a fixed rate relative to silver as the circulating medium.

I am directed by the Committee to solicit the favor of your bringing this matter to the notice of the Governor General in Council, in the hope that it will receive favorable consideration, and that a gold currency will be adopted to the extent above suggested with as little delay as possible.

The Committee of the Chamber do not think it necessary to trouble you with the particular reasons on which their opinion is grounded; but if any objection should occur to the Governor General in Council to the adoption of the change which is now proposed, the Committee will be glad to know what these objections are in case it may be in their power to remove them.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 31st May, 1859.

C. HUGH LUSHINGTON, Esq.,

Secretary to the Govt. of India,

Financial Department.

SIR,—The second paragraph of my letter of the 25th instant concludes with the words "adopting the English sovereign at a fixed rate relative to silver as the circulating medium;" and I am directed to alter that expression to the following—"recognising the sovereign as the equivalent of ten rupees."

I have the honor to request you will be so good as to modify my letter accordingly.

I am, &c.,

H. W. I. WOOD,

Secretary.

Calcutta, May 1859.

D. MACKINLAY, Esq.,

President of the Chamber of Commerce.

SIR,—We are given to understand that the Committee of the Chamber of Commerce have it in view to address the Supreme Government as to the expediency of introducing a gold currency into this country.

The question is one of great and national importance, and we, the undersigned bankers and others, engaged extensively in mercantile pursuits, take the liberty of expressing to the Committee through you what our opinion upon this point is.

We think that the time has arrived for Government to decide without delay in making gold a legal tender in this country. The inconvenience of relying upon silver alone as medium of circulation is already felt, and this inconvenience will increase as the country increases in wealth and population, and as roads, canals and railways, open up the communications and the traffic with the interior.

It is well known to every one that there is no paper currency in Bengal beyond the immediate neighbourhood of Calcutta, nor in the North Western Provinces; and that in all the daily transactions, great and small, which take place, the payments have to be made in silver; gold moulds, coined at the Calcutta Mint, being no longer receivable in payment of revenue, which they used to be before the Australian gold discoveries.

The Natives of India prefer gold to silver on account of its portability, and of their being therefore able to hoard it, in times of danger, so much more securely than a bulky article like silver. In July and August 1857 when it was uncertain what time the rebellion might take, some of the Natives in Calcutta drew their balances from the banks, sold or pledged their Government Securities, and with the money purchased gold, which they hoarded until after the fall of Delhi, when confidence in the re-establishment of the British Rule in the disturbed districts prevailed, and when the parties who had so hoarded their gold re-sold it at a lower price than they had paid for it.

Since the commencement of the mutiny, Government has not issued drafts in favor of Officers on its up-country Treasuries, and in consequence these Officers were necessitated, in order to pay their way, to carry with them from 300 to 500 Rs. weighing seven and half to twelve and half pounds, which was included in the regulation weight of 100 lbs. of baggage allowed by Government to Officers proceeding by land carriage to join their Regiments, while if the money had been carried in gold the weight would not be more than one to two lbs.

The continuous drain from Europe to the East for some years past has attracted much attention, and the flow this year is likely to be on a very large scale. In the mercantile intelligence received by the last mail, we observe that for the steamer of the 20th March £300,000 of silver is to be shipped on account of the Indian Government, which

of silver?

is probably the first instalment of the loan for three millions which Lord Canning mentioned he had applied for to Lord Stanley. The price paid for this silver is 5s. 2d., and there seems to be difficulty in obtaining from the Continent the full amount of silver required. The effect frequently is, to meet this demand for the East, a derangement of the exchanges and of the money markets of Europe. All of which would be avoided had we a Gold Currency in India, and there are many other advantages which would result from it, but to which it is unnecessary to call the special attention of gentlemen of the experience of the members of the Committee of the Chamber of Commerce.

Hoping that the application of the Committee to the Government on the above important question will be successful.

We are, &c.,

RAMCHURN MULLICK,
SREENATH MULLICK,
DOORGACHURN LAW,
KALIDAS AND RAJENDER DUTT,
DOSSABHOY, FRAMJEE, CAMA & CO.,
P. & C. N. CAMA AND CO.
HORMUSJEE, BOMANJEE, CAMA & CO.,
BURJORJEE FRAMJEE AND CO.,
RAMJEE HURRUCKCHUND,
MOOLCHAND PREMJE AND CO.,
CHOUTNULL GOLAPCHUND,
ROOKMANUND BANACHUND,
LUCHMY NARAIN SOONDERDOSS,
DOORGASHAW BULKISSEN,
BANARUSSY DOSS,
GORAMULL GOLAPCHUND,
BUCKTAR MULL,
MUTYALL NAGAR,
BABOOLALL MONALALL,
RAMKISSEN FUTTACHUND,
FUCKERCHUND BHIYCARYDOSS,
SOORUTRAM ROY BHAR,
SEWILLOL MUTYLOLL,
RAMDHONE DOSS RHUGGOTH DOSS,
DOULUT RAMKISSEN DOSS.

For continuation of Correspondence—see Appendix I.

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APPENDIX G.

Joint Stock Banks with Limited Liability.

To

THE HON'BLE THE LEGISLATIVE COUNCIL OF INDIA.

THE PETITION OF THE
BENGAL CHAMBER OF COMMERCE.

SHewETH,

That by an Act recently passed by the Imperial Legislature so much of the Joint Stock Banking Companies Act of 1857, as prohibits Banking Companies from being registered with limited liability has been repealed, except in the cases of Banking Companies claiming to issue notes in the United Kingdom; and that the previous registration of any Banking Company, with the exceptions aforesaid, under the Act of 1857, or under any other Act, shall not prejudice the right of any such Banking Company to re-registration with limited liability.

That your Petitioners believe that the extension to Banking Companies in this country of the principle of limited liability, which has already been adopted in the case of Commercial Companies, would be attended with much benefit at once to the Commerce of the country, to the Shareholders, and to the public generally;—to Commerce, by supplying capital and additional banking facilities which are needed; to Shareholders, who would be glad to invest moderate amounts in a profitable manner; but who are at present deterred from taking shares in Banks by dread of losing their all; and to the Public, who in dealing with Banks whose total available capital was known would be led to exercise more vigilance than in the case of Banks who obtain undeserved credit, and are enabled to indulge in a wild and reckless course unchecked by any vigilance on the part of the public, whose reliance is on some few rich, or supposed to be rich, Shareholders; a reliance which however your Petitioners believe will often prove unfounded, and did so prove in the well-known case of the Union Bank of Calcutta the failure of which and the wide-spread misery caused thereby is still fresh in the memory of many.

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Your Petitioners therefore pray your Hon'ble Council will be pleased to pass an Act of a similar nature, if it shall seem fit to your Hon'ble Council so to do.

And your Petitioners shall ever pray.

For and on behalf of the Bengal Chamber of Commerce,

H. W. L. WOOD,

Secretary.

Calcutta,
7th February 1859. }

APPENDIX H.

ABOLITION OF THE OUT-PASS SYSTEM.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 5th August, 1859.

F. J. COCKBURN, Esq.,
Officiating Collector of Customs.

SIR,—With reference to a very prevalent report that it is the intention of Government to discontinue the out-pass system, under which merchants, for many years, have had the privilege of conveying their duty paid goods direct from ship to their godowns, I am directed by the Committee of the Chamber of Commerce to request the favor of your informing them whether such a measure is in contemplation.

I have the honor to be, &c.,

H. W. L. WOOD,
Secretary.

No. 560.

FROM

THE OFFICIATING COLLECTOR OF CUSTOMS,
CALCUTTA,

TO

THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE, CALCUTTA.

SIR,—I have the honor to acknowledge the receipt of your letter of this day's date, and in reply to inform you that I have reason to believe that it is the intention of the Government at present to do away with the "Out-pass System."

2nd. His Honor the Lieutenant Governor has been pleased to appoint a Committee, which is now sitting, to consider and report on the accommodation which can be obtained by alterations in and additions

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to the Custom House with a view to the providing room for the storage of goods; and I have been directed to report on the change of system which is contemplated.

I have the honor to be,

Sir,

Your most obedient Servant,
F. J. COCKBURN,
Officiating Collector of Customs.

Custom House,
Calcutta,
The 5th Aug. 1859.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 24th August, 1859.

E. H. LUSHINGTON, Esq.,

Offg. Secy. to the Govt. of Bengal.

SIR,—A report having reached the Committee of the Chamber of Commerce that Government had it in contemplation to abolish the system under which goods are permitted to pass direct from ship to merchants' warehouses, I was directed to place myself in communication with the Officiating Collector of Customs with the view of ascertaining if there was any foundation for the rumour.

I beg to annex copy of the Officiating Collector's letter, which informs the Chamber that he has reason to believe that it is the intention of Government at present to do away with the system; and with reference to this intimation I am directed to submit the following representation for the consideration of His Honor the Lieutenant Governor.

The practice of removing duty paid goods direct from ship to importers' godowns was introduced many years since: it is immaterial to state the precise date of its introduction, but it is believed to be nearly co-existent with the establishment of the Customs' Preventive service some four or five and twenty years ago.

The privilege thus accorded unquestionably involved considerable convenience to merchants, which they much appreciated, while at the same time the Customs' Establishment was relieved of much unnecessary labour: and it appears to have been exercised without restraint or interruption till the year 1847, when on the report of the Collector that

the system was in some measure abused, and, on his proposition, that Government should demand a deposit of the duty on imported goods which parties desired to pass outside, the Board of Customs, Salt, and Opium, submitted the matter to the Chamber, by whom it was recommended "that the duty, where the amount is ascertainable, be paid down before removal from the ship whenever an out-pass is required; and, where it cannot immediately be ascertained, that a deposit be taken of the estimated amount, or the equivalent in Company's Paper, till that can be determined."

This recommendation, adopted by the Board, was embodied almost verbatim in the Collector's notice of 14th March 1847: and it is scarcely necessary to remark how promptly the Chamber recognised the duty of at once meeting the alleged difficulty in the most practicable manner, and of carrying out the very proper suggestion of the Collector.

After an interval of six years, when Mr. Bowring came to officiate as Collector of Customs, a lengthened correspondence took place, in the course of which the Chamber repeated their assurance to the Government that they were most anxious and ready to second whatever arrangements might be proposed for the proper and efficient working of the Customs' Department, while in addressing the Board of Revenue on this occasion it was specially remarked by the Chamber, in their letter of the 1st September 1853, that the system of granting out-passes and other relaxations in the Custom House rules were made upon the conviction that without such facilities being given to importers of goods their business could not have been got through by the officers of the Custom House without great delay and inconvenience; and that if those facilities were withdrawn some change, to render the whole of the Custom House Department more efficient, would be absolutely necessary for the management of the trade of the Port. The Board observed in reply that it was not contemplated to abolish the out-pass system, a measure which they admitted would require an increase to the accommodation then available.

From the date of this correspondence in 1853, the out-pass system has been conducted, the Committee believe, in a manner satisfactory to the Government, while the arrangement has worked to the great accommodation of merchants, as well as of the Customs' Establishment.

The circumstances which are to justify the abolition of a practice so long continued, and attended with the most satisfactory results, the Committee of the Chamber are not aware of; but they conceive it to be their duty to point out prominently, that while the abolition of the

system would at any time be of the greatest concern to all engaged in the trade of the port, it must be peculiarly so at a season like the present when its advantages are so largely appreciated in consequence of the recent great influx of merchandise from Europe, and the withdrawal of the privilege would be most severely felt; for if the enormous amount of imported goods are to be conveyed in the first instance to the Custom House and detained there till duly appraised and duty-paid, the business of the town will be brought to a complete standstill.

In reconsidering this important question the Committee solicit that it be kept especially in view that the value of the *Import* trade alone is more than double what it was six years ago, irrespective of the very considerable addition to the exports as exhibited by the following statement:—

Imports for 1853-54	Rs. 7,71,89,038
„ for 1858-59	„ 15,46,49,706
Increase	Rs. 7,74,60,728
Exports for 1853-54	Rs. 11,42,04,665
„ for 1858-59	„ 16,25,67,555
Increase	Rs. 3,83,62,890

But this remarkable expansion of the trade of Calcutta—involving an increase to the public revenue of upwards of forty lakhs during the past commercial year alone—has not been accompanied by any improvement whatever in the totally inadequate accommodation within the walls of the Custom House; and at this moment, as is apparent to any one who will take the trouble of going there to see, the utmost confusion prevails, and much valuable property remains receiving damage, unsheltered from the weather at the worst season of the year. The complaints of the merchants on this point are loud and general.

If this state of things exists at a time when the out-pass system relieves the Custom House of an immense amount of business, for the addition of which both the present establishment and accommodation are obviously insufficient, it is not difficult to anticipate the effects which would result from the abolition of the system; and the Committee of the Chamber would earnestly implore His Honor the Lieutenant Governor to obtain every practicable information before sanctioning any measure by which a daily increasing trade will be obstructed, and the parties concerned in it subjected to serious loss and inconvenience.

In the previous correspondence which passed with Government on this subject in 1853 much stress was laid upon the abuse of the system as alleged by the then Officiating Collector of Customs, who was pleased to report it as "almost universal;" but this offensive assertion proved to be unfounded, and the continuance of the system, with scarcely an exception to support the accusation, is a sufficient refutation of the charge. The Committee do not deny that isolated instances of irregularity may have occurred by which the revenue has been defrauded, but it is impossible to devise any system—even the abolition of the out-pass system—or to exercise any vigilance however keen, by which the revenue can be completely protected against the designs of determined dishonesty. In any case of detected abuse of the existing privilege, or where there may be a well-founded suspicion of fraud—attempted or perpetrated—the Collector has of course the most effectual remedy in his own hands, by either enforcing the provisions of Section VIII. Act XVI. of 1837, or withholding the privilege. The Committee of the Chamber deeply regret that there should have been discovered even a single exception in abuse of the system, but they have satisfaction in reflecting that as a body the merchants of Calcutta have conducted their operations with the Customs, and with every other Department of the Government, with the most scrupulous integrity; and that so far from wishing to screen those who may be guilty of any offence against the law, or to mitigate its application, they would urge the enforcement of the heaviest penalties and the severest punishment that it was possible in every proved case of delinquency to inflict.

With these observations the Committee would beg respectfully to submit the important question of the out-pass system for the consideration of His Honor the Lieutenant Governor, and to observe in conclusion that the enormous increase and consequent expense that its abolition will render necessary in the staff of the Custom House Department, and the heavy outlay that will have to be incurred in enlarging the present inadequate premises so as to enable the work to be properly carried through, will not be compensated for by the isolated cases of fraud which may now and then have occurred, but which it is the object of the contemplated measure if possible to prevent.

I have the honor to be, &c.,

J. W. L. WOOD,

Secretary.

FROM

LORD H. U. BROWNE,

Under-Secy. to the Govt. of Bengal.

TO

THE SECRETARY TO THE BENGAL CHAMBER OF

COMMERCE.

Fort William, the 4th February, 1860.

Mrs. Rev.
Customs.

SIR,—With reference to your letter dated the 24th August last, I am

now directed to forward, for the information of the Chamber of Commerce, a copy of the correspondence noted in the margin, and to remark that, after full consideration, the Lieutenant-Governor has determined on the abolition of the out-pass system, and that merchandise of all kinds shall be brought to the Custom House for examination and appraisement, and for the levy of duty thereon.

Letter from the Officiating Junior Secretary to the Board of Revenue, to the Secretary to the Government of Bengal, No. 588, dated 16th June, 1859.
Government of Bengal, to Board of Revenue No. 1648, dated the 8th July, 1859.
Board, to Government, No. 360, dated 24th September, 1859.
Board, to Government, No. 1048, dated 27th September, 1859.
Government, to Board, No. 2796, dated 14th November, 1859.

2. As regards the measures which appear necessary for extending the Custom House accommodation to meet this change, I am desired to state that the first is the enclosure of the site fixed for the new Post Office, adjoining the Custom House, and erecting on it the iron barracks which are now in course of construction. The second is the permanent appropriation for Custom House purposes of the present range of opium godowns, and the creation of others in their stead for the use of the Board of Revenue on the ground belonging to Government now occupied by Messrs. Mackintosh, Burn and Co., immediately on the West of the Board's Office, and regarding which orders have been issued to the Department of Public Works.

3. The Chamber will also see that under the orders quoted in the margin a considerable increase of space in the Custom House compound will be obtained for the general public for keeping goods under cover. Hitherto the accommodation in this respect has been greatly limited partly by allowing several ware-houses belonging to the Custom House to be used as store-houses

by private parties, and still more by the unreasonable length of time during which the system of charges in force encouraged parties to leave their goods on the premises uncleared. Both these abuses will, it is expected, under the orders above quoted be entirely removed.

4. In addition to these arrangements for additional accommodation, a detailed proposition of a large increase to the Custom House staff is now under consideration, and it is the Lieutenant-Governor's desire to have the whole establishment as efficient as possible in every department.

5. With reference to the 11th paragraph of your letter above referred to, I am desired to state that the Lieutenant-Governor adopts all that is urged therein of the honorable manner in which the merchants of Calcutta, as a body, conduct their operations with the Custom House and all other public departments. But the Chamber of Commerce are aware that useful precautions against evasion of duty are no less necessary in justice to the body of merchants who conduct their business with fairness than they are in justice to the public revenues. And it will also be apparent to the Chamber that many precautions which might have been avoidable when the duties were very small, may now be unavoidable, since the late increase of duties.

6. In conclusion, the Lieutenant-Governor desires me to state that the Chamber may rest assured that every care will be taken that no measures shall be promulgated which, from the want of the necessary arrangements for their successful working, are likely to be objectionally inconvenient to traders.

I have the honor to be,

Sir,

Your most obedient Servant,

H. ULICK BROWNE,

Under-Secy. to the Govt. of Bengal.

From R. Thompson, Esq., Officiating Junior Secretary, to the Board of Revenue, to the Secretary to the Government of Bengal,—(No. 585, dated 16th June 1859.)

Sir,—In reply to your letter No. 1395, of the 9th instant, I am directed by the Board of Revenue, to forward for the consideration and orders of His Honor the Lieutenant-Governor, the accompanying letters* received from

* Nos. 102 and 103, dated the 12th and 14th May last.

the present Officiating Collector of Customs, and to submit with them the following remarks on the subjects to which they refer.—

2. In a previous communication* the Board reported to Government * No. 477, dated 12th May 1859. their full concurrence with the views of the Collector as to the necessity of abolishing

the out-pass system. At the same time they considered that the inadequacy of the present Custom House premises and the insufficiency of Establishment, contrasted with the increasing trade of the Port, rendered the immediate adoption of any such measure impolitic, if not impossible. I am desired to observe that the Board see no reason for altering their opinion. They condemn as indefensible the present system of passing goods direct from the Custom House without examination. The indulgence, if allowed on any terms, is a great concession on the part of the Authorities; and if granted indiscriminately must inevitably lead to great abuse, and inflict serious loss on the Government duties. But in the present limited extent of the Custom House Wharfs, premises, and establishment, the Board did not desire to hamper the Collector with any positive instructions as to the course he should follow, but thought it preferable to recommend to his observance the use of a general discretion as to the parties he should admit to the benefit of the indulgence: impressing upon him the necessity of employing every means in his power to check the prevailing practice, by which all applicants indiscriminately are allowed to pass their goods direct from the ship, without even entering the Custom House, leaving the adjustment of duties to subsequent production of invoices.

3. The objections which Mr. Cockburn has urged against this recommendation do not appear to the Board very cogent or conclusive. The distinction between a firm of respectability and position and applicants almost unknown, too well known, or only of short standing in the commercial community, is sufficiently marked to prevent the occurrence of any such difficulties as the Officiating Collector deprecates; while the exception which he takes to the proposal, on the ground of the frequent changes in the appointment of Collector, do not seem to be of greater weight in the Customs Department than in others of the public service where such changes are as frequently and unavoidably necessary.

4. The Board are inclined for even further reform in the Custom House rules of practice in passing goods on import; and do not see why cash payments of duty should not be made imperative, instead of the present system of preparing and issuing bills. They desire me further

to remark that there was nothing whatever in the observations which they sent to the Collector to prevent his adopting the course which

No. 102, dated 13th May. Mr. Cockburn suggests in the 11th paragraph of his letter, now enclosed, in which he proposes "that a certain number of the cases mentioned in each chellan should be brought to the Wharf for examination." The Board remark that on all occasions where the indulgence is conceded, this rule might with advantage be enforced; but even under such checks (and they are but small) the general and indiscriminate admission of all parties to the favor would, in the Board's opinion, be injudicious and inexpedient.

5. His Honor the Lieutenant-Governor will not fail to observe that there is no slight variance in the statements made by the two Collectors of Customs as to the practice which prevails in the department over which both had at different times presided. Referring to the assertions which Mr. Young had made on the subject of the out-pass system, Mr. Cockburn remarks that he did not believe that Mr. Young, his predecessor, intended to lead the Board to any such conclusion as that which they had formed.

6. The Board desire me to remark that upon Mr. Young's intentions No. 471, dated March 28th. they have nothing to say; but a reference to the 3rd, 4th and following paragraphs of his letter will clearly show that what Mr. Young had there described was, in his opinion, the universal practice in the Custom House Department.

7. Similarly with regard to the arrangements which exist on the payment of drawback, Mr. Young's reference to the 1,000 boxes of Brandy imported by A (as given in paragraph 13 of his letter) did certainly lead the Board to infer that it was the general practice in his Office to allow parties, claiming drawback, to remove their goods after examination back to their private godowns, instead of directly to the ship on which they were to be exported; and though Mr. Cockburn would again correct the Board on their misapprehension of Mr. Young's meaning, the Board do not conceive that they are expected intuitively to know that Mr. Young means one thing when he says another. They can only refer to the statement of his letter, which is under review, from which there seems clear grounds for concluding that the practice, and the abuse which it entailed, were of general prevalence in the Custom House; that though known to the Authorities, no precautions were taken to check its recurrence; on the contrary that their permission, if

not openly, was tacitly accorded to the proceedings which are now complained of.

8. The Board consider Mr. Cockburn's allusion to His Excellency the Viceroy, in the 11th paragraph of his letter, indecorous and improper.

From F. J. Cockburn, Esq., Officiating Collector of Customs, Calcutta, to the Officiating Junior Secretary to the Board of Revenue.—(No. 102, dated the 13th May, 1859.)

SIR,—I have the honor to acknowledge the receipt of your letter No. 416 of the 11th May.

2. So much has been written concerning the "out-pass system" and its abuses that I almost fear lest I should weary the Board by again referring to it, but I consider it my duty to state that the abuses which exist are not so great as the Board appear to believe, and I respectfully request their permission to make a few remarks on the subjects touched on in their letter under acknowledgment.

3. The Board note two points:—

1st. The practice of passing goods direct from the ship without examination.

2nd. The so-called practice of permitting goods intended to be brought to the Custom House to be taken elsewhere and then taking duty on the invoices.

4. I shall with the Board's permission touch on the second point first.

5. The Board in the 5th paragraph of their letter under acknowledgment mention "a practice by which goods are generally allowed, without any check or discrimination, to pass direct from the ship without even entering the Custom House, while the adjustment of duty is left to the subsequent production of invoices." Now I have no hesitation whatever in saying that the "practice" described in this extract does not exist. I cannot for a moment believe that my predecessor (and I say it with the greatest respect for my late superior) intended to lead the Board to believe that it did. He knew very well what the "practice" was and what the exceptions to that practice were. That which he described was what *might* happen, what did on rare occasions happen, and what *might* have happened every day.

6. On I think all occasions, not a dozen during the last four years, in

which goods were called for, and it was discovered that they had not been brought to the Custom House as they ought to have been, penalties were exacted from the offending parties.

7. It has always been in the power of importers to act as described in the Board's letter, but the power, the facility, of doing so is secured to them by Law. By Law they are allowed to take goods away from the ship for the purpose of bringing them to the Custom House under a boat-note without an officer or pcon, and if they choose deliberately to go elsewhere than to the Custom House, they can do so with little fear of immediate detection. Detection renders the goods liable to confiscation, but of course if we can't get the goods we can't confiscate them, and we then inflict a fine. But the facility for avoiding the Custom House if so inclined, remains; and when I consider that 500 rupees might often certainly be gained by risking a fine of twenty-five or fifty rupees, I am surprised that the "practice" is not what the Board believe it to be.

8. The penalty in each instance ought not to be twenty-five or fifty rupees, but 250 or 500 rupees, and invariably exacted without attention to the old excuses of "mistake," "new man," "stupid siren" or "fool of a mango."

9. I now proceed to offer a few remarks on the first point noted above in paragraph 3rd.

10. The Board propose that the Collector of Customs should grant the indulgence of passing goods without examination to those firms only whose "character, position and respectability" he might consider entitled them to it. With the greatest deference and respect I would urge the Board to reconsider this point. I beg them to believe that I for one would not and will not hesitate to carry out their suggestion, but I think I can advance sufficiently strong reasons to induce the Board to alter their views as to its advisability. In the first place it unfortunately for the interest of the public and the Government happens that too frequent changes occur in the office of Collector of Customs. Mr. Young was here a month ago, I am here now, and Mr. Wilkins will be here a couple of months hence. We may all have different notions as to the respectability of different firms, and it may so happen that a gentleman from Dacca or Patna who has not seen Calcutta for ten years, and who knows his own agents only, may come to this office six months hence and will be all adrift of course, and it seems perfectly clear to me that in one year's time things would be just as bad as they are now. In the second

place it is not every Collector of Customs who would have the moral courage to look Mr. So and so, the head partner of a firm, in the face and say "your character, position and respectability are bad, for that is simply what he would say if he refused him an "out-pass." In fact I consider that the refusal would amount to a constructive libel. But I again assure the Board I am not shirking the responsibility. I am ready at once to carry out their suggestion.

11. If I might be allowed I would suggest to the Board another course which I think would be a better one. It is the wish of the Board that the entire "out-pass" system be abolished, but want of room as yet prevents this being done. Why not make a commencement; I would have the Board issue a positive order to the Collector of Customs to have at least a certain number of the cases mentioned in each chellan brought to the Wharf for examination; I would have this rule applied rigorously to every one from the Vicroy downwards; and I think the following scale would suffice to ensure the Government against loss until arrangements are completed for having all the goods brought here:—

Number of packages in the Chellan.	Number to be brought to the Custom House.
1 to 6	All.
7 to 20	2
20 to 50	4
50 to 100	6

If the chellan is a mixed one, the Collector should of course insist on one case or more of each description of goods being brought to the Custom House.

12. Such is the plan the principle of which I venture to commend to the Board.

From F. J. Cockburn, Esq., Officiating Collector of Customs, Calcutta, to the Officiating Junior Secretary to the Board of Revenue,—(No. 103, dated the 14th May 1859.)

Sir,—In the 8th paragraph of the Board's letter No. 416, of the 11th instant, I am requested to submit suggestions for the prevention of certain evils attendant on the present system of granting drawback remarked on by Mr. Young in this letter No. 471, of March 28th. This I now have the honor to do.

2. In the first place, however, let me point out an error into which

it appears the Board have fallen. In their letter under reply the Board say that they "find it difficult to understand why in all cases, and especially in those of wines or brandy, when parties apply for drawback, the goods produced should not, after examination and identification, be transferred *direct* from the Custom House to the ship on which they are to be exported, and not allowed to be removed back to the private godowns of the parties who brought them." It never could have been Mr. Young's intention to lead the Board to believe that *permission* was given to parties claiming drawback to take the goods back to their own godowns; *permission* to do so was never granted.

3. Until 1854, goods on which drawback was claimed were allowed to leave the Custom House after identification and examination for transmission to the ship unaccompanied by any Custom House Officer. In that year, however, and since then a Custom House peon has invariably been sent with the goods to ensure their being taken direct to the ship. But as he gets only five rupees a month, it probably would not take much to induce him to smoke at the corner of a street for half an hour or to go a short distance out of the direct route. This *might* happen every day, but that it does happen daily is what I cannot affirm, nor I imagine was it Mr. Young's intention to do so.

4. I do not myself think that it would be advisable to do away with the system of granting drawback, and as a moderate measure of prevention I would advise the adoption of Mr. Assistant Collector Bonnaud's suggestion to stamp with a peculiar stamp or mark every package on which drawback is claimed when brought to the Custom House for examination and identification. I would further suggest that it be incumbent on the party claiming drawback to ship his goods from the Custom House Ghant alone, under Custom House supervision, and that such shipment should be made either on the day the examination takes place or on that succeeding. The Preventive Officer of course would be careful to note the stamp on each package.

5. Of course the stamp might be imitated, but if the boxes are stamped here, shipped here, watched hence, and the time of transit noted, I don't think the imitator would gain much.

6. If the Board thought proper the Government might be asked to prohibit by law the using of the stamp, and then all stamped goods found on shore any where but at the Custom House Ghant might be seized. The Board, of course, know of the broad arrow of England.

No. 1648.

FROM

A. R. YOUNG, Esq.,

Secretary to the Government of Bengal,

TO

THE OFFG. JUNIOR SECRETARY TO THE BOARD.
OF REVENUE.*Fort William, the 8th July, 1859.*MRS. REV.,
CUSTOMS.

SIR,—I am directed to acknowledge the receipt of your letters noted on the margin, with their accompaniments, in which is discussed the expediency of introducing some change in the existing practice of the Calcutta Custom House, with a view to provide additional checks against smuggling, which the enhanced rates of duty afford an inducement to attempt.

2. I am in the first place to observe, that the Lieutenant-Governor did not, when it was received, understand that the Board's letter of 12th May was intended as a full answer to the call of 16th March, but His Honor took it rather as a report respecting Mr. Young, the late Officiating Collector of Customs, individually.

3. As Mr. Young has assumed the office of Commissioner of Burdwan, it is not necessary to go into the personal question affecting him. The Board notice what are stated to be numerous inaccuracies in Mr. Young's report submitted in reply to the call above-mentioned; and they allude to frequent occasions of late, in which the course pursued by Mr. Young, as Officiating Collector of Customs, has been what they consider reprehensible. But as this allusion is made only in general terms, without specification of facts, it is unnecessary, under existing circumstances, to pursue that part of the subject.

4. The wording of Mr. Young's letter led the Lieutenant-Governor to the same conclusion as that to which it led the Board, *viz.*, that the practices which he mentioned, and on which the Board in their reply to his successor very properly animadverted, were very general, and though Mr. Cockburn, who is now Officiating Collector, disclaims for Mr. Young the intention of leading the Board to such a conclusion, he admits that

what Mr. Young has described is what has happened, and what "might have happened every day."

5. The Lieutenant-Governor is unable to persuade himself that, even when the rates of duty were very low, what might happen every day did not frequently happen; and he is convinced that now that the rates have been raised so as to approximate more nearly to the rates of Customs duties in other countries, unless the same precautions are taken here that are found necessary in other countries, the amount of loss which the Government will suffer by the evasion of duty will be enormous.

6. The want of more accommodation at the Custom House may be so great as to prevent the immediate introduction of a perfect system. But, on the one hand, the Lieutenant-Governor does not find that what accommodation the space affords is made the most of; and, on the other hand, he observes that the want of ample space is no reason for not correcting defects of system that do not depend on that want, a fact of which the Board's orders to Mr. Cockburn, of the 11th of May, show them to be also fully sensible.

7. From some passages in the correspondence before him, His Honor thinks it is to be inferred that for many years past there has been an antagonism of principle between the successive Collectors of Customs and the Board; the Collectors, being close to the work, having been always urging greater strictness of rule and practice, in the laudable desire of preventing the evasion of duties justly leviable; and the Board, not having the same near view of what is going on, having repressed approaches to a stricter system in the equally laudable desire not to incommode commerce.

8. Without passing any judgment between these two opposite tendencies as a question of the past, His Honor has no hesitation, upon the question of the future, in determining that all precautions which the law provides, and which are enforced as being held to be indispensable in England, and other great commercial countries, must hereafter be enforced in Bengal, now that the duty has become not an inconsiderable part of the cost of articles of import.

9. I am to request, therefore, that the Board will adopt this principle now, and carry it out in practice. In so doing they will of course make such arrangements as, whilst they sufficiently secure the Public from being defrauded by individuals, will put the fair trader to the least avoidable inconvenience.

10. It is needless to observe how completely the system described by Mr. Young and Mr. Cockburn, where uncontradicted, must be changed in order to the enforcement of the principle above prescribed.

11. To instance some particular points in which the laxity of the system is most striking and must be corrected. It is alleged by Mr. Young to be a common practice that goods taken out of ships under a boat note for the Custom House are carried direct to the importers' godowns; and it is admitted by Mr. Cockburn that "if they (importers) choose deliberately to go elsewhere than to the Custom House, they can do so with little fear of immediate detection." The fact stated by Mr. Cockburn, (if it be really a fact,) that the detection of this irregularity has not occurred a dozen times in the last four years, amply proves the smallness of the risk of detection incurred, for it is not credible that, even by the accidents referred to in Mr. Cockburn's 8th paragraph, such irregularities do not occur even three times in a year. It seems much more probable that they should happen every day whether intentionally or otherwise; and it is plain that very slight precaution is necessary to avoid detection in any case in which it should be desired to commit this irregularity with fraudulent intent. It is further evident from what Mr. Cockburn says that when once this easy fraud has been committed it is irremediable so far as the interests of Government are concerned. "Detection," says Mr. Cockburn, "renders the goods liable to confiscation, but of course if we cannot get the goods we cannot confiscate them." The Collector is helplessly in the hands of the importer. He must accept any invoice that is produced, and as remarked by Mr. Young velvets may be passed as cottons or anything else, and so long as the number of packages in the manifest are accounted for, the Collector is obliged to be satisfied, and has no redress save that he may and does very rarely inflict a small fine for the irregularity—a punishment, by the way, for which there does not appear to be any direct saving of law.

12. But the chance or even the certainty of having to pay a small fine would not operate as a check when deliberate fraud was intended. The probable amount of the fine would no doubt enter into the calculation as a drawback from the profit of the transaction, which would still, in the cases supposed, remain highly remunerative.

13. So long as this facility for evading the payment of just dues after the vessel has entered the port remains, it seems to the Lieutenant-Governor scarcely consistent to incur all the expense of preventive officers from Diamond Harbour. The presence of these officers on boardship may prevent the surreptitious landing of packages not

entered in the manifest; but the description or the packages manifested, and the value upon which duty shall be levied, being left entirely to be fixed by importers themselves, it would scarcely be worth while to omit any thing from the manifest. The landing of goods unprotected by any Custom House document, from a vessel which has not professedly broken bulk, would always be attended with some risk; whereas the landing of costly goods on payment of duty on a trifling value, in accordance with the forms of the Custom House, would appear to be attended with no appreciable risk whatever.

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

15. Next as regards the drawback system; it is true that Mr. Young has fallen into some confusion in treating of this subject in connection with export duties, but the facts stated by him in illustration of the facilities of perpetrating frauds in the Custom House are not contradicted by Mr. Cockburn, who admits that they "might happen daily." The precautions taken at present are obviously insufficient. There is no objection to the plan proposed by Mr. Cockburn of a peculiar mark to be stamped on every package on which drawback is allowed; but in addition to this, an officer of the rank of a preventive officer, to be paid by the shipper, should, in the opinion of the Lieutenant-Governor, accompany all drawback goods from the Custom House to the ship. A poon on rupees 5 a month cannot be relied on as check on fraud where any such check is necessary.

16. The subject of passengers' baggage, to which attention is drawn by Mr. Young, is not noticed either by Mr. Cockburn or the Board. It is stated by Mr. Young that extensive smuggling is carried on, and many dutiable articles are imported free of duty in overland trunks by passengers in the Peninsular and Oriental Company's steamers. It is certain at all events that this *could* be done with impunity, as there is no pretence of checking smuggling in these vessels. A preventive officer should, the Lieutenant-Governor thinks, be put on board to search any luggage the passengers may desire to remove at once, and

the remainder should be sent to the Custom House. It is found to be indispensable in all countries of Europe to search passengers' luggage, and now that rates of duty have been raised to more of an equality with those obtaining in Europe, there can be no reason to suppose that what is indispensable there can be prudently dispensed with here.

17. Some precaution ought also undoubtedly to be taken to prevent the transfer of goods from inward-bound vessels to the steamers by which they are towed up the river: The expedient of a separate officer on board each tug would probably be found too costly; but the pilot on board the ship should be held strictly responsible that no goods are put out of the vessel before the preventive officer joins; and the latter officer should be empowered and directed to search the tug steamer whenever he has reason to think that goods have been surreptitiously put on board.

18. In regard to the two sample cases discussed in this correspondence, without pretending to express any opinion himself, or to question the propriety of the Board's decision, which he doubts not was quite correct, the Lieutenant-Governor would observe that the officers of the Custom House are bound, as a general rule, to hold the goods themselves responsible for the carelessness or misconduct of the agent employed to pass them, without reference to ownership; and any discretion they may have in considering special circumstances in any particular case should be very cautiously exercised. The owner has his action against the Agent if his goods are confiscated, or if a fine is levied upon them, by reason of any act of the Agent not authorized by the owner; and a collector who acts on this view of the question is not necessarily blameable, even though the penalty he may inflict should be afterwards very properly remitted by the Board.

19. The main question of all, however, is the out-pass system, to the consideration of which the Lieutenant-Governor will now return. The Board freely admit the evils of this system, but hold that to a great extent the laxity involved in it is inevitable, in consequence of the want of room at the Custom House. All that can be done, it seems to be thought, is to narrow the limits to which the indulgence is now extended; and with this object different suggestions have been made.

20. The way in which the Board propose to distinguish between the goods to be allowed this benefit and other goods, is by the Collector's opinion of the personal character of the consignee. Mr. Young would discriminate with adherence to the nature of the goods themselves, giving an out-pass to certain heavy articles alone, selecting, it is to be

presumed, such goods as afford no facilities for fraud either in regard to their own value or to their capability as means of concealing valuable articles liable to duty. Mr. Cockburn recommends that a proportion of all packages in every invoice should be sent to the Custom House, and there opened and examined.

21. To the personal rule proposed by the Board there is in the first place this objection, that it practically places under different Customs Regulations, at the discretion of the Collector, members of the mercantile community engaged in the same trade, and divides the merchants into the two classes of trusted men and men not trusted. The additional reasons urged by Mr. Cockburn against this proposal are, in the Lieutenant-Governor's opinion, sound and conclusive.

22. Mr. Cockburn's plan, to which the Board see no objection, would be an improvement; but it would not be anything like a complete safeguard. Mr. Young's seems by far the most promising plan, and the one which, unless it can be shown to be impracticable at present, the Lieutenant Governor would wish to have at once enforced. If found to be really impracticable a combination of that with Mr. Cockburn's plan should be attempted.

23. In the mean time the existing accommodation of the Custom House should be made the most of. As a first step in this direction the opium now stored on the Custom House premises should be removed to the Bonded Warehouse. This would at once make available a very considerable amount of godown* accommodation, which would go far, His Honor believes, towards providing the space, the want of which is the principal obstacle to the introduction of a proper system of Customs administration. This measure, if the Board see no objection to it, may be at once carried out; and the Lieutenant Governor is prepared to take further steps in the same direction if it should be considered advisable to do so. With the view to satisfy himself on this point, it is His Honor's intention at once to appoint a Committee to report on the subject. The Committee will be instructed to report—

1st. What can be done for increased accommodation within the present Custom House walls; and, secondly, whether it is advisable to include in the Custom House premises any portion of the adjoining ground which had been set apart for a new Post Office.

24. While this enquiry is going on, I am to request that the Board will instruct the Officiating Collector of Customs to draft what he consi-

* The Opium godowns are calculated to hold 26,000 chests.

ders needful in the way of a change of law, and also in the way of a new set of rules to suit the change of system at the Custom House. This draft law and set of rules the Board will be so good as to forward to Government, with their own remarks and amendments, as soon as possible. At the same time a statement should be prepared and submitted of any increase of Establishment which may be deemed necessary to the efficient working of the new system.

I have the honor to be,

Sir,

Your most obedient Servant,

(Sd.) A. R. YOUNG,

Secy. to the Govt. of Bengal.

From E. T. Trevor, Esq., Secretary to the Board of Revenue, Lower Provinces, to the Secretary to the Government of Bengal,—(No. 969, dated the 5th September, 1850.)

Sir,—With reference to the second paragraph of your letter No. 2919, dated the 10th ultimo, I am directed to submit the following observations for the consideration of the Lieutenant Governor.

2. The reply of the Chamber of Commerce to the Board's enquiry regarding the expediency of shortening the time allowed for clearing goods at the Custom House has been received and is to the effect that in the opinion of the Chamber the time allowed by the present law is unnecessarily long, and that it might be reduced with advantage to two months.

3. The Board also think that for goods, packages, &c., addressed to the care of Firms or to parties in Calcutta, the term should be shortened, but they differ as to what term should be allowed; Messrs. Allen and Groat would give six weeks, Mr. Dampier one month, from the date of entry (which is the former law.)

4. For goods and packages addressed to parties not in Calcutta, the Board would not curtail the present time. This term seems to them no more than is fair considering the difficulty of access to many places within this Presidency, and such packages, &c., would not be so numerous as to overcrowd the Custom House.

5. If His Honor should be of opinion that the term for clearance as above recommended should be shortened, it will be necessary to modify the provisions of Section XIII, Act XVI. of 1837; power being reserved for Government to extend the term by proclamation in the *Gazette* to goods addressed to parties away from the Presidency.

6. As connected with the subject of providing further accommodation at the Custom House premises, I am directed, with reference to your letter No. 41, dated 19th ultimo, to state that, in the opinion of the Board, the present opium godowns might with certain alterations be made available for the purposes of the Custom House, but the opium department could not relinquish them until other buildings were erected for the reception and storage of the drug. There is a plot of ground to the west of the Board's office, belonging to Government and at present let out to Messrs. Mackintosh, Burn and Co., on which suitable buildings could be erected, and if a plot were made there it would be useful for landing the opium, or it might be landed at the Bankshall ghat if the Marine Authorities do not object.

7. As further connected with the subject of the present communication, I am directed to submit, in original, a letter from the officiating Collector of Customs, in which it appears to the Board that the Collector has satisfactorily accounted for the crowded state of the Custom House. They have already given their opinion regarding the enclosure of the land to the south of the Custom House in my letter No. 576, dated 19th ultimo, and they agree with the remarks of the Collector in his 13th paragraph, being certain that eventually the whole block mentioned by him, apparently about thirty-five bhegas, will be required.

8. Respecting the suggestion of the Collector that the opium verandahs and empty opium godowns should be temporarily made use of, Messrs. Dampier and Allen are of opinion that the suggestion should not be complied with. The verandahs must be kept clear to allow of the chests being taken out of the godowns for shipment, and there would be considerable risk they think to very valuable property both of the Government and of the opium merchants, if merchandise were permitted to be stored in the opium godowns, especially as our fresh opium will commence coming in during all November. Under any circumstances the sanction of the Lieutenant-Governor must be obtained to the proposition of the Officiating Collector.

9. Mr. Grote on the other hand being of opinion that Government is bound to find room for all goods brought to the Custom House would

authorize the temporary use of the empty opium godowns and their verandahs, enjoining the Collector at the same time to see that only such goods as are likely to take fire and will probably be quickly removed are placed in them, and that they be not stowed in such a way as to impede the ventilation or interfere with the Intendant's monthly delivery operations.

From the Hon'ble A. Eden, Officiating Junior Secretary to the Board of Revenue, to the Secretary to the Government of Bengal,—(No. 1088, dated the 29th September 1850.)

SIR,—I am directed to forward for the consideration and orders of His Honor the Lieutenant-Governor, the accompanying letter No. 252, dated 12th September, from the Officiating Collector of Customs, suggesting that the wharfage rates now in force should be increased, and recommending that the system of leasing out the Custom House godowns should be discontinued.

2. The Board approve of the proposition for raising the Wharfage rates, and consider that it would have the effect of materially assisting in keeping the Wharfs and Custom House premises clear; at present it is actually cheaper to allow packages, which do not suffer by exposure, to remain at the Wharfs than to move them to godowns in the town.

3. The system of hiring out the Custom House godowns, which was intended as a convenience to the mercantile community in general, appears to have degenerated into the permanent occupancy of these buildings by fourteen firms, who keep possession of them, whether they are filled or not, at rents far below those which they would have to pay for similar accommodation in the town, to the exclusion of all other tenants, or temporary occupants, whose goods are left tossing about on the Wharfs. The Board are therefore of opinion that the rents of the godowns should be at once doubled as a temporary measure, and they consider that this may be done with a certainty of all the godowns being taken; for as it was a great object to the importer to secure this accommodation when the duty was only 5 per cent., now that the duty is 10 and 20 per cent., it must be much more valuable to him.

4. The change of system suggested in the Officiating Collector of Customs 6, 7, 8 paragraphs should, the Board think, be reserved for future consideration in connection with the question of the enlargement of the Custom House accommodation and abolition of the out-pass system which is now before them.

6. In conclusion, I am desired to say that the Board are clearly of opinion that goods landed not in full of invoice should be exempt from wharfage rent for a reasonable period to be fixed by the Collector of Customs, as the importer is not allowed to pay duty and take away the goods until the shipment is landed in full.

From F. J. Cockburn, Esq., Officiating Collector of Customs, Calcutta, to the Officiating Junior Secretary to the Board of Revenue.—(No. 252, dated the 12th September 1859.)

SIR,—I have the honor to request that you will lay before the Board the following suggestion, viz., that the wharfage rates now in force be raised to the following scale:—

	PRESENT RATE.		PROPOSED RATE.	
	Rupces.	Annas.	Rupces.	Annas.
A Cask of Tierce	1	0	2	0
A Bale of Hides	1	0	2	0
A Pipe or Butt	1	0	2	0
A Hogshead	0	8	0	12
A Barrel	0	4	0	5
Small Keg	0	1	0	1
12 Dozen Chest	0	8	1	0
6 Ditto ditto	0	4	0	8
3 Ditto ditto	0	2	0	4
Small Packages, each	0	1	0	2
A Bale of Twist	0	4	0	8
Bottle or Earthen Ware Crates } each..... }	0	4	0	6
Ditto Small ditto	0	2	0	3
Pine Boards, per 100	2	0	2	8
Buffalo Horns, per 100	1	0	1	4
Sugar or Saltpetre per Bag	0	2	0	2
All weighable articles per Mtd....	0	1	0	2

2. These rates and the chief of their accompanying rules were sanctioned in August 1837, exactly twenty-two years ago. The value of storage ground has increased vastly since then, and I think these rates might very fairly have been raised some time ago and may very fairly be raised now.

3. The inconveniently crowded state of the wharf is another reason for raising these rates. There is a large quantity of cargo lying here (though it is impossible to say how much) simply for the convenience of

the importers, not for Customs purposes or forms, but merely because it is cheaper and more convenient to let it lie here than to remove it. The consequence is that great inconvenience is felt by all except the fourteen fortunate renters of godowns.

4. Under the system which it is proposed to adopt of making all goods pass through the Custom House a revision of rules and rates will be necessary, but as that time will probably not arrive for some months, I see no reason why a revision adapted to present circumstances should not be made to have effect in say ten days, or at the most fourteen days, after publication.

5. I therefore submit the following rules in substitution of those now in force:—

I. Goods lying in the open wharf to be allowed to remain four days without incurring any charge for rent, after that period single rent (at the rates enumerated in the annexed table) to be charged for four days, and double rent for any further number of days.

II. Goods lying under cover to be allowed two days rent free, two days single rent, and for any number of days in excess of that period double rent.

III. Goods for which out-passes have been granted, if landed at the Custom House, and goods remaining in the shed on the ghât beyond twenty-four hours shall be charged double wharfage.

IV. Goods on the wharf but for which an out-pass is obtained shall be charged double wharfage.

V. The day of landing and that of removal to be reckoned as one day.

6. I beg also to recommend either that the system of leasing out godowns for hire be discontinued or that the rent demanded for them be raised considerably. The former plan would, I think, be the best, and as they are all held on monthly leases could be done easily. I would not press this measure now, however, but would leave it if the Board think proper till the new system comes into operation.

7. The inconvenience of hiring out godowns has often been felt. The Collector of Customs has no right to insist on the door being opened and consequently cannot obtain access to goods he may wish to seize or examine. Some godowns may be half empty while a score of merchants are driven wild from being unable to find room on the wharf for their goods.

8. There are twenty-three godowns rented to the public, and these are in the hands of fourteen firms, and for twelve of them only fifty-three

Ropes per mensem is paid. One of these godowns will hold the following number of packages, which if lying in the open sheds would pay thus:—

6,000 One dozen size at one anna per month, Ropes . . . 375 0 0
or 2,000 Three dozen size at two annas, ditto . . . 250 0 0
or 1,000 Large size box or bale of twist or barrel at four annas per month, Ropes . . . 250 0 0

In fact, with proper packing, one of these godowns will hold seven thousand one-dozen sized boxes. The larger godowns will of course hold in proportion. With the superior accommodation and protection, afforded by these godowns I do not see why their rent should be so little. I would recommend that the rent of all these godowns be raised fifty per cent. from the 1st of November.

P. S.—Since this was written the Bonded Warehouse rates are advertised to be raised to—

2 Rupees per Butt or Pipe . . .
1 Rupee per Hoghead . . . Per month.
8 Annas per Quarter Cask . . .

No. 2796.
From the Hon. Secy. to the Govt. of Bengal, to the Hon. Secy. to the Govt. of India, dated 24th September 1859.

E. H. LUSHINGTON, Esq., Secy. to the Govt. of Bengal.
To the Hon. Secy. to the Govt. of India, dated 24th September 1859.

THE OFFG. JUNIOR SECRETARY TO THE BOARD OF REVENUE,
Fort William, the 16th November, 1859.

Customs duties, and the duties on the sale of goods at the godowns of the Board of Revenue, to be raised from the 1st of November, 1859, to the following rates:—

Sir,—With reference to the letters noted on the margin, I am directed to state that the Lieutenant-Governor has been pleased to order that the Board of Revenue, to Government of Bengal, No. 269, dated 24th September 1859, be referred to the Board of Revenue, to Government of Bengal, No. 188, dated 24th September 1859, in relation to the proposed internal arrangements as may be permitted by the laws now in force.

2. The Lieutenant-Governor entirely concurs with the Board in the necessity of shortening the rent free terms and raising the rates of rent. The rents should be so fixed that a single rate should be equal exactly to the Bonded Ware House rate for the time being. I am desirous to observe, however, that, under the rules proposed, goods neither on the wharf nor under cover, but lying in the Custom House compound, would be liable to rent. The Lieutenant-Governor thinks that this should not be the case, and therefore approves of rule 1 with the following modification:—

"Goods lying in the open wharf, or in the Custom House compound and not under cover, to be allowed to remain four days without incurring any charge for rent, after that period single rent, &c., &c."

3. The Lieutenant-Governor also approves of rules 2 and 3 with the following amendments:—

Rule 2. "Goods lying under cover within the Custom House to be allowed, &c., &c."

Rule 3. "Goods remaining in the shed on the wharf beyond twenty-four hours shall be charged double wharfage, and if remaining beyond eight days treble wharfage."

4. The Lieutenant-Governor disapproves of the proposed rule 4, as it is not desirable to discourage the bringing of goods to, or near to, the Custom House, whether such goods have out-passes or not.

5. The following proviso should be added to the present rule 5:—
"Sundays and holidays are not reckoned in the rent-free terms. When delay is caused by the inability of the Custom House officers to examine and pass the goods after application in due course for that purpose, the days of such delay are not to reckon in any term."

6. With reference to paragraph 3 and 4 of your letter of 29th September, the Lieutenant-Governor is unable to concur with the Board in their suggestion to continue the practice of leasing out the godowns on the Custom House premises to mercantile firms at double the rates now paid by them, even as a temporary measure. With such a demand on all sites for accommodation, and such serious inconveniences and complaints resulting from the want of it, it appears to the Lieutenant-Governor a manifest inconsistency to apply for enlargement of the Custom House premises on the one hand, while on the other the existing room in the building is frequently only partially occupied. No amount of rent however large could justify the continuance of such an arrangement, whereby a single firm can hold an entire Godown with perhaps only one package

in it, to the great detriment and loss of a "score of other merchants" who were unable to find any place on the wharf for their goods.

7. Under these circumstances the Lieutenant-Governor directs that the leasing out of those godowns may be immediately stopped.

I have the honor to be, Sir,

Sir,

Your most obedient Servant,

(Sd.) E. H. LUSHINGTON,

Offg. Secretary to the Govt. of Bengal.

(True copy.)

THOMAS JONES,

Register, Bengal Secretariat.

APPENDIX I.

INTRODUCTION OF A GOLD CURRENCY INTO INDIA.

(Continued from page 29.)

No 4728.

TO THE SECRETARY OF THE BENGAL CHAMBER OF COMMERCE.

SIR,—I am directed by the Right Hon'ble the Governor General in Council to acknowledge the receipt of your letter of the 25th ultimo, enclosing one in which the native shroffs and merchants of Calcutta have lately represented to the Chamber of Commerce that gold should be made a legal tender in India, and expressing the opinion of the Chamber of Commerce that it is desirable to introduce gold as a subsidiary currency to the extent of two hundred rupees, adopting the English sovereign, at a fixed rate relative to silver, as a circulating medium.

2. I am also to acknowledge the receipt of your letter of the 31st ultimo, requesting that your previous letter may be modified by the substitution of the words "recognizing the sovereign as the equivalent of ten rupees," for the words "adopting the English sovereign at a fixed rate relative to silver as a circulating medium."

3. In reply I am to inform you that the Governor General in Council regrets that he is unable to meet the wishes of the Chamber of Commerce in this matter.

4. However accurate might be the proportional value which might be given to a gold coin now as compared with the standard silver coin, there is a strong and growing probability that it would before long cease to be the true value, and therefore that a law which should fix that value could not long be maintained unaltered without disturbing existing obligations between debtor and creditor.

5. The evil of passing such a law with the certainty that it would not be permanent, and with the probability that a change in it would become necessary at no distant time, is plain.

6. Besides this fundamental objection to the measure there is another more immediate in its bearing upon the community. To subject every person to whom any sum from ten rupees to two hundred rupees may be owing to receive payment of that sum, or of the greater part of it, in sovereigns would be a severe hardship. It would compel such persons

before disbursing their money to have recourse to money changers, often under very disadvantageous circumstances, and with no escape from extortionate demands. The loss which is already suffered by those who have occasion to change silver for copper coin in the bazars would be trifling compared with the loss and inconvenience to which they would be exposed when obliged to seek change for gold coins of the nominal value of ten rupees.

7. It will, I am to observe, be clear to the Chamber of Commerce that the law as it exists in England furnishes no parallel to the measure which is now proposed.

8. In a country in which gold is the standard, but where silver is indispensably necessary to express sums which cannot be expressed in gold, the establishment of a subsidiary silver currency which shall be legal tender to the extent of forty shillings is a measure convenient to all; but in a country in which silver is the standard, the introduction of gold as a subsidiary currency, and as a legal tender to the extent of ten times the above named amount, is a very different measure. The convenience of it would be limited to a number comparatively small: the inconvenience and loss resulting from it, by the payment of small sums in gold at a rate which, though legal, might be above the market rate, would extend to large and not wealthy classes. It is needless to say that in the event, in either case, of a depreciation of the metal of which the subsidiary currency is formed, the disturbance will be greatest where that currency has been made a legal tender for the largest amount.

9. Furthermore I am to remind you that the right of paying in gold is one which, if it be given to the public, must also be used by the Government. The Treasury could not receive sovereigns at a fixed rate without re-issuing them at the same rate. It would therefore soon become necessary to pay some part of the interest on public securities in that coin. But the bargain of the State with its creditors has been made in silver; and if gold be paid to them in place of silver at a rate higher than the market value of gold, the creditors will have cause to impugn the good faith of the Government.

10. The Governor General in Council cannot consent to a measure which would lead to such a consequence.

11. After giving a respectful consideration to the scheme which the Chamber of Commerce has recommended, the Governor General in Council is satisfied that, so far as money transactions within the wide limit of two hundred rupees are concerned, it is open to nearly all the objections which have been generally, and as His Excellency believes rightly, urged against a double standard. And His Excellency regrets that he is quite unable to concur in the opinion of the Chamber of Commerce that the

present time is one at which it is desirable to introduce the measure suggested. It appears to the Governor General in Council that there never has been a time when it would be so little wise or just to force by law a gold currency (even though restricted to the extent proposed) upon a country where the standard is silver.

12. Against these reasons for not adopting the course recommended by the Chamber of Commerce there are to be set the reasons adduced in favor of that course in the letter from the native shroffs and merchants which you have transmitted with the recommendation.

13. These reasons are firstly the greater convenience of those who have occasion to remit or carry money from place to place, and the preference given by natives to gold on account of facility in hoarding it; and secondly, the diminution of difficulty in obtaining silver from England and of derangement in the money markets of Europe.

14. As regards the first the Governor General in Council does not under-rate the advantage to the community of making money portable. His Excellency considers that it furnishes a good reason for coining gold, and for placing gold money within reach of the public to be used at their option; and this the Government of India already does; but that it would by no means justify the Government in making the hopeless attempt to fix the value of the gold coin by law, and in compelling the acceptance of it at that value.

15. The fact that gold is easily hoarded is one which may properly be taken into account in estimating the amount of gold coin which should be supplied to the country; but in the opinion of the Governor General in Council it cannot be represented seriously as a ground for making gold a legal tender.

16. As regards the second reason, the Governor General in Council does not admit that the evils which the writers of the letter describe, and which they assume would be diminished by the measure proposed, are such in degree as to call for the adoption by the Indian Government of a measure which would be embarrassing and hurtful within India itself.

17. The price paid for the silver lately sent from England, &c. &c. an onus, is in the opinion of the Governor General in Council no sufficient evidence of this.

I have the honor to be,

Sir,

You most obedient Servant,

C. HUGH LUSHINGTON,

Secy. to the Govt. of India.

Council Chamber;

The 11th June, 1859.

BENGAL CHAMBER OF COMMERCE.

Calcutta, 25th July, 1858.

C. HUGH LUSHINGTON, Esq.,

Secretary to the Government of India,

Financial Department.

SIR,—I am directed by the Committee of the Bengal Chamber of Commerce to acknowledge the receipt of your letter No. 4728, of 11th ultimo, in reply to my letters of the 25th and 31st May, suggesting, by direction of the Committee, for the consideration of the Right Honourable the Governor General in Council, the expediency of introducing a gold currency into India, by making the English sovereign the equivalent of ten rupees, and to the extent of twenty sovereigns, or 200 rupees, a legal tender,—a proposal to which, for the reasons stated in your letter, the Governor General in Council regrets that he is unable to give his concurrence. But as these reasons do not appear to the Committee of the Chamber to be well founded, I am desired by them to communicate to you, for his Lordship's information, some of the grounds on which they have taken the liberty of coming to a different conclusion. In doing this the best way for us will be to reply to your letter paragraph by paragraph.

Paragraphs 1 and 2 acknowledge my letters of the above date.

Paragraph 3 expresses the regret of the Governor General that his Lordship is unable to comply with the wishes of the Chamber in this matter. Paragraphs 4 and 5 are as follow:—

"4. However accurate might be the proportional value which might be given to a gold coin now as compared with the standard silver coin, there is a strong and growing probability that it would, before long, cease to be the true value; and, therefore, that a law which should fix that value could not long be maintained unaltered, without disturbing existing obligations between debtor and creditor." "5. The evil of passing such a law with the certainty that it would not be permanent, and with the probability that a change in it would become necessary at no distant time, is plain."

The Committee of the Chamber take it for granted that the Governor General admits the English sovereign, as compared with the standard silver coin, to be of the value of ten rupees,—of which, indeed, there can be no doubt, because sovereigns sell readily in any quantity, at present, for ten rupees and six annas each. But His Lordship objects, "that there is a strong and growing probability that it would before long cease to be the true value." The Committee of the Chamber are aware that the same views find several able supporters among the many writers on the currency. The speculations of these

writers came out strongly with the discovery of the Californian mines and their prophecies as to the probable fall in the value of gold and the evils to arise therefrom, were repeated, with still greater confidence, when the gold discoveries in Australia were made; and they have been reiterated by the same theorists ever since, year after year, with undiminished confidence. But what are the facts? Since the discovery of gold in California and Australia, it is estimated that nearly forty millions of gold have been added, yearly, to the stock of gold in the world; and this, as the currency theorists themselves admit, without any depreciation in the value of gold, which relative to silver, here and in the markets of Europe, continues to be what it was before the date of the recent gold discoveries. The Committee of the Chamber do not believe that the small change in the currency which they propose will in the least disturb the obligations between debtor and creditor. Previous to the discovery of California, the circulating medium of France and America was composed of silver and paper money, but the gold discoveries were taken advantage of in both countries. In America the mints immediately coined gold double eagles, eagles, half eagles, quarter eagles, and dollars, as a legal tender for the amounts they indicated; and in France the mints became very active in coining double Napoleons, Napoleons, half Napoleons and quarter Napoleons as a legal tender, for 40, 20, 10, and 5 francs of the silver standard. In both countries, and more especially in America, the result has been the displacement of a good deal of spurious paper currency, and of the greater portion of the silver of which the metallic currency almost entirely consisted. This increase in the gold currency, or in the circulating medium, of the two nations, was appreciated as of great benefit; nor has it been productive of any injurious effect on the contracts between debtor and creditor. The French nation apparently even now does not apprehend any mischief from having a double standard, judging from the alacrity with which the public loans were taken up the other day by all classes of the people. Nor has India failed to derive benefit from these gold discoveries which have had the effect of liberating from America and France the large quantities of silver which have since then been flowing to the east, to adjust with India and China the balance of trade. The total shipments of silver to the east since 1851, to the end of 1857, were nearly fifty-seven millions, or, on an average of each year, in excess of the estimated yearly production of all the silver mines in the world; the shipments from Great Britain and the Mediterranean in 1856, being £14,100,000, and in 1857 £20,140,000. The change in the precious metals has always been so slow as to be scarcely perceptible.

It is true that the value of silver has somewhat declined since the discovery of gold, but this is a fact which cannot be denied. The Committee of the Chamber are aware that the same views find several able supporters among the many writers on the currency. The speculations of these

L. C. H. Lushington
he writes to the
the 10th

The relative value of gold in silver varies at the same moment in different countries and in the same country at different times, being influenced by the standard, the supply, and the state of the exchanges. The Committee of the Chamber conceive that were the very trifling change which they propose now acted upon, no alteration in the value of gold coin would at any future time be necessary; but should it be, there can be no difficulty in adjusting the relative proportions. The convenience and benefit to the public will far outweigh this trouble to the Government.

6. Besides this fundamental objection to the measure, there is another more immediate in its bearing upon the community. To subject every person to whom any sum from ten rupees to two hundred rupees may be owing, to receive payment of that sum, or of the greater part of it, in sovereigns, would be a severe hardship. It would compel such persons before disbursing their money, to have recourse to money changers, often under very disadvantageous circumstances, and with no escape from extortionate demands. The loss which is already suffered by those who have occasion to change silver for copper coin in the bazars, would be trifling compared with the loss and inconvenience to which they would be exposed when obliged to seek change for gold coins of the nominal value of ten rupees.

The native bankers or shroffs and the dealers who have to keep a reserve of money, which at present they do in silver, would only be too glad to substitute sovereigns for bulky silver rupees.

7. It will, I am to observe, be admitted that the standard dear to the Chamber of Commerce in England, being gold, and the standard in India being silver, there

The objection taken in this paragraph by the Committee of the Chamber conceive to be greatly exaggerated. It is founded on what they believe will practically be found to be the exception to the rule. It assumes that all those to whom sovereigns are paid will at once go with them to the money changers, who would of course make a charge for giving silver rupees in exchange; but, which, however, would be done for a much smaller charge, or batta—something less than one-half the batta exacted for changing copper for silver coin. Sovereigns in ordinary transactions would pass from the buyer to the seller in exchange for commodities, and should the value of the latter fall short of the value of the sovereign, the balance or difference would be paid back by the seller to the buyer without any such charge.

The native bankers or shroffs and the dealers who have to keep a reserve of money, which at present they do in silver, would only be too glad to substitute sovereigns for bulky silver rupees.

furnishes no parallel to the measure can be no exact parallel between which is now proposed.

8. In a country in which gold is the standard, but where silver is indispensably necessary to express sums which cannot be expressed in gold, the establishment of a subsidiary silver currency which shall be legal tender to the extent of forty shillings, is a measure convenient to all. But in a country in which silver is the standard, the introduction of gold as a subsidiary currency, and as a legal tender, to the extent of ten times the above-named amount, is a very different measure. The convenience of it would be limited to a number, comparatively small; the inconvenience and loss resulting from it by the payment of small sums in gold, at a rate which, though legal, might be above the market rate, would extend to large and not wealthy classes. It is needless to say that in the event, in either case, of a depreciation of the metal of which the subsidiary currency is formed, the disturbance will be greatest where that currency has been made a legal tender for the largest amount.

The inconvenience and loss contemplated will, it is thought, prove to be imaginary; as will also the risk that payments in gold will bear to the large and wealthy classes, who in the opinion of the Committee will be the very first to avail themselves of the advantages of a gold in comparison with a silver coinage. So long as the sovereign is declared a legal tender for the rupee, it will pass current for the rupee, and have the same purchasing power as ten rupees in silver. The buyer and seller seem indifferent to the rise or depreciation in the market value of the metal of which the subsidiary currency is composed.

Sixteen annas, or one rupee, of copper coin have the same purchasing power as a rupee of silver, although the sixteen annas of copper according to the market value of copper are not worth more than seven or eight annas of silver. In the same way a shilling of silver, or twelve pence of copper, although the former is 10 per cent. and the latter 40 per cent. less, in intrinsic value, than the twentieth part of the gold sovereign, have the same purchasing power, and pass from one hand to another, at their nominal

value, without any regard or inquiry as to the rise or fall in the market value of the metals of which the coins are composed.

"9. Furthermore, I am to remind you, that the right of paying in gold is one which if it be given to the public must also be used by the Government. The treasury could not receive sovereigns at a fixed rate, without re-issuing them at the same rate. It would therefore soon become necessary to pay some part of the interest on public securities in that coin. But the bargain of the State with its creditors has been made in silver; and if gold be paid to them in place of silver at a rate higher than the market value of gold, the creditors will have cause to impugn the good faith of the Government."

"10. The Governor General in Council cannot consent to a measure which would lead to such a consequence. . . . The Government is not entitled by abstaining from doing any act either to increase or to depreciate the value of money. Within this wholesome category the public creditor is entitled to include all the obligations of the State, and to consider that any steps taken by the Government, in the knowledge that there will have the effect of depreciating its own securities, is as great a breach of the good faith of the Government towards the public creditor as debasing the value of the coin in which the debt or obligation so depreciated is at some very distant day, if ever, ultimately discharged. There can be no doubt that in the event of the measure proposed being adopted, Government will be as much entitled to pay away to each individual to the extent of twenty sovereigns or 200 rupees in gold, as it will be bound to receive them.

These small payments, however, from and to individuals, will be but an infinitesimal fraction of the crores of rupees which pass into and out of the Government treasuries in the course of the year. The public creditors can have no more cause to impugn the Government for paying them in sovereigns to a limited extent, than the public of India have a

The Committee of the Chamber beg of you to assure His Excellency the Governor General in Council that they are quite as unwilling to suggest as His Lordship can be to carry out any measure which they have any conception would be likely to afford to the public creditors any good grounds for impugning the good faith of the Government—being conscious that a sacred regard for the great rules of property on the part of Governments is the foundation on which all private as well as public or political security rests. And accordingly Governments have found out the expediency of preserving the standard of money inviolate, and that their ultimate interest, as well as the interest of the public, is best consulted by abstaining from doing

right to complain of being compelled to take sixteen annas of copper at a rate higher than the market value of copper, or than the public of England have a right to complain of their being compelled to take forty shillings of silver, as a legal tender, at a rate higher than the market value of silver at the time. It is said that the bargain of the State with the creditor having been made in silver, it would be unjust to pay him in gold, if the value of gold happened to be less than the value of silver at the moment of payment. But suppose that the value of silver happened to be less than the value of gold, which is not an impossible case, the gain would then be to the creditor, whose interest chiefly the Government professes to care for in the contract. But all injustice in this respect may be obviated by Government agreeing, if it desires it, to pay its debts not according to the value of the rupee at the date of payment, but according to its value when the debt was contracted, or if paid in gold, by paying the creditor a sum which after a comparison of the course of the value of the two metals shall at the time of payment be the commercial equivalent of the silver rupee in which the debt was contracted. The objections in this paragraph are only applicable to a double standard—when the debtor has it in his option to discharge his debt in gold or in silver, as may suit his convenience;—they are of little or no force when directed against a subsidiary currency for limited payments. The Committee of the Chamber venture to state, that if the consent of the public creditors were asked to receive payment not only of the future interest, but of the principal, of all the loans in gold sovereigns at the equivalent of ten silver rupees for each sovereign, there is not a single creditor who would withhold his consent from such a proposal.

"11. After giving a respectful consideration to the scheme which the Chamber of Commerce has recommended, the Governor General in Council is satisfied that so far as money transactions within the wide limit of two hundred rupees are concerned, it is open to nearly all the objections which have been generally, and as His Excellency believes rightly, urged against a double standard, and therefore do not apply to this case: they might as reasonably be urged against forty shillings of silver being made a legal tender in England, the

her of Commerce, that the present time is one at which it is desirable to introduce the measure suggested. It appears, to the Governor General in Council, that there never has been a time when it would be so little wise or just to fore by law a gold currency (even though restricted to the extent proposed) upon a country where the standard is silver."

silver is not so absorbed, converted into coin is not found to be more than sufficient to perform, as circulating medium, the business of the country. The Indian currency out of the presidency towns being purely metallic, very large importations will require to be continued from year to year to meet the currency demand. A decrease or deficiency in the circulating medium would be severely felt by all classes, and by none more than by the Government itself. The wealth of India is gradually increasing, new markets are opening out, and an incalculable impetus will be given to our trade and commerce as railways bring the towns of the interior nearer to the sea-ports. With this expansion, a larger supply than before of the circulating medium will be necessary. The new markets yearly opening up all over in the east, such as China, Japan, &c., will continue to absorb an increasing quantity of the precious metals, the value of the produce they export will be much in excess of the value of the manufactures of Europe and America which they import, and the balance of trade must be adjusted by shipments of the precious metals. Looking to the vast and increasing area over which silver will have to perform the functions of the circulating medium, and to the probability that India will receive in future less quantity of silver than her wants require, the Committee of the Chamber consider it to be a duty to impress earnestly upon His Excellency the Governor General in Council the wisdom of timely adopting gold into the Indian currency to the modified extent which has been proposed.

"12. Against these reasons for not adopting the course recommended by the Chamber of Commerce, and merchants is important as shewing the feeling of the two classes of natives most competent to form an opinion upon the subject.

the letter from the native shroffs and merchants which you have transmitted with the recommendation."

"13. These reasons are:—

Firstly, the greater convenience of those who have occasion to remit or carry money from place to place, and the preference given by natives to gold on account of facility in hoarding it; and Secondly, the diminution of difficulty in obtaining silver from England, and of derangement in the money markets of Europe."

"14. As regards the first, the Governor General in Council does not under-rate the advantage to the community of making money portable. His Excellency considers that it furnishes a good reason for coining gold, and for placing gold money within reach of the public, to be used at their option—and this the Government of India already does—but that it would by no means justify the Government in making the hopeless attempt to fix the value of the gold coin by law, and in compelling the acceptance of it at that value."

scious vaults, and to the native bankers whose places of business are so very confined, the large space which silver occupies is exceedingly inconvenient. The advantage on this account of a gold currency would by them be fully appreciated. The Governor General sensible of this advantage considers it a good reason "for coining gold, and for placing gold money within reach of the public, to be used at their option; and this the Government of India already does." There is no gold money which is a legal tender, and until the creditor is obliged to receive a gold coin in payment from his debtor, it cannot be used at his option—it is not money in the ordinary

They are entirely in favor of gold as a currency; and it was a currency in India long before the British had a footing in it. They lay stress upon the portability of gold as compared with silver as one of the reasons for now introducing the former into the Indian currency—and this is a point on which the native shroffs and merchants who, signed the letter to the president of the Chamber can speak from practical experience. Some of them have agencies and dealings all over India, and there being no paper currency, they are necessarily compelled to keep large reserves of rupees in silver. The trouble and expense of moving bulky sums of money from place to place is very serious. Many shroffs are obliged to hold sums varying from £50,000 to £100,000 in silver. The weight of the former sum being 5½ tons, and of the latter sum 11½ tons. The same amounts if held in sovereigns would be cwt. 73 and cwt. 164 respectively. The Bank of Bengal when it comes to have nearly two millions of silver can scarcely find room for it in its spacious vaults, and to the native bankers whose places of business are so very confined, the large space which silver occupies is exceedingly inconvenient. The advantage on this account of a gold currency would by them be fully appreciated. The Governor General sensible of this advantage considers it a good reason "for coining gold, and for placing gold money within reach of the public, to be used at their option; and this the Government of India already does." There is no gold money which is a legal tender, and until the creditor is obliged to receive a gold coin in payment from his debtor, it cannot be used at his option—it is not money in the ordinary

acceptation of the word. It is true that under Act XVIII. of 1835 it was enacted that a gold mohur is of the weight of 180 grains, of the standard of 165 grains of pure gold to 15 grains of alloy—a five rupee piece equal to a third of a gold mohur—a ten rupee piece equal two-thirds of a gold mohur, and a thirty rupee piece or a double gold mohur all of the above standard. The same Act enacted "that no gold coin shall henceforward be a legal tender in any of the territories of the East India Company." But subsequently it was declared that on and after 11th November 1840, officers in charge of public treasuries were to receive these gold coins as legal tender without any limit, and gold mohurs therefore came to be freely coined, and received by Government at their treasuries all over India. After the Californian and Australian gold discoveries the above order was for some reason or other withdrawn, much to the inconvenience of such of the public as happened to have gold mohurs in their possession; but being no longer a legal tender, or a currency at the treasuries, gold mohurs were no better than so much gold at its market value, the coinage stamping its weight and purity merely. Gold mohurs after the above prohibitory order could no longer be called money in India, any more than a piece of lead or copper, or of any other metal, or commodity of the same value, in the market can be called money. The Governor General considers that although it is a good reason for coining gold, the portability of it, "would by no means justify the hopeless attempt to fix the value of the gold coin by law and in compelling the acceptance of it at the value." The Government when it ordered the gold mohur to be received at its treasuries on and after 11th November 1840, did fix the value of the gold coin which it now considers it would be hopeless to attempt to do. Nor is there any more hopelessness, nor any greater hardship, in compelling the acceptance by the Indian public of sovereigns to a limited amount, at a fixed value, than in compelling them to take sixteen annas of copper as equal to a silver rupee, or in compelling the English community to receive forty shillings of silver as of the same value as two gold sovereigns.

"15. The fact that gold is easily hoarded is one which may properly be taken into account in estimating the amount of gold coin which should be supplied to the country; but in the opinion of the Governor General in Council it cannot be represented seriously as a

In the remarks contained in this paragraph the Committee of the Chamber beg to concur; nor do they believe that when the native merchants and shroffs noticed in their letter, as a fact, that the natives of India, prefer gold to silver, on account of its being so much

ground for making gold a legal tender more easily hoarded than silver it

tender." was meant to be represented seriously by them, as ground for making gold a legal tender. They know that a very large amount of the current silver coin is yearly hoarded, and they supposed it to be in every way advantageous that there should be a sufficient amount of gold coin available for hoarding—so as to liberate the silver coin so taken out of circulation, for the purpose of its being again made use of in the daily dealings of the poorer classes.

"16. As regards the second reason, the Governor General in Council does not admit that the evils which the writers of the letter describe, and which, they assume, would be diminished by the measure proposed, are such in degree as to call for the adoption by the Indian Government of a measure which would be embarrassing and hurtful within India itself."

"17. The price paid for the silver lately sent from England—5s. 2d. an ounce—is, in the opinion of the Governor General in Council, no sufficient evidence of this."

In their letter the native shroffs and merchants noticed the extraordinary and continuous flow of silver from Europe to the East for several years past, the difficulty experienced in obtaining all the silver necessary to keep up the supply for this purpose, and the frequent derangement observable in the exchanges and the money markets of Europe, attributable to the withdrawal from the continent of such large sums of silver, and to the transmission thither of gold from England to pay for it. In their opinion the evils alluded to would be diminished, or avoided, were there a gold currency in India, because gold sovereigns would then be shipped at much less cost to the shipper than silver, which has in consequence of this demand risen some three to four per cent. in price. The Governor General does not admit that the evils in question are such in degree as to call for the adoption by the Indian Government of a measure which would be embarrassing and hurtful within India itself. The native shroffs and merchants believe (and the Committee of the Chamber concur with them) that the proposed measure if adopted will prove to be the very reverse of embarrassing and hurtful to India, and to England and the other countries with which she now carries on such an important trade. It would greatly facilitate the exchanges between India and those countries, and the adjustment of the heavy balance of trade always in her favour to the advantage of all concerned, a consideration of importance, and by no means to be overlooked by those to

whom the Government of India is entrusted in estimating what is best calculated to promote her progress as a commercial nation.

In estimating the advantages of gold as compared with a silver coinage, the native shroffs and merchants have omitted the greater durability of gold and the less tear and wear, and therefore the greater economy of the gold in comparison with the silver coin—the wear and tear of gold being estimated at one-tenth and of silver at one-third per cent. per annum.

The Committee of the Chamber in suggesting for the consideration of His Excellency the Governor General in Council the expediency of adopting gold as a legal tender to the amount of twenty sovereigns, or 200 rupees, fixed that limit in the expectation that being so very moderate a change His Lordship was not likely to meet it with any serious objection. They would have suggested a much more extensive alteration if there seemed any probability of its being entertained, the views of the Committee of the Chamber being in favour of adopting gold as a standard in place of silver, and of making silver and copper ancillary to gold, in the same proportion as in the currency of Great Britain. The adoption of the English standard they are persuaded would in the course of time result as beneficially for India as upwards of forty years' experience has proved it to have done for England, who effected the change in her standard in 1816, after having contracted upwards of 800 millions of her debts, while India's obligation to her creditors do not at present amount to more than 100 millions,—chiefly of recent contraction.

In conclusion the Committee of the Chamber direct me to state that they feel so satisfied of the benefits that will be sure to result from the admission of gold, even as a subsidiary currency into India, that they will be thankful if the Governor General in Council will be pleased, as an experiment, to sanction gold as a legal tender to any smaller amount than twenty sovereigns, down to two sovereigns as a minimum.

I have the honor to be,

Sir,

Your most obedient Servant,

H. W. L. WOOD,

Secretary.

APPENDIX J.

GOVERNMENT TREASURY BILLS, IN TRIPPLICATE.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 4th August, 1859.
C. HUGH LUSHINGTON, Esq.,
Secretary to the Government of India,
Financial Department.

SIR,—The Committee of the Chamber of Commerce direct me to represent that the issue of Treasury Bills, No. 2, in triplicate, would be attended with much more convenience than merchants now experience in receiving only *sole* bills, the transmission of which is attended with considerable risk; that would be altogether avoided if the Government acknowledge that such a modification would in all probability lead to a considerable demand for such securities as a medium of remittance between this country and Europe.

They respectfully submit this proposition for the consideration of His Excellency the Governor General in Council, and trust it will meet with His Lordship's approval and sanction.

I have the honor to be, Sir,

Yours faithfully,
H. W. L. WOOD,
Secretary.

No. 7195.

THE COMMITTEE OF THE BENGAL CHAMBER OF COMMERCE.

Financial Department.

GENTLEMEN,—I am directed to acknowledge the receipt of your

TREASURY BILL, dated the 4th inst.,

submitting your suggestion that

Treasury bills in the form number 2

contained in the notification from the

department, No. 34,

should be paid off at the option

of the Governor General in Council, at any time after the expiration of one year from this date, upon three months' notice previously given in the Calcutta Gazette, after which no further interest will accrue. In case of pre-emption no interest shall be payable on the Principal sum of Rs. 100,000, or on any part thereof, until the expiration of three months from the date of acceptance, together with interest at the rate of five per cent. on the capital sum of three months, but all interest shall cease from the expiration of this period.

Accountant General.

Secy. to the Govt. of India.

this suggestion; but that he has no objection to the issue, if desired by the subscribers, of Treasury bills in triplicate in the form entered in the margin,* which His Excellency hopes will be equally convenient.

2. I am desired to draw your attention to the Notification of this date intimating that Treasury bills will be issued in such form.

I have the honor to be,

Gentlemen,

Your most obedient Servant.

C. HUGH LUSHINGTON,

Secy. to the Govt. of India.

Council Chamber,
The 23rd August, 1859.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 26th August, 1859.

C. HUGH LUSHINGTON, Esq.,
Secretary to the Government of India,
Financial Department.

SIR,—I have the honor to acknowledge the receipt of your letter No. 7105 of the 23rd instant which informs the Committee of the Chamber of Commerce that His Excellency the Governor General in Council is unable to adopt their suggestion for the issue in triplicate of Treasury bills in the form No. 2, contained in the Government Notification of 30th April last; but that His Lordship has no objection to grant Treasury bills in triplicate in the form of which you annex a copy for the Committee's information, and which they observe by the Government notification No. 69, of the 23rd instant is in substitution of the two forms published on the 30th April last.

The Committee desire me to express their satisfaction with this arrangement, which they believe will be found more convenient to subscribers.

I have the honor to be, &c.,

H. W. I. WOOD,
Secretary.

dated the 30th April last, be issued in triplicate; and to inform you in reply that the Governor General in Council is unable to adopt

APPENDIX K.

ENGAGING TROOP SHIPS FOR GOVERNMENT.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 27th September, 1859.

W. GREY, Esq.,
Secy. to the Govt. of India,
Home Department.

SIR,—I am directed by the Committee of the Chamber of Commerce to bring to the notice of His Excellency the Governor General in Council the practice at present prevailing in the Marine office of taking up ships for conveyance of troops, or for other Government employment, without publicly advertising for tenders in the usual way.

The attention of the Committee has been called to this practice by representations which have been made to them by consignees of ships on the subject of the late charter of the ship "Indomitable" to convey troops to China. From what has been stated to the Committee they have reason to believe that had it been generally made known that a ship was required for this service, others equally eligible would have been offered to Government for a considerably less sum than has been engaged to be paid to that vessel.

It has also been stated to the Committee that even when tenders for ships are invited by the Marine office, no fixed rule appears to prevail which the lowest tenders should be accepted, though the ship so tendering may be in all respects eligible for the service for which she is offered. The Committee desire to be understood as not in any way questioning the impartiality of the Superintendent of Marine in dealing with such tenders, but believing that the system of open tenders is one deserving of the utmost encouragement on the part of Government as the most efficacious means of combining efficiency with economy, and having reason to believe that the present system does not give satisfaction to many parties interested in shipping, they would respectfully suggest that the following rules should be laid down for the guidance of the Marine office to which the Superintendent should be required in future, in all ordinary cases, to adhere.

1st. That tonnage for the public service should be engaged only by public tender.

2nd. That the lowest tender should be accepted subject to the vessel passing the usual survey.

3rd. That tenders should in all cases be opened at a fixed hour by the Superintendent of Marine or his Secretary, in the presence of the parties tendering or their agents.

The Committee believe that if these suggestions are adopted the dissatisfaction which is felt at the present system will be removed, and that this branch of the public service will in future be carried out with equal efficiency and increased economy: on these grounds they venture to hope that their suggestions will meet with the favorable consideration of His Excellency in Council.

I have the honor to be, &c.,

H. W. I. WOOD,
Secretary.

No. 2141.

FROM

W. GREY, Esq.,

Secy. to the Govt. of India.

TO

COMMANDER J. BENNIE, C. B.,

*Superintendent of Marine,
Dated Council Chamber, the 31st October, 1850.*

SIR,—I am directed to acknowledge the receipt of your letter No. 8970, dated the 12th instant, reporting on the practice in force in respect of the hiring of vessels for the conveyance of troops.

2. The Hon'ble the President in Council is quite satisfied that you acted on the occasion of the despatch of Her Majesty's 67th regiment to China, in the manner that you thought most advantageous for the public interests; but His Honor in Council is of opinion that what is stated to be the usual practice of the Marine office, viz. to engage all tonnage by public tender, should be departed from as seldom as possible, and only upon the clearest grounds of advantage to the public service.

I have the honor to be,

Sir,

Your most obedient Servant,

(Sd.) W. GREY,
Secy. to the Govt. of India.

No. 2585.

Copy forwarded to the Secretary, Bengal Chamber of Commerce, with reference to his letter dated the 27th September.

W. GREY,

Secy. to the Govt. of India.

APPENDIX L.

OVERLAND EXPRESS LETTERS.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 31st December, 1850.

ROWLAND HILL, Esq.,

Secy. to Her Majesty's Post Master General,

London.

SIR,—By direction of the Committee of the Bengal Chamber of Commerce, I have the honor to submit a proposition for the consideration of the Right Honorable the Post Master General, by the adoption of which considerable delay and inconvenience will be obviated on arrival at Bombay of the overland mails of the 3rd and 18th of the month.

Of the numerous letters and papers posted for Calcutta by those opportunities very many are marked for transmission by express from Bombay, and it is with reference to these I am instructed to address you. The covers marked for express to Calcutta are sorted from the bulk of the mail on arrival at Bombay and forwarded so as to reach their destination in advance of those conveyed by the ordinary post; but in this operation of sorting much time is taken up, and not infrequently covers are overlooked. With the view therefore to save time and labor, and to expedite the transmission of all express covers from Bombay to Calcutta without exception, it is suggested that letters and papers posted in England marked for the express should be received in bags or boxes apart from those into which letters are ordinarily delivered, and packed up for transmission in a mail box conspicuously marked *Express*.

The moment the mails are landed at Bombay, attention would be specially directed to such express box; no sorting would be necessary; no covers would be overlooked; and the express would be despatched without delay.

It is respectfully submitted that this plan would be productive of much convenience, and the Committee of the Chamber of Commerce commend it to the favorable consideration of His Lordship the Post Master General.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

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No. 147L.

GENERAL POST OFFICE,
10th May, 1860.

H. W. I. WOOD, Esq.,

Bengal Chamber of Commerce, Calcutta.

SIR,—With reference to the letter which you addressed to this department on the 31st December last, by desire of the Bengal Chamber of Commerce, I have to inform you, in reply, that the Post Master General having now been informed by the Director General of the Post Office in India that an express is despatched from Bombay to Calcutta and Madras, as well as to Lahore via Agra, on the arrival at Bombay of each mail from England, and that, under certain conditions, letters and newspapers may be forwarded by such express, His Lordship has caused a notice to be issued to the public in the United Kingdom on this subject, and has given directions to the officers of this department for forwarding to Bombay, in a special manner, all correspondence which may be posted in this country specially marked to be sent by express.

I am, Sir,

Your obedient Servant,

F. HILL.

CONVEYANCE OF LETTERS IN INDIA, BY EXPRESS.

Information has been received from the Director General of the Post Office in India that an express is despatched from Bombay to Calcutta and Madras, as well as to Lahore, via Agra, on the arrival at Bombay of each mail from England, and that, subject to the following conditions, letters and newspapers for any station in India may be forwarded by such express to the Post Office on the above-mentioned lines of route, which is nearest to their destination, from which Post Office they will be sent on by the first ordinary mail.

1st. Letters and newspapers intended to be forwarded by this express must be legibly marked "By Express," and must be registered.

2ndly. In addition to the registration fee and the ordinary postage, there must be paid, in advance, upon each letter an express postage at the rate of 2s. for every quarter of an ounce or fraction of a quarter of an ounce, and upon each newspaper an express postage of 2s. for every four ounces or fraction of four ounces.

By command of the Post Master General,

ROWLAND HILL.

Secretary.

*General Post Office,
27th April, 1860.*

APPENDIX N.

MR. HARINGTON'S LICENSE BILL.

To

THE HONBLE THE LEGISLATIVE COUNCIL

OF INDIA.

THE PETITION OF THE BENGAL CHAMBER
OF COMMERCE.

SHewETH,—That your petitioners are engaged in carrying on a trade and commerce with all parts of the world, amounting in value, between imports and exports, to upwards of twenty-five crores of rupees, or twenty-five millions sterling, and are deeply interested in the progress, prosperity, and good government of India.

That the fiscal measures of the Indian Government, and the manner in which the deficiency in the revenue, occasioned by the additional burdens which the rebellion has thrown upon the country, are to be supplied have been to your petitioners, for a long time past, the source of much anxiety, and they have been much disappointed that with a knowledge of the existence of this large deficiency the action of the Government in doing what is necessary should have been so dilatory and so far short of what the exigencies of the State imperiously demand.

That although your petitioners have no control over their own taxation, and have no voice in the management of their own affairs, inasmuch as they are without any representative chosen by them or nominated from their class either in the Supreme or Legislative Council, they have, notwithstanding, on every occasion expressed their readiness to contribute their fair proportion of such just taxes as might be imposed by the Legislative Council with the view of raising the annual income to an equilibrium with the necessary annual charges of the State.

That in imposing taxes one of the maxims which all enlightened Governments have observed is to make all the subjects contribute towards the support of the Government as nearly as possible according to their abilities, that is, in proportion to the incomes which they enjoy under the protection of the State; and any departure from this rule is as much an inequality and an injustice, as if in the management of a commercial establishment the expenses of it were not to be contributed

in proportion to the respective interests of the partners, but contrary to this fair rule by making one partner pay less or nothing at all, and another more or the whole expenses of the management, without reference at all to their respective interests.

That your petitioners have been of opinion that, ever since the exigencies or wants of the Government became manifest, a comprehensive scheme of taxation, including a proper income tax, based on the principles above stated, being in accordance with the English income tax Act, together with succession and legacy duties, should have been at once resorted to by the Government for the purpose of raising a sufficient revenue.

That your petitioners have to regret that this course has not been followed, and that the only Act as yet brought into operation for increasing the revenue has been the Customs' duties bill, introduced by His Excellency the Governor General in your Honorable Council on Saturday, the 12th March, and which was passed into law on the Monday following.

That although your petitioners protested against this increase, raising the Customs' duties from five to ten, and on some goods to twenty, per cent as a retrograde step in commercial policy, they assented to the measure in consequence of the necessities of the State.

That the only other measures brought forward by Government with the object of increasing the revenue are two bills; the first of them being "a bill to consolidate and amend the law relating to stamp duties," read for the first time in your Honorable Council on 2nd July; and the other "a bill for the licensing of trades and professions," brought in by Mr. Harrington, and read for the first time before your Honorable Council on the 13th of August.

That to the provisions of the first of these bills, which is now before a Committee of your Honorable Council, your petitioners on this occasion offer no objections, excepting as to the tax upon judicial proceedings which they deem a tax upon justice.

That your petitioners regret to be compelled to offer a strenuous opposition to Mr. Harrington's licensing of trades and professions bill. The bill as originally introduced provides "that every person who shall carry on any lawful trade, and every person who shall exercise any profession, shall be required to take out a license," paying for such license, according to the class, from Rs. 2,000 to Rs. 2, as should be determined by the officer authorised by the Act "with reference to and after considering the extent of the trade, business, or profession carried

on by every such person;" and by Section XXII. of the Act "any person who shall hold any office, employment, or commission under Her Majesty or under the Government of India" are specially exempted from the tax.

That your petitioners are clearly of opinion that in a measure such as the present it is indispensable that the tax which each individual is bound to pay should be fixed and certain and not arbitrary; and that the amount should be plain and clear to the tax-payer as well as to the assessing officer, who otherwise would have it in his power to aggravate the tax or otherwise, according to his caprice and to his dislike or liking to the assessed parties.

That your petitioners cordially approve of the grounds on which the second reading of Mr. Harrington's licensing trades and professions bill was opposed in your Honorable Council by Sir Barnes Peacock, Sir Charles Jackson, and Mr. Scone; and your petitioners trust that your Honorable Council, before receiving any measure in future from His Excellency the Governor General, will insist upon a statement of the position of the finances, shewing the necessity for the measure, and in short insisting upon the production of a budget (such as the Chancellor of the Exchequer lays before the House of Commons) as nearly analogous as the circumstances of the two countries will admit of, as well for the satisfaction of your Honorable Council as of the public.

That in moving the second reading of this bill Mr. Harrington intimated that he had increased the cesses to be taxed in number from ten to seventeen, and that he had raised the maximum tax from Rs. 2,000 to Rs. 5,000 without offering any reason for this important change. That in the course of the discussion the mover of the bill was obliged to concede the principle that a three per cent. tax upon profits was to regulate the officer in fixing the assessment, and that civilians and military officers in civil employ should be subjected to a tax of three per cent. on their income, thus making the bill to all intents and purposes, an income tax bill.

That as the bill is partial, and therefore unjust, inasmuch as it does not include wealthy land-holders, land-holders, and other classes who ought to contribute to the expenses of the Government according to their respective means, the petitioners therefore humbly trust that, unless the bill is so amended in committee so as to include the above classes, the same will be thrown out by your Honorable Council, and another Bill introduced based upon fair and just principles.

And your petitioners, as in duty bound, shall ever pray.

The Bengal Chamber of Commerce,

By their President,

D. MACKINLAY.

Calcutta, 3rd Sept., 1859.

TO THE RIGHT HONBLE THE LORDS SPIRITUAL AND
TEMPORAL IN PARLIAMENT ASSEMBLED.

THE HUMBLE PETITION OF THE UNDERSIGNED
INHABITANTS OF CALCUTTA AND ITS
NEIGHBOURHOOD.

HUMBLY SHewETH,—That the public of this Presidency has been kept in a state of constant excitement and alarm for some time past in regard to public affairs, by the course of policy and legislation pursued by His Excellency the Viceroy and Governor General of India in Council.

That the inhabitants of Calcutta and its neighbourhood have been convened by the Sheriff, upon a numerously signed requisition, to protest against a bill entitled "a Bill for Licensing Trades and Professions," which has just been read a first and second time in the Legislative Council of India, and to petition for a change in the constitution of the said Council, the necessity of which, in the opinion of your petitioners, is proved by the proceedings of the said Council on the said Bill as well as by much antecedent experience.

Your petitioners beg to lay before your Lordships a statement respecting the said bill, (which they are enabled to do on the most authentic grounds of information) the said bill having, upon the standing orders of the said Legislative Council, been twice printed and published, first in its original shape by the printer of the said Council, and afterwards in its amended form in the *Government Gazette* for general information; and your petitioners trust that their statement respecting the said bill will justify in the estimation of your Lordships the prayer of their petition.

That the object of the said bill (as is signified by its title) is to put trades and professions under the restriction of a license, for the purpose of imposing a tax on the license. Your petitioners are aware that licenses have at different times been established for hawkers, pedlars and itinerants; but to establish them for the liberal and scientific professions, such as engineers, barristers and surgeons, and for the general body of merchants and traders throughout the country, including the presidency towns, appears to your petitioners a Legislative insult to those classes, a parallel to which it would be impossible to find in Imperial or Colonial legislation.

That your petitioners have reason to believe that the said bill was framed under the immediate authority of the Governor General in Council; and, from their conviction of the necessity of increased taxation

under the present circumstances of the Government, your petitioners are led to oppose it only by the weightiest considerations. They believe that the circumstances of the Government are such as render it of the first importance to place the taxation of the country on the broadest basis possible and on the soundest principles, and they regard it as impolitic in the greatest degree to select trades and professions and the merely industrial and working classes as special and direct objects of taxation and to confine it to them. Moreover, as a measure for raising a revenue, your petitioners regard it as one of the most partial, unsentimental, and inadequate conceptions; a return in a degree to abandoned methods of taxation; and inconsistent with some of the first principles of an enlightened revenue system.

That by the original bill the proposed taxation was divided into a scale of ten degrees or classes, to each of which a fixed sum was applied, the lowest being rupees two (four shillings) the highest rupees two thousand (£200 two hundred £) and the tax collectors were to apply the scale according to the extent of each man's trade, business or profession, of which they were to be the effective Judges, (subject indeed to a nominal right of appeal.) Your petitioners believe that this plan would have been intolerable in the Presidency and some other large towns; and in the interior of the country the cause of very great oppression. The scheme further provided for the publication throughout the country, at the different tax offices and thannahs or police stations, of lists of the names of the taxed persons, with their trades and professions, and showing in what class the tax collector had placed them and the tax payable in respect of their license. This publication of lists it should be remarked was without any fiscal object or gain; but was sure to be a fruitful cause of jealousies, animosities, and dissatisfaction, and of inconveniences and annoyances to the trading classes, the amount of which it would be difficult to estimate till weighed in the scale of actual experience.

The bill at the same time by an arbitrary definition of trades and professions brought under the tax all the industrious classes of almost every variety of occupation, not being artificers, labourers or cultivators of the soil; while at the same time it exempted all the Civil Servants of Government, and all persons in respect of any income derived from the public funds, and from the rent of land and from realized property or accumulations of any kind not invested in a trade or profession.

Such was the original project as first submitted for enactment.

That in consequence of the opposition which the bill met with on its first reading from the only two members who were unconnected with the Executive Government and one other member, changes were made in the scheme; and the bill, with those changes, having passed a second reading has been published for general information, and your petitioners annex to this their petition a copy of the official Gazette containing the said amended bill.

Your Lordships will perceive by a reference to the said bill that the said scale of taxation has been raised from rupees two thousand, the highest limit originally fixed, to rupees five thousand, with the following graduation:—

1st	Rs. 5,000
2nd	" 4,500
3rd	" 4,000
4th	" 3,500
5th	" 3,000
6th	" 2,500
7th	" 2,000
8th	" 1,500

and the rest are as in the original bill. And a new rule or principle has been introduced for the application of the scale, viz., that the Collector is to classify the taxable persons according to the amount of their annual net profits or gains, so that the sum paid for the license shall be as nearly as possible three per cent. on those profits or gains. And as your Lordships will also perceive on reference to the said bill, persons in the Civil employ of Government, and Military officers in any kind of staff employ, are brought under the tax, not as for a license but as for an income tax of three per cent. on their official pay when it amounts to rupees one hundred per month; but incomes of all persons whatever, derived from property in the public funds or from the rent of lands, or from realized property or accumulations of any kind not invested in trades or professions, and all statutory salaries of Government servants, that is salaries fixed by Act of Parliament, are still exempted by the said bill.

Your petitioners desire particularly to advert to the above mentioned exemptions, for which they can find no just reasons, and which they regard as extremely impolitic and inexpedient under the financial circumstances of the Government. It is true that Government stock is much depreciated in the Presidency markets at the present time; and it is true that the demand on the part of the Government for fresh loans necessarily

tends to occasion further depreciation; but the case is not worse than if consols were to fall to eighty, seventy, or sixty; and your petitioners think your Lordships would not regard that as a reason for exempting the fund-holders from taxation. It is true also that the said depreciation has been aggravated by the ill-judged operations of Government in raising its loans; but the case is not worse in that respect than if an error of judgment on the part of the Chancellor of the Exchequer increased the depreciation of consols; and your petitioners think that Parliament would not regard that as any ground for exempting incomes derived from the funds, and so with regard to incomes derived from the rent of land. There may be parts of the country in which the land is rack rented by the Government, and to such parts a tax on incomes from rent would have no application. But there are also parts in which the Government land-revenue, originally regarded as rent, is a mere fraction of the rent actually received from the cultivators of the soil. In such parts, the surplus (of enormous amount) is distributed among Zemindars, middlemen, and capitalists of various names, and of all these classes no one, as appears to your petitioners, can have, on general principles, the shadow of a title to be exempted from taxation, and, indeed, as far as your petitioners are aware the only ground of exemption alleged on behalf of the entire class in the permanent settlement, which, as your petitioners believe, affords no just ground of exemption from a general tax such as is desired by your petitioners. With respect to the exemption of other sources of income your petitioners regard them as too palpably unwise to require detailed animadversion.

It has been remarked, and justly as appears to your petitioners, that by retaining the original form of the bill as a tax on trades and professions by means of a license, and engraving, by way of concession to the opposition to that tax, the principle of an income tax, the bill is become incongruous and inconsistent both in form and principle. For example, rupees five thousand the fixed limit at the top of the scale, would not be an income tax of three per cent. on the great banking and various joint stock, or other first class commercial, concerns; and, in like manner, to turn to the bottom of the scale, petty traders whose net profits amount to only sixty-six rupees (£6-6-0) per annum will be liable to three per cent. on that wretched income, while the classes in the service of Government who are brought under the tax by the amended bill, will not be liable at all, unless their incomes are rupees one thousand and two hundred (£120) per annum.

By the regulation connected with the income tax in England, great

care, as your petitioners are informed and believe, is taken to prevent the inquisition connected with the tax from being made the means of disclosing to the world at large the fluctuating incomes of individuals. Exactly the reverse of this appears to be the object of the said bill, as it provides for the publication of the names of all persons taxed and the amount of tax paid by them, and thereby discloses to all the world every trader's net profit and income.

Such are the principal features of the said bill; and your petitioners present them as completely justifying their alarm and apprehension and the opinion above expressed of the character of the said bill; your petitioners also present them as a test at once of the capacity of the Government for devising a system of taxation adapted to the exigency of the times, and of its actual views on finance and taxation.

Your petitioners have expressed their belief of the necessity, under the present circumstances of the Government, for increased taxation. They now add the expression of their own readiness and willingness to submit to a just system of taxation, and their belief in the ability of the country under a wise and vigorous administration to bear all the proper charges and expenses of the Government. But they are also of opinion that the public of India, and especially of the Presidency towns, is entitled to know what those charges and expenses are, in all the detail usual in finance statements prepared for submission to Parliament, and to be informed what is the financial position of the Government; and they think that this information might be most conveniently given in the shape of an annual statement from the Executive Governments to the Legislative Council. Your petitioners are informed and believe that on the introduction of the said bill, information of this kind was desired in the said Legislative Council to justify the conscience of Members in casting new burdens on the people, and to shew in particular the grounds for selecting the taxes proposed by the bill, but no such information, as your petitioners are informed and believe, was given to the Legislative Council, nor has been given to the public, and a general ignorance prevails as to the expectations which the Government of India may form in regard to the productiveness of the said project of taxation and its further plans. Your petitioners therefore think that some provision should be made by law to secure to the public such information, and they humbly submit that it would best be secured by Act of Parliament; and they believe that the said Legislative Council has no authority at present to demand such information from the Executive Governments.

Your petitioners also beg to bring under the consideration of your

Lords the constitution of the said Legislative Council, to which their attention has been of late frequently attracted by the proceedings of the said Council and especially in regard to the said bill.

In the experience of your petitioners the said Council is deficient in many of the qualifications requisite in a body invested with powers of Legislation; especially in the varied information desirable, and they ascribe this deficiency to its exclusively official composition. The Legislative Council is constituted, as your Lordships are aware, by a recent Act of Parliament, and composed solely of official persons, of whom only two possess any degree of independence in relation to the Executive Governments, viz., the two Judges of the Supreme Court, who from the nature of their proper office or duty have little time to spare for the office of legislation: while all the other remaining members are either members of the Executive Government of India, or representatives of the local Executive Governments. Your petitioners believe that owing to the composition of the Legislative Council it is regarded by the said Governments as scarcely entitled to vary its acts from the design of the Governments. The relation therefore between the Legislative Council and Executive Governments according to this theory appears to be essentially that which exist between Principal and Agent. But if such is the true theory of the Legislative Council, your petitioners are at a loss to perceive the advantages of having a Legislative body instead of leaving the Legislative office with its responsibilities to the Governments themselves. Your petitioners believe however that such was not the intention and theory of Parliament when it constituted the said Council, and your petitioners pray that if the said Legislative Council is to be continued it may be altered so as to give it a greater degree of independence, which they submit can only be done by opening the Council to the same official classes and placing in it a sufficient number of non-official and independent members to secure a representation of public opinion, and your petitioners are of opinion that on such a change in the Legislative Council being made the Executive Governments would no longer need a representative, and that these Councils should be abolished.

In conclusion, your petitioners humbly pray your Lordships to take the matters of this petition into your favourable consideration;

and

to take such measures as may appear expedient to your Lordships to have the general taxation of India placed on broad and sound principles;

and

particularly to prevent the establishment of a system of exceptional

taxation on the industrial classes and on trades and professions, and of any general system for putting commerce and trades and professions under fiscal license;

and
for the establishment of an equitable income and property tax in conjunction with such other taxes as may from time to time be expedient;

and
to take such measures as to your Lordships may appear expedient to obtain from the Executive Governments an annual statement of income and expenditure and of the financial state of the Government and for the early publication of the same for the information of the public of India;

and
to take such means as to your Lordships may appear expedient for having an authoritative enquiry made into the general administration of the Government and the cause of the prevailing discontent, and financial embarrassment;

and
for the opening of the Legislative Council to the non-official classes and the admission therein of a sufficient number of non-official and independent members to ensure the representation of public opinion in the said Council, and consequent thereupon for abolishing the Executive Councils, and placing the office of Governor General and Governors in a proper state at once of freedom and responsibility in the exercise of their Executive functions;

and
for such other remedies and relief as to your Lordships may appear expedient.

And your petitioners will ever pray, &c.

CALCUTTA,
12th September, 1859. }

APPENDIX N.

CUSTOM'S DUTIES.

No. 1304.

FROM
HON'BLE A. EDEN,
Offg. Jr. Secy. to the Board of Revenue.

TO
THE SECRETARY TO THE CHAMBER OF COMMERCE,
Dated Fort William, the 6th December, 1859.

SIR,—I am directed by the Board of Revenue to forward herewith a statement of the valuations proposed to be placed on certain articles in the Tariff, which were generally impugned by the Chamber at this morning's conference, and of which they requested to be furnished with a list.

2. The Board will be glad to be favored with the grounds of the Chamber's objection as soon as possible, as the revised Tariff must be submitted to Government without delay.

I have the honor to be,

Sir,

Your most obedient Servant,

ASHLEY EDEN,

Offg. Jnr. Secretary.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 17th December, 1859.

THE HON'BLE A. EDEN,

Offg. Jr. Secretary to the Board of Revenue.

SIR,—I have the honor to acknowledge the receipt of your letter No. 1304 of the 5th instant, and am directed to forward the accompanying report of the Tariff Committee for the information of the Board.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 15th December, 1859.

The Tariff Committee of the Chamber of Commerce have had under their consideration the increased rates of fixed valuations for duty on

various articles of Import and Export proposed by the Board of Revenue on the occasion of the Tariff Committee's late interview with it.

2. The Tariff Committee have been urged by the Board of Revenue to submit at once any statement they may desire to make, shewing cause against the increased rates proposed by the Board. To collect the facts bearing on each article is however a matter of time; the Tariff Committee have consequently been compelled to confine themselves to some of the leading articles. If in regard to these it satisfies the Board (as it hopes to do) that the increased rates suggested by the Board are unduly high, the Committee trusts either that further time may be given to shew cause against the increase suggested in the other articles, or that the Board will adopt in its recommendation to Government the rates fixed by the Tariff Committee in the schedule already submitted by them.

3.—GREY SHIRTINGS.

Present Tariff Rate...	0 1 6 p. yd.	
Rate proposed by Tariff Committee	0 1 9 "	The average price of 26,92,540 pieces, comprising all the 40-inch Shirtings reported sold from November 1856 to October 1857, was Rs. 4,295 0 0
Rate proposed by Collector	0 2 1 "	
Rate proposed by Board of Revenue	0 2 0 "	
The average price of 29,92,797 pieces as above from Nov. 1857 to Oct. 1858 inclusive, was		4,935 0 0
The average price of 30,19,599 pieces as above from Nov. 1858 to Oct. 1859 inclusive, was		5,066 0 0
Average of 3 years, 5,078 0 0		
Deduct 12 per cent. for duty and discount	600 0 0	Rs. 15,295 0 0

The Board is aware that a considerable proportion of the Grey goods in bales are landed from ship-board in a damaged state. The duty is notwithstanding usually paid at the full Tariff rate. An allowance of 1 pie per yard or 0-3-3 per piece is certainly not too much to cover such deterioration. This would reduce the average sale price of the last three years to 0-1-0 per yard, the rate suggested by the Tariff Committee.

4.—BLEACHED SHIRTINGS.

Present Tariff Rate...	0 1 8 p. yd.	
Rate proposed by Tariff Committee	0 2 0 "	The average price of 1,71,151 pieces, comprising all reported sales from November 1856 to October 1857 inclusive, was Rs. 4,047 0 0
Rate proposed by Collector	0 2 7 "	
Rate proposed by Board of Revenue	0 2 6 "	
The average price of 2,38,509 pieces as above, from November 1857 to October 1858, inclusive, was		5,849 0 0
The average price of 2,25,069 pieces as above, from November 1858 to October 1859 inclusive, was		6,870 0 0
Rs.....		17,766 0 0

Average of 3 years, 5,922 0 0
Deduct 12 per cent. duty and discount 712 0 0

Net average of 3 years 5,210 0 0

equal to 5 3 4 p.pie.

of 40-yds. or... 0 2 8 p.yd.

being within a small fraction of the Committee's recommendation.

5.—GREY JACQUETS.

Present Tariff Rate	1 10 0 p. p.	
Rate proposed by Tariff Committee	1 12 0 "	The average price of 11,05,497 pieces, comprising all reported sales from November 1856 to October 1857 inclusive, was Rs. 2,023 0 0
Rate proposed by Collector	2 3 0 "	
Rate proposed by Board of Revenue	2 4 0 "	
The average price of 13,97,842 pieces as above, from November 1857 to October 1858, inclusive, was		2,184 0 0
The average price of 11,64,631 pieces as above, from November 1858 to October 1859, inclusive, was		2,322 0 0
Rs.....		6,529 0 0

Average of 3 years... 2,176 0 0 Making a fair allowance for damage, deduct 12 per cent. 261 0 0 age, as with Grey Shirtings, the rate fixed by the Tariff Committee seems high enough.

Net average of 3 years 1,915 0 0

Equal to per piece... 1 14 7½

6.—BLACKHEAD JACKONETS.

Present rate... Rs. 2 8 0 p. pc.

Rate proposed by Tariff Committee... 2 8 0 " The average price of 9,88,981 pieces, comprising all sales reported from November 1856 to October 1857, was per piece... Rs. 2 6 6

Collector... 3 4 0 "

Board of Revenue... 3 4 0 "

The average price of 9,78,119 pieces as above, from November 1857 to October 1858, was... 2 13 3

The average price of 6,56,497 pieces, as above, from November 1858 to October 1859, was... 3 4 11

Rs... 8 6 8

Average of 3 years... Rs. 2 12 11

Deduct 12 per cent... 0 5 5

Net average of 3 years... 2 7 6, which is one-half anna below the rate proposed by the Tariff Committee. The rate proposed by the Board would be equal to a duty of 15 per cent. on the great bulk of the imports at the present moment.

7.—GREY MADAPOLLANS.

Present rate... Rs. 1 10 0

Rate proposed by the Tariff Committee... 1 14 0

Rate proposed by Collector... 2 1 0 A cloth weighing 3 pounds is assumed as an average fairly representing the total imports. The average value of such has been in 1856-57... Rs. 2,011 0 0 Average of 3 years 2,234 0 0

1857-58... 2,198 0 0 Deduct 12 per cent. 268 0 0

1858-59... 2,494 0 0 1,966 0 0

Rs. 6,703 0 0 Equal to per piece... 1 15 6

Making fair allowance for sea damage, as on other Grey goods, the Committee's valuation is sufficiently high.

8.—FIGURED SHIRTINGS.

Present Tariff rate Rs. 0 2 2 p. yd.

Rate suggested by Committee... 0 2 4 "

Rate suggested by Collector... 0 2 4 " The average sale price of Figured Shirtings in the three years 1856-59 has been as follows:—

Board... 0 2 6 "

1856-57, aggregate of 12 months... Rs. 68 7 0

1857-58, do. do. " 74 8 0

1858-59, do. do. " 77 7 0

Rs... 220 6 0

Average of three years. 73 7 0

Or per month... 6 2 0

Deduct 12 per cent. 0 11 9

Net... 5 6 3

Or per yard... 0 2 2

which is exactly the old (present) Tariff value, and to this the Committee would on the above statement wish to adhere in supercession of their former recommendation of 0-2-4 per yard. The rate proposed by the Board is equal to a selling price of Rs. 7 per piece, a price which the average quality imported has only once reached during the three years.

9.—PRINTS.

Present Tariff rate... Rs. 3 0 6 p. pc.

Rate suggested by Tariff Committee... 3 8 0 " From particular enquiries made amongst Importers of Prints, the average price during the last three years has not exceeded... 3 14 0 p. pc.

Rate proposed by Collector... 0 2 1 p. yd. equal to per piece of 28 yards... 3 10 4 " Deduct 12 p. cent. 0 7 0 of 28 yd

Rate proposed by Board... 0 2 9 " Leaves... Rs... 3 7 0, or equal to... 4 13 0 p. pc.

1 anna less than the rate recommended by the Tariff Committee. The Tariff Committee are quite unable to understand on what facts the Board can have decided on raising the rate to Rs. 4-13-0.

10.—TURKEY RED CAMBRICS AND TWEELS.

Present Tariff rate Rs. 0 3 9 p. yd. Assuming that one-half the imports of Turkey Red Twills and Rate suggested by

Tariff Committee Rs. 0 3 9 p. yd. Cambrics are of 24-inch (though Rate recommended by them considerably exceed that pro- portion), and that the remainder Rate fixed by Board are 33-inch, the average value du- ring the last three years would be Rs. 0-3-10 per yard. Deducting from this 12 per cent. for duty and discount, the value for duty would be reduced to Rs. 0-3-5. The rate suggested by the Committee was already too high. The Collector of Customs is satisfied with it, but the Board, on what ground the Tariff Committee cannot imagine, arbitrarily raise the rate to Rs. 0-4-0.

11.—TURKEY RED MULLS AND TURKEY RED JACONETS.

Present Tariff rate.....Rs 4 12 0 p. piece.	Following out the same calculations as for the articles previously commented on, the average price of these goods during the last three years appears to have been
Rate suggested by Tariff Committee 4 12 0 "	Mulls Rs. 5-4 per piece, Jacoconet
Rate recommended by Collector 4 12 0 "	5-6 per piece; and deducting as before 12 per cent. for duty, the net rate would be Rs. 4-10-0 and Rs. 4-12-0 respectively. The rates de-
Rate fixed by Board of Revenue } 5 4 0 p. Mull.	
Board of Revenue } 5 8 0 p. Jacoconet.	

vised by the Board of Revenue appear therefore very unduly high

12.—MULE TWIST.

Present Tariff rate.....Rs 0 3 5	The average number of 79,526 bales imported from June 1856 to May 1859, inclusive, was No 44.
Rate suggested by Tariff Committee 0 4 0	The average sale price of good medium 40s from November 1856 to October 1859, inclusive,
Rate recommended by Collector 0 4 5	medium 40s was 5 0 1
Rate adopted by Board of Revenue..... 0 4 6	was 5 0 1

The average sale price of good medium 50s in same time, was 4 5 1

as. 9 5 1

The mean of this would represent No. 45, and within a small fraction may be assumed for No 44 also—say No. 44 average of 3 years 4 8 1
Deduct 7 per cent. for duty and discount 0 4
Net average of Yarn for three years..... 4 4 1

The average of the three years is above the rate suggested by the Tariff Committee, but this average comes out unduly high owing to the extreme prices ruling for Yarn from November 1857 to February 1859, and again from August 1858 to February 1859 caused by local speculation. Previously the ordinary price of medium 40s was about Rs 0-3-11, and of 50s Rs 0-3-6, making an average of about Rs. 0-3-8 to 0-3-9. The market here is now declining, and though prices may not revert to the former range, it is almost certain the average during the next three years will be considerably lower than that of the last three years; under these circumstances the Tariff Committee consider that in fixing a rate prospectively for the next three years, some margin should be left on that average, and that the rate recommended by them of four annas per month is quite high enough.

13.—As before stated the Committee have been compelled by pressure of time to confine their examination in detail to the more important articles of Import under the classification of Cotton goods; as this examination bears out the valuation previously fixed on these articles by the Tariff Committee, they trust the Board of Revenue will be disposed to admit the valuations placed by them on the other articles on which at present a difference of opinion exists. If unable to do this the Tariff Committee respectfully request an extension of time to show cause against these increased rates fixed by the Board. They believe they can satisfy the Board, if this extension of time is given, that the valuations fixed by the Board are unduly high.

14.—As regards exports the Tariff Committee desire to make the following remarks respecting the articles of Hides and Jute.

15.—HIDES.

The highest price at the present moment of the best and heaviest (9 lbs.) ox and cow does not exceed Co.'s Rs. 52 to 54, and be it remembered that present prices are deemed very high and much above average. At the same time inferior light weights and dead Hides range under and between Rs. 30 to 40, without taking into consideration the so-called rejections, which are valued under Rs. 30, and as low as Rs. 20; under these circumstances, the price suggested by the Chamber of Rs. 35 is considered to be fair average value for all ox and cow hides.

16.—JUTE.

At the time the price of Rs. 13 was fixed upon by the Chamber, the article ruled high in the market, and it was then deemed that such

value was rather against the exporter; subsequently prices fell considerably, and the best portion of the exports, consisting of common and inferior quality, the real value does not exceed Rs. 10 to 12, and only the good and fine range above Rs. 13, and the quantity exported of these latter bearing a small proportion to the entire exported, the Committee still adhere to their former decision that Rs. 13 is a fair and just average value.

17.—To the other alterations proposed by the Board the Tariff Committee do not object.

JOHN N. BULLEN.
JAMES ROSE.
C. E. SCHOENE.
P. T. RALLI.
SETH A. APCAR.

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

A. R. YOUNG, Esq.,

Secy. to the Govt. of Bengal.

Sir,—I am directed by the Committee of the Chamber of Commerce to express the concern with which the mercantile community have seen the schedule of valuations for assessment of duties published in the *Gazette* of the 7th instant, and to inform you that it is the intention of the Chamber to appeal against the inequity of these valuations generally.

And I am at the same time instructed to submit for the consideration of His Honor the Lieut.-Governor this application of the Chamber that the operation of the new schedule may be suspended for a limited period until such appeal can be brought before Government.

The Committee will be glad if you will do them the favor of taking the earliest opportunity of submitting this letter, and of communicating His Honor's reply.

I have the honor to be, &c.,

H. W. L. WOOD,

Secretary.

From THE JUNIOR SECRETARY TO THE GOVT. OF BENGAL.
To THE SECRETARY TO THE BENGAL CHAMBER OF COMMERCE.

Dated Fort William, 16th April, 1860.

Customs, Fort William.

Sir,—I am directed to acknowledge the receipt of your letter dated the 14th instant, intimating that it is the intention of the Chamber of Commerce to appeal against the revised schedule of valuations for Imports and Exports, published in the *Calcutta Gazette* of the 7th idem, and soliciting that the operation of the new Tariff might be suspended for a limited period until the appeal can be submitted to Government.

2. In reply, I am directed by the Lieut.-Governor to inform you that the new schedule of valuations was prepared by the Board after long enquiries and consultation with the Collector of Customs in the usual manner.

3. After it was prepared by the Board it was submitted by the Lieut.-Governor to the Hon'ble the President in Council, who was pleased to order that immediate effect should be given to it, and to intimate a design of bringing about a uniformity of valuation in the other ports of India.

4. The appeal of the Chamber of Commerce will receive the most attentive consideration when it is sent in. But under the circumstances above set forth the Chamber will see that it is not in the Lieut.-Governor's power to suspend the operation of the new schedule, which has already come into force.

I have the honor to be, Sir,

Sir,

Your most obedient Servant,

RIVERS THOMPSON,

Jr. Secy. to the Govt. of Bengal.

few pieces that are virtually imported for the richer classes, which can make but a very insignificant addition to the revenue, should be at once abolished.

Trusting the Board will be pleased to consider and approve of the suggestion now submitted.

I have the honor, &c.,

H. W. I. WOOD,

Secretary.

No. 1175.

FROM

HONORABLE A. EDEN,

Offg. Junior Secy. to the Board of Revenue.

TO

THE SECRETARY TO THE BENGAL

CHAMBER or COMMERCE,

Fort William, the 3rd November, 1859.

SIR,—I am directed to acknowledge the receipt of your letter dated

the 30th September last, proposing a reduction of the rate of duty on printed Jaconets when in pieces of a single dress of ten to fifteen yards, from 20 to 10 per cent., and recommending that all such goods of whatever dimensions should be assessed at the lower rate of duty.

2. In reply I am desired to inform you that a general reference on the subject of the classification of such articles has been made to Government, the result of which will be communicated hereafter; meanwhile I am to state that under the note to No. 15, Schedule A. Act VII. of 1859 the Board have no authority to interfere with the decision of the Collector.

I have the honor to be

Sir,

Your most obedient Servant,

ASHLEY EDEN,

Offg. Jr. Secy. to the Board of Revenue.

ci

No. 1268.

FROM

HONORABLE A. EDEN,

Offg. Jr. Secy. to the Board of Revenue.

TO

THE SECRETARY, CHAMBER or COMMERCE,

Dated Fort William, the 28th Nov., 1859.

SIR,—In continuation of my letter No. 1175, dated 3rd instant, I am now

directed to inform you, that in reply to the reference

CUSTOMS
of Goods, &c.

made by the Board as to the correct method of classifying fabrics, under Schedule A. Act VII.

of 1859, His Honor the Lieut.-Governor has been pleased to direct that all bona-fide made up dresses shall be classed as millinery and subjected to the duty of 20 per cent.; but that all pieces of any sort, of fabric not made up and not capable of being put to use as dresses without undergoing a regular process of manufacture shall, without any distinction as to dimensions, be treated as piece goods liable (as unmanufactured articles) to a duty of 10 per cent. only.

2nd. On the other hand, goods intended to be used as articles of dress, and capable of being so used without undergoing what can reasonably be called a process of manufacture, whether forming in themselves complete articles of dress or not, such as feathers, artificial flowers, or collars, will fall under the head of haberdashery, hosiery and millinery.

3rd. The class of goods to which you specially refer in your letter of the 30th September will of course, under this ruling, be subject to a duty of 10 per cent.

I have the honor to be,

Sir,

Your most obedient Servant,

A. EDEN,

Offg. Jr. Secy. to the Board of Revenue.

APPENDIX P.

Government Securities with Coupons attached.

BENGAL CHAMBER OF COMMERCE.

Calcutta, 4th January, 1860.

C. HUGH LUSHINGTON, Esq.,

Secretary to the Government of India,

Financial Department.

SIR,—I am directed by the Committee of the Chamber of Commerce to bring to your notice the risk and inconvenience to which parties who make use of Government Paper with coupons thereto attached are liable, when they have to transmit the same to England, as has been rather extensively done of late. The Committee suggest that steps should be adopted with the view of having notes with coupons issued in England on production of a receipt to be issued in triplicate from the Accountant General's Department at this and the other Presidencies, and the Committee are sanguine that were this system adopted Government securities would be sent on a much larger scale than at present to England, and that, with the demand which would as a matter of course follow, their value in the English market, as well as in this, would be considerably enhanced.

I have, &c.,

H. W. I. WOOD,

Secretary.

The reply will be found in Appendix Y.

APPENDIX Q.

PAPER CURRENCY.

FINANCIAL DEPARTMENT.

No. 61 or 1820.

To

THE RIGHT HON'BLE LORD STANLEY,

Secretary of State for India.

MY LORD,—We have the honor to forward, for the consideration of your Lordship, a copy of a note, dated 11th February last, prepared by our Financial Secretary, regarding the issue of a Government paper currency in India.

2. Such a measure would certainly be productive of advantages. It would prove convenient both to the public and to the Government; and it would afford eventually a very large saving to the State, as the *minimum* amount in circulation would be, in fact, a public loan, bearing no interest. But on the other hand it would involve very serious risks, which demand careful consideration.

3. In the first place, there may be risk of Government having the business of the transport of bullion thrown upon its hands. But this objection might, we think, be met by having several central treasuries at places where the largest disbursements are made, with not too large circles around them.

4. In the second place, it seems to us that it would be unwise to introduce this measure at a time when there is reason to suspect that the security of the Indian Government is regarded with mistrust by the sensitive community with which we have to deal. A refusal, or even an unwillingness, to receive the notes, or an eagerness to convert them, might become damaging to the credit of the Government, and seriously embarrassing.

5. Lastly, we believe that the convertibility of the notes on demand, would not be a sufficient guarantee against over-issue. When once the paper currency is established in public confidence, the temptation to take dangerous advantage of this confidence will be very great in a time

of difficulty, if the power of doing so is left in the hands of the Government of India alone. Restriction by law, either to a certain amount of issue absolutely, or to an amount relative to the balances in hand, will, in our opinion, be necessary. We think that such a law ought to be passed by Parliament, and not by the Legislative Council of India.

6. We do not consider it necessary to go into the details of a scheme of paper currency. Upon these we think that it would be expedient to take the opinions of some of the most intelligent and influential bankers and merchants in India, before any final determination is come to regarding them.

7. Our present object is to obtain an expression of your Lordship's views in respect to an extension of the paper currency of India, in the manner proposed.

We have the honor to be,

My Lord,

Your Lordship's most obedient humble Servants,

(Signed)

CANNING.

J. P. GRANT.

JAMES OUTRAM.

H. RICKETTS.

B. PEACOCK.

(True copy.)

C. HUGH LUSHINGTON,

Secy. to the Govt. of India.

FORT WILLIAM, }
The 27th April, 1859. }

NOTE ON THE EXTENSION OF PAPER CURRENCY IN INDIA, BY THE FINANCIAL SECRETARY.

It will be admitted, I believe, that an extension of paper currency throughout India would be productive of many advantages; that it would prove convenient to individuals, to the public at large, and to the Government; and that the only question in which a doubt exists, is as to the manner in which the extension can best be carried out, and the time at which it ought to be introduced.

2. As a rule, it has been argued that it is better that the management of a paper currency should be entrusted to a Bank than to the Government, because of the greater security that is by that means obtained against the evils attendant on an excess issue of Notes, either with

reference to the wants of the country or the amount of coin in possession of the Government, which, when the management rests solely with the Government, may be too probable during any period of embarrassment; and on this ground it may be said that the best means of extending the paper circulation of India would be by the establishment of Branch Banks of the Banks of Bengal, Madras and Bombay, under the provisions of their respective Charter Acts, at several of the most considerable towns, on the understanding that the notes issued from such Banks should be made payable at those places only from whence they might be issued.

3. But there is a great, if not an insuperable, obstacle to the establishment of such Banks, in the uncertainty of their paying such a dividend as will make it worth the while of the proprietors to apply for an extension of capital with a view to the establishment of them. The question has several times been considered by the Directors of the Bank of Bengal, and on one occasion an agency was actually established at Mirzapoor. But it was not found to answer; and as no solution of the existing difficulties is likely to be met with under existing circumstances, or until greater advantages are offered for the transaction of Banking business by the general introduction of railways, the only chance of ensuring an immediate extension of paper currency seems to be by the issue of notes on the part of Government.

4. The objection to this course, to which I have adverted above, will, in a great measure, be met if the Notes are *receivable at the option of the public and convertible on demand*. Generally speaking, it is in cases in which notes are *legal tender*, and thereby made absolutely to assume the place of a metallic currency, that seriously evil results are to be apprehended. It does not appear likely that an excess issue of notes to any very large amount would, under other circumstances, occur; and I see no reason to suppose that it would be found impracticable to impose good and sufficient checks on the management of a Government paper currency of the description to which I allude.

5. Such checks being instituted, all that is necessary to the success of the scheme appears to me to be to ensure the ready conversion of the notes in the interior, and at the same time to provide against the possibility of so many notes being presented for payment at any one time and place as would render it impossible for the Government to meet the demand without retaining an inconveniently large amount of cash balance in the district treasuries.

6. These difficulties might, I think, be met by the issue of local notes

convertible only at a few large treasuries, conveniently situated in circles of country from 300 to 400 miles in diameter.

7. The districts of Oude, the North Western Provinces, and the Punjab, might, for instance, be divided into three circles, with a separate batch of notes for each circle; and the treasuries of Allahabad, Meerut, and Lahore, might be selected as the treasuries at which the notes of the several circles would be convertible into cash, with an understanding that the notes of the respective circles would, in each instance, be received at a certain number of neighbouring district treasuries, in full or part payment of Government demands, as is now done in Bengal in respect to Bank of Bengal notes.

8. The issues in each circle might then be regulated according to the amount of cash balance which it might be considered expedient to keep in each of the central treasuries to meet the demands for conversions; and as this demand would never (judging from results in the Bank of Bengal) be likely to be in excess of $\frac{1}{4}$ of the total issues, it is evident that a very large amount of paper might with safety be put into circulation without calling for any increase over and above that required, under existing circumstances, in the aggregate cash balances of India.

9. The notes might be issued for ten rupees and upwards, (of as few denominations as may be consistent with convenience) payable on demand, with the name of the treasury at which they would be convertible entered on the face of them, and also, if it is thought necessary, the names of the district treasuries at which they would be received in payment of Government demands. They might all be signed by the Accountant General at Calcutta, and distributed to the several Collectors for issue, in much the same manner as stamps are distributed at present; and I believe if different colors were selected for notes of different amounts that there would be little chance of loss to Government from forgery.

10. The effects of the measure would be the concentration, in a few large and well defended treasuries, of the great bulk of the cash balances throughout India; a consequent saving of risk to Government from the plunder of small treasuries; a further saving of risk to Government in obviating the necessity that now exists for the remittance of large sums in cash from the district to the central treasuries; a saving of risk to zemindars in the transmission of their revenue instalments to the district treasuries; diminution in the rates of discount on bills of exchange; and greater facilities for the conduct of remittance transactions generally to all classes of the community.

11. I advocate the issue of notes for ten rupees and upwards in preference to notes of lower denominations on much the same ground that the issue of notes for five pounds and upwards has been advocated in England in preference to one pound notes.

12. It has there been held that the issue of five pound notes detracts very little from the actual amount of metallic circulating medium; that if they were suppressed, their place would be filled up, chiefly if not entirely, by cheques and bills of exchange; that they may therefore be considered as to their effects on the currency merely as so many ready-made cheques or negotiable securities; and that while they diminish considerably the trouble of transacting business, they reduce in a very small degree only the amount of gold and silver which the suppression of them would throw into the general circulation of the country.

13. The issue of one pound notes, on the other hand, is held to have a very different effect. It is said that no cheques or bills of exchange are drawn for one pound; that such a mode of transacting business is too troublesome and expensive; that one pound notes drive the metallic currency out of circulation; that gold, in consequence, becomes more valuable abroad than at home; that it is sure therefore to be exported as a commodity; and that on the occasion of panics the consequences are most disastrous, from the paper securities ceasing to be negotiable, and from the supply of gold being altogether unequal to the demand.

14. The same results would be likely to follow the introduction of a note of less than ten rupees in this country; nor do I think that any advantages which might be gained by a suspension of cash payments on occasions of revolt would be enhanced by reducing the *minimum* of the paper circulation to a smaller amount, I believe, on the contrary, that the wisest and soundest policy is to make as large a portion as possible (with reference to the convenience of the public and the Government) of the medium actually circulating metallic; and on that ground I consider that the issue of notes for less than ten rupees ought carefully to be avoided.

15. With regard to the amount of notes which might with advantage be put in circulation it is difficult to form an opinion. The issue should be commenced on a small scale, and the effects of it watched with the greatest care. But, judging from the issues of the Bank of Bengal, I do not think that less than three or four crores of rupees worth of notes would be sufficient for the *current* requirements of the upper and lower provinces and the Punjab, and if the savings^a of interest on these sums

^a 20 to 25 lacs per annum, at 5 per cent.

and a probable *eventual* circulation of seven crores more in Bengal, Madras, and Bombay, is taken into consideration, there can be no doubt that, independent of every other advantage, the immediate profit to Government, from the introduction of the measure, would be very large, after accounting for all extra establishments that might be required.

16. Should the plan be approved by this Government, it might be forwarded for the sanction of the home authorities.

17. It will of course be understood that the notes which it is proposed to issue will be similar to ordinary Bank notes, bearing no interest.

C. H. LUSHINGTON,
Secretary to the Government of India,
(True Copy.)

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

The 11th Feb. 1859.

APPENDIX R.

ADDRESS TO THE RIGHT HON'BLE JAMES WILSON.

TO THE RIGHT HON'BLE JAMES WILSON,

Member of the Council of the Governor General of India.

RIGHT HON'BLE SIR,—We, the public bodies represented by the undersigned, received with much satisfaction the first announcement by the press of England of the intention of Her Majesty's Government to appoint a financial member to the Council of the Governor General of India; and we consider it a matter for public congratulation that Her Majesty has confided this important trust to one so distinguished, as you are universally admitted to be, in economical science, and of such experience in and proved qualifications for the practical business of Government.

We beg leave respectfully to express our sincere congratulations on your arrival at this presidency, and on your having taken your seat in the Supreme and Legislative Councils of India.

At this eventful period, the condition of the national finances and the accomplishment of measures by which they can be placed on a permanently sound foundation, afford scope for the exercise of the highest talent; and we desire to express our utmost confidence in your ability to discharge adequately the arduous duties of this high and important mission. We beg to assure you of our wish to extend our cordial support to whatever measures you may propose with this view, and which may have for their object the welfare and prosperity of all classes of the community.

The public have learnt with lively satisfaction that all measures of the Government having reference to finance or taxation are to be subjected to your revision; but as this community has already expressed its views through petitions to Parliament and to the Legislative Council upon those measures, we abstain from saying more regarding them on this occasion, than to venture our expectation that the representations which the petitions alluded to contain, will be viewed by you with all the weight to which we conceive them to be justly entitled.

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We cordially accord our full concurrence in the truth so eloquently declared by you recently on more than one occasion, that there is no reason why those great principles of science and policy which have raised the imperial country to her present proud pre-eminence should not be applied in the administration of the Government of this country, because what is right in one part of the world cannot be wrong in another.

It will be gratifying to us to be invited to communicate freely with you, and to be asked to supply you with information on questions of local or general interest.

In conclusion we beg to repeat our confidence in your prudence and judgment in pursuing that course which you honestly believe to be conducive to the promotion of the wealth, greatness, and prosperity of the country,

We have the honor to be,

Right Hon'ble Sir,

Your most obedient Servants,

The Bengal Chamber of Commerce by their President,

D. MACKINLAY.

The Indigo Planters' Association by their Chairman,

GEORGE BROWN.

Calcutta,
6th December, 1859. }

APPENDIX S.

The detention of mails in the River, and the Peninsular and Oriental Company's contract.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 13th May, 1859.

W. GREY, ESQUIRE,

Secretary to the Government of India,

Home Department.

SIR,—The detention of inward bound English mail steamers for several hours down the river in consequence of the state of the tides has suggested to the Committee of the Chamber of Commerce the expediency of recommending the adoption of some plan by which the transmission of the mails may be rendered altogether independent of the future movements of the steamer; and it appears to the Committee that this can be accomplished without any material objection to the arrangement they now submit for the consideration of His Excellency the Governor-General in Council; while on such occasions much inconvenience to the community generally would be avoided by the proposed plan.

The officer in pilotage charge of an inward bound steamer, knowing her draft of water and the state of the tides, is of course capable of judging how far he can bring his ship up; and if circumstances prevent the steamer's reaching Calcutta the same day she enters the river, and occasion her detention at Kedgee or Diamond Harbour or any other remote station, the Committee think that the pilot—in conjunction with the Admiralty agent, whose consent and co-operation are, they imagine, essential to the proposal—should be empowered to arrange for the transmission of the mails by any available tug steamer that may be passing up to town; and in the event of there being no such opportunity the pilot should be authorised to telegraph to the proper authorities in Calcutta, who would on his report, and if in their judgment any material advantage could be secured thereby, arrange to send down a steamer to bring the mails up.

The Committee trust His Lordship in Council will be pleased to approve of the plan they venture to submit for his favorable consideration.

I have the honor to be, Sir,

H. W. J. WOOD,

Secretary.

FROM

W. GREY, ESQUIRE,

Secy. to the Govt. of India,

TO

H. W. I. WOOD, ESQUIRE,

Secy., Bengal Chamber of Commerce,

Dated Council Chamber, 4th June, 1850.

SIR,—I am directed by His Excellency the Governor General in Council to acknowledge the receipt of your letter dated the 13th ultimo, and in reply

to inform you that the Post Master General will be instructed to adopt measures to save a night's detention of the mails in the river whenever it may be practicable to effect that object. His Excellency in Council apprehends, however, that this can very rarely be done, and perhaps never, except when the opportunity of a steamer proceeding up the river without a vessel in tow may present itself. The Post Master General will be directed to arrange, in communication with the Marine authorities and the Admiralty agents, that such an opportunity shall always be taken advantage of whenever the state of the tide is such as to compel the pilot to anchor the mail steamer for the night, and when, at the same time, the smaller steamer will undertake to deliver the mails in Calcutta on the evening of the day on which she receives them on board. It would not, I am desired to say, be worth while to tranship the mails, unless their delivery at the Calcutta Post Office on the same day could be ensured.

I have the honor to be,

Sir,

Your most obedient Servant,

W. GREY,

Secy. to the Govt. of India.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 11th June, 1850.

W. GREY, ESQUIRE,

Secretary to the Government of India,

Home Department.

SIR,—I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 1141 of the 4th instant, and to express their thanks for the instructions given to the Post Master

General to adopt the necessary measures with the view of saving a night's detention of the overland mails in the river, but it is stated that unless the small steamer will undertake to deliver the mails in Calcutta on the evening of the day on which she receives them that it would not be worth while to tranship them.

Of the advantage of acting upon the above instructions, I may be permitted to notice the case of the steamer "Nemesis," which brought on the mail of 26th April. The "Nemesis" was telegraphed as having passed Kedgerce on Saturday, the 28th May, at 8-20 A. M. She passed Diamond Harbour at 10-15 A. M., but there not being sufficient water to pass the "James and Mary" she had to return, and shortly after anchored at Diamond Harbour, where she remained until 9-15 A. M. the following day, Sunday. She passed Atchipore at 5 minutes past 12 on, the 29th and anchored at Garden Reach about two hours afterwards. The letters were received from the Post Office by those who sent for them between six and seven on Sunday evening.

Had the mail agent of the "Nemesis" telegraphed to the Post Office a telegraph could have been sent from this to the "Hercules" tug steamer—which was an hour or two in advance of the "Nemesis" coming up the river, and if this had been done the mails would have been transhipped and delivered at the Post Office on Saturday afternoon, and the letters distributed the same evening in place of being a full day later.

As to the intention expressed of not transhipping the mails to the smaller steamer unless she undertake to deliver them the same evening, I am directed by the Committee to point out that in cases where the mail steamer is compelled to anchor at or below Diamond Harbour, and cannot get up in time to deliver the mail before the following afternoon, they think that power might be given to the mail agent and the marine authorities to tranship the mails into a small steamer which would undertake to deliver them at the Post Office early on the following morning should she fail on reaching Calcutta in time to deliver them on the evening of the day on which they were so transhipped.

It occurs to the Committee, and the suggestion is one which they solicit the favor of your bringing to the notice of His Excellency the Governor-General in Council, that the keeping up of a small steamer for the purpose of sending after-packets or mails to, and bringing mails and passengers from, the mail steamers, on occasions of detention in the river, as lately in the case of the "Nemesis" is one that should be borne by the P. and O. Company, and that in any future contracts to be

entered into with them, or with other parties for the conveyance of mails and passengers to Calcutta, this is a provision which, it appears to the Committee, the Government can reasonably insist upon. A small steamer for the purpose can be kept up by the P. and O. Company at little or no expense. They have a large establishment at which all the work about her could be done at very little expense, and as there is a reserve steamer in port always with a crew idle, these men could be employed in the small tender steamer when there was occasion, at no additional expense. If the above suggestion should find favor with His Excellency the Governor-General in Council, perhaps the Committee may venture to hope that His Lordship will do the Committee the service of bringing it to the notice of the proper authorities at home, with the view of having it considered when the next contract for the mails to India comes to be renewed.

I may notice that Cunard and Co. keep a small steamer at their own expense for the purpose of sending off to, and landing the mails and passengers from, the mails steamers running between Liverpool and America.

I have the honor to be,

Sir,

Your most obedient Servant,

JAMES GEORGE,

Acting Secretary.

No. 1355.

From

R. B. CHAPMAN, Esq.,

Under-Secy. to the Govt. of India,

To

JAMES GEORGE, Esq.,

Actg. Secy. Bengal Chamber of Commerce,

Dated Council Chamber, the 7th July, 1859.

Sir,—Having laid before the Governor General in Council your letter of the 11th ultimo, I am desired to request that you will inform the Chamber of Commerce that His Excellency in Council does not think it necessary to make any alteration in the instructions previously issued for the employment of a small steamer to bring in the English mails under certain circumstances.

2. It would not be worth while, in the opinion of His Excellency in Council, to tranship the mails and go to the expense of hiring a small steamer merely to secure the delivery of the letters three or four hours earlier.

3. The suggestion contained in the fifth paragraph of your letter had been already noted for consideration when the time for renewing the contract for carrying the mails approaches.

I have the honor to be,

Sir,

Your most obedient Servant,

R. B. CHAPMAN,

Under-Secy. to the Govt. of India.

No. 324.

From

R. R. CHAPMAN, Esquire,

Under-Secy. to the Govt. of India,

To

THE SECRETARY TO THE BENGAL CHAMBER
OF COMMERCE,

Dated Council Chamber, the 6th February, 1860.

Home Department.

Sir,—With reference to the correspondence noted on the margin I

From Secy. Bengal Chamber of Commerce, dated 12th May, 1859.
To Brito, No. 1141, dated 4th June.
From Brito, dated 11th June.
To Brito, No. 1255, dated 7th July.

am directed to transmit for the information of the Chamber of Commerce the accompanying extract (para. 19) of a despatch No. 80 of 1853, dated the 22nd December, from the Right Hon'ble the Secretary of State, together with a copy of the correspondence therein referred to, regarding the proposed insertion of a clause in the next contract with the P. and O. Company, for the conveyance of the mails, providing for the transit of the mails from Kedgee or Diamond Harbour whenever the packet may be compelled to anchor, provided there is sufficient daylight to carry a small vessel up the river.

I have the honor to be,

Sir,

Your most obedient Servant,

R. R. CHAPMAN,

Under-Secy. to the Govt. of India.

EXTRACT FROM A DISPATCH FROM THE RIGHT HON'BLE THE SECRETARY OF STATE FOR INDIA IN THE MARINE DEPARTMENT NO. 80 OF 1859, DATED THE 22ND DECEMBER.

Public (Post Office) Letter, dated 15th July (15) 1859.

19. A copy of this letter, and of the correspondence by which it was accompanied, was furnished to the Lords Commissioners of the Admiralty, who have informed me, in reply, that in the event of the renewal of the contract with the Peninsular and Oriental Steam Navigation Company for the conveyance of the Indian mails, a clause shall be inserted providing for the transit of the mails from Kedgee or Diamond Harbour whenever the packet may be compelled to anchor, provided there is sufficient day light to carry a small vessel up the river.

ADMIRALTY,
25th October, 1859.

THE UNDER SECRETARY OF STATE FOR INDIA.

SIR,—With reference to your letter of the 23rd ultimo relative to the occasional detention in the Hooghly of the inward bound mail steamers owing to the tides, I am commanded by my Lords Commissioners of the Admiralty to acquaint you, for the information of the Secretary of State for India, that in the event of a renewal of the contract with the Peninsular and Oriental Steam Navigation Company for the conveyance of the Indian mails, a clause shall be inserted providing for the transit of the mails from Kedgee or Diamond Harbour whenever the packet may be compelled to anchor, provided there is sufficient day light to carry a small vessel up the river.

As the present contract has some time to run, I am to forward for Sir Charles Wood's consideration copy of a letter from Captain Lovell, late superintendent of the contractors' establishment at Calcutta, suggesting that a steam boat can always be hired when desirable.

I am, &c.,
(Signed) W. G. ROMAINE.
(Copy.)

13th October, 1859.

THE DIRECTORS OF THE
P. AND O. STEAM NAVIGATION COMPANY.

GENTLEMEN,—I have perused the letter from the Secretary to the Admiralty, dated the 5th instant, and beg to state that upon reference to

the logs of the steamers on the Suez and Calcutta line for the twelve months ending July last, I find that out of twenty-five voyages the vessels on ten occasions went up from the Sandheads to Calcutta without anchoring, and on the other fifteen they came to anchor, but, as frequently on account of nightfall (which would also detain a small steamer) as for want of a sufficient depth of water.

I am therefore of opinion that to maintain a vessel specially to take up the mails from the Sandheads to Calcutta would be a needless expense, and that the most simple plan to obviate the delays now sometimes experienced would be to authorize the Company's commanders, on occasions when the pilots consider that the state of the tide would prevent the steamer getting up the Hooghly, to hire one of the tugs which are nearly always to be obtained off Saugor or Kedgee, and to transfer the admiralty agent with the mails to her to proceed to Calcutta.

The expense of this arrangement would be about from £20 to £30 per trip.

I am, &c.,
(Signed) H. P. LOVELL.
(True Copies.)

R. B. CHAPMAN,
Under-Secy. to the Govt. of India.

APPENDIX T.

Telegraphic Communication with England.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 3rd April, 1860.

TO
THE SECRETARY TO THE CHAMBER OF COMMERCE,
MANCHESTER.

SIR,—I am directed by the Committee of the Chamber of Commerce to inform you that it has been proposed to transmit weekly via Bombay, Kurrachee, and the Red Sea Line, a summary of commercial intelligence for the use of the Chambers of Commerce at Liverpool and Manchester; and my Committee will have much pleasure in carefully preparing a resume of the state of the Calcutta market if arrangements can be made on your side to meet the necessary expense. This Chamber will endeavour to obtain from the Government of India the privilege of transmitting the report as far as Kurrachee free of charge; but as the Government has no control over the line of the Red Sea Company it will rest with you and the Liverpool Chamber to provide the cost of transit between Kurrachee and Manchester.

The messages can be prepared in any form you may suggest, and the Committee will take care that they convey the most reliable information. A similar communication is addressed to the Liverpool Chamber.

I am, &c.,

H. W. I. WOOD,
Secretary.

APPENDIX U.

ADDRESS TO SIR WILLIAM O'SHAUGHNESSY.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 21st January, 1860.

SIR WM. B. O'SHAUGHNESSY, F. R. S.,
Superintendent of Electric Telegraphs in India.

SIR,—The Committee of the Chamber of Commerce regard your approaching departure from this Presidency a fitting occasion for the expression of their acknowledgment, on behalf of the mercantile community of Calcutta, of the ability with which you have conducted the important department entrusted to your superintending management. The progressive improvement and final completion of telegraphic communication through the vast extent of British India are mainly attributable to your energetic exertions, and the successful result of your labours reflects the highest honor on your administration.

On that result the Committee of the Chamber sincerely congratulate you; and they tender you their cordial thanks for the prompt attention with which their wishes and suggestions have on all occasions been met by you.

I have the honor to be, &c.,

H. W. I. WOOD,
Secretary.

TELEGRAPH OFFICE,
January 21, 1860.

H. W. I. WOOD, Esq.,
Secy. to the Chamber of Commerce, Calcutta.

SIR,—I have to acknowledge with gratitude your letter of this date conveying the approbation of the Chamber of Commerce of the manner in which I have endeavoured to perform my duties. It shall be my constant aim and pride to bring the telegraph department into a thoroughly efficient state, so that it may deserve the good opinion of the

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mercantile community and the public generally as well as that of Government. I hope to be favored as hitherto with the advice and suggestions of your Committee, and I can assure you with entire confidence that during my absence from Bengal you will receive from Mr. Owen, the deputy superintendent, and Mr. Teale, the assistant deputy superintendent, the most prompt and cheerful attention to your wishes or complaints.

I have the honor to be,

Sir,

Your most obedient Servant,

W. B. O'SHAUGHNESSY,

Superintendent of Telegraphs in India.

APPENDIX V.

COUPON PAPER.

No. 3333.

FROM

C. H. LUSHINGTON, Esquire,

Secy. to the Govt. of India, Financial Department,

TO

THE COMMITTEE OF THE BENGAL CHAMBER

or COMMERCE.

Fort William, Council Chamber, the 20th April, 1860.

Financial Department.

GENTLEMEN,—I am directed to acknowledge the receipt of your Secretary's letter, dated the 4th January last,* bringing to notice the risk and inconvenience to which parties who make use of Government Paper with coupons attached are liable when they have to transmit the same to England, and suggesting that steps should be adopted with the view of having notes with coupons issued in England.

2. In reply, I am desired to state that the demand for coupon paper has much declined during the last few months; and as it further appears that that form of paper is not so much liked as that of enclosed notes, the Hon'ble the President in Council does not consider it expedient at present to recommend to the Right Hon'ble the Secretary of State for India to carry out the scheme.

I have the honor to be,

Gentlemen,

Your most obedient Servant,

C. HUGH LUSHINGTON,

Secy. to the Govt. of India.

* See Appendix P, page 102.

APPENDIX W.

DUTY ON TEAK TIMBER AT MOULMAIN.

No. 87.

FROM

W. GREY, Esq.,

Secy. to the Govt. of India.

TO

THE SECRETARY TO THE BENGAL CHAMBER
OF COMMERCE,

Dated Council Chamber, the 11th Jan., 1860.

SIR,—I am directed to transmit the accompanying copy of a letter from the Commissioner of the Tenasserim and Martaban Provinces on the subject of the duty levied on teak timber in those provinces, and to state that the President in Council will be glad to receive any representations regarding Captain Hopkinson's proposal which the Chamber may feel disposed to submit.

2. I am desired to add that it has been suggested to Government, at the authority of a person acquainted with the timber trade, that a much heavier duty than that named by Captain Hopkinson might be imposed upon teak timber without damage to the trade.

I have the honor to be,

SIR,

Your most obedient Servant,

W. GREY,

Secy. to the Govt. of India.

No. 49.

FROM

CAPTAIN H. HOPKINSON,

Commissioner, Tenasserim and Martaban Provinces.

TO

E. T. TREVOR, Esq.,

Secretary to the Board of Revenue,

Fort William.

Dated Moulmain, the 21st Sept., 1859.

SIR,—I have the honor to solicit once more the intervention of the Board of Revenue with Government for a reconsideration of the system

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according to which duty on teak timber is at present levied in these provinces.

2. I am satisfied if the Government could see what it is for themselves that the local authorities would be blamed for not having agitated with half sufficient warmth the necessity for its reconstruction.

3. Certainly it is not very easy to place before the Board a clear description of the working of the system, and to make the evils resulting from it comprehensible. I really do not know where to begin, what point I can start with that does not require some antecedent explanation.

4. It would seem that I could not commence my account earlier than with the log, while it is yet a tree standing in its native forest; that I must then in all conscience be distant enough from my immediate subject; yet if I only did this I should still leave untouched some of the facts on which my objections rest to that gigantic nuisance the timber revenue station of Kudlo, where the import duty is collected, and which in fact is the system itself in the concrete. I ought first to describe the contracts that are made here with the foresters who go to fell the trees, and then again their relations with the native chiefs who own these forests, for even such remote transactions as these are affected by the way in which the timber duties are levied.

5. And still I should not have done enough if I did not go into collateral matters, and show not only how the import duty affects the trade, the general industrial progress of Moulmain, and the well being of its inhabitants, but also how injuriously it acts upon the public morals, how it encourages gambling, trickery, and fraud in commercial transactions, and upon the Government in the payment of the duty, and corrupts the honesty of their public servants; also how it fosters wasteful litigation and worse—even heinous crime, theft and its cognate offences.

6. The records of this office show that notwithstanding his great administrative capacity even Mr. Colvin left the satisfactory settlement of the timber an unsolved problem. With my immediate predecessor, Sir Archibald Inglis, it was a constant subject of reference from and to the Board, and they have other evidence than this letter to show how I regard the matter.

7. For the last five years the timber revenue has realized between a lac and a half and two lacs of rupees a year, that is to say it forms the most important item of revenue in Province Annerst, and the due realization of this large sum has heretofore principally depended upon

a clerk at the timber dépôt of Kudlo upon a salary of Rs. 200 a month, and who within the last month stood before me, a prisoner committed on a charge of being accessory after the fact to a theft of timber, and was scarcely acquitted, the gravest suspicion remaining against him, though I did not think there was full proof.

8. The timber dépôt has been established at the nearest spot to Moulmain, where there was space for it, and where the revenue could be at all efficiently protected. Yet this is at the distance of a tide from Moulmain and practically therefore beyond the supervision of the Deputy Commissioner, the nominal head of the department.

9. Kudlo—by which the name of the station is known—consists of several low flat half swampy islands amid narrow insculcating channels flowing from and into the Salween; and out of the strength of the current of the main stream and its freshes the timber is deposited, one or two logs deep, on the banks of the islands sometimes quite hid by the long elephant grass which fringes their margins. There are at present 14,677 logs stored there, but often a much larger quantity, and a mile of frontage will at most accommodate about four thousand logs, so that the whole usually occupies four or five miles of space, not all in straight line, but up one creek and down another, and to watch it all efficiently over such an area is quite impossible.

10. The timber is brought by rafts and single logs to any part of the dépôt above or below the duty station, as the tide may serve, as there may be vacant room for it, or as it may belong to some regular dealer in timber who keeps all his logs in one place. After the raftsmen has secured the logs he goes and enters them for duty at the dépôt office by reporting their marks and number, the dépôt officer then sends a peon to compare the marks and put a registry number on them, and this done the enterer gets a certificate of registry. The logs now remain where they are for any period up to three years (after which time they are confiscable for duty) or until they are required for conversion at Moulmain, when the holder of the certificate of registry (the timber may have passed through a dozen different hands in the interior) presents it to the timber office at Moulmain with the amount of duty due on the timber mentioned in it, and receives in exchange a pass with which he repays to the dépôt officer at Kudlo, who again sends a peon to the timber, but this time to put the P or "paid" mark on it, after which the owner removes it.

11. So far the system may seem simple enough, but it will immediately suggest itself to the sagacity of the Board that it is a great deal

too simple to serve as a sufficient check against the fertile resources of every species of rascality. Here are some of the most usual tricks.

A. by night or day smuggles his own or his neighbours' timber into some obscure Moulmain saw-pit without paying the timber station the compliment of a visit at all.

A. picks up drift timber above the station, enters it as his own timber, and, as bearing his marks, hastens to Moulmain, pays the duty and passes it out, and so robs the real owner.

A. steals timber from the duty station after it has been entered and marked, and has it sawn up before it can be missed.

A. watches his opportunity for bonded timber negligently watched, with a file or fish skin he erases the owner's marks, colors the erasures, to look like the rest of the timber, then puts other marks on, and thereafter goes and enters the timber as if just arrived, and pays duty and clears it.

A. waits a dark night and spring tides to launch a quantity of somebody else's timber from the banks at Kudlo into the water, follows it in a boat with two or three confederates till it nears Moulmain, then secures it, and takes it to the Deputy Commissioner as salvaged timber, and gets a handsome salvage on every log.

A. forges or steals the P mark (the P mark was actually stolen about a month ago) brands another person's timber with it and brings it down and cuts it up sharp in his own yard; the P mark preventing any suspicion on the part of the authorities. These are a few of the less recondite dodges, a great deal of property is lost by them, but a regular timber depredator would probably sneer at my attempting to describe only what he would regard as the resources of a comparatively raw practitioner, and would hint that the finest efforts of his art were those achieved with the assistance of confederates in the Timber Revenue Department.

12. The detention of the timber at Kudlo leads to all sorts of false and fraudulent suits in the Civil Courts, which, but for such detention, would never have time for development. Fraudulent marking of timber comes here again into play, with fraudulent mortgages, fraudulent sales, fraudulent transfers, and fraudulent executions of decrees; add to these obstructions to the trade in the Civil Court the enormous sums wasted in litigation, by pleadings' fees, witnesses' fees, capital unproductive pending litigation, attachments on timber, suits to set aside, and suits to re-attach timber.

13. Thus what with the downright robbery on the one hand, and the still heavier losses which may be inflicted through the agency of the

Civil Courts on the other which the timber dépot chiefly facilitates if it does not wholly originate, the timber trade becomes a gambling game at which the trader must cheat to save himself, or at least he must make enormous profits to counterbalance his extraordinary risks, thus raising the price of timber far beyond what it should be naturally.

14. Paying the duty on importation instead of on exportation is paying it just when it is most inconvenient to the merchant to pay it, paying it on the round log, at so much a log on all logs, is paying for good and bad timber alike; it is also levying a heavy and most impolitic tax on building materials to be used within the provinces.

16. The Government are I believe satisfied with the amount produced by the paddy land tax; they have at least shown any thing but a disposition to desire its increase; the people also pay it willingly and without a murmur; no land tax could be more easily collected; the side that receives is satisfied; the side that pays is satisfied; there is no friction, no noise anywhere in the working of the tax; yet the Government have been always ready to receive suggestions for improving the mode of levying this tax, though founded on a theoretical basis, and perhaps less likely to secure any practical benefit than to interfere with the just demands of the State. I may surely then claim the same consideration for the question of the timber duty which in province Amherst constitutes a more important item of revenue than the paddy land tax, which concerns the most vital interests of the province, which the Government has never been able to realize but in arrears, and which to the tax payer has been a constant source of irritation and dissatisfaction.

16. I would respectfully submit then that the objections given in para. 16 of Mr. Secretary Beadon's letter to the Board, No. 22 of the 7th January 1850, should not be deemed insuperable to a change from the present duty on imported rough logs into an export duty on converted timber. The timber Sections of Act XXX. of 1854 have much more to say to the timber trade of Pegu than to that of Moulmein, which is altogether, intrinsically and fundamentally, on a different footing from that of Pegu, and as to the introduction of a free interport trade as established by Act No. VI. of 1848, what has been done before can be done again; the very next Act, viz. Act VII. of 1848, furnishes the example, and it may be again declared "in modification of Section III. Act No. VI. of 1848, it is hereby enacted, that the provisions of the said Section shall not apply to "teak timber," "exported from any" of the ports of the river Salween to any part of the territories subject to Her Majesty's Government of India.

17. I append a statement shewing the amount of timber, in tons, exported during the last five years, and the amount of timber duty received for the same period, from which it will be seen that an export duty on converted timber of four rupees a ton would more than suffice to cover the amount involved in the abandonment of the import duty, and I am assured it would be much more willingly paid by the trade.

18. I would therefore recommend that from and after a certain date, say the 1st May 1860, the duty of import on rough teak timber into the Tenasserim provinces should cease, and that there should be taken and levied in lieu thereof a duty of export on teak timber whether in the rough or converted, of four rupees a ton.

19. Before the Act came into operation an account should be made up to the end of April, showing the number of rough and converted logs in each yard on which, as having paid the import duty, the owners should be entitled to a drawback for the export duty; and on the 1st May all the timber then lying at the bonded dépot at Kudulo should be declared free of the import duty.

20. This is my project then; and even were a loss the result of executing it, I think it would be better to sustain it to any amount to which it could possibly rise than perpetuate the present system. If however the grounds on which I justify this opinion be deemed inconclusive, I must most strenuously urge that more competent and respectable agency be immediately employed in the management of the Timber Revenue Department. In fact nothing less than a covenanted officer in independent charge as Timber Revenue Collector on a sufficient salary, I would venture to say of not less than six hundred rupees a month at the lowest, and who would live and have his office at Kudulo, will suffice for the emergency. At the same time it must be understood that I should still look on such an arrangement as but a mitigation of existing evils. No human agency could thoroughly avail to cleanse and keep cleansed such an Augean stable as I believe the Kudulo dépot to be.

21. At one time the possibility suggested itself of amalgamating the Timber Revenue Department with the forest department, and I had a long conference with the superintendent of forests, Dr. Brandis, on the subject, but we found that it would not be possible to carry it into effect without an additional officer on a salary equal or superior to what I have proposed for the Timber Revenue Collector, and further consideration has supplied me with other objections which have induced me to quite abandon the idea.

22. As the question discussed in this letter has an indirect bearing

on fiscal interests in the Mariaban territory, I will forward a copy of it to the Supreme Government; at the same time I would press for an early decision, as the position of the Deputy Commissioner in regard to the realization of the timber duties since the commitment to the sessions of his head assistant in the department, as mentioned at paragraph 7th, is a most anxious one.

I have the honor to be, &c.,

(Sd.) HENRY HOPKINSON,
Commr., Ten. and Mar. Proves.

Statement shewing the Quantity of Teak Timber exported from
Moulmain to all Ports for the last five years.

NAMES OF PORTS.	1854-55.	1855-56.	1856-57.	1857-58.	1858-59.	Total.
	Quantity tons.	Quantity tons.	Quantity tons.	Quantity tons.	Quantity tons.	Quantity tons.
<i>Foreign Ports.</i>						
United Kingdom	20,739	18,533	30,981	36,772	36,639	143,665
Cape of Good Hope	216	377	...	323	...	916
Ceylon .....	...	...	996	734	579	2,359
France .....	...	21	...	...	...	21
Hong-Kong	210	690	...	...	1,225	2,125
Macao .....	...	51	...	...	...	51
Mauritius	938	506	900	458	1,782	4,614
Rotterdam .....	...	8	...	...	...	8
Straits	147	674	829	705	451	2,806
Batavia .....	...	...	...	329	...	329
Genoa .....	...	...	...	582	...	582
South Africa .....	...	...	...	331	...	331
	22,251	20,849	53,706	40,314	40,676	157,791
<i>Indian Ports.</i>						
Arracan	11	...	...	16	503	78
Chittagong .....	...	270	96	32	120	338
Coringa	1,362	648	1,266	2,613	2,508	8,558
Cochin	292	...	...	...	...	292
Bassien .....	...	192	...	26	...	218
Dacca .....	...	148	324	329	696	435
Muldas	2,016	4,236	4,264	12,182	3,353	25,971
Mussulpatam	219	33	135	150	153	690
Mergal	3	11	...	1	17	32
Nepatan .....	...	240	456	...	...	696
Nursapore	148	...	114	...	816	1,083
Nagore	185	274	595	916	...	1,999
Pondicherry	103	214	139	270	...	863
Rangoon	1,225	1,434	1,050	1,567	819	6,094
Tatoy	7	27	16	91	19	153
Vienapatam	77	...	...	...	291	368
Bombay .....	...	...	...	4,851	3,344	8,225
Yen .....	...	...	...	15	2	17
Rurachse .....	...	...	...	...	520	520
	5,930	7,935	8,620	25,556	12,439	58,451
Calcutta	8,479	3,400	4,800	5,501	18,672	40,852
Grand Total ..	36,661	32,179	47,136	69,371	71,787	257,124

Moulmain } True copy. (Sd.) W. TWEMLOW,
CUSTOM HOUSE, (Sd.) HENRY HOPKINSON, Collr. of Customs.
The 7th May, 1859. Commr. T. & M. Pans.

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*Statement of Timber Duty Collections from 1854-55
to 1858-59.*

1854-55.	1855-56.	1856-57.	1857-58.	1858-59.
1,38,461 13 2	1,72,290 3 11	2,40,254 1 8	2,10,320 8 1	1,69,193 3 4

(Signed) HENRY HOPKINSON,
Commr. T. & M. Pross.

(True copies.)

R. B. CHAPMAN,
Under-Secy. to the Govt. of India.

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

W. GREY, Esq.,

Secy. to the Govt. of India,
Home Department.

SIR,—I am directed to acknowledge the receipt of your letter No. 57, of the 11th ultimo, transmitting copy of a communication from the Commissioner of the Tenasserim and Martaban Provinces on the subject of duty on teak timber.

The Committee of the Chamber desire me to state in reply that, while they are averse to the imposition of any duty, import or export, and would not levy it in any case except where the purposes of revenue absolutely required it, they are of opinion that the Commissioner's suggestion for substituting a direct export duty in lieu of the transit duty levied at present should be adopted. Captain Hopkinson makes out a very strong case against the existing objectionable system, and the Committee cordially support the views so clearly and ably submitted by him.

With regard to the levy of a higher duty than that proposed by the Commissioner, I am directed to observe that while the rate will of course be determined with regard to the state of the finances of the provinces, the Committee would respectfully remark that as a general rule the imposition of higher duties has resulted in always checking any increase, and frequently in creating a falling off, in the imports and exports of a country.

I have, &c.,

H. W. I. WOOD,

Secretary.

APPENDIX X.

FLAX CULTIVATION.

To

THE PRESIDENT OF THE BENGAL CHAMBER

OF COMMERCE,

CALCUTTA,

LLEDS, February 2, 1859.

SIR,—I beg to inform you that a "National Flax Supply Association" is forming here principally with a view of endeavoring to obtain an increased supply of Flax from India. My purport is to try to bring the action of this Association so much sooner into working order than it can be accomplished by the slow movements of routine, and my suggestion is if you think proper, if you would put yourself in correspondence with Bombay and Madras, and form there also Local Flax Supply Associations with a view to have also an Indian National Association combined from the local ones. Our Association considers it of the highest importance to receive your views of such an undertaking. Do you think such an Association can promote the object it has in view, and if so, by what means? I propose—

1. By sending out English and Riga seeds, and
2. By sending practically informed people to teach the natives the proper cultivation of the soil, the management of the plant, the reeling, scutching, of the fibre, &c.

Can you name any other means?—Can we here count upon your hearty and energetic co-operation and assistance? Could you raise there also a working fund as we do here?

Applications to Government for assistance in any way, be it by awarding premiums, granting land for the growth of flax, &c., &c. I suppose would be made from your quarter and not from here; but if any application from you there can be assisted by being supported from here, we shall be most happy to do it.

Please to give this subject your most serious consideration, and as soon

as you can conveniently please to favor me with your views on the same, and how it can be best brought to bear, upon the question of flax-culture in India.

Awaiting your communication,

I remain very respectfully,
 Sir,
 Your obedient Servant,

HENRY LUDOLF,

BENGAL CHAMBER OF COMMERCE,
 Calcutta, 29th March, 1860.

HENRY LUDOLF, Esq.,

Kc. &c. LEEDS.

DEAR SIR.—Your communications on the subject of a supply of flax from India submit for the consideration of the Chamber of Commerce a matter which has long engaged the attention of practical agriculturists in Bengal, and of others who have taken a lively interest in the endeavor to solve the difficult problem of converting into useful purposes of manufacture what has been and still continues to be rejected as unprofitable refuse.

From all the information that can be gathered it would appear that the cultivation of flax in the Lower Provinces of Hindoostan has been attempted over and over again; experiments without end have been made; European skill and intelligence have been brought to the task; every encouragement has been given by the State, by public associations; and by private individuals; but from the earliest attempt to the latest experiment no adequate success has resulted. Nearly twenty years ago the Government of India, both at home and abroad, took an extreme interest in the apparently satisfactory progress which experimental cultivation was then making; and the Agricultural Society of Calcutta took a very favorable view of the probabilities of the profitable culture of Flax. But notwithstanding, writes the late Professor Forbes Royle, "the Flax Company did not go on with the cultivation; the various individuals who had taken up the culture did not proceed with their experiments; the several models offered by the Agricultural Society seem never to have been claimed; and there are no appearances for the culture of the flax or 'sisum' of its fibre in any of the places where the experiments were made." It is probable therefore that the

success which appeared sufficient when the experiment was of the nature of garden culture was not realized when on a greater scale." And it is believed there is nothing on record to show that any other result has been arrived at in any subsequent experiments, leading naturally to the conclusion that in Bengal the cultivation of Flax for its fibre has ended in disappointment to all who have been engaged in it.

The manifest object of those experiments was to get both fibre and seed from the same plant, and their results showed the futility of the attempt; one must be sacrificed to the other, and the simple question is which is the most profitable cultivation for the Bengal ryot? From the discontinuance of the many experiments that have from time to time been set on foot it may be safely inferred that the cultivation for seed is the most remunerative in Bengal. It is incredible otherwise that the people of this country, versed as they are in the manipulation of jute and other fibres, should not have discovered their mistake ere this; and this view is confirmed by the fact that under the most favorable circumstances, owing to the climate stimulating a too rapid growth of the plant, and to its tendency to throw out lateral branches, the fibre is short and harsh as compared with the growth of a more temperate climate, and consequently its value comparatively low; whilst, on the other hand, from the same causes, its yield of seed is remarkably prolific. If this is, as it is believed to be, the true cause of the non-success of flax cultivation in Bengal to the present day, and not through non-appreciation of the value of the fibre, such as can be procured, it is a vital obstacle to the production, quite beyond the reach of any remedial measures any Flax Association may propose. Having thus set forth what they conceive to be the causes of the non-production in Bengal hitherto, the Committee of the Chamber think that under the circumstances no good end would be served by the establishment of such an association as you suggest.

While this apparently insuperable difficulty exists in Bengal it is satisfactory to learn on the authority of Dr. Royle, that in the Sanger and Nerlandah territories a better article has been produced, more resembling Egyptian flax; and on the slopes of the Himalayas there must be abundance of land fitted for the cultivation of flax, and possessing an European climate; and in process of time, though probably at a somewhat distant date, this article may form an important export from that quarter.

In the Presidencies of Madras and Bombay the cultivation of flaxseed would appear to be carried on for the same object as in Bengal.

The Province of Scheldt is reported as likely to be a flax producing country, but there is no certain information with regard to the capability of the soil, and future experiments will determine this point.

In the Punjab however flax cultivation has been attended with considerable success, and a ready remunerative market appears to be the only essential requirement for an unlimited supply.

I am, &c.,

Dear Sir,

Yours faithfully,

H. W. J. WOOD,

Secretary.

(1)
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55, 56
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APPENDIX V. (2)

Statement of the Funds of the Royal Chamber of Commerce from 1st January to 30th April 1860.

To Office Rent.....	000 0 0	By Balance of 31st Dec. 1859:—	
“ Extraordinary.....	2,574 0 0	Cash in Bank of Bengal.....	1,505 1 2
“ Charges General.....	1,311 12 3	Government Paper of the } 4 per cent. Loan.....	7,500 0 0
“ Repaid to Mr. C. Lane for Customs } “ All Impôts.....	1,250 0 0	Subscriptions.....	0,085 1 2
		“ Addition Fees, &c.....	4,200 0 0
“ Balance:—		“ Interest for 6 months on Government Paper } for Repaid 1,500.....	207 8 0
“ Cash in Bank of Bengal.....	1,604 9 2	“ Net profits of Vico Current from 1st Jan- } uary to 30th April.....	1,200 12 3
“ Government Paper.....	0 0 0		
		Repaid.....	14,250 5 5

K. E. H. W. L. WOOD,
Secretary.

CALCUTTA,
30th April 1860.

CXXXVII

Statement of the Import and Export Tonnage of the Port of Calcutta from 1st January to 31st December 1859.

MONTH.		IMPORT.												EXPORT.											
Year.	Month.	BRITISH.		AMERICAN.		FRENCH.		ALL OTHER FOREIGN.		MONTHLY TOTAL.		BRITISH.		AMERICAN.		FRENCH.		ALL OTHER FOREIGN.		MONTHLY TOTAL.					
		Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.	Ships.	Tonnage.				
For the Month of																									
1911	January	33,025	10	14,065	12	6,144	13	1,131	77	54,965	74	37,655	11	10,207	11	4,840	6	3,076	100	81,377					
	February	31,098	8	7,048	14	5,324	2	1,445	79	46,565	25	37,531	11	1,375	15	8,150	10	5,100	88	20,528					
	March	30,770	7	6,665	10	4,111	2	1,016	53	38,802	53	35,458	22	31,410	10	9,096	5	1,410	91	23,232					
	April	34,652	10	6,079	3	1,208	0	3,471	63	44,618	32	39,358	5	4,294	4	1,816	4	1,231	64	40,590					
	May	29,770	5	4,513	6	2,030	4	2,658	57	36,380	41	29,030	11	10,809	5	1,414	1	709	57	42,681					
	June	25,834	5	3,920	7	3,811	5	1,870	49	33,484	42	25,952	10	4,406	4	1,082	1	736	62	40,867					
	July	21,148	5	3,425	8	3,381	2	1,776	63	46,436	41	29,120	5	4,789	11	5,665	5	1,444	65	41,979					
	August	46,140	10	6,948	11	3,848	3	1,107	86	39,073	38	27,506	11	9,856	13	16,334	2	1,408	66	45,168					
	September	38,402	10	16,537	10	5,406	6	3,214	92	62,524	71	54,432	10	8,642	16	7,464	3	1,842	101	72,421					
	October	22,546	11	8,864	10	3,771	9	2,107	125	69,546	30	24,508	4	2,819	6	5,594	2	1,291	47	31,212					
	November	31,252	12	11,529	6	2,017	4	2,233	64	47,139	54	37,346	11	9,800	9	3,792	3	1,371	77	52,899					
	December	34,107	12	16,805	9	4,506	1	000	74	55,018	56	40,546	7	7,702	5	1,370	5	3,041	71	52,748					
Total		425,325	114	164,571	90	48,278	43	25,363	857	508,598	616	443,767	118	113,079	110	51,226	20	47,354	888	624,626					

THREE
1859

171,12
401,62
501,50
601,00
701,54
801,04
901,14
1,001,25
1,101,27
1,201,10
1,301,02
1,401,02

2,640

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MOFUSSIL MEMBERS

[illegible]

* Bank of Bengal notes were altered on 25th January, 1922.
 Rupee and 10th July 1922.

- Design Project: History

RULES AND REGULATIONS

OF THE BENGAL CHAMBER OF COMMERCE

*Adopted at a General Meeting of the Chamber on
Monday, the 9th day of May, 1853.*

First..... That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."

Second..... That the object of the Chamber shall be to watch over and protect the general interests of Commerce; to collect information on all matters of interest to the Mercantile Community; to use every means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; to communicate with authorities and individual parties thereupon; to form a code of practice whereby the transaction of business may be simplified and facilitated; to receive references and to arbitrate between disputants, the decisions in such references being recorded for future guidance.

Third..... That it being highly desirable not to recognize any principle of exclusion, all persons engaged in or interested in the Commerce or Shipping of Bengal, shall, upon payment of the Subscription and on signature of the Rules and Regulations, be admissible as Members in the manner hereinafter described.

Fourth..... That Candidates for admission, proposed by one Member and seconded by another, shall be

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ballotted for, and a majority of votes shall decide the election.

Fifth..... That voting by proxy, or by Members whose Subscriptions are in arrears, be not allowed.

Sixth..... That the Chamber reserves to itself the right of expelling any of its Members; such expulsion to be decided by the votes of three-fourths of the Members of the Chamber.

Seventh..... That a majority of the firms constituting the Chamber shall be held sufficient to form any General Meeting, at which, although two or more partners of one firm be present, they are to count as only one member, and no two members of one firm can be present at the same time Members of the Committee.

Eighth..... That the monthly Subscription of each Member or Firm be Rupees 16, subject hereafter to increase or reduction as may be decided by a General Meeting.

Ninth..... That the business and funds of the Chamber shall be managed by a Committee of seven Members, consisting of a President and Vice-President and five Members, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman.

Four to form a quorum; the Chairman, in cases of equality, having the casting vote.

Tenth..... That the Committee shall meet on such day of every week as it may fix, as most convenient, for the purpose of transacting such

business as may come within the limits of the objects of the Chamber, and that its proceedings be laid on the table open to the inspection of Members, subject to such Regulations as the Committee may deem expedient.

Eleventh... That vacancies in the Committee created by the absence of Members from the Presidency for two months, or by departure for Europe, or by death, be filled up at a General Meeting by a majority of the Members present thereat.

Twelfth... That the Secretary be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.

Thirteenth. That the General Meetings of the Chamber be held from time to time as the Committee for the time being may deem necessary. That a Special General Meeting shall be called by the President, or, in his absence, by the Vice-President, or by his order, on the requisition of any five firms; Members of the Chamber to be held within five days subsequent to the receipt of such requisition.

Fourteenth. That all Proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

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

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

Seventeenth. That an Annual Report of the Proceedings be

prepared; and, after being approved of at a General Meeting, printed and circulated.

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

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

The Seventh Rule, as modified at a General Meeting of the Chamber, held on Monday, the 27th day of Nov., 1854.

That any number of Members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber, for the despatch of ordinary business; but that no change in the Rules of the Society can be considered except at a General Meeting at which the majority of the Members of the Chamber shall be present.

† The following Rules were adopted at a General Meeting of the Chamber, held on the 18th May, 1853.

That the Subscription for individual Members of the Chamber be Rupees 10 per mensem, while those alone carrying on business under any style or firm do pay Rupees 16 per mensem, as resolved at the Chamber's last Meeting.

That the Subscription for Mofussil Members be two Gold Mohurs or Company's Rupees 32 per annum.

