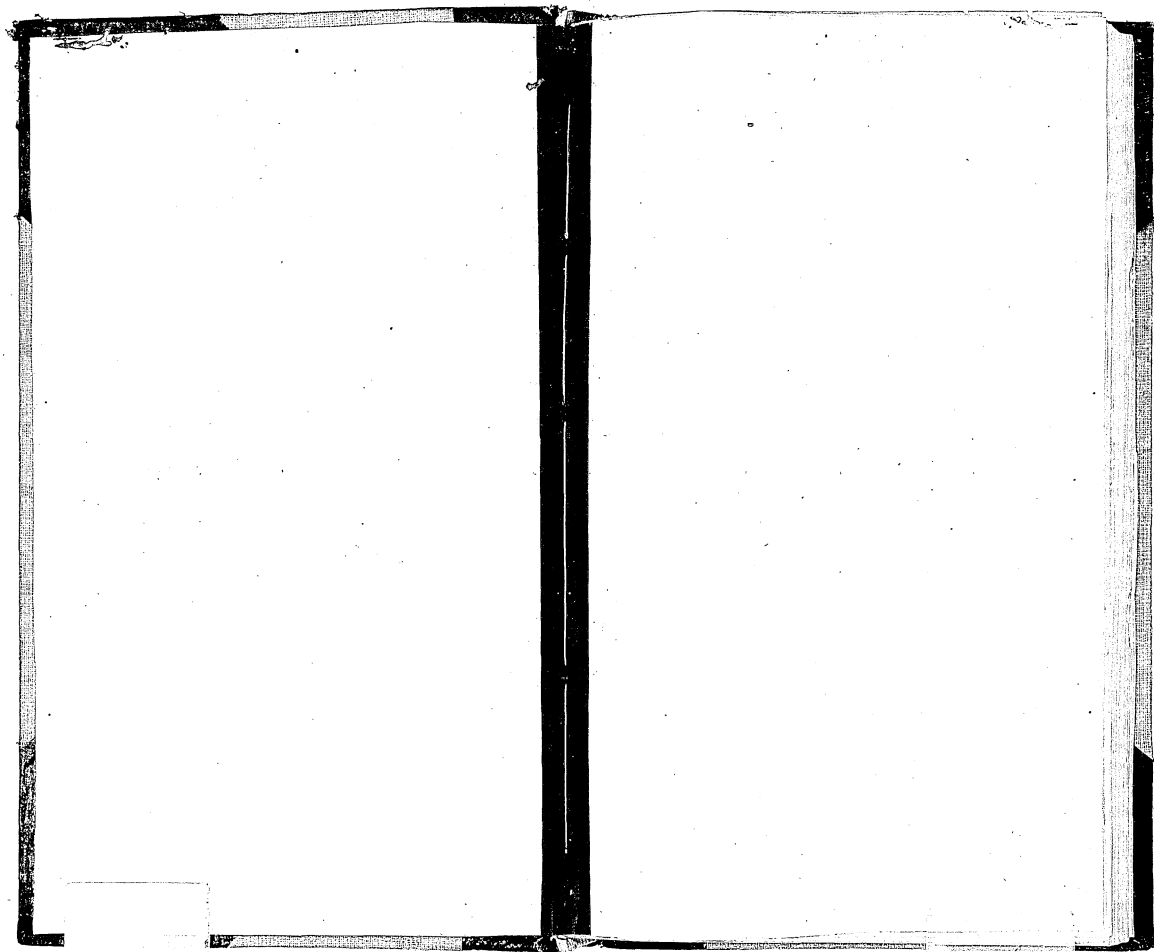
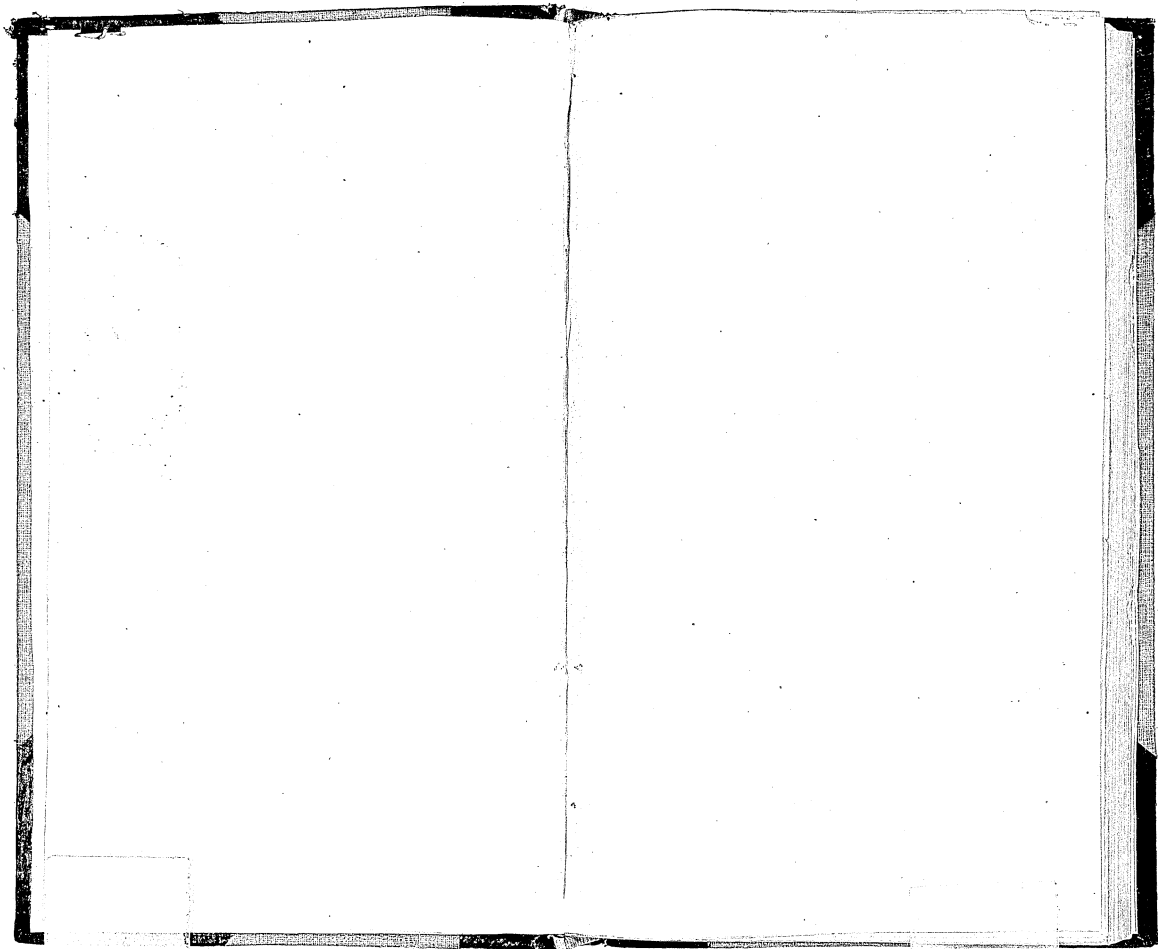


REPORT
OF THE
BENCAL CHAMBER OF COMMERCE

FROM 1ST NOVEMBER 1882 TO 30TH APRIL 1883





(REPORT)

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE

For the half-year ended 30th April 1883.

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*Proceedings of the Half-yearly General Meeting
of the Bengal Chamber of Commerce, held on
Tuesday, the 7th August 1883.*

J. J. J. KESWICK, Esq., *President*, in the Chair.

The advertisement convening the meeting having been read by the Secretary, the Chairman addressed the members present, as follows :—

GENTLEMEN,—The last half-yearly meeting of the Chamber was held on the 31st January 1883, and the one being held to-day should have taken place in May last, but the Report now presented to you was not then ready. Last year's Committee, of whose labours the report is a record, were Messrs. R. Miller (President), H. Reinhold (Vice-President), W. H. Cheetham, D. Cruickshank, T. D. Ralli and J. Stevenson. The members of the present Committee are Messrs. J. J. J. Keswick (President), W. Bleek, D. Cruickshank, L. King, T. D. Ralli, and J. Stevenson.

The Report treats of many matters which will be found interesting, and is so explanatory in itself, that it is not necessary for me to say much. The Financial Statement is first on the list of subjects

as usual. It will be noted that Major Baring draws attention to an increase of about 7 per cent. in the import trade in those articles which were exempted from duty in March 1882 in the ten months following, and also points out that there has been such an increase in the consumption of salt since the duty on it was reduced, that the revenue from it at the reduced rate will, in less than three years more, stand equal to what it was prior to the reduction. Some think, however, that Major Baring in his conclusions has not made sufficient allowance for the natural expansion consequent on the good harvests and general prosperity of the last two or three years. For myself, I have no doubt that the reduction in the salt duty stimulates its consumption, though we cannot indicate how much of the increase referred to has been due to the reduction.

The export duty on rice, which has long been a standing reproach to Indian financiers, continues, but it is at last recognised that it falls on the producer, and we may expect to see it have attention soon.

The importance of developing the wheat trade is clear to the Government, and the reduction in the railway rates on it, while helping it to compete more successfully with American grain, will

prove no sacrifice, for the increased traffic which will be brought about by the reduction will soon more than restore the temporary falling-off in the receipts.

The late Committee caused a yellow covered pamphlet entitled "The influence on English Trade and American Protection of the Development of India," written by Major Conway-Gordon, R.E., to be widely distributed both here and at home in the beginning of the year, and all who have read the pamphlet will, I am sure, heartily welcome Major Gordon as an honorary member of the Chamber, and be glad that the Committee paid him the compliment of asking him to accept the position.

The Committee, in a letter to His Excellency the Viceroy, dated 10th March last, pressed upon the Government the importance of the views advocated in the pamphlet. The delay in the extension of railways in India is deplorable, and the time wasted in references to so many authorities in the endeavour to make antagonistic elements agree almost culpable. The Committee might well say that, unless some simpler system than the present one can be devised for dealing with the railway business of Government, it cannot help viewing the

future with the gravest apprehension. The Americans prospect, arrange, and construct great lines in half the time that is wasted in arguments between this and the India Office on the schemes, the desirability, feasibility, and necessity of which are patent to all practical men.

It has been well said that if private enterprise is to succeed in the construction of railways in this country, promoters must be assured that protracted delay will not occur in sanctioning the work, for capitalists cannot be asked to hold their money in readiness for an indefinite period, while the local authorities, the Provincial Government, the various departments of the Government of India, and the Secretary of State and his Council are arguing in an illimitable fashion the *pros* and *cons*.

I think it must be pretty plain to the Government by this time, however, as it is to us, that no satisfactory progress will be made in railway extension in this country without Government guarantees. The home public will not come readily forward with their money otherwise, especially now that the Government policy has changed with regard to Europeans in this country.

We are still suffering from want of sufficient port accommodation, and from the inability of the East Indian Railway, with its limited space and limited arrangements at Howrah, to give prompt delivery of consignments. The Government is giving attention to the matter, and it is expected that the construction of docks convenient to the present port will soon be decided on. It is much to be regretted that so great delay continues with regard to the building of a railway bridge over the Hooghly, unless, indeed, the delay eventuates in our seeing the site of the bridge changed to a position between the present floating bridge and Cossipore. I think we are all agreed that the position fixed upon at Hooghly is about the most inconvenient that could have been chosen, and that in making such a permanent structure, convenience should not be sacrificed to save a little extra outlay. The mercantile community have not been consulted, however, nor, I understand, have the Port Commissioners.

What the Chamber should stir for now is, increased accommodation on the Howrah side to meet the requirements of trade, until the wet docks and bridge are ready. Accommo-

dation on the Howrah side can be much increased.

We have seen the reductions which the Port Commissioners have made in the last few years in Port dues and Jetty charges, and your Committee have very properly been enquiring of Government for an expenditure account showing how the inward and outward pilotage, lead-money, hospital dues, &c., are appropriated, remarking that it would be satisfactory to the shipping interests to know that they are not called upon to contribute more than is essential to maintain the pilot service in all its departments in the highest efficiency. Although the statement was asked for in November, 1882, it has neither been supplied nor promised as yet.

It will be found that a large part of the Report is devoted to the requirements of the important and growing trade in petroleum, and it is satisfactory that the East Indian Railway Company has been induced to reduce its rate for full wagon loads of 260 to 280 maunds, or multiples thereof, from 50 to 33 pies per 100 maunds per mile. The restrictions on vessels arriving with petroleum are now in great part removed, and the test conditions and the provision of a convenient depot are under consideration.

I need not add anything to what appears in the Report with regard to improvement required in the Insolvent Debtors Act, with regard to regulating the manufacture, keeping, sale, conveyance, and importation of explosives; and with regard to the other subjects I have not mentioned, save, perhaps, the Bill to Amend the Criminal Procedure Code of 1872; and so much has been said about it throughout the country already, that it is unnecessary to do more than express a hope that the memorial to the Viceroy, of which copies can be obtained on application to the Secretary, will be approved by you.

I may mention, and I know you will be sorry to hear it, that our old friend, Mr. Wood, is obliged to leave us for a few months, to recruit his health. Mr. John Cowie will act for him in his absence, which will be for a period of about four months.

The Chairman proposed, seconded by Mr. Turner, that the report be received and adopted.

Carried unanimously.

The Chairman then said:—I would ask you now, gentlemen, to confirm the late Committee's action in making Major Conway-Gordon an honorary member of the Chamber, and to confirm the

admission of Messrs. Landale & Morgan, and Messrs. Mitchell and Waller as members of the Chamber.

This was seconded by Mr. Bigge, and carried unanimously.

With a vote of thanks to the Committee and the Chairman, the meeting then separated.

W. H. I. WOOD,
Secretary.

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year ended 30th April 1883.

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

SUMMARY OF FINANCIAL STATEMENT.

As no legislation is to be undertaken in connection with the financial arrangements of 1883-84, the Financial Statement takes the form of a Minute, written by Major Baring, which is to-day published in the Gazette.

The Accounts and Estimates are presented in a new and simplified form. The figures are in conventional sterling, that is, £1 equals Rs. 10.

The Accounts of 1881-82 show the following result :—

	<i>£</i>		
Revenue ...	...	...	73,696,000
Expenditure ...	...	...	71,113,000
Surplus	...	...	<u>2,583,000</u>

The value of the import trade in those articles which were exempted from duty last March has increased by about 7 per cent. in 10 months. There has been a general

fall in the retailed price of Salt in all the Provinces since the reduction of the duty, ranging from 12 per cent. in Oudh to 23 per cent. in Bengal. The consumption of Salt since March 1st, 1882, has increased by 6½ per cent., representing a Revenue of £820,000 a year, or about £202,000 in excess of the anticipations formed last March. Of this increase £163,000 falls to the year 1881-82, a very large amount of Salt having paid duty in the last three weeks of March 1882, and £139,000 falls to 1882-83. It is estimated that, should the same rate of increase continue, the Revenue at the reduced rate of duty will, in less than three years from the present time, stand at the same figure as it did prior to the reduction.

Turning to the Revised, formerly called the Regular, Estimates for 1882-83, it is to be observed that the net Opium Revenue is estimated at £7,217,000, being £33,000 less than the Budget Estimate, and £588,000 less than the actuals of 1881-82. The falling off is attributed to the increased competition of the indigenous Chinese drug. The charge under *Exchange* is estimated at £341,000 in excess of the Budget Estimate. The net cost of the Egyptian Expedition, after deducting the English contribution of £500,000 true sterling, is stated to be £797,000. In spite of these additional charges the Revised Estimate shows the following result:—

		£
Revenue ...	...	67,914,000
Expenditure ...	...	67,854,000
Surplus	...	<u>60,000</u>

This satisfactory result is attributed mainly to two causes. First, that the harvests have been good and the country prosperous; and secondly, that in view of the large fiscal reforms undertaken last year, the Estimates of Revenue and Expenditure were framed with even more than usual caution. It is also said that the Indian Revenue is more elastic than is often supposed. All the main branches of Revenue for 1882-83 show an excess over the Estimate, and some items of Expenditure are less than Estimate. A sum of £1,000,000 (true sterling) will, with the approval of the Debt Commissioners, be remitted to England before March 31st, 1883, for the reduction of sterling debt, the loss by exchange on this transaction being debited to the Account of the Commissioners. This is in addition to the ordinary requirements of the Secretary of State for the year which have already been remitted home.

It is pointed out that the only way India can meet the continued depreciation of silver is by developing trade, and especially exports. The uncertainty as regards the future of opium and silver necessitates the postponement of further fiscal reforms. Regret is expressed that the financial position does not permit of the export duty on rice being abolished. The question of Indian competing with American wheat in the London market is fully discussed, and it is shown that India, though labouring under great disadvantages as regards internal communications and other points, has the great advantage of Free Trade. The Railway rates on wheat from Northern India to Bombay are to be immediately reduced by 18½ per cent., equivalent to a reduction of 1s. 6d. a quarter in the London market. A corresponding reduction will, without doubt, be made

on the East Indian line. Also the restriction giving lower rates only to large consignments is to be abolished on the Rajputana and Bombay, Baroda and Central India lines.

Turning to the Budget Estimates of 1883-84, it is observed that the net Opium Revenue is taken at £7,035,000 being £215,000 less than the Budget Estimate of 1882-83. The value of the rupee is taken at 1s. 7½d., and the Expenditure under *Exchange* at £773,000 more than Budget Estimates of 1882-83. All the other Estimates are very cautiously framed. The result is as follows:—

		£
Revenue ..	...	67,274,000
Expenditure	...	66,817,000
Surplus	...	457,000

The reports on the Opium crop of the present season in Bengal are unsatisfactory, which will affect the finances of 1884-85, by necessitating a still further reduction in the sales of Bengal Opium, and, therefore, probably in the Opium Estimate. On this subject Major Baring makes the following remarks:—

"I will not venture to predict what may be financial situation at the commencement of the year 1884-85. All that can now be said on this subject is that we commence the year 1883-84 with a surplus of £457,000 in hand; that the Estimates for 1883-84 have been very cautiously framed; that the material prosperity of the country is increasing, and, unless famine should intervene, will continue to increase, with the result that the Revenue from Excise, Salt, Stamps, Railways, &c., is

"steadily growing; and lastly, that by the reduction of the Salt Duty the financial position has been much strengthened, and a fiscal reserve constituted, which, should the occasion unfortunately arise, can be used in case of necessity. So long as the value of the rupee and the Opium Revenue continue liable to such fluctuations as those which we have recently witnessed, the financial situation of India must always contain some special elements of instability, but I see no reason for taking a desponding view of that situation at present. On the contrary there is every reason to believe that the country will be well able to cope with whatever financial difficulties the future may have in store."

As regards the License Tax, it is said that no change is at present proposed, and that the Government, whilst recognising the inequalities in the incidence of the present tax, reserves full liberty of action in the future as to the method of its treatment. Stock Notes to the extent of only £163,000 have been taken up in the year, but prolonged experience can alone show whether the scheme will ultimately take root in the country. It is worth while to continue the experiment. Some modifications will possibly be made in the details. Post Office Savings Banks were opened on April 1st, 1882. The amount at present in deposit is £248,000. The number of depositors on December 31st, 1882, was 31,698, of whom 28,770 were natives, being a far larger proportion than in the case of the District and Presidency Savings Banks. The cash balance in India on March 31st, 1883, after allowing for payment of Secretary of State's Bills during the year, amounting to £13,042,000 true sterling, is estimated at

£13,840,000. The usual 4 per cent. loan for Productive Public Works will be contracted during the coming year. The amount will be £22,500,000. Full details will be notified on or about July 15th. The cash balance in India on March 31st, 1884, is estimated at £11,697,000; but this is a very moderate estimate and will probably be exceeded.

March 15th, 1883.

THE BILL TO AMEND THE CRIMINAL PROCEDURE CODE OF 1872.

A Bill to amend the Criminal Procedure Code of 1872 was suddenly introduced into the Legislative Council of India, on 2nd February 1883, and while the public were silent in surprise that a Government which had been showing a desire to take the mercantile community into its confidence should, without warning, move to have European British subjects outside the Presidency towns put under the jurisdiction of natives in criminal matters; the said Government was making a push to get the Bill referred to a Select Committee, so that opinions might there be recorded in its favor and public discussion avoided. The measure, however, being one most hurtful to all who have interests in the Mofussil, your Committee at once called a

Special General Meeting of the Chamber for 21st February, and the proceedings at that Meeting and the memorial drawn up and sent to Government against the Bill are now put before you.

*From Chamber to Government of India.
Calcutta, 6th March 1883.*

At a Special General Meeting of the Bengal Chamber of Commerce, held on Wednesday the 21st of last month, Resolutions were adopted with reference to the Bill to amend the Criminal Procedure Code of 1872, so far as it relates to the exercise of jurisdiction over European British subjects; and I am desired to forward copies thereof, hereto annexed, with the request that the same be submitted to the Legislative Council of His Excellency the Governor-General of India.

1st Resolution.—Proposed by J. J. J. Keswick, Esq.,
Seconded by James Murdoch, Esq.

That in the opinion of this Meeting the alteration of the law proposed by the Government in the Bill entitled "A Bill to amend the Code of Criminal Procedure of 1872, so far as it relates to the exercise of jurisdiction over European British subjects," calls for the unqualified disapproval of the Bengal Chamber of Commerce, and should be opposed to the utmost by every means in its power.

2nd Resolution.—Proposed by J. W. O'Keefe, Esq.,
Seconded by J. P. Thomas, Esq.

That a sub-Committee of this Chamber be appointed to draw up a memorial to Government, protesting against the Bill, and to take steps to procure signatures to the memorial throughout every district.

3rd Resolution.—Proposed by the Honorable R. Miller,
Seconded by E. E. Bigge, Esq.

That the following Members of the Chamber be invited to form the sub-Committee for the foregoing purpose: J. J. Keswick, Esq; D. Cruickshank, Esq; J. Murdoch, Esq; J. Flemington, Esq; A. G. Watson, Esq; F. Aitchison, Esq; with power to add to their number.

4th Resolution.—Proposed by R. A. Turnbull, Esq.,
Seconded by J. J. Guise, Esq.

That this Chamber confer with the Chambers of the Bombay and Madras Presidencies so as to take united action against the Bill.

Present :—The Honorable R. Miller, President, in the Chair; Messrs. H. B. H. Turner, J. J. J. Keswick, D. Cruickshank, T. D. Ralli, J. Hay, W. R. T. Aitken, J. J. Guise, A. G. Watson, J. Macillican, J. Murdoch, F. Whitney, E. F. Whitney, J. Horne, F. Aitchison, T. Carritt, J. Thomas, D. Fuchs, J. P. Thomas, R. Mitchell, R. A. Turnbull, W. H. Cheetham, C. E. Smyth, J. Stevenson, E. E. Bigge, J. R. Croft and J. W. O'Keefe.

From Bengal Chamber of Commerce to H. W. PHIMROSE, Esq., Private Secretary to His Excellency the Viceroy and Governor-General of India. Calcutta, 25th April 1883.

SIR,

By direction of the Committee of the Bengal Chamber of Commerce, I have the honor to forward herewith for submission to His Excellency the Viceroy and Governor-General of India a Memorial from the Chamber of Commerce relative to the Bill to amend the Criminal Procedure Code of 1882.

I have the honor to be,

Sir,

Your most obedient servant,

H. W. I. WOOD.

Secretary.

TO

HIS EXCELLENCY THE MOST HON'BLE

THE MARQUIS OF RIPON, P.C., K.G., G.C.B., G.M.S.I.,
Governor-General of India in Council.

THE humble Memorial of the
BENGAL CHAMBER OF COMMERCE.

SHEWETH,—

THAT your Memorialists have considered the provisions of the Bill to amend the Code of Criminal Procedure, 1882, and they beg respectfully to submit to Your Excellency in Council their deliberate and well-considered views respecting this measure.

Your Memorialists venture to think that their views may be worthy of attention, because they, and those with

whom they are connected, are brought into direct and intimate relations with the natives of this country. Those views are based upon long and wide experience. Your Memorialists hope, moreover, that the fact that they do not apprehend any personal application of the proposed measure in their own case, and that many of them may probably, retire from the country before the fruits of the proposed change mature, will strengthen rather than weaken the force of their opinion. That opinion may not coincide with the sentimental and theoretical views of persons devoid of experience as to the actual circumstances of the country, or of those who ignore differences, of race, creed, education and habits; but your Memorialists trust that their sentiments deserve to be treated as something far removed from blind panic, unreasoning clamour, or factious opposition. It commonly happens, indeed, that Englishmen come to this country imbued with benevolent or sentimental theories, most of which are based on the assumption that political equality between the European and Native races is possible and desirable; but such equality your Memorialists consider an illusion—an illusion which has, indeed, a semblance of generosity, but which very slight experience suffices to strip of its specious attractions and altogether to dispel. Those who have not penetrated beneath the plausible surface which the Oriental usually presents to European eyes may continue to cherish such an illusion; but it is impossible for those to do so who, like your Memorialists, are brought into daily contact with the various classes of the people in the ordinary transactions of life.

Your Memorialists, as a body of mercantile men, are deeply interested in all that may affect the development

of the resources of this country. They recognise that their interests as representing European capital in this country, are bound up with the security and prosperity of the country; and are, therefore, identical with the true interests of their native fellow-subjects. Your Memorialists feel sure that it is not necessary to press upon the attention of Your Excellency in Council the disastrous effects of insecurity, or even a feeling of insecurity, upon trade and commerce. It is superfluous to insist upon so obvious a fact of experience as the sensitiveness of capital. A sense of insecurity, especially a sense of personal insecurity arising from want of confidence in the administration of Criminal Justice, cannot fail to paralyze capital and to arrest its flow into the country, while it will unjustly impose serious sacrifices on those who have already invested their capital in reliance upon the existing state of security.

Your Memorialists regret that their experience compels them to condemn, emphatically, the present Bill, and to view with distrust the policy which appears to underlie it.

Your Memorialists trust that it is not too late to express such an opinion. They submit that the admission of natives into the Civil Service does not in the slightest degree preclude objection to the policy of the present measure. The public could scarcely be expected to foresee the present development of that policy: since the Government itself did not contemplate such a result, even down to the framing of the present Criminal Procedure Code. Nor did the large mass of opinions and reports submitted when that Code was in preparation indicate such a result as desirable, much less as inevitable; for although nearly two hundred opinions were then laid

before Your Excellency in Council, only one faintly foreshadowed any such measure. The Government admitted natives into the Civil Service subject to the restrictions at present existing. Had the Government then contemplated perfect equality of powers, it would doubtless have considered itself bound in fairness to make known its views at that time. Had any such development been foreseen, it would undoubtedly have called forth the same objection as is now urged against the present measure; which measure, it is now said, is a necessary consequence of the step then taken.

Your Memorialists further venture to submit that neither the present measure, nor the policy upon which it appears to be based, are necessary or legitimate developments of the spirit of Her Majesty's Proclamation of 1858. If that Proclamation involved such changes as the present Bill contemplates, further advance in the same direction would be inevitable; so that the finality claimed for this measure could not exist. Her Majesty's Proclamation, however, does not profess to prescribe or define the course of future legislation, which is by law placed under the control of Your Excellency in Council.

Nor does Her Majesty's Proclamation declare or even contemplate that any larger share in the government or administration of the country than was then enjoyed by the native races should be conceded to them: or that those races should attain greater power or influence. It declares that, "so far as may be," all Her Majesty's subjects, "of whatever race or creed," shall be freely and impartially admitted "to offices, the duties of which they may be qualified by their education, ability, and integrity

duly to discharge." This declaration is not confined to any class of Her Majesty's subjects, and leaves their employment to be determined, subject to the existing law, by their fitness and other circumstances of the case.

The Proclamation initiated no new policy.

The view above submitted is that adopted by successive Governments, including the Government which framed and issued the Proclamation. Their action shews that they did not consider themselves bound to accord to the native races any greater share of the administration than the circumstances of the time rendered fitting. To attribute to them a different view would be to charge them with deliberate disregard, of the settled policy of the country; since natives were not, until recently, even eligible for the Civil Service.

Moreover, your Memorialists venture to submit, that it would not have been competent to Her Most Gracious Majesty, by Proclamation, to prescribe the course of future legislation—a consideration which appears conclusive as to the true scope of the Proclamation in question.

Your Memorialists, therefore, deem themselves at liberty to consider this proposed measure on its merits, both as regards its policy and its detailed provisions.

The policy of the Bill is set forth in the "Objects and Reasons," and has received further elucidation and development by Your Excellency in Council.

All parties agree in considering that policy to be the policy of forthwith conceding a larger share in the administration to the native races. The conclusion that

this is the policy of the Bill is forced upon your Memorialists. The same conclusion is eagerly adopted by the natives.

Your Excellency's speech in Council appears to confirm this view: since Your Excellency based the defence of the Bill, as your Memorialists understand, upon the Queen's Proclamation, which Your Excellency appeared to consider a declaration of the principle of complete equality between the Englishman and the Native. The statement of Objects and Reasons of the Bill is to the same effect: for it states that "it was thought anomalous that, while natives of India were admitted to the Covenanted Civil Service, and held competent to discharge the highest judicial duties, they should be deemed incompetent to be Justices of the Peace and to exercise jurisdiction over European British subjects outside the Presidency towns;" it speaks of "removing the present bar upon the investment of Native Magistrates in the interior with powers over European British subjects;" and then proceeds to say—"The Government of India has accordingly decided to settle the question of jurisdiction over European British subjects in such a way as to remove from the Code, at once and completely, every judicial disqualification which is based merely on race distinctions."

Your Memorialists can discover no anomaly in the existing system beyond the natural anomaly that races differ; with the result that the subject race is unfit to govern the dominant race.

The Bill ignores this difference, and, assuming equality for the purposes contemplated, proceeds to bestow upon certain classes of natives a further share in the adminis-

tration of justice, irrespective of race, and as a matter of right. The policy might have been more plainly stated: but it is impossible to escape the conclusion at which all parties have arrived as to its character.

This policy rests upon the assumption that a native who has attained a certain position in the administration is, in all respects, as well qualified as an Englishman to perform all duties which an Englishman of similar position may be set to perform. To proceed to apply this theory—a theory requiring a bold disregard of fact and experience—to so delicate a matter as the administration of Criminal Justice between the two races, is surely not warranted, much less required, by the Queen's Proclamation. That Proclamation expressly provides for actual fitness in the person employed of whatever race he may be; and significantly points to education and integrity as elements in the qualification. Your Memorialists submit that no reasonable person can possibly ignore the difference of character arising from difference of race, or venture to assume that, even with like education and similar surroundings, such difference could be eradicated.

But here the original difference of character is heightened by difference of education, influences, habits, creed and aims. It appears to your Memorialists that the policy in question rests upon a confusion of ideas with regard to the Proclamation, namely that the absence of disability implies fitness.

This policy your Memorialists view with the utmost anxiety, and they regard the necessity of discussing it as a public misfortune. They cannot admit the assumption upon which it rests: or allow that a few years in England

can possibly qualify natives of this country to take the same share in the administration of the country as Englishmen. But the Bill does not contemplate that class alone, or chiefly; but includes within its purview those educated in this country, surrounded by every influence which tends to widen the gulf of race distinction.

Your Memorialists are fully sensible of the wisdom of laying the foundations of Government deep in the welfare of the governed; and they are always ready, when consulted, to approve any well considered measures tending to the real benefit of the natives; but your Memorialists are convinced that it is cruel to them, and mischievous to the State, to affect to countenance such illusions as the policy of the present Bill seems calculated to encourage. Such illusions, if persisted in, are, in their opinion, calculated to cause grave and serious disaster throughout India, and that too to a very remote period of time.

This Bill, when originally brought forward, was rested solely on the ground that it would remove an anomaly. There was no suggestion of administrative difficulty; nor has any such difficulty been suggested as might not be surmounted without public detriment. It has, indeed, been stated that, inasmuch as one-sixth of the Civil Service may consist of natives, there must ultimately be administrative difficulty; but it is obviously impossible at present to foresee whether it may not be quite easy to overcome that difficulty should it ever occur. It is, at any rate, sufficiently clear that no serious difficulty has at present arisen, or can at present arise. The suggested difficulty is, therefore, purely speculative.

On the other hand, the immediate mischief actually resulting from even the introduction of this Bill, is, unfortunately, no longer a matter of speculation. Bitter race feelings have been evoked by what is felt, and your Memorialists think rightly felt, to be an unnecessary, ill-judged and ill-considered attack on a justly cherished right. A wise statesmanship would, they venture to think shrink from evoking such feelings, and would certainly not encounter such mischiefs in pursuit of any merely speculative good. But the harm does not stop there:—the proposed tribunals will necessarily invite distrust, instead of commanding that public confidence which is essential to the due administration of justice. Here, surely, is an administrative difficulty of sufficient magnitude to disturb all who value the efficient administration of justice. The mischief, moreover, does not stop even here; for out of the evils indicated, mischievous results will arise, at present incalculable;—distrust engendered, paralysis to enterprise and discouragement of the naturally loyal; these are but some of the baneful results which may be reasonably apprehended. Such fears, it is said, have been often entertained and as often falsified. It is true that English feeling as to matters affecting the relations between the two races is highly sensitive. This, however, seems to your Memorialists the reverse of a reason for disregarding it; seeing that such sensitiveness arises from a perception of the danger involved in any disturbance of the relations at present existing. Your Memorialists regret that they cannot admit that such fears have been unfounded in time past, for they feel that the position of Englishmen in India has been lowered, and consequently the foundations of British security

perceptibly affected by every similar measure in the past.

Your Memorialists, judging from past experience, cannot help fearing that like effects will accrue from the present measure, and it must tend to deprive Englishmen settled in this country, comparatively few and often widely scattered, of that position which is universally felt to be essential not only to their welfare and to the safety of themselves and their families, but also to the very existence of British rule. It is to such settlers that the real acquisition of India as an integral portion of the Empire may be traced and justly credited. It is the beneficent flow of peaceful commerce which has turned the desolation of conquest into fruitful prosperity.

And to what end is society to be thus moved to its depths?

Your Memorialists respectfully submit that the susceptibilities of the entire British community deserve to be, in the eyes of a British Government, as worthy of consideration as the susceptibilities of a few native officials. There can be no pretence of any injustice to be remedied; for these gentlemen entered the service upon the footing of the existing law: and, indeed, could not have obtained admission on the footing now claimed for them without exciting the same feelings as have now been aroused. The proposed measure seems to your Memorialists to be in every way unjust and impolitic, uncalled for by administrative necessity, calculated to evoke feelings of race antagonism which prudent statesmanship would allow to slumber, tending to create distrust of the policy of Government, and to destroy confidence in the administration of the Criminal Law.

Your Memorialists do not desire to dwell unnecessarily upon the details of the proposed measure. They venture, however, to call attention to a singular inconsistency in the utterances in Council respecting one provision of the Bill. The supposition that a native would never be appointed a Cantonment Magistrate was welcomed as obviating what could not be denied to be a danger, the danger, namely, of allowing British soldiers to be tried by native Magistrates. But surely it is part of the anomaly sought to be removed that a native should not be so appointed: and it is strange to set about removing one anomaly in reliance upon the existence of another. The satisfaction, however, created by the existence of that anomaly is rudely shaken when it is remembered that a Cantonment Magistrate may become subordinate to a native Collector; who, as his superior magisterial officer, is, in the exercise of his discretion, entitled to assume jurisdiction in criminal cases ordinarily triable by a Cantonment Magistrate.

The Bill also, while empowering Natives to try Europeans, excludes Europeans from such functions; unless, indeed, such Europeans are Members of the Covenanted Civil Service, Assistant Commissioners in Non-Regulation Provinces, or Cantonment Magistrates. The Bill, therefore, in pursuit, as is professed, of race equality, creates race inequality, and disqualifies, as was pointed out in Your Excellency's Council, a considerable and useful class of Magistrates, who would, otherwise, have exercised the function of trying Europeans with benefit to the community, as numerous members of this class have hitherto done.

In conclusion your Memorialists feel confident that Your Excellency in Council, solicitous for the welfare and prosperity of all classes of Her Majesty's subjects, will accept the results of practical experience, and will give such weight as may be due to the views herein submitted. If, as your Memorialists trust, those views recommended themselves as just:—if the opinion of your Memorialists is, as they venture to hope, entitled to weight, as representing the feeling of the European Mercantile community:—if Your Excellency in Council is satisfied that in passing this measure you will be disregarding the feeling of the Mercantile and European community, even should that feeling fail to meet with sympathy from Your Excellency in Council:—then your Memorialists cannot doubt that Your Excellency in Council will not shrink, in the interests of good Government, from withdrawing the present Bill without further delay,—a result for which your Memorialists humbly pray,

On behalf of the Memorialists,

ROBERT MILLER,

President, Bengal Chamber of Commerce.

H. W. I. WOOD,

Secretary, Bengal Chamber of Commerce.

CALCUTTA, 19th April 1853.

Government House, Simla, 28th April.

Sir,

I have laid before the Viceroy the Memorial from the Bengal Chamber of Commerce relative to the Bill to amend

the Criminal Procedure Code, which you forwarded in your letter to me of the 25th instant; and His Excellency desires me to request that you will inform the Committee that the Memorial will receive careful consideration from himself and his colleagues.

I have the honor to be,

Sir,

Your obedient servant,

(Sd.) H. W. PRIMROSE.

H. W. I. WOOD, Esq.

**NECESSITY FOR THE DEVELOPMENT OF
CHEAP RAILWAY COMMUNICATION
IN INDIA.**

Early in the year a pamphlet was published in Calcutta which endeavoured "to show the dominant position India occupies as the source of supply of wheat to Europe; the ease with which the greater part of the English grain trade could be diverted from America to India; and the advantages, both to the English manufacturer and to the Indian ryot, that would result from India becoming the sole source of supply of wheat to the United Kingdom."

The pamphlet attracted considerable attention, and received general concurrence in its main contention, that cheaply constructed railways and the lowest scale of charges, would confer immense benefit on the wheat trade of India and advance its general agricultural and manufacturing industries.

Your Committee were of opinion that early opportunity should be taken of bringing this ably discussed question prominently under the notice of the Viceroy and Governor-General, and of pressing upon His Excellency's consideration the urgent necessity for removing as far as possible the obstacles that prevented the Indian wheat trade from competing with that of America on more equal terms. They, therefore, addressed the following letter to this Excellency at whose hands it will no doubt receive the fullest attention:—

To

HIS EXCELLENCY THE MOST HONOURABLE

THE MARQUIS OF RIPON, K. G., G. M. S. I.,

Viceroy and Governor-General of India,

Dated Calcutta, 10th March 1883.

MY LORD MARQUIS,—

I AM desired by the Committee of the Bengal Chamber of Commerce to forward for Your Excellency's perusal a copy of a pamphlet on the development of India, which has lately been published at Calcutta, and which has attracted considerable attention on the part of the mercantile community of this place.

As in most papers, written with the special object of exciting interest and inquiry, and which deal with very large and comprehensive subjects, the writer may be said on some points to have somewhat overstated his case, and, perhaps, on others, to have under-estimated the difficulties that doubtless surround the large questions of which he treats.

But in the main, the views taken in the paper appear to the Committee to be correct and sound. The facts advanced are chiefly in connection with the wheat trade of India; but on this point the Committee may add that there is hardly a trade or a manufacturing industry, either in England or in India, which is not directly interested in the development of cheap communications in India, and in the expansion of trade that would undoubtedly follow from thus affording an outlet for the agricultural products of the country.

Believing that there can hardly be a subject which, throughout all the educated community, both European and Native, should command a more universal interest than that dealt with in this pamphlet, the Chamber of Commerce has ventured to bring it prominently to your Excellency's notice.

From information before the Chamber, it would appear to be a positive fact that in many parts of India, even within the Lower Provinces of Bengal itself, a bumper harvest, at the present time, is a positive misfortune to the ryot. Last year, and the year before, it is beyond doubt that difficulty was experienced by the Government in collecting the revenue, by the zemindars in realising their rents, and by Manchester merchants in selling their piece-goods, to a great extent owing to the disastrously splendid harvests. Rice and food were so cheap that people, a few miles from the railway, could hardly realise enough specie to pay their rents or to buy the few articles of English manufactured goods they ordinarily consume.

In Central India, along the valley of the Mahānadi, year after year, wheat may be purchased at from 5 to 6

shillings per quarter. The greater part of this country is an expanse of fertile soil, where grain and oil-seeds cotton and tobacco, might be grown in enormous quantities were facilities only given for this agricultural produce to find a market. But at present there is no access to this country from Calcutta by rail;—the province is practically closed to all foreign trade with this side of India;—there is neither any outlet for the surplus corn produced, nor any means by which English salt and English piece-goods can penetrate into the interior of the country.

The loss, both to England and to India, that is caused by the present defective communications of India is, in the opinion of the Chamber of Commerce, important enough to come properly within the sphere of practical polity. The evil affects both countries, for there can be no doubt, could the whole of the surplus agricultural products of India be profitably placed on the markets of Europe, the larger export would, to a great extent, be balanced by a greater consumption of English goods in this country. The Committee acknowledge gratefully the recognition given by your Lordship's Government to the existence of Indian industries, and while admitting fully the justice of your Lordship's remarks at the recent Trade's Dinner on the unsoundness of so-called "protection," the Committee would add that the removal of obstructions to the existing trade of the country is the only species of protection that is asked for.

As regards the extension of railways, the only cause the Committee can assign for the singular delay that now occurs in the construction of lines, of which every

one admits the pressing necessity, is the multitude of different authorities through whom every railway scheme has to permeate before any final decision can be arrived at. The present system is so involved, that there is no wonder that years may, and do elapse before any decision can be arrived at even with regard to lines of paramount importance to the trade of the country.

As instances of such delay, the Chamber would specially call attention to the following cases:—

(1.) *The Indus Bridge at Sukkur*; the link now wanting between the granaries of the Punjab and the sea-board.

After years of discussion, the construction of the Indus Valley line was decided upon in the year 1869; the line was opened throughout in 1878, and now, in the year 1883, the design for the Indus Bridge is not even yet decided upon.

(2.) *The Hooghly Bridge*, the completion of which is so urgently required for increasing the shipping facilities of the Port of Calcutta.

The first design of this bridge was drawn out in August 1879, and to this date, the Committee believe, the iron work for the bridge has not yet arrived from England.

(3.) *The Nagpur-Calcutta Railway*.

The surveys for a line running from Nagpur eastward through the Central Provinces as far as Chhattisgarh were completed and the project submitted to the Government of India in November 1871. Orders on the project did

not apparently issue till the year 1875-76. The alignment of the Railway was finally fixed upon in 1876-77. Nothing was done in 1877-78. Orders for the construction of the line were issued only in May 1878, nearly seven years after the project had been submitted. The first section of line was opened on the 6th April 1880. As regards the extension of the line towards Calcutta, the Committee understand that, although the railway will open out some of the richest districts in India, both in agricultural and mineral wealth, and although the surveys were practically completed last year, sanction cannot yet be obtained from the India Office for the commencement of the line.

Unless some simpler system can be devised for dealing with the railway business of Government, the Chamber confess they view the future with the gravest apprehension. The accommodation available at the Howrah station is already far too small for the existing trade of the Port of Calcutta, and the present inconveniences are daily increasing with the additional traffic brought to the port by the various sections of railway newly opened from time to time. It will, the Chamber fear, be impossible for the shipping facilities of Calcutta to expand *pari passu* with the trade *unless some single and final authority in this country is empowered to deal more expeditiously with all the railway and shipping questions involved, as they arise.*

Much stress has lately been laid by Government on the desirability of promoting the construction of railways by private enterprise. On this point the Committee ventures to suggest, that it will be almost impossible to attract

local capital to the construction of railways until promoters can be certain of a more speedy decision with regard to the schemes they place before Government for approval.

At present, when a scheme is put forward by capitalists both ready and able to carry it out, after the scheme has been carried through the Local Authorities, the Provincial Government, and the various Departments of the Government of India, all of which necessarily takes some time, it is almost certain that nearly every important point in connection with the proposed line will have to be referred home to the Secretary of State in Council; the Council representing a large deliberative body of almost every shade of opinion. Under the most favourable circumstances, at least a year must probably elapse between the inception of the scheme and the reply from England.

Under such circumstances how can it be expected that railway construction by private enterprise will be warmly taken up in this country? It cannot be expected that capitalists will consent to lock up a large amount of money (liable practically to be called upon at any moment) for the considerable period of time which a reference home now necessarily entails.

It appears to the Committee that, subject to certain general principles, and also within a certain limited scope of railway extension, to be in each case laid down by the Secretary of State, the Government of India should be empowered to deal finally with railway schemes put forward by promoters in this country. If private enterprise is to succeed (and more especially in this country, where the construction of work can be carried on only at certain

sensons, and where hence a delay of only a few weeks means, in many cases, the loss of a whole year) it is an absolute necessity that promoters should be assured that no protracted delay will be allowed to occur before they are authorized in proceeding with the work.

Regarding the reduction of railway rates, an analysis of the published accounts of the various Companies leads the Committee to a belief that the standing charges (i.e., those that do not fluctuate materially with the traffic carried) form so large a percentage of the total working expenses of railway lines, that a moderate increase of traffic soon balances a material reduction in rates. Without burdening this letter with the detailed statistics on which this conclusion is founded, the Committee will here content itself with observing that goods rates have, within the last few years, been to some extent reduced, and that, *consequently*, with each reduction of rates the net profits of the railways have increased. The Committee believe the limit has not yet been reached at which a reduction of rates would result in more than a very temporary loss to the Railway Revenues of Government.

The Committee trusts not only that some investigation may be made with the object of solving how far the railway goods rates could, in the interests of the country, be reduced without loss either to the Railway Companies or to Government, but also that some practical decision on the subject may be arrived at, and early acted upon. The Chamber feel the urgent necessity of removing, as far as possible, without any further delay, the obstacles that now prevent the Indian trade from competing with that of America on more equal terms.

The Committee of the Chamber of Commerce would be glad to see some recognized point of contact established between the daily increasing trade of the country on the one side, and the Government railway interests on the other. Should the necessary powers be given to the Government of India to deal (within certain limits) with all railway business in this country, the authority who may represent this department of the Government of India will doubtless in himself furnish the point of contact required. But in addition to this, it seems to the Chamber of Commerce advisable that some means should be devised of bringing the Chairman of the Port Commissioners, the Director-General of Railways, the Government Consulting Engineer, the Agents of the E. I. and E. B. Railways, and all the other authorities directly connected with the detailed export and import business of the trade of Calcutta into some regular system of *personal* communication, in order to facilitate the discussion and the settlement of all the numerous and intricate questions involved.

These matters have been so often the subject of deliberation on the part of your Excellency's Government, that the Committee confidently hope that the whole of the questions may now be considered sufficiently ripe for some immediate action to be taken with regard to them. In the interests of the entire Anglo-Indian trade, the questions of the more rapid extension of the Indian railways, of the reduction of the goods rates, and of the provision of more extended shipping facilities at the principal Indian ports, appear to urgently call for prompt action on the part of Government.

Along with the great advantages to the cotton, the iron, and the ship-owning interests in England, which would

be secured by the development of the trade of India, the Chamber have in view no less the advancement of the material prosperity and the advancement of the natives of this great country.

Whatever conclusions may ultimately commend themselves to your Excellency, the Bengal Chamber of Commerce feels assured that the pressing and vital questions dealt with in the paper now forwarded, and which they have been enabled to touch upon only briefly in this letter, will receive the careful and earnest attention that questions of such extreme importance to the welfare of all classes of Her Majesty's subjects so unquestionably deserve.

I have the honor to be,

MY LORD MARQUIS,

Your Lordship's most obedient humble servant,

H. W. I. WOOD,

Secretary of the Bengal Chamber of Commerce.

From Private Secretary to H. E. The Viceroy and Governor-General of India, to Chamber.

Government House, Calcutta, March 14th 1883.

I am desired by His Excellency the Viceroy to acknowledge with thanks the receipt of your letter of the 10th March, enclosing copies of a pamphlet on the development of India.

His Excellency wishes me to say that the pamphlet and the views of the Chamber of Commerce are expressed in your letter, will receive his early and full

attention; and I am to ask you to be good enough to send a few spare copies of the letter if you have them by you.

INSUFFICIENT ACCOMMODATION FOR THE EXPORT TRADE OF CALCUTTA.

The following letter to the Government of Bengal represents the inadequacy of the accommodation now available in the port for its increasing export trade, the insufficiency of space at Howrah, and the consequent injury done not only to the interests of Calcutta but to those of all other parts of the country connected with it, by preventing a much larger volume of trade being put through than existing arrangements will admit of.

A Committee of members of the Port Commission and the Chamber are now considering the measures most practicable for extending the accommodation of the Port.

From Chamber to the Government of Bengal.

Calcutta, 28th February 1883.

THE Committee of the Bengal Chamber of Commerce request me to address you on the subject of the accommodation now available in the Port of Calcutta for export cargo.

In the early part of last year a Committee, appointed by the Government of India to consider the question of establishing Central Railway Stations in Calcutta, sat with reference to the general subject. It now approaches a year since that Committee met, but so far no result has been made public; and whereas the volume of the trade of Calcutta is steadily increasing, no material progress appears to have been made to enlarge the means of carrying on the trade which is already far beyond what the port, as at present furnished, can handle with advantage.

With regard to the Central Passenger Station, the Committee have only to say that in their opinion such a station would be a great improvement to the town: the object of the present communication is however to bring to the attention of Government a matter which very deeply concerns the commercial interests of Calcutta, and not of Calcutta only, but of every part of the country to which Calcutta serves as a Port.

The space which is now available at Howrah for the accommodation of export cargo is insufficient for the trade.

The utmost endeavours of the East Indian Railway cannot place much more than 4,000 tons of cargo in the hands of its consignees within one working day. In order to remove that quantity, consignees are compelled to take their goods away as fast as the Railway Company can deliver it; that is to say, scarcely any time is afforded to consignees to ascertain that the weight or quality of their cargo is correct: the process of delivery is almost confined within the strict limit of delivery and removal. If the goods are intended for shipment, as is the great bulk of the downward cargo, and if the vessel for which they are intend-

ed is not ready to receive them at the time of delivery, they must either be carried in carts across the bridge to Calcutta at considerable risk and cost, or placed in boats and become liable to loss and demurrage.

The space at Howrah as now available is equal to the delivery under conditions satisfactory to the consignee of hardly more than 2,000 tons per day; or at high pressure rate under conditions satisfactory neither to the Railway nor to the consignee of barely more than 4,000 tons: whereas the other conditions of the trade as regards supplies in the interior and demand from foreign countries, are frequently in the course of the season favourable to a daily volume of double the larger amount.

If there were space enough at Howrah to permit of a satisfactory delivery to consignees, a very much greater volume of trade would frequently be put through; so that the existing condition of things causes a distinct limitation to the trade of this Port.

The injury done by the restriction of space the Committee believe to be enormous, not only to the interests of Calcutta as a Port, but to every part of India with which Calcutta is connected by trade, and to be very far reaching in its effects.

So long as the condition of things now complained of continues, it seems almost futile to talk of Railway extensions in the interior of Bengal in connection with the East Indian Railway: the terminus of that line is unable to deal with the traffic it already possesses, and to enlarge that traffic will simply be to increase our embarrassment.

It is also premature to agitate for another reform, which,

like railway extension, is most urgently wanted, namely a general reduction in the rates of freight.

It is a fact, which requires no proof, that each successive reduction in rates of railway freight leads almost instantly to a fresh accession of both traffic and of profit, of trade to the country and of profit to the railway : but there can be neither the one nor the other, if without reference to what the line can carry or the country can export, the limit of delivery at the terminus has been already reached.

A hope is held out to the Chamber that great relief at Howrah will be felt as soon as the Hooghly Railway Bridge is completed, and the passenger traffic diverted thence to the Town of Calcutta. The opening of the Railway Bridge will not, however, be effected for some years : it is stated that, owing to non-arrival of materials, the delay of a year beyond the original period estimated is already assured. In the meantime, the trade of Calcutta is struggling to grow, and unless much greater accommodation than that which the whole of the Howrah station can afford is provided, the prospect of real relief is as distant as ever.

Whatever steps are to be taken to place the facilities for trade in this port on equal terms with the demand for them, the Committee of the Chamber would urgently represent that action ought to be taken at once, and the steps they desire to advocate are as follows :—

The space on the railway foreshore where the river is deep enough to allow of boats loading from the bank should be made use of for storing and sampling sheds. The Railway and Government Engineers are most competent to say in what way the Howrah side of the river can be best made use

of, and no time should be lost in so applying it : in addition to this, preparation should be made to avail of the entry of the East Indian Railway into Calcutta which will take place when the Railway Bridge is finished.

The accommodation at Howrah should be considered merely supplementary to larger accommodation on the left bank of the river.

In considering of what nature this latter should be, several points have to be taken into account :

1. The cargo which will come into Calcutta is divisible into 2 classes,—the goods intended for shipment, and the goods intended for local consumption.

2. A main dépôt at Chitpore on the Canal or at Sealdah would be of little real service to exporters of produce by the East Indian Railway : it is too far from the shipping : goods discharged there would require to be either boated at risk and expense or carted through Calcutta, both of which would be most objectionable. The export class of goods require warehouse accommodation where they can be examined and repacked. When these processes are complete, the operation of shipping has to be attended to, and neither a canal site nor even a riverside station at Chitpore, is satisfactory for this purpose for the reason given.

3. Sealdah and Chitpore are already largely occupied by the jute trade. The station there should, in the opinion of the Committee, be applied to that trade, and for the purposes of the goods imported for local consumption.

4. The great bulk of the export goods require riverside accommodation, and this can be obtained by carrying the main

line of railway round Calcutta by way of the South Eastern Railway, which it should leave near the Ballingunge station, and thence behind Alipore, on a high level line, to Garden Reach, where for fully three miles below Metiabrooz there is deep water on the river's edge, and excellent mooring for ships of all sizes.

A line of railway running parallel with the river could be accommodated with warehouses suitable for receiving and storing produce, and a series of pontoons could doubtless be arranged for the purposes of shipment.

A great part of this undertaking, namely, the entry of the East Indian Railway into Sealdah, has already been sanctioned by the Government, and doubtless the raising of the necessary capital has been provided for also. The extension which the Committee of the Chamber advocate will require a large sum, probably £1,500,000; but seeing the enhancement of value it must entail on a great area of property in and near Calcutta, and the large traffic it is certain to command, it hardly need be expected that insuperable difficulties will be found in the way of raising the necessary funds.

The Committee look on the cost of this extension as the least difficult part of the undertaking. The great point now in view is to obtain, in the first place, a settled plan, and, in the next, permission to have it carried out. The prolonged delay which takes place before steps are taken to provide for the growth of the trade is a fact that fills this Committee with alarm, and which, in their opinion, has done, and will still do, most serious injury to the country.

DOCKING ACCOMMODATION ACQUIRED BY THE PORT COMMISSIONERS.

The Calcutta Docking Company's Dock and premises having passed into the hands of the Port Commissioners with the view of providing for their own vessels, the shipping of the port has been deprived of docking accommodation hitherto at its disposal, and in reply to the Committee's reference on the subject they were informed that it is believed the Commissioners' vessels will keep the dock constantly occupied, but that if at any time it is not so engaged, and if an outside vessel is in urgent need of docking and cannot find accommodation elsewhere in the port, the Commissioners would probably be able to place their dock at its disposal.

From Chamber to the Port Commissioners.

Calcutta, 8th February 1883.

THE Committee of the Chamber of Commerce learn by Government of Bengal Notification of the 17th of last month, that it is the intention of Government to take up, under Act X of 1870, certain lands at Howrah, including the premises of the Calcutta Docking Company, for the purpose of docking and repairing the several vessels, boats, buoys, &c, the property of the Port Commissioners.

The Committee desire me to inquire if it is the intention of the Commissioners to devote such lands and premises exclusively to the purposes stated in the Notification, or whether the property to be acquired will be used for the general accommodation of the Port, so as to admit of the Calcutta Docking Company's dock, after it has passed into the Commissioners' hands, being available for vessels other than those of the Commissioners, which may require docking accommodation, and which has been hitherto at the disposal of the shipping of the port.

From Port Commissioners to Chamber.

The 27th February 1883.

I am directed to acknowledge receipt of your letter of the 8th instant, enquiring whether the Calcutta Docking Company's dock, after it has passed into the Commissioners' hands, will be available for vessels other than those belonging to the Commissioners. The letter was laid before the Commissioners at their last Meeting, and I forward herewith, for your information and that of the Chamber, a copy of the Resolution which was passed thereupon.

Copy of a Resolution passed by the Commissioners at a Meeting held on the 14th day of February 1883.

Read letter from the Secretary to the Bengal Chamber of Commerce, enquiring whether vessels other than those belonging to the Commissioners will be accommodated in the Calcutta Docking Company's docks after the premises have been taken over by the Commissioners.

RESOLVED: That in reply, the Chamber of Commerce be informed that the object which the Commissioners have in view is (as stated in the Notification) to provide accommodation for their own vessels; and it is believed that the number of these vessels will be sufficiently large to keep the dock constantly occupied. If, however, at any time hereafter, the dock is unoccupied by vessels belonging to the Commissioners, and an outside vessel is in urgent need of docking and cannot find accommodation elsewhere in the port, the Commissioners, under such circumstances, would probably not feel themselves debarred from coming to the assistance of the shipping of the port by making their dock available.

HOSPITAL DUES AND PORT CHARGES.

Under the Indian Ports Act an annual statement is published of the receipts and charges of the Port *with the exception of receipts and expenses on account of pilotage*; all port dues are collected by the Port Commissioners on behalf of Government, but there is nothing to shew how the charges for pilotage are appropriated, so that the statement from which these charges are omitted is of relatively little value.

The Committee have represented the expediency of including in such statement the account realised on pilotage account and how it has been

disposed of, but they have had no answers to their letters on the subject.

From Chamber to the Government of Bengal.
Calcutta, 28th November 1882.

In June 1878 the Committee of the Chamber of Commerce placed themselves in communication with the Government of Bengal on the subject of Hospital Dues and Marine Charges, and on the 9th March 1879, a Resolution was recorded by the Honorable the Lieutenant-Governor, in which the estimates of the Marine Department for the year 1877-78 were reviewed, and other questions in connection with Marine expenditure dealt with, and His Honor directed the appointment of a Committee to thoroughly investigate the accounts of income and expenditure.

Under the Indian Ports Act, No. 12 of 1875, it is provided by Section 47, that a distinct account shall be kept, showing in complete detail the receipts and charges of the Port, and an abstract statement of every such account shall be published annually, and the balance at debit or credit of the Port Fund account duly exhibited. It is further provided that all expenses, including the pay and allowances of all persons upon the establishment or the port, the cost of buoys, beacons, lights and other works incurred, shall be charged to such account, *with the exception of receipts and expenses on account of pilotage.*

The Resolution above referred to states:—"The Port Proper has, however, been placed under the Port Commissioners, while the Approaches remain under the Marine

authorities. Some of the receipts and charges appear, therefore, in the accounts of the Port Commissioners and some in the books of the Accountant-General. Under these circumstances great difficulty has been felt in preparing an accurate statement of the Port Fund, such as is required by law; and it is found equally difficult to check, in the interests of the port, the expenditure upon local establishments, stores, and vessels, which in the marine estimates is amalgamated with that which is more strictly provincial."

The conservancy of the port approaches was transferred to the Port Commissioners from the 1st of November of last year, and the port dues were simultaneously assigned to them.

It would appear that the agency of the Commissioners is employed in the collecting of inward and outward pilotage, lead-money, hospital dues, salvage and other minor items, and these collections are detailed in the Commissioners' Report, which, however, contains no particulars as to how these collections have been appropriated: there is no expenditure account regarding them; and it seems to the Committee of the Chamber that the complete detail of the receipts and charges of the port—as required by the Act—is of relatively little value if the important account of pilotage receipts and expenditure is excluded.

No reason is assigned for such exclusion, nor why this charge upon the shipping should not be as publicly accounted for as other port dues of lighter incidence and minor importance. If the Port Commissioners' collections in this respect are duly recorded, the Committee apprehend

that no really valid objection can be advanced why the disposal of this source of provincial revenue should not likewise be published by the department to which the Commissioners' collections are transferred.

The Committee respectfully submit for the consideration of His Honor the Lieutenant-Governor that such publication is expedient in the interests of those who contribute such collections; the amount is large, and the expenditure is no doubt large too; but the shipping interests would be satisfied if official accounts showed that they are not called upon to contribute more than is essential to the maintenance of the Pilot Service, in all its departments, in highest efficiency.

The Lieutenant-Governor is well aware that the expenses of this port are so exceptionally heavy that any reduction would be an appreciable relief, and the Committee are confident that His Honor will not hesitate to let the shipping have the advantage of any reduction that may be possible, rather than that any surplus revenue derived from the pilotage of the port should be a source of profit to the Government.

*From Chamber to Government of Bengal.
Calcutta, 19th February 1883.*

Under date the 28th of November last, I had the honor to submit a representation by the Committee of the Chamber of Commerce relative to the disposal of the inward and outward pilotage collected by the Port Commissioners on account of Government; and

I am now desired to convey the Committee's request that His Honor the Lieutenant-Governor will be pleased to permit the transmission to the Chamber of such accounts as may have been prepared by the Accountant-General showing the expenditure of the amounts realised by the Commissioners in those respects.

**TELEGRAPHIC COMMUNICATION BETWEEN
SAUGOR ISLAND AND EASTERN
CHANNEL LIGHT.**

The inquiry on this point by the Government of India having been referred to the Chamber, the Committee replied that the proposal had been received with general approval as a means of immediate communication with vessels arriving at the Sandheads, and with the Pilot Station for regulating the supply of Pilots, &c., and that the Meteorological Department would find the line of service in obtaining reports as to the state of the weather from the Channel Light ship.

From Government of India to Chamber.

No. 515 T. Simla, 10th November 1882.

A proposal having been made to establish telegraphic communication between Saugor Island and the Eastern Channel Light, I am directed to request that the Government of India may be favored with an expression of your opinion as to the extent to which such communication would be utilized by the shipping.

From Chamber to Government of India.

Calcutta, 30th November 1882.

I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 515 T, of the 10th instant, relative to the proposed establishment of telegraphic communication between Sangor Island and the Eastern Channel Light, and the extent to which such communication would be utilized by the shipping.

In reply I am instructed to say that the proposal has been received with general favor by agents for vessels, who are of opinion that opportunity would be taken of its usefulness if masters of vessels were made acquainted with the existence of such communication; this might be made known by sending notices to the Board of Trade London, and other marine establishments in the United Kingdom, and all Indian, Colonial, and foreign ports.

Although it is impossible to say at present to what extent the line would be utilised, the Committee of the Chamber are of opinion that, as the means of communication would be useful in many instances, the ultimate results may be such as to justify its construction and maintenance.

All inward bound vessels would probably make use of the opportunity thus afforded to earlier report their arrival, and vessels waiting for orders at the Sandheads would avoid incurring the risk and delay of proceeding to Sangor for instructions. During the North-East monsoon ships are often detained at the Sandheads for want of tugs, and Captains would in all probability telegraph to their

agents in town. Outward bound vessels could also be communicated with, if necessary, after leaving Sangor.

The line would be especially a great benefit to the Port Officer, who would be in immediate communication with the Pilot Station, and could better regulate the supply of pilots, the want of which was much felt in the last South-West monsoon through the insufficiency of pilot brigs; and it would be of service to those vessels by making their wants known in Calcutta.

The Meteorological Department also would find the line of material service, as the light-ship would be in a more southerly reporting position than Sangor, about which had weather sometimes hangs when it is comparatively fine south of the Channel light, and in case of cyclonic weather, information might reach Calcutta of the state of matters at the Sandheads and whether the light-vessel remained on its station or not.

**CRUISING SERVICE OF PILOT BRIGS AT
THE SANDHEADS.**

In reply to the Committee's reference on this subject the Government of Bengal have furnished the Chamber with a statement given below, showing how each Pilot Brig was employed during the past year. It will be seen that of three vessels which constituted the establishment at the beginning of the year, one was condemned in April as unfit for service, and the other two were employed alternately, at short intervals; so that

there was one vessel only on the Pilot Station at a time, instead of two at least for meeting the requirements of shipping throughout all seasons of the year.

From Chamber to Government of Bengal.

Calcutta, 18th November 1882.

I am directed by the Committee of the Chamber of Commerce to submit on their behalf an application for information as to the cruising service performed by the Pilot Brigs during the current year, or, if more convenient, say from the 1st of May last; and the Committee will feel obliged by being furnished with a statement showing how many days each Brig was so employed, when relieved, and length of detention in dock, or otherwise for repairs, re-fitting, re-victualling, and so forth: and any reasons for absence from the Pilot Station, stress of weather, or other circumstances.

The Committee trust His Honor the Lieutenant-Governor will be pleased to direct that they may be supplied with the details now asked for.

From Government of Bengal to Chamber.

Marine, No. 107. Calcutta the 16th January 1883.

In compliance with the request contained in your letter, dated the 18th November last, I am directed to forward, for the information of the Chamber, a copy of a statement prepared by the Port Officer of Calcutta, showing the manner in which each Pilot Brig was employed during the past year.

Statement showing how each Pilot Brig was employed from 1st January to 31st December 1882.

NAME OF BRIG.	NUMBER OF DAYS.		DAYS.		REMARKS.
	Attendance.	Absence from station on account of weather, &c.	Proceeded to station.	Returned from station.	
	In town for duty.	At sea.			
"Cambridge"	23	51	6th April 1881	5th February 1883	Left town on 2nd July 1881. 305 days. Left town on 12th November 1881. Condemned on 21st April 1882. 112 days in 1882.
	74	52	30th July 1881	27th June 1882	
	129	12	10th December 1882	10th December 1882	
"Chambers"	23	108	On 1st July, Captain S. & Quetta sailed with Corcoran, bringing homeward bound, and on 2nd July, the latter vessel was coming to town for repairs.
	30	12	...	...
	36	13	...	...
"Corcoran"	23	30	31st January 1883	29th May 1883	303 days.
	115	26	22nd June 1882	15th October 1882	
	120	31	25th November 1882	...	
	235	95	

*CALCUTTA PORT OFFICE,
The 6th January 1883.*

*A. W. STEELE, Lieutenant, Late I.N.,
Port Officer of Calcutta.*

From Chamber to Government of Bengal.

Calcutta, 19th February 1883

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 107 of the 16th of last month, and to thank you for the statement prepared by the Port Officer, showing the manner in which each Pilot Brig was employed during the past year.

With this statement before them the Committee are confirmed in their belief that the Brigs require a thorough overhauling, and they feel that they were justified in making the representation contained in their letter of the 20th of August last.

As the *Chinnewah* was relieved on the 8th of April and condemned a few days afterwards, the Pilot Station was served for about 9 months of last year by two brigs only—viz., the *Cassandra* and the *Coleroon*, and practically, by only one at a time; for of these two vessels, the former was 231 days at the station and 108 in town for repairs, &c., the latter 255 days at the station and 93 in town for repairs; and the Committee cannot resist the conclusion, that vessels in need of relief at the short intervals mentioned in the Port Officer's statement and of the long detention in Calcutta for repairs, scarcely fulfil the conditions required for vessels employed in an important service demanding the constant attendance of at least two Brigs at the Pilot Station throughout all seasons of the year.

In the 6th para. of Resolution dated the 30th of August 1881, on the Port Officer's Report for 1880-81, it

is stated that a new vessel had been ordered to replace the *Chinnewah* which had done 22 years' service.

This new brig is no doubt the one referred to in Government of Bengal letter No. 1399 of the 5th September last, para 4, but that addition to the service has not yet arrived, and the Committee have no positive information when the new brig will be on duty at the Sandheads.

At present, therefore, only two Pilot Brigs are available, and if the system of returning to town is continued, the station will be served by one brig only; and as the season for heavy weather is fast approaching, it is essential in the interests of the shipping that due provision be made for their protection as soon as possible.

MAINTENANCE OF STEAM SERVICES IN INDIAN WATERS BY STATE SUBSIDIES.

The Government of India having resolved to terminate the contracts hitherto performed by the British India Steam Navigation Company for the conveyance of mails, of Government stores and passengers from one Indian port to another, and having decided to make other arrangements subject to open competition in order that the charge to Government for postal or political purposes may be considerably lessened, and for freight and Government passengers reduced to a minimum, the opinion of the Chamber was invited on the contemplated changes, and the

Committee submitted their views in the letter which closes the correspondence on the subject.

Government of India, Department of Finance and Commerce.

No. 4493, Simla the 25th October 1882.

READ the undermentioned correspondence :—

Memorandum from Director-General of Post Offices, No 51, dated 2nd June 1882.

Letter from the Military Department to the Director of the Indian Marine, No. 798, dated 14th July 1882.

Letter from the Director of the Indian Marine to the Military Department, No. 4285, dated 19th September 1882.

Letter to Director-General of Post Offices, No. 4268, dated 11th October 1882.

RESOLUTION.—Under the existing contract with Government, for the maintenance of steam communication in Indian waters, the British India Steam Navigation Company enjoys an almost exclusive monopoly of the conveyance of mails and Government stores and passengers from one Indian port to another, and a large subsidy is annually paid to the Company for the service. One of the objects of the present contract was the encouragement of interport trade. Desirable as this encouragement may have been in the earlier stages of the trade

of the country, the time has now arrived when the profitable existence of steam communication between most Indian ports is possible without Government support, and existing arrangements are not only a source of expense to Government, but may tend to retard the development of other steam-ship companies. The Governor-General in Council has therefore resolved to terminate the existing contract on 30th April 1884, and to make any new arrangements that may thereafter be found necessary the subject of open competition. The Director-General of the Post Offices has accordingly been instructed to communicate this decision of Government to the Managing Agents of the British India Steam Navigation Company.

2. The existing lines of steam communication, which are described in the list appended to this Resolution, are maintained either for postal or for military and political reasons, or on general grounds.

3. The Governor-General in Council is of opinion that for postal and political purposes there may be certain lines for the regular maintenance of which it would be expedient to enter into contracts and even to pay moderate subsidies, but that it will not be necessary to enter into any contract for the maintenance of any lines of steam communication on merely general grounds, or to pay any subsidy for the conveyance of troops, Government stores, and passengers to and from any Indian port. For such services it will be advantageous to have recourse to the local freight market as occasion arises. His Excellency in Council is further of opinion that a separate contract should be entered into in respect of each line maintained for postal or political purposes, and that the payment of

subsidy should be confined to as few lines as possible. By such arrangements His Excellency in Council hopes that in future the total amount of annual subsidy will be considerably less than it has been in the past, while the charges for freight and for Government passengers will be reduced to a minimum.

4. Before arrangements are made for inviting tenders for any future contract, the Government of India, however, considers it desirable to settle what lines of steam communication should be maintained, and, if necessary, subsidised, for postal or political reasons. In this view His Excellency in Council requests to be favoured with the advice of the Local Governments and officers concerned with as little delay as possible, in order to enable the Government of India to complete all preliminary arrangements before the end of December next.

ORDERED: that a copy of the foregoing Resolution be forwarded to the Governments of Bengal, Bombay, and Madras; to the Chief Commissioner of British Burma, and to the Director-General of the Post Office of India, for the purpose indicated in paragraph 4.

Ordered also, that the Resolution be communicated for further consideration to the

* The original papers received from the Military Department are herewith returned, copies having been kept for record.

Military Department.*

Foreign Department.

Home Department.

Revenue and Agricultural Department.

Public Works Department.

Secretary to the Government of India.

Steam Services maintained by the British India Steam Navigation Company under contract with the Government of India.

Period.	Lines.	Ports of Call.	Tonnage and horse-power as provided by the contract.	REMARKS.
Weekly	Between Calcutta and Singapore (coasting).	Calcutta Chittagong Akyab Rangoon Singapore Bassien Bangkok	Steamers of 500 tons gross tonnage and engines of 100 horse-power.	This line, like the line of this company to the Straits, is maintained by the Government of India. The charges having been made by the Government of India, the Government of India is not responsible for the maintenance of this line. The Government of India is not responsible for the maintenance of this line. The Government of India is not responsible for the maintenance of this line.
Weekly	Between Calcutta and Singapore.	Calcutta Chittagong Akyab Rangoon Singapore Bassien Bangkok	Steamers of 500 tons gross tonnage and engines of 100 horse-power.	This line is maintained by the Government of India. The charges having been made by the Government of India, the Government of India is not responsible for the maintenance of this line. The Government of India is not responsible for the maintenance of this line. The Government of India is not responsible for the maintenance of this line.
Fortnightly.	Between Calcutta and Singapore.	Calcutta Chittagong Akyab Rangoon Singapore Bassien Bangkok	Steamers of 500 tons gross tonnage and engines of 100 horse-power.	This line is maintained by the Government of India. The charges having been made by the Government of India, the Government of India is not responsible for the maintenance of this line. The Government of India is not responsible for the maintenance of this line. The Government of India is not responsible for the maintenance of this line.

Period.	Line.	Ports of Call.	Tonnage and horse-power as provided by the contract.	REMARKS.
Once in five weeks.	{ Between Burma and the Straits (coasting).	Rangoon ...	{ Steamers of 320 tons gross register and engines of 80 horse-power.	Line No. 4 of contract; the Company availed themselves of the option provided in the contract to make this line a link between lines Nos. 1 and 5 of the contract instead of maintaining a separate service from Calcutta to Singapore.
		Moulmein ... Tavoy River ... Mergal ... Malacca ... Rangoon ... Kaph ... Penang ...		
Fortnightly.	{ Between Madras and Rangoon (coasting).	Madras ...	{ Steamers of 800 tons gross register and engines of 120 horse-power.	Line No. 6 of original contract; the Company have the option of working this service once every four weeks or of abandoning it if the Government employs its own steamers to any considerable extent for the conveyance of troops and stores over this line. Calcuttapatnam, Barwah, and Gopalpore are visited only on alternate voyages in the direction from Madras to Rangoon.
		Maasulipatnam ... Cocoinda ... Vizagapatnam ... Bailapatnam ... Calcuttapatnam ... Barwah ... Gopalpore ... Rangoon ...		

Period.	Line.	Ports of Call.	Tonnage and horse-power as provided by the contract.	REMARKS.
Weekly	{ Between Calcutta and Bombay (coasting).	Calcutta ...	{ Steamers of 720 tons gross register and engines of 100 horse-power; but the Company may employ vessels of not less than 500 tons gross register to visit some of the less important ports and connect with the main line.	This line is provided for as No. 7 in the contract. (a) On the alternate trips only. (b) On voyages from Calcutta only. (c) During south-west monsoon only.
		Fake Point ... Gopalpore ... Calcuttapatnam (a) ... Bailapatnam ... Vizagapatnam ... Cocoinda ... Maasulipatnam (a) ... Madras ... Pondicherry (a) ... Negapatnam ... Calle (a) ... Colombo ... Tuticora ... Colchett (a) & (b) ... Alleppey ... Cochin ... Narakal (c) ... Beyport ... Calicut ... Tollicherry ... Cannore ... Mangalore ... Karwar ... Bombay ...		
Semi-weekly	{ Between Bombay and Karachi	Bombay ... Karachi ...	{ Steamers of 500 tons gross register and engines of 100 horse-power.	Called line No. 8 in the contract. It works in connection with the two following lines.

From Chamber to Government of Bengal.
Calcutta, 20th December 1882.

I have submitted to the Committee of the Chamber of Commerce Government of India letter No. 4493 of the 25th October, received with your office No. 1521 of the 23rd November, relative to the question as to what lines of steam communication in Indian waters should be maintained and subsidised by the State for postal or political purposes.

From the statement attached to the Government letter it would appear that the various lines of service under contract with the Government are almost exclusively confined to one Company, and the Committee are consequently not in a position, without considerable reference, to say whether the whole of the lines can be maintained if dependent on the support of traders only.

Assuming that communication between Calcutta and all or most of the places named in the statement can be maintained without subsidy from Government, the question arises as to whether this communication will be so regular and reliable as to be available to the Government for postal service purposes. The Committee are inclined to believe (but as stated above they cannot without considerable reference speak with confidence) that without a contract or subsidy of some sort, there would probably be no guarantee of fixed dates of sailing or arrival, and the regularity or calls at particular ports would depend on inducing circumstances.

Steamship owners would naturally be led by the demands of trade from which they derive profit or avoid loss, and

would not necessarily consider the convenience of the Government or of the postal service.

The reference which you have been so good as to submit to the Chamber involves points of importance which do not affect Calcutta to the extent which would be felt by Rangoon and other coast ports; and the Committee are therefore of opinion that it would be desirable to obtain the views of the communities more directly concerned for submission to the Government of India.

**CONVENTION BETWEEN GREAT BRITAIN
 AND THE UNITED STATES RELATING TO
 MERCHANT SHIPPING.**

The opinion of the Chamber having been requested as to the probable operation and effect on Native Seamen and British Indian shipping in the United States of certain provisions of the proposed Convention, the Committee submitted that Indian interests would be scarcely affected, and that as the number of vessels owned and registered in India trading to America, or likely to trade there, is so small their special interests did not call for consideration.

From Government of Bengal to Chamber.
Marine—No. 526. Calcutta the 7th March 1883.

I am directed to forward a copy of a letter from the Assistant Secretary to the Government of India, in the

Department of Finance and Commerce, No. 944, dated the 28th February 1883, with enclosures, on the subject of a proposed Convention relating to merchant shipping between Great Britain and the United States, and to request that, at a very early date, the Lieutenant-Governor may be favoured with an expression of the opinion entertained by the Chamber as to the probable operation and effect of the Convention on Native Seamen and British Indian Shipping in the United States.

From J. E. O'Connor, Esq., Assistant Secretary to the Government of India, Department of Finance and Commerce, to the Secretary to the Government of Bengal, No. 944, dated Calcutta the 28th February 1883.

I AM directed to forward herewith copy of a despatch from Her Majesty's Secretary of State, No. 7, dated the 18th January 1883, and enclosures, specifying the bases which have been proposed by Her Majesty's Government for the negotiation of a Convention relating to merchant shipping between Great Britain and the United States. In the event of a Convention being concluded on these bases, it is proposed to insert in the Convention a clause making it applicable to British India, subject to local legislation if necessary.

2. His Excellency the Governor-General in Council will be glad to be favoured with an expression of the opinion entertained by His Honor the Lieutenant-Governor of Bengal as to the probable operation and effect of the proposed Convention on native seamen and British Indian shipping in the United States. I am to request a very early reply to this letter.

From the Secretary of State for India, to the Government of India. No. 7, dated 18th January 1883.

Herewith is transmitted a copy of a letter* (with enclosures) from the Foreign Office regarding a proposed

Convention relative to merchant shipping between Great Britain and the United States. It is stated in the letter that British India will be invited to become a party to the Convention, and I request that I may accordingly be furnished, for communication to the Foreign Office, with an early expression of the views of your Government on the matter.

From T. V. LISTEN, Esq., Under-Secretary of State for Foreign Affairs, to the Under-Secretary of State for India, No. 2753-R.S. & C., dated 18th December 1882.

I am directed by Earl Granville to transmit to you, to be laid before the Earl of Kimberley, copies of a despatch which His Lordship has addressed to Her Majesty's Minister at Washington, instructing him to propose certain bases for the conclusion of a Convention relating to merchant shipping between Great Britain and the United States.

I am to state that in framing these proposals, due regard has been had to the bearing which they will have on British India, and that a second despatch, of which I am also to enclose a copy, has been addressed to Mr. West, instructing him to inform the United States Government that British India will be invited to become a party to the Convention which, if concluded, should contain a

clause stipulating for its extension accordingly, subject, where necessary, to local legislation, and to the consent of the dependency in question.

I am therefore to request you to move the Earl of Kimberley, should His Lordship see no objection, to ascertain the opinion of the Indian Government on the question, furnishing them with copies of this correspondence, and asking them for an early expression of their views on the matter.

Copy of a despatch from the Secretary of State for Foreign Affairs, to Her Majesty's Minister at Washington.

Since the receipt of your despatch No. 111 (Commercial) of the 16th December last, Her Majesty's Government have had under their careful consideration the question of concluding with the United States a Convention relating to merchant shipping; and I now transmit to you a memorandum embodying their views on the subject, and containing the bases on which they would be prepared to enter upon negotiations with the Government of the United States.

You will observe that this memorandum is divided into three heads, as follows:—

- 1.—The provisions of English Acts relating to merchant shipping, which Her Majesty's Government could at once, without legislation, apply to United States' ships in British ports.
- 2.—The provisions of United States' law which Her Majesty's Government would be glad, subject to the consent of Parliament, to see applied to British ships in United States' ports,

- 3.—Suggestions for dealing with the question of vexatious suits brought at the instance of seamen against masters and ship-owners.

With regard to the first head, no further observations appear to me to be requisite.

As to the second, Her Majesty's Government would be glad to learn, in the first place, how far the United States' Government would be disposed to meet their views in this respect, in order that they might judge what powers it would be needful to obtain from Parliament before a Convention containing such provisions could come into effect.

As to the third head, it is shown that legislation would be required in Great Britain before perfect reciprocity could be granted by Her Majesty's Government with regard to this branch of the question; and if the United States' Government should refuse to enter into any engagement on this point, unless Her Majesty's Government could guarantee perfect reciprocity, it might be possible that provisions of such a nature might be framed and agreed to in principle, and inserted in a Convention with the condition that there operation would be suspended until an Act could be passed to enable Her Majesty to enter into such an agreement.

Speaking generally, Her Majesty's Government do not see any difficulty in applying, by Order in Council, to United States' ships any of the British Merchant Shipping Acts which the Government of the United States may be desirous of having so applied, nor in limiting their application so as to make the consent of the Consul of

the nation of the offender necessary to the validity of legal proceedings under such order.

Many matters of detail would require to be discussed and settled, but Her Majesty's Government would be glad to find that the United States' Government were willing to accept the points set forth in this memorandum as an acceptable basis of negotiation.

Her Majesty's Government have been induced to confine their proposals to a somewhat limited area, in the hope that it may be possible at the present moment to come to an arrangement with regard to some at least of the matters urgently affecting the shipping interests of both countries, leaving for future and separate consideration other cognate points, such as the application of the sections of the Merchant Shipping Acts dealing with the more serious classes of offences; for instance, misconduct endangering ship or life and limb, and not rendering assistance to a vessel after collision.

With regard to another matter frequently treated of in Consular Conventions, *viz.*, the personal privileges and immunities of Consuls, I may add that Her Majesty's Government have under consideration a draft Bill on this subject; but that for various reasons it has been considered best to treat this branch of the subject apart. Should, however, this Bill assume a practicable shape, I shall not fail to make a communication to you on the subject.

You will, on receiving this despatch, lose no time in submitting the enclosed memorandum to the United States' Government; and you will invite them to take it into their consideration, and to favour you with an early expression of their views as to its forming an acceptable basis of negotiation.

Memorandum.

I.

The provisions of English Acts relating to merchant shipping which it would at present be possible to apply to United States' ships, and the further provisions which enable them to be so applied, are shown in annex I. to this memorandum.

It will be observed that there are three separate enactments which give the power of applying certain provisions of English law to foreign ships.

(a.) "The Foreign Deserters Act, 1852," which enables Her Majesty to make an Order in Council, under which seamen belonging to foreign ships may be apprehended and carried on board their ships, and by which penalties are also imposed on persons who harbour deserters from such foreign ships as have the benefit of the Act.

This, however, can only be done where reciprocal advantages are given to British ships in the foreign country. Under this Act arrangements have been made with most foreign countries, and there would be no difficulty in making an arrangement under it with the United States.

(b.) The Act 39 and 40 Vict. cap. 80, sec. 37 (1876) contains a much wider power. It enables Her Majesty to make an Order in Council applying any of the provisions of the Merchant Shipping Acts, 1854 to 1876, or of any Act amending the same, to the ships of any foreign country whose Government desires that they shall be so applied, with or without limitation.

No reciprocity is expressly required by this Act, but in offering to the United States to make an arrangement with

them under it, Her Majesty's Government would, of course, expect the Government of the United States to give to British ships in United States' ports advantages of a similar kind.

The enactments of the Merchant Shipping Acts, any of which may, under this section, be applied to United States' ships, are very extensive and multifarious, but those which concern the present subject are, it is believed, extracted in the annex.

They are sections 148, 207, 243, 247 and 257 of the Act of 1854, and sections 5, 6 and 10 of the Act of 1880, 43 and 44 Vict., cap. 16. These provisions, with the exception of sections 5 and 6 of the Act of 1880, relate either to punishments for desertion and breach of discipline or to penalties for tempting to desert and harbouring deserters.

The former are contained in section 243 of the Act of 1854, and are as follows:—

1. Desertion.
2. Neglecting or refusing, without reasonable cause, to join a ship, or to proceed to sea, and absence without leave.
3. Quitting a ship without leave after her arrival in port.
4. Wilful disobedience to any lawful command.
5. Continued wilful disobedience, and continued wilful neglect of duty.
6. Assaulting officers.
7. Combining to disobey or neglect duty, or to impede the navigation of the ship or the progress of the voyage.

8. Wilful damage to ship, embezzlement of, and wilful damage to, stores or cargo.
9. Smuggling, causing loss or damage to master or owner.

It appears from a comparison of certain provisions of the law of the United States and that of Great Britain, contained in annex 2 to this memorandum, that they are almost identical as to the punishment of these offences, and that little difficulty will be found in making a reciprocal arrangement with regard to most of them, on the principle that the punishment of seamen is not in any case to exceed that which could be inflicted under the law of nation of the ship to which they belong.

With regard, however, to the most important, because most common, of these offences, *viz.*, desertion and kindred offences, a further point is raised by a recent enactment, 43 and 44 Vict., cap. 16, section 10, by which imprisonment for (a) desertion, (b) neglecting or refusing to join a ship or to proceed to sea, and for absence without leave, is abolished in the United Kingdom.

Her Majesty's Government could not, therefore, any longer exercise, in the case of United States' ships, a power of imprisoning seamen for desertion in the United Kingdom, which power cannot be exercised in the case of British ships.

But they could give United States' ships the benefit of this same section 10, of "The Merchant Seamen (Payment of Wages and Rating) Act, 1880" (43 and 44 Vict., cap. 16), under which the master of a ship, the mate, the owner, the ship's husband, or the consignee is

empowered to call upon the police to assist him in conveying a deserter on board, or to bring him before a Magistrate without first applying for a warrant, and also of section 247 of the Act of 1854, under which a Court before which a seaman is brought for desertion can cause him to be conveyed on board his ship.

The portion referred to of the section of the Act of 1880 runs as follows:—

"Wherever, either at the commencement or during the progress of any voyage, any seaman or apprentice neglects or refuses to join, or deserts from, or refuses to proceed to sea in any ship in which he is duly engaged to serve, or is found otherwise absenting himself therefrom without leave, the master or any mate, or the owner, ship's husband, or consignee may, with or without the assistance of the local police officers or constables, who are hereby directed to give the same if required, convey him on board: Provided that if the seaman or apprentice so requires he shall first be taken before some Court capable of taking cognizance of the matters to be dealt with according to law; and that if it appears to the Court before which the case is brought, that the seaman or apprentice has been conveyed on board or taken before the Court on improper or insufficient grounds, the master, mate, owner, ship's husband, or consignee, as the case may be, shall incur a penalty not exceeding 20*l*.; but such penalty, if inflicted, shall be a bar to any action for false imprisonment."

Section 247 of the Act of 1854, omitting the words repealed by the Act of 1880, runs as follows:—

"Whenever any seaman or apprentice is brought before any Court on the ground of his having neglected or refused to join, or to proceed to sea in any ship in which he is engaged to serve, or of having deserted or otherwise absented himself therefrom without leave, such Court may, if the master, or the owner, or his agent so requires, cause him to be conveyed on board for the purpose of proceeding on the voyage, or deliver him to the master or any mate of the ship, or the owner, or his agent, to be by them so conveyed, and may in such case order any costs and expenses properly incurred by or on behalf of the master or owner by reason of the offence, to be paid by the offender, and, if necessary, to be deducted from any wages which he has then earned, or which by virtue of his then existing engagement he may afterwards earn."

It will be observed that the above clauses, if applied to United States' ships, will cover considerably more ground than "The Foreign Deserters Act, 1882." The clause of "The Merchant Shipping Act, 1854," relating to the harbouring of deserters, is also larger in its operation than the corresponding clause of the Foreign Deserters Act, as it extends to the offence of enticing to desert, and inflicts a heavier penalty.

It is as follows:—

"237. Every person who, by any means whatever, persuades or attempts to persuade any seaman or apprentice to neglect or refuse to join, or to proceed to sea in, or to desert from his ship, or otherwise to absent himself from his duty, shall for each such offence, in respect of each such seaman or apprentice, incur a penalty not exceeding 10*l*.; and every person who wilfully harbours or secretes

any seaman or apprentice who has deserted from his ship, or who has wilfully neglected or refused to join, or has deserted from his ship, knowing, or having reason to believe, such seaman or apprentice to have so done, shall, for every such seaman or apprentice so harboured or secreted, incur a penalty not exceeding 20*l*.

There are numerous other clauses in the Merchant Shipping Act, especially in Part 3 of the Act of 1854, which apply to seamen in British ships, and which might, if the United States' Government so desire, be applied to United States' ships by virtue of section 37 of 39 and 40 Vict., cap. 80, but the above are, it is believed, the most important.

The third and last Act, which enables Her Majesty's Government to apply British law to foreign ships, is the Acts 43 and 44 Vict., cap. 16, to section 10 of which allusion has already been made in connection with the arrest of deserters. It remains to consider sections 5 and 6. The former of these sections is an enlargement of section 237 of the Act of 1854, which is intended to prevent crimps and runners from going on board, and tempting men before they go ashore to be paid off. This section can only be applied to foreign ships where the foreign country has made similar provisions in respect of British ships.

It will be observed that the Orders in Council to be made under the three different Acts above referred to would often cover the same ground; and when the views of the United States' Government have been ascertained, it can be determined in what form these orders shall be made. It is probable that, under section 37 of the Act of 1876, it will be possible to make an order including

all such provisions as the United States' Government may desire.

II.

Having thus stated the extent to which Her Majesty's Government find themselves able to extend remedies for the existing state of things to United States' merchant ships, it remains to be considered what the Government of the United States' could apparently give in return to British ships.

It appears that the United States' Act of the 7th June 1872 is in a great measure a transcript of the British Merchant Shipping Act. Some, if not all, of these clauses are set out in the annex to this memorandum, but it would be desirable to have the United States' Statutes carefully looked through, to see if they comprise all that is necessary.

Two limitations would be required by Her Majesty's Government:—

(a)—That no proceedings be instituted under these clauses against the master or crew of a British ship without the consent of the Consul.

(b)—That no penalty be inflicted on the master or any of the crew of a British ship larger than could be inflicted on him under the English Statutes for a like offence.

There exists, however, a difficulty in embodying in a Convention stipulations for the application to British ships in United States' ports of the clauses of United States' Act of the 7th June 1872, alluded to.

Under such an arrangement British subjects would be liable to be proceeded against and punished in United States' Courts, and Her Majesty's Government would be giving their express sanction to this proceeding. The English Statutes referred to in part I of this memorandum do not give Her Majesty's Government the power to give this sanction, though they enable Her Majesty to make Orders in Council applying British law to foreign subjects.

Her Majesty's Government believe that they would not be justified in making an arrangement such as that now under discussion without the express consent of Parliament.

The difficulty, however, is one which does not affect the advantages which Her Majesty's Government propose to give to the United States, but those which the United States may give in return.

Her Majesty's Government would then desire, in the first instance, to learn what advantage the United States' Government are willing to offer in this respect, leaving for after consideration the question what powers it may subsequently be thought desirable to apply for to the British Parliament with the view to their application to British shipping.

III.

Advantageous, however, as a Convention embodying the above points would be, it could not be expected to remedy the most serious grievance of which British ship-owners and masters complain in the ports of the United States, *viz.*, the vexatious and oppressive actions at law against ship-owners, and the attachment of ships, generally

when ready for sea, commenced and issued in the name of deserters, but in reality at the instance of unworthy persons who have seduced them from their ships and their duty.

No Convention relating to shipping and seamen would be thoroughly satisfactory to Her Majesty's Government which did not afford a guarantee that the Courts of the United States would recognize as valid, contracts made between a master of a British ship and his crew in accordance with British law, and would not interfere with that contract except upon clear and proper grounds.

In order to secure this it would be necessary to insert in the Convention a stipulation, that no American Court shall entertain any civil proceeding by a seaman against the master or owners of a British ship, or against the British ship, without the consent of the British Consul.

To enter into reciprocal engagements on this subject would require legislation in Great Britain, but the following are some reasons why the Government of the United States may fairly be asked to give such guarantees to Great Britain, on the understanding that similar guarantees will be granted to her as soon as the consent of the Legislature can be obtained.

There are, it is believed, no grievances suffered by American shipping in this country by vexatious legal proceedings similar to those suffered by British shipping in American ports. Notwithstanding the absence of an arrangement between the two countries, the Courts of Admiralty in the United Kingdom do not in practice act without the cognizance of the American Consul, or

without considering duly any representation he may make; and it is believed that other Courts follow the same practice. Suits for wages or for compensation of alleged injuries, instituted on behalf of seamen employed in foreign ships, are rarely brought, and the detention of ships on frivolous and unsupported charges is unknown. No complaint has been made of a British Court refusing to recognize a contract duly entered into between the master and seamen of a foreign ship, and it may be fairly said that the benefits which Her Majesty's Government now seek to obtain for British ships in American ports are now practically accorded to American ships in British ports without any Convention at all.

From the Secretary of State for Foreign Affairs, to Her Majesty's Minister at Washington.—No. 25, Consular, dated the 18th December 1882.

With reference to my preceding despatch of this series, I have to inform you that due regard has been had to the bearing which the proposals I have instructed you to make for the negotiation of a Convention relating to Merchant Shipping will have upon British India for the Colonies.

Although Her Majesty's Government are in a position to guarantee the application of certain provisions of the British Merchant Shipping Act to United States' ships only when in the ports of the United Kingdom, they are about to invite the Governments of British India and of the self-government Colonies to extend the operation of any Convention which may be concluded to India and Colonial ports by means, when necessary, of local

legislation; and it is believed that no difficulty is likely to be raised to such an extension of its operation, as an arrangement of this description would be one for the benefit of both parties, and would be consistent with what has been already done in certain of the British Colonies.

You will, therefore, in submitting to the United States' Government the memorandum inclosed in my preceding despatch, furnish them with explanations on this branch of the question, and you will bear in mind that any Convention which may eventually be agreed upon should contain a clause stipulating for its extension to British India and the Colonies subject, when necessary, to local legislation, and in those cases only where such extension is desired by the Colony.

*From Chamber to the Government of Bengal,
Calcutta, 18th April 1883.*

I have submitted to the Committee of the Chamber of Commerce your letter No. 526 of the 7th ultimo with its annexures, on the subject of a proposed Convention relating to Merchant Shipping between Great Britain and the United States.

The Committee have duly considered the whole question as set forth in the papers accompanying your letter, giving special attention to the point submitted in Government of India letter No. 944 of 28th February, *viz.*, the probable operation and effect of the proposed Convention on Native Seamen and British Indian Shipping in United States ports; and I am desired to say in reply, that the

Committee believe one great grievance under which British vessels at present labor in those ports would be alleviated if the point referred to in para. 2 of section 3 of the Memorandum attached to the Despatch from H. M.'s Secretary of State for Foreign Affairs to H. M.'s Minister at Washington be conceded; but they think care should also be taken, if possible, to ensure that greater hardships than those now complained of do not result from giving the American Courts powers over masters of British vessels, even if the masters are protected by Consular assent being required to any proposed action against them.

As to the Government of India being made a party to the proposed Convention by the introduction of a clause extending its operation to this country, the Committee are of opinion that Indian interests are hardly affected; the number of vessels owned and registered in India trading to America, or likely to trade there, as far as can be foreseen, is so small, that they do not think their special interests require consideration.

However, while the Committee consider it a matter of comparative indifference to Indian ship-owners what legislative action is taken, they think that if a concession on the part of the Indian Government is required to advance the general interests of the Empire, the concession should be promptly made.

THE INSOLVENT DEBTORS ACT.

The Committee have again been in correspondence with the Government of India on this

important subject, and called attention to defects in the present law of insolvency which affect the interests of the mercantile community. They have suggested various amendments, the adoption of which will, they believe, improve the existing system of dealing with fraudulent and dishonest debtors.

From Chamber to the Government of India.

Calcutta, 11th April 1882.

Under cover of Government of Bengal letter No. 718J., of the 14th February 1881, the Committee of the Chamber of Commerce received a copy of a Bill to amend the Law relating to Insolvent Debtors in India, regarding the provisions of which the Chamber's opinion was requested, and they submitted their views in their reply of the 1st of the following month.

The Committee represented that while the Bill professed to deal with some important points, others of equal, if not greater concern to the commercial public had apparently been altogether ignored: that the Bill was not a full and sufficient measure of legislative redress of the evils which called for a remedy; and that as a far more comprehensive measure, framed so as to meet the requirements of the time, was necessary, the Chamber deprecated the passing of the Bill in the form then presented.

It has been recently urged upon the attention of the Chamber that in the interests of the mercantile community of Calcutta, in common with those of the rest of

India, the Law of Insolvency should be not only amended but altogether recast; and various reasons have been assigned, some of which the Committee now place before the Government for consideration, as illustrating the defects which it is expedient to remedy.

The first is, that the present Act contains no adequate machinery for dealing with fraudulent and dishonest debtors, of which there are amongst the native community generally, and specially among the Bazar dealers, a very large proportion, as the experience of European merchants has found to be the case.

The remark by Sir Barnes Peacock, during the time he was Chief Justice of Beugal, that in India a man's troubles begin when he obtains a decree in a Civil Court is perfectly just, and the truth of which is made more and more manifest in every year that passes; and it may be stated broadly, but with perfect accuracy, that assuming, as in the vast majority of instances it may be safely assumed, that a judgment-debtor has the inclination to resist the enforcement of a decree against him, and has means for such resistance, there is practically no adequate machinery provided by the law for compelling him to pay.

This is due to the great prevalence of *benamiee* transfer of property, and the falsification of veracacular accounts which it is next to impossible to detect if opportunity is given to the debtors to have it done with anything like skill.

Another reason why the present Insolvency Law should be amended is that the officers of the Court have not sufficient power to enable them to secure the books and property of an insolvent if removed or concealed, or to com-

pel the attendance of an insolvent who absconds; and the result of this is that in almost every one of the numerous cases in which persons adjudicated insolvents have absconded, taking away with them or otherwise fraudulently disposing of property at their disposal, their creditors have been unable to obtain any redress whatever. And, in this connection, it should be borne in mind that an insolvent has only to cross the Hooghly Bridge or the Mahratta Ditch, into the District of Hooghly on the one hand, or the 24-Pergunnahs on the other, to set the process of the Insolvent Court at defiance; while the neighbouring French Settlement of Chandernagore, which can be reached within an hour's travelling from Calcutta, also enables an insolvent to defy his creditors and the Court with impunity, even if the powers of the Court were increased so as to enable its process to reach beyond Calcutta.

Other defects in the law, as experience has proved, are that persons who do not come within the definition of *traders* under the Act can be adjudicated only after lying in jail for 21 days in execution of a decree, and also that by availing himself of the facilities for obtaining time to file his schedule, which the Insolvent Act and the practice of the Court in working it allow, an insolvent can tire out his creditors and force them to accept almost any terms he may choose to offer. This is done constantly.

These defects seem to the Chamber to call for remedy in the following directions:—

(1.) the enlargement of the powers and jurisdiction of Insolvent Courts so as to admit of an insolvent being readily followed and-compelled to surrender his books and property and to appear in Court;

(2) by the introduction of provisions similar to those contained in Section 89 of the Bankruptcy Act of 1869, with the addition of a penal clause in case of an insolvent absconding ;

(3) by the provision of summary power in the Court to arrest and imprison debtors who fail to make the fullest possible disclosure of their affairs, and

(4) by facilitating the adjudication by creditors, especially in cases of non-traders :

All these provisions would, in the judgment of the Chamber, greatly improve the present Law.

In the event of the Law being recast, it would probably prove advantageous in many cases of mercantile failures, for the Act to contain provisions somewhat analogous to liquidation by arrangement, as in complicated mercantile cases a majority of creditors are often anxious to avoid resorting to the cumbersome machinery of the Court, but are compelled to do so by a small minority—perhaps, of one creditor ; but while this would be no doubt advantageous in many cases, it would be expedient to surround it with due safeguards to prevent the possibility of such occurrences as packed meetings for the purpose of withdrawing the affairs of an insolvent trader from the consideration of the Court in cases where a fair proportion of creditors might hold a resort to the Court desirable.

The Committee of the Chamber submit these observations for the attention of Government, in the hope that when the Bill to amend the Insolvent Debtors Act comes again under review, the opinions now expressed may be duly considered.

**PROPOSED LEVY OF FEES FOR CLEARANCE
OF VESSELS AFTER ORDINARY WORKING
HOURS.**

It will be seen from the Committee's reply to the Government of Bengal that they have recorded their objection to the imposition of any addition to the heavy charges already borne by the shipping of the Port.

From Government of Bengal to Chamber.

Marine—No. 1942, Calcutta, the 27th Decr. 1882.

The Port Officer of Calcutta has represented to the Government that inconvenience is felt by his establishment in consequence of the frequent presentation of applications for clearances of vessels after the ordinary working hours, and has asked for permission to charge a fee, similar to that levied at the Custom House, on such clearances.

2. The Lieutenant-Governor is disposed to agree in the opinion of the Port Officer that a charge might fairly be imposed on clearances after office hours ; but before taking any action in the matter, he would wish to be favoured with an expression of the opinion of the Chamber, whether it would be preferable that all applications received after 5 P.M. on ordinary days, and 3-30 P.M. on Saturdays, should be refused, or that they should be granted on payment of an overtime fee of Rs. 16.

From Chamber to the Government of Bengal.

Calcutta, 16th January 1883.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 1942 of the 27th of last month, relative to the proposed charge of an overtime fee of 16 rupees on applications for port clearance after 5 P.M. on ordinary days, and 3-30 P.M. on Saturdays, or the alternative to refuse such applications after those hours.

The Committee having referred you, letter to some of the largest consignees of steamers and sailing vessels are informed that, as a rule, applications for clearance are made in ample time to admit of the work being completed during ordinary office hours; and that it is only in exceptional cases of urgency, and especially where the intervention of foreign Consuls is indispensable in obtaining the various documents required for clearance, that unavoidable delays occur involving late applications.

While it has been represented to the Committee that rather than have their vessels detained and their owners exposed to consequent hardship and loss, some agents would prefer paying a fee, (which they think should not exceed 10 rupees) a strong objection has been expressed to the imposition of any new fee in connection with the clearance of vessels, as well as to the alternative proposed by the Government of refusing applications after hours; and it has been submitted that, in the place of any obstruction to the important business of getting vessels their port clearance, every facility should be afforded, even if the

Port Officer's department had occasionally to be in attendance a little later than usual.

For their own part the Committee are unable to countenance the fee system at all, for they regard it as a vicious means of protracting public business so as to render overtime work essential to its completion; and having regard to the large revenues derived in various ways from the shipping of the port, the Committee consider that the charge for such overtime work may be fairly debited to the departments concerned.

Before taking action, however, the Committee would suggest that a record be kept for the ensuing three months of the applications made after office hours, in order to determine with accuracy the extent of the inconvenience complained of, for the answers to their inquiries do not lead them to believe that such hardship to the employees in the Port Office is involved as would warrant the imposition of a further burden on the heavily taxed shipping in this port.

**DETENTION AT BUDGE-BUDGE OF VESSELS
WITH CARCOES OF PETROLEUM.**

The inconvenience to which vessels were exposed of being detained a few miles from Calcutta in consequence of the absence of the certificate of quality of petroleum on board, required under the orders of the local Government, having been brought to the notice of the Chamber in a letter from the Consul-General for the United States

to the Government of India, the Committee pointed out that the detention complained of might have been obviated if the necessary declaration of quality had been previously made by the ship's agents, or by the presentation to the Port authorities of the American certificate which, under Notification of the Bengal Government, may be accepted for the purpose of admitting petroleum under the rules for regulating its importation.

From Government of Bengal to Chamber.

No. 659, Calcutta, the 30th November 1882.

In forwarding the accompanying copy of a letter No. 1683, dated the 25th instant, and its enclosures, from the Government of India, relative to the inconvenience said to be occasioned to importers of petroleum from the operation of the rules framed by this Government to regulate the importation of petroleum, I am directed to say that the Lieutenant-Governor will be glad to be informed what measures the Chamber of Commerce would recommend in order to remove the hardship alluded to by the Consul-General.

From Govt. of India to Govt. of Bengal.

No. 1683, dated Fort William, 25th Novr. 1882.

I am directed to forward the accompanying letter from the Consul-General of the United States, America, on the subject of the rules framed by the Government of Bengal to regulate the importation of petroleum, and to request that, with the permission of His Honor the Lieutenant-Governor, steps may be taken, if necessary, to remove the hardship brought to notice by the Consul-General.

*From Consul-General, United States, America,
to Government of India.*

No. 112, Calcutta, 4th November 1882.

I have the honor to bring to your notice certain rules established by the Hon'ble Lieutenant-Governor of Bengal in relation to the importation of petroleum, dated July 18th, 1882, a copy whereof is hereto annexed, marked A, and to inform you that said rules have caused and are liable again to cause considerable hardship to the commerce of the United States in this, to wit :—

1. That the said rules require the Master of a ship carrying petroleum to Calcutta to produce to the pilot before reaching Budge-Budge a certain certificate as to the quality of his cargo before he is allowed to proceed beyond Budge-Budge. Although in fact most of the ships carrying petroleum from the United States to Calcutta this season had already sailed before said rules were pro-

mulgated, or before the Master had had reasonable time to acquire notice or knowledge of them, therefore, making a compliance impossible.

2. The Notification, dated August 13th, 1882, supplementary to said rules, allowing a certain other certificate in the form employed by the Inspectors of the New York Produce Exchange to be accepted until further notice, while evidently intended to cover such cases as above mentioned, does not always afford the relief needed, because ship-masters have heretofore not been required to furnish even that certificate at this port, and are therefore not necessarily prepared to do so hereafter unless they had notice before sailing.

As illustrative of the operations of the rules against American ships, I have the honor to submit herewith copy marked "B" of a letter from Charles H. Sawyer, Master of the American ship *Memnon*, which was detained at Budge-Budge from the evening of the 14th till noon the 17th instant, at large expense for extra pilotage and towage, besides loss of time.

Inasmuch as other ships under like circumstances with the *Memnon* are now on their way to this port with cargoes of American petroleum, and as I feel assured that the Government of India, as well as that of the Presidency of Bengal, is desirous of giving every fair and reasonable facility to the commerce between India and the United States of America, I respectfully ask your consideration of the matter, and, if it shall be found just and reasonable, such relief or modification of the rules as will enable ship-masters in charge of American cargoes to comply with them without unusual detention or expense.

Ships loaded with American petroleum are expected here in a short time, hence I have the honor to ask as early attention to the subject as may be convenient.

Copies of the rules have been forwarded to the State Department in Washington, and ship-masters will no doubt receive notice in due time, so that a temporary modification would only be required.

*From Captain Sawyer, "American ship" "Memnon,"
to Consul-General for America.*

Calcutta, October 30th, 1882.

I would respectfully call your attention to the following facts relating to the detention in the river Hooghly of the American ship *Memnon*, of Boston, under my command, from New York for Calcutta, laden with kerosine oil.

The *Memnon* sailed from New York on the 6th of June 1882, and arrived at the Sandheads on the evening of the 12th instant, where she was boarded and taken in charge by a Calcutta Pilot who brought her to anchor at Saugor at 9. A.M. on the 13th. On the morning of the 14th instant, took a steam tug and proceeded up the river until 8 o'clock of same day, when by orders of the Pilot the ship was brought to an anchor abreast of Budge-Budge, the Pilot arranging with the Captain of the steam tug to get under weigh at an early hour on the following morning and proceed up to Calcutta.

On the following morning, the 15th instant, the Pilot refused to get the ship under weigh showing an order from the Bengal Government, dated 18th of July 1882,

requiring all vessels loaded with kerosine oil, bound to Calcutta, to have on board a certificate from the port of shipment showing that the oil is not dangerous. In default of this certificate the vessel is to remain at Budge-Budge until the oil can be tested.

As the *Memnon* sailed from New York six weeks before this order was issued, you will readily see that it could not possibly apply to her, therefore the detention must be unjust. The ship was detained from the evening of the 14th instant to noon of the 17th, besides large expense of extra pilotage, towage, &c.

In view of these facts, I therefore ask that you will take such steps in this matter that I may be enabled to obtain redress for this detention of my ship and for the expense attending thereto.

*From Chamber to Government of Bengal.
Calcutta, 7th December 1882.*

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 659 of the 30th ultimo, and its enclosures, on the subject of the rules which regulate the importation of petroleum, and of a representation made by the Consul-General for the United States to the Government of India as to the hardship which those rules have caused, and are liable again to cause, to American vessels carrying petroleum to this port.

The Committee of the Chamber are of opinion that the Consul-General for the United States has accurately

stated the effect of the rule, published under Bengal Notification of the 18th July, as regards the detention of vessels at Budge-Budge, which must result so long as their commanders are not able to make the required declaration, or their agents, or the consignees of the cargo are not in possession of the certificate granted at the port of shipment in the form employed by the Inspectors of the New York Produce Exchange, which, under Bengal Notification of the 18th of August, may be accepted for the purposes of the said rules.

In the case of the ship *Memnon* submitted by the Consul-General, it appears to the Committee of the Chamber, that in the absence of the master's necessary declaration, the Pilot was bound to act as he is reported to have done; but at the same time it would appear that the detention complained of might have been obviated if the agents of the ship or the consignees of the petroleum, in anticipation of the vessel's arrival, had communicated with the Port Authorities and obtained their sanction, on production of the American certificate (in their possession) to the vessel being brought up to the usual place for discharging petroleum.

With regard to future arrivals the Committee are of opinion that there should be no difficulty whatever, as parties engaged in the petroleum trade are assumed to be aware of the facility which the Resolution of 18th August affords; and by the timely presentation of the American certificate to the Port Authorities no detention should arise.

REDUCTION OF RAILWAY RATES FOR CARRIAGE OF PETROLEUM.

The Committee publish an interesting memorandum on this question which was submitted to them by Mr. Libby, of New York, who took much pains in promoting the petroleum trade, and they have the satisfaction of reporting that the East Indian Railway Company are prepared to introduce lower rates and more favorable conditions with the view to increase the trade in that article.

From Chamber to E. I. Railway and E. B. Railway Companies.

Calcutta, 1st February 1883.

THE accompanying Memorandum in reference to reduced railway freights for Petroleum in India has been recently submitted to the Committee of the Chamber of Commerce by Mr. W. H. Libby, of New York, who, in behalf of corporations and firms representing about 90 per cent. of petroleum exported from the United States, has been taking much interest in the general question of promoting that oil trade with this port.

Mr. Libby's views having been submitted to the principal importers of petroleum into Calcutta, I am directed to submit for your information the minutes recorded by these parties, with a request that you will be so good as let the subject have your attention, and to favor the

Committee of the Chamber with the result of your consideration.

A MEMORANDUM

In reference to Reduced Railway Freights for Petroleum in India.

A Railway management, in reaching a decision concerning a suggested reduction of freight rates upon any important commodity of transport, are naturally governed by the following considerations :—

- (a) Is the existing rate unduly excessive?
- (b) Is the commodity safe and convenient for transport?
- (c) Is there a relative preponderance or deficit in freight for the localities to which the said commodity is destined?
- (d) Would the proposed reduction of rate stimulate increased business to an extent imparting the principle of mutuality to the concession?

By way of comments on—

- (a) A very considerable proportion of the refined petroleum of commerce is manufactured in New York and vicinity, the crude product having been first transported by railways and pipe-lines 500 to 700 miles from the producing localities; labor, and the value of the oil lands and machinery being the leading elements of first cost. In New York the crude product is then refined amid all the accessories of valuable land, vast and expen-

sive machinery, labor, chemicals, fuel, waste and all concomitants incidental to a great manufacturing business. It is then packed in tin and wood (and so perfectly that the average loss on cargoes to the distant Oriental ports is less than one per cent). It is then loaded on vessels and consigned to a voyage of four months and upwards, and subjected to freight, insurance, and other charges incidental to ocean carriage, and has finally been delivered in Calcutta at as low a cost to the importer as Rs. 3-6 per case.

The distance from Calcutta to Lahore is about 1,300 miles. For purposes of rough calculation, a case containing two tins of refined petroleum weighs about a maund. At the risk of the owner, the rate of carriage for petroleum is one half pie per maund per mile. 1,300 miles at $\frac{1}{2}$ pie per maund per mile, is therefore about Rs. 3-6 per case. Aside, therefore, from the intermediate profits of commerce, the cost of petroleum at Lahore becomes about Rs. 6-12 per case, of which *one-half* is represented by the railway charges from Calcutta. All other considerations aside, do not these figures appear unduly burdensome on commerce and consumer?

(b) While the question as to whether any given product is desirable for transport must depend largely on opinion or prejudice to determine, it seems pertinent to record the following concerning American petroleum:—

1st.—European and American railways accept it in barrels, without reservation, although leakage is more probable, and handling more difficult than when packed in tins and boxes as in India.

2nd.—At far greater expense than if in barrels, petroleum is packed in tins and boxes with special reference to tropical climates, easy stowage, and coolie handling.

3rd.—After long and careful investigation, the Indian Government imposed a higher standard of test than is exacted by other tropical countries.

4th.—Such trifling leakage as might be unavoidable could not prove more damaging to railway freight carriages than to steamships, very few of which now decline to transport petroleum, while the large number of vessels loaded with petroleum leaving American shores every year, are re-loaded with almost every variety of foot and fabric.

5th.—Before properly packed petroleum can become ignited, the wooden box must first be in flames, and the fire prolonged to an extent that the oil within the tins becomes so extremely hot that its expansion forces open the tins and thus exposes the oil to the flame. The oil then fulfils its natural mission, and *burns*. Examples are, however, quite frequent of the box being partly or wholly consumed without igniting the oil. There are certainly many products that pass unquestioned, that are far more susceptible to easy ignition than petroleum. Carriers in India should recognize that petroleum must be heated to about 120° before it will take fire, and then only in contact with flame or the electric spark, and the distinction should then be noted between *ignition* which *does* take place, and *explosion* which *does not*.

(c) Only incidental reference is needed in this connection to the important fact, that the preponderance of

freight is largely from the interior to the seaport, and therefore added freight, from seaport to interior, is much desired, and should be encouraged whenever practicable. Better more petroleum and fewer empty cars.

(d) While the extent of increased transport that will attend a lessened rate of carriage must of course be somewhat conjectural, the following observations seem pertinent:—

1st.—Experience has evidenced in all countries of the world that the cheapening of petroleum has not only increased the *number* of consumers, but the average quantity consumed by each. This has been notably the case in countries where the masses of the people have been very poor.

2nd.—The consumption of petroleum in India has been by far the largest at the seaports, or in localities economically accessible therefrom.

3rd.—It is the unanimous opinion of merchants, both European and Native, both at the seaports and in the interior, that reduced rates of transportation would *materially* increase trade.

4th.—In the smaller Oriental countries like Java and Japan, where the interior is accessible and the transportation economic, the largest consumption per capita has been reached. The following figures for 1881 are worthy of attention:—

Country.	Population.	Total Consumption Cases.	Per Capita.
Java ...	19,500,000 ...	1,300,000 ...	1 case to each 15
Japan ...	36,000,000 ...	1,400,000 ...	1 " " 26
India ...	240,000,000 ...	1,000,000 ...	1 " " 240
China ...	360,000,000 ...	650,000 ...	1 " " 554

It should be specially noted that where the per capita consumption is the most favorable, the masses of the people are the poorest and almost exclusively agricultural, there being among the natives of Java no wealthy and influential commercial class as in India. Should Indian consumption attain the Java per capita, there would be 12,000,000 cases instead of 1,000,000 annually consumed; and the fact should also be noted that Java consumption is still increasing. The *present* ratio of consumption at the Indian seaports if extended to the interior, would bring a most important increase of business to the railways. India has about one-fifth of the population of the world, while her consumption of petroleum was only about one-sixtieth of the world's consumption of 1881.

While the prediction might be unwarranted and the prophecy might prove irrational that the Indian consumption would ever tally per capita with that of Java, the figures are highly suggestive—almost *conclusive*—that under fostering transportation and legislative influences a most important increase is attainable.

Recommendations.

A.—That petroleum is entitled to, and should receive *first* classification hereafter.

B.—That at the expiration of any given year, each shipper who can produce the customary receipts, evidencing that he has shipped during the said year _____ cases shall receive a rebate of _____ per cent., and if _____ thousand cases a *further* rebate of _____ per cent.

This would prove a great incentive to the Native merchants to increase their interior business to an extent necessary to secure the rebate, and if the business were so increased, the Railway could well afford the payment of the rebate, and thus the principle of *mutuality* would be established.

Finally.—The probabilities of a satisfactory outcome to the Railways seem sufficient to induce the management to give these recommendations at least a year's trial. Such a decision would appear judicious; such an experiment could not prove disastrous.

WM. H. LIBBY,
(of New York City.)

Calcutta, 17th January 1883.

From East Indian Railway Company to Chamber.
Calcutta, 5th March 1883.

I am much obliged to you for the copy of the Memorandum by Mr. W. H. Libby, forwarded with your letter of the 1st ultimo, regarding railway rates for the carriage of kerosine oil. I am quite of opinion with Mr. Libby that lower rates and more favorable conditions will tend to increase the trade in this article, and we had already the matter under consideration before receipt of your communication.

The rate and conditions hitherto in force on the E. I. Railway for kerosine oil have been—

(a) 50 pies per 100 maunds per mile.

(b) despatches allowed from Howrah only on three days of the week.

(c) prepayment of freight.

We now propose to introduce the following more favorable terms.

(a) A rate of 33 pies per 100 maunds per mile for consignments of not less than 260 maunds and not more than 280 maunds, or multiples thereof. This condition is necessary to secure full wagon loads. The rate proposed will be equivalent to a reduction of Rs. 82 per 100 maunds on the distance from Howrah to Delhi, or a reduction of 32.8 per cent.

(b) It will be arranged for despatches to be made each day of the week.

(c) Prepayment of freight will not be compulsory.

The introduction of the above charges at an early date is now under consideration.

PROPOSED RULES FOR THE IMPORTATION, POSSESSION AND TRANSPORT OF PETROLEUM.

From Government of Bengal to Chamber.

No. 23 ³¹ Dated Yacht "Rhotas," 18th August 1882.

I am directed to forward for an expression of the Chamber of Commerce two sets of rules framed under the Petroleum Act of 1881, one set under section 7 to regulate the importation of petroleum, and the other under section 9 to regulate the possession and transport of petroleum.

2. The rules under section 7, as they stand, were published in the Calcutta Gazette of the 19th ultimo, and I am to explain that this was done for the purpose of giving some legal power to the Government of staying the

arrival of dangerous importations within the limits of the Port. The Lieutenant-Governor quite recognizes the tentative character of these rules and the probability of modifications, upon which the Chamber's advice will always be valuable, being found necessary. A set of supplementary rules have, since the

No. 6 (a) to 6 (h).

date of the Gazette publication, been drawn up regarding the sampling and testing of petroleum, and these are also forwarded for an expression of the views of the Chamber.

3. I am at the same time to send a copy of a letter from the Port Officer, Calcutta, No. 3009, dated the 25th ultimo, in which he objects to Budge-Budge as the place for stopping ships, and recommends Diamond Harbour for the purpose instead, and I am to say that the Lieutenant-Governor will be glad to have the opinion of the Chamber on this point.

4. A form of the certificate to be supplied at the port of shipment to the master of a vessel carrying petroleum is forwarded. But as some time must elapse before importers can obtain certificates in this form at the place of export, and as the rules will be inoperative without some form of certificate, the Lieutenant-Governor has directed the publication of a notification in the Calcutta Gazette declaring that, until further notice, certificates granted in the form employed by the Inspectors of the New York Produce Exchange will be accepted.

I have the honor to be,

SIR,

Your most obedient servant,

C. MACAULAY,

Secretary to the Govt. of Bengal.

NOTIFICATION.

The 18th July 1882.—In exercise of the powers conferred by section 7 of the Petroleum Act, 1881, the Lieutenant-Governor of Bengal is pleased, with the previous sanction of the Governor-General in Council, to make the following rules to regulate the importation of petroleum :—

PRELIMINARY.

1. (1) All words and expressions used in these rules and defined in the Act shall in these rules have the meanings respectively assigned to them by the Act.

(2) In these rules—

“Petroleum declared dangerous” means petroleum which the master of a ship has declared under rule 2 to be dangerous petroleum.

“Certificated petroleum” means petroleum covered by a certificate granted at the port of shipment, of such description as the Local Government may, from time to time, by written order prescribe, and to the effect that the petroleum is not dangerous petroleum.

“Uncertificated petroleum” means petroleum which the master of the ship has not declared under rule 2 to be dangerous petroleum, and which is not covered by a certificate as aforesaid.

“Petroleum reported dangerous” means petroleum stated in a report signed by the Chemical Examiner to Government, and deposited in the office of the Port Commissioners, to be dangerous petroleum.

"Petroleum reported not dangerous" means petroleum stated in a report as aforesaid not to be dangerous petroleum.

IMPORTATION AT CALCUTTA.

2. The master of every ship bound for Calcutta and carrying petroleum shall, before reaching Budge-Budge, declare in writing to the pilot*—

(a) what quantity of petroleum the ship is carrying?

(b) whether any, and if so, what part of it is dangerous petroleum; and

(c) whether any, and if so, what part of it is certificated petroleum.

Where the master declares that any petroleum is certificated petroleum, he shall produce to the pilot the certificates covering the same.

3. A ship having on board any petroleum declared dangerous shall not proceed upwards beyond Budge-Budge until that petroleum has been discharged.

4. A ship having on board any uncertificated petroleum shall not proceed upwards beyond Budge-Budge until that petroleum has been either discharged or reported not dangerous.

5. A ship having on board only certificated petroleum, or petroleum reported not dangerous, or both, may proceed upwards as far as Motenbrooz Ghât, but shall not

* The pilot should deliver this declaration to the harbour master or his assistant when the latter comes on board.

proceed further until that petroleum has been discharged, unless the quantity of the petroleum does not exceed 500 gallons, in which case she may proceed to any mooring in the port.

6. (1) When a ship is stopped at Budge-Budge under rule 4, or at Motenbrooz Ghât under rule 5, the Superintendent of River Police, or one of his assistants, shall as soon as possible go on board and obtain samples—in the former case, of all the uncertificated petroleum, and if there is certificated petroleum on board which, together with the uncertificated petroleum, amounts to more than 500 gallons, of that certificated petroleum; in the latter case, of all the petroleum on board which has not been reported not dangerous.

(2) The master shall give to the Superintendent or his assistant a sample of every variety of petroleum comprised in the petroleum of which samples are to be taken under clause (1), and shall, if the Superintendent or his assistant so require, take those samples from the particular receptacles indicated by him.

(3) The Superintendent or his assistant shall forthwith seal the receptacles containing the samples, and having labelled them with the name of the ship, the name of the consignee, and such other distinguishing marks as may be necessary, shall forward them to the Chemical Examiner for report; and the Chemical Examiner, having tested them, shall sign a report declaring that they are or are not dangerous petroleum (as the case may be), and forward that report to the office of the Port Commissioners, where it shall be deposited.

7. If the petroleum declared or reported dangerous, or both together, on board a ship exceed 40 gallons, no portion of that petroleum shall be landed unless the whole of it is covered by an import license granted under section 4 of the Act.

8. If the uncertificated petroleum on board a ship exceeds 40 gallons, no portion of it shall be landed until the Chemical Examiner's report in respect of it has been deposited in the office of the Port Commissioners as hereinbefore provided.

9. If there is on board a ship uncertificated petroleum in respect of which the Chemical Examiner's report has not been deposited as hereinbefore provided, and also petroleum declared or reported dangerous, and the aggregate exceeds 40 gallons, no portion thereof shall be landed unless the aggregate is covered by an import license granted under section 4 of the Act.

10. If the certificated petroleum on board a ship exceeds 500 gallons, no portion of that petroleum shall be landed unless it is reported not dangerous.

11. When petroleum is landed within the port—

(1) it shall be landed only in covered cargo-boats, and after sunrise and before sunset;

(2) if landed on the Calcutta bank of the river, it may be landed at Nemuck Mahal Ghât, or at any ghât or landing stage lower down the river;

(3) if landed on the Howrah bank of the river, it may be landed at the ghât immediately to the east of the Royal Botanical Gardens;

(4) it shall not, without the written permission of the Port Commissioners, be landed at any other ghât than those named above.

(5) No smoking, fire, or light of any description shall be allowed in any cargo-boat during the time that the petroleum is on board the boat.

12. All petroleum landed at the ghât on the Howrah bank of the river, mentioned in Rule 11, shall be carried at once from the boat in which the petroleum has been conveyed to the ghât (without being deposited or stacked on the ground) to the north side of the gate leading into the Botanical Gardens, and shall not be deposited or stacked within 50 yards to the north of a line drawn through the pillars of that gate.

13. When the petroleum declared or reported dangerous, or both, on board a ship amounts to more than 40 gallons, and is not covered by an import license granted under section 4 of the Act, and the master desires to proceed above Budge-Budge, the Local Government may if it thinks fit, grant to any person a license to possess that petroleum at such place for such time, and subject to such undertaking by such person for the re-exportation of that petroleum at the expiration of that time as it thinks fit; and may, notwithstanding any thing hereinbefore contained, permit that petroleum to be landed and delivered to that person in such manner and subject to such conditions as it thinks fit.

IMPORTATION AT OTHER PORTS.

14. The master of every ship conveying petroleum shall, on entering a port in the Lower Provinces of Bengal

other than the port of Calcutta, give intimation of the quantity and description of the petroleum to the Magistrate of the district, and shall not allow more than three gallons of dangerous petroleum to be removed from the ship for delivery to any one person, except upon the production by the consignee or his agent of a license under section 4 or section 5 of the Act (as the case may be,) to possess the same.

GENERAL.

15. Nothing in the foregoing rules applies to petroleum comprised in a ship's stores and manifested as such, provided it is not of unreasonably large amount. If any question arises as to whether any petroleum manifested as ship's stores is of an unreasonably large amount, the decision thereon of the Port Commissioners in Calcutta and of the Magistrate of the district elsewhere shall be final.

COLMAN MACAULAY,
Secy. to the Govt. of Bengal.

In exercise of the powers conferred by section 9 of the Petroleum Act, 1881, the Lieutenant-Governor of Bengal is pleased, with the previous sanction of the Governor-General in Council, to make the following rules to regulate the granting of licenses, to possess and transport petroleum in cases where such licenses are by law required :—

1. All words and expressions defined in the Act and used in these rules shall have in these rules the meanings assigned to them respectively by the Act.

2. These rules shall extend, so far as they apply to dangerous petroleum, to all the territories administered by the Lieutenant-Governor of Bengal, and so far as they apply to other petroleum only to

- (1) the town and port of Calcutta ;
- (2) the Municipality of the Suburbs of Calcutta ;
- (3) the North Suburban Municipality ;
- (4) the South Suburban Municipality ;
- (5) the Municipality of Howrah, and
- (6) any other municipality or place to which the

Lieutenant-Governor may, by written order, publish in the *Calcutta Gazette*, declare them to be applicable.

3. Licenses for the possession of petroleum within the town of Calcutta shall be granted only when the premises intended to be used for the storage of the petroleum fulfil the following conditions, *viz.*, when the building itself is constructed of masonry with terraced or iron roofs, and with tiled or paved or earthen floors ; when the door-ways and openings of the building are built up to a height of not less than two feet above the level of the road or street, or when the floor is sunk at least two feet below the level of the road or street, so that the petroleum cannot flow out of the premises in case of fire ; and when the premises are separated by a clear open space of 20 feet on every side from any other building, provided that the licensing officer may, for special reasons to be stated in writing, dispense with this condition.

4. Licenses for the possession of petroleum in places outside the town of Calcutta shall be granted only when the premises intended to be used for the storage of the

petroleum fulfil the following conditions, *viz.*, when the building itself is built of brick or earth, no inflammable materials being used in the construction of any portion thereof, except the doors; when the premises are separated by an open space of at least 20 feet on every side from any other building; and when the building is surrounded by a wall or earthen embankment not less than four feet high, with a trench close to and completely surrounding the building, of sufficient capacity to hold all the petroleum stored, and to prevent its escape beyond the limits of the trench in case of fire.

5. The licensing officer, or any police-officer of or above the rank of Head Constable appointed by him, may enter any premises in respect of which licenses for the possession of petroleum have been granted, for the purpose of inspecting the same at any time after sunrise and before sunset.

6. The licensing officer, or any police-officer as aforesaid may require a sample to be delivered to him from any receptacle containing petroleum stored in any licensed premises. The procedure prescribed in sections 10 and 11 of the Act shall apply to any demand for samples made under this rule, and to the testing of such samples.

7. Applications for licenses for the transport of petroleum shall specify the description and quantity of the petroleum to be transported, and the places from and to which, and the route by which the petroleum is to be conveyed, and shall describe the receptacles in which the petroleum is to be contained.

8. All petroleum transported under a license shall, if it be conveyed in carts, be transported after sunrise and before sunset, and shall in all cases be packed in air-tight tin or other vessels not easily broken, or in stoppered bottles.

9. It shall be the duty of all police-officers to see that the petroleum is carried only during the time mentioned in rule 8, and by such route as may be specified in the license; and any such officer may stop and inspect any petroleum in transit.

10. Licenses for the possession or transport of dangerous petroleum in quantities exceeding 40 gallons will be granted, subject to the provisions of section 4 of the Act, under the signature of the Secretary to the Government of Bengal in the Municipal Department, on the recommendation of the Commissioner of Police if the application for the license is made in Calcutta, or of the Commissioner of the Division if the application is made elsewhere.

Applications for such licenses should be made through the Commissioner of Police, Calcutta, or the Divisional Commissioner, as the case may be.

Licenses for the possession or transport of dangerous petroleum in quantities not exceeding 40 gallons, and licenses for the possession or transport of other petroleum, will be granted in Calcutta by the Commissioner of Police or Deputy Commissioner of Police, and elsewhere by the Magistrate of the district, or by such other officer as the Local Government may from time to time, by an order in writing, appoint in this behalf.

11. The following fees shall be charged for licences under the Act:—

	Rs.
License for the possession of dangerous petroleum in quantities exceeding 40 gallons (section 4) ; for every 40 gallons or fraction of 40 gallons ...	5
License for the possession of dangerous petroleum in quantities exceeding 3 gallons, but not exceeding 40 gallons (section 5) ...	3
License for the transport of dangerous petroleum in quantities exceeding 40 gallons (section 4) ; for every 40 gallons or fraction of 40 gallons ...	4
License for the transport of dangerous petroleum in quantities exceeding 3 gallons, but not exceeding 40 gallons (section 5) ...	2
License for the possession of other petroleum—	
When the quantity to be stored does not exceed 2,000 gallons ...	25
When the quantity to be stored exceeds 2,000 gallons, but does not exceed 10,000 gallons ...	50
When the quantity exceeds 10,000 gallons but does not exceed 20,000 gallons ...	100
For every additional 10,000 gallons ...	50
Licenses for the transport of other petroleum—	
When the quantity does not exceed 10,000 gallons. I	
When the quantity exceeds 10,000 gallons ...	5

12. Save in cases to which section 4 of the Act is applicable, the licensing officer may in his discretion grant a license for the possession or transport of such quantity of petroleum as he thinks fit.

13. Every license for the possession of petroleum in any premises shall specify the maximum quantity of petroleum which may be stored in those premises.

14. Every license for the transport of petroleum shall specify the place from which the petroleum is to be conveyed, the route to be followed, the quantity of petroleum covered by the license, and the time for which the license is in force.

15. Licenses for the possession of petroleum shall be in force for one year from the date of the grant of the license, provided that the licensing officer may, at any time, for good and sufficient reason, cancel a license.

16. Licenses for the transport of petroleum shall be in force for such period not exceeding three months from the date of the grant of the license as may be specified in the license.

17. Licenses granted under these rules shall be in the forms, and shall have endorsed on them the conditions respectively prescribed for them in the schedule hereto annexed.

Every such license shall, on the breach of any such condition, be forfeited.

18. Every application for the renewal of a license for the possession of petroleum shall be made in the same manner as an application for an original license.

Every such application shall be made at a date not less than 15 days before the date on which the original license expires. The same fee shall be charged for the renewal of a license as for a new license.

SCHEDULE.

Forms of Licenses.

A.

LICENSE FOR TRANSPORT OF DANGEROUS PETROLEUM
GRANTED UNDER SECTION 4 OR SECTION 5 OF ACT VIII
OF 1881.

No. _____ Fee Rs. _____

LICENSE is hereby given to _____ of _____
to transport _____ cases containing in all
gallons of dangerous petroleum
from _____ to _____, subject to
the rules and conditions on the back of this license, and
by the following route, namely :—

The amount of petroleum in each case is stated below.

This license shall continue in force only till the
day of _____ 188 _____

Secretary to Government.

Commissioner or Deputy } In the case of the transport
Commissioner of Police. } of dangerous petroleum in
 } amount not exceeding 40
Magistrate of the District. } gallons.

Endorsement on Form A.

RULES.

[Here enter rules under section 9 of the Act.]

CONDITIONS

1. The petroleum shall be carried in covered boats
carts

2. No smoking, fire or light of any kind shall be permitted on the boats
carts in which the petroleum is carried.

3. The license-holder is prohibited from delivering any quantity exceeding three gallons to any one who has not a license under section 4 or 5 of the Act. For the delivery of any quantity of petroleum not exceeding three gallons, he must observe the conditions of sections 5 and 6 of the Act.

4. Should the Commissioner of Police or Magistrate through whose jurisdiction the petroleum may pass, consider it necessary to send a guard with the petroleum covered by this license, the license-holder shall pay for the guard.

B.

LICENSE TO POSSESS DANGEROUS PETROLEUM GRANTED
UNDER SECTION 4 OR SECTION 5 OF ACT VIII OF 1881.

No. _____ Fee Rs. _____

LICENSE is hereby granted to _____
for the storage in the premises described below of
gallons of dangerous petroleum subject to the rules
and conditions on the back of this license.

Description of premises above referred to.

Secretary to the Government of Bengal.

Commissioner or Deputy } When the amount of petro-
Commissioner of } leum does not exceed 40
Police or Magis- } gallons.
trate of the District.

Endorsements on Form B.

RULES.

[Here enter rules under section 9 of the Act.]

CONDITIONS.

1. No goods of a combustible nature shall be stored in the licensed premises.

2. No cask or other receptacle containing petroleum shall be opened, or the oil drawn off, within the building in which the petroleum is stored.

3. No smoking, light or fire in any form shall be permitted at any time within such building.

4. If the licensing officer calls on the holder of the license, by a notice in writing, to execute any repairs of the licensed premises, which may, in the opinion of such officer, be necessary for the safety of the premises, the holder of the license shall execute the repairs within such period, not being less than one week from the date of the receipt of the notice, as may be fixed by the notice.

5. The license-holder is prohibited from delivering any quantity of dangerous petroleum exceeding three gallons to any one who has not a license under section 4 or 5 of the Act. For the delivery of any quantity of such petroleum not exceeding three gallons, he must observe the conditions of sections 5 and 6 of the Act.

C.

LICENSE TO POSSESS PETROLEUM OTHER THAN DANGEROUS PETROLEUM.

Granted under section 8 of Act VIII of 1881.

No.

Fee Rs.

LICENSE is hereby granted to
for the storage in the premises described below of
gallons of petroleum subject to the rules and conditions
on the back of this license.

Description of the premises above referred to.

Commissioner, or

Deputy Commissioner of Police,

District Magistrate,

The 18 . }

Endorsement on Form C.

RULES.

[Here enter rules under section 9 of the Act.]

CONDITIONS.

(1) No goods of a combustible nature shall be stored in the licensed premises.

(2) No cask or other receptacle containing petroleum shall be opened, or the oil drawn off, within the building in which the petroleum is stored.

(3) No smoking, light or fire in any form shall be permitted at any time within such building.

No. Fee Rs.

LICENSE TO TRANSPORT PETROLEUM OTHER THAN DANGEROUS PETROLEUM.

Granted under section 8 of Act VIII of 1881.

LICENSE is hereby granted to
to transport _____ cases of petroleum
from _____ to _____
subject to the rules and conditions mentioned on the
reverse, and by the following route, namely :—

This license shall continue in force only till the
day of 188 .

Dated _____ *Commissioner or*
of 18 *Deputy Commissioner of Police,*
District Magistrate.

Endorsement on Form D.

RULES.

[Here enter rules under section 9 of the Act.]

CONDITIONS.

1. The petroleum shall be carried in covered boats
carts.

ANNEXURE III.

6. (a) The ordinary rule for testing cargoes of certificated petroleum shall be to test one case in 5,000. As soon as the first case is tested, if the petroleum is reported not dangerous, it shall be conditionally passed, i. e., permission to land and remove the cargo shall be given, but it shall be the duty of the police to obtain another case as soon as about 5,000 cases have been landed, and subsequent cargoes in the same proportion as the lower portions of the cargo are reached. As long as these successive tests are satisfactory, the landing and removal of the cargo may proceed without impediment, but if any case is found to contain petroleum flashing below 73° by Abel's test, the conditional pass shall be withdrawn, and further landing and removal shall be at once stopped.

6. (b) Six cases shall then be taken for examination from the part of the cargo which included the case which contained oil flashing below 73°, and if they all contain oil coming up to the standard, the case which failed may be overlooked as an exceptional case, and the landing and removal of the oil may proceed as before.

6. (c) Should, however, one or more of the six cases also contain oil flashing below 73°, the cargo, or that portion of it which is still unremoved, shall be declared a mixed cargo, that is, a cargo of certificated petroleum

some of which when tested does not satisfy the test in Calcutta.

6. (d) The owner or consignee of a mixed cargo may at his discretion (a) remove the cargo by ship from Calcutta, or (b) convey not less than 5,000 cases to be selected at his discretion below Budge-Budge, there to be dealt with as petroleum reported dangerous.

6. (e) Should he elect the second alternative, the testing of the remainder of the cargo shall be proceeded with as in rules 6 (a) to 6 (c), the residue of the petroleum being passed or rejected in accordance with the results of subsequent tests.

6. (f) For uncertificated petroleum, if the case first tested is found to contain petroleum flashing at or above 73° by Abel's test, the vessel may then come up to Motiabroo Ghât, and rules 6 (a) to 6 (c) shall then apply to the testing and landing of the cargo. (This, if accepted, will render some alteration necessary in rule 4. It is probable, however, that uncertificated petroleum will rarely be imported.)

6. (g) In determining the flashing point of a case of petroleum under the above rules, the Chemical Examiner shall take the mean of not less than four experiments. Should the oil flash on first withdrawal of the slide at a temperature of 66°, this flash shall not be accepted. Only clear and distinct flashes shall be counted, and doubtful flashes rejected.

6. (h) The petroleum shall be tested so as to determine the flashing point, as it is in the case. So far as prac-

ticable no exposure to the air shall be allowed in removing the oil for testing.

(Sd.) H. L. HARRISON,
Commissioner of Police.

(True Copy.)

(Sd.) R. C. CHATTERJEE,
Head Assistant.

*From the Port Officer to the Secretary to the Government of Bengal,
General Department, Marine, No. 3000, Fort William, Port Office,
Calcutta the 25th July 1882.*

Sir,

I have the honour to submit, with reference to the Notification published at page 617, part I. of the Calcutta Gazette of 19th July 1882, that I consider Budge-Budge would be a most unsuitable place to anchor ships at for several days unless fixed moorings were laid down. It is now used as an anchorage for ships going down river, anchoring for the tide; it is narrow, and a ship at anchor and swinging, would render the navigation difficult.

2. I would recommend that ships should be at Diamond Harbour, where swinging moorings might be laid down by the Commissioners for Making Improvements in the Port of Calcutta.

I have, &c.

(Sd.) A. STIFFE, Lt. Col. I. N.,
Port Officer of Calcutta.

(True Copy.)

(Sd.) R. C. CHATTERJEE,
For Head Assistant.

Certificates to be supplied to the master of a vessel carrying petroleum to ports in British India.

Name of vessel.

Name of Master.

Cargo consigned to

Amount of petroleum on board gallons contain-
ed in tin cases, barrels, or iron drums.

Brand of Petroleum.

Manufactured by

Flashing point determined by means of a verified Abel's Petroleum apparatus, according to the instructions contained in the Indian Petroleum Act of 1881 by the examination of samples drawn from vats holding gallons each or tins, &c., &c.

Number of tests made with each sample.

Highest and lowest flashing point of each sample.

(Sd.)

Certified State Analyst of

Certified that the above flashing point determinations refer to the petroleum consigned to Messrs. of ex and leaving on the

(Sd.)

Petroleum Refiners.

Petroleum shipped under "fine" or "open" test flash point determinations, will be treated as uncertificated.

From Chamber to Government of Bengal.

Calcutta, 4th January 1883.

In reply to your letter No. 747 of the 30th ultimo, I am now able to transmit herewith the reply of the principal importers of petroleum to the reference submitted to them by the Committee of the Chamber on the subject of the rules under the Petroleum Act VIII of 1881, to which you drew attention in your letter of 18th of August last.

The Committee instruct me to express regret at the delay which has taken place in answering that communication, but they have not been able until now to advise you of the views entertained by those engaged in the Petroleum trade.

In forwarding the original letter received from those parties, the Committee direct me to submit with it a copy of the letter addressed to the Chamber by Mr. Libby of New York.

TO THE SECRETARY, BENGAL CHAMBER OF COMMERCE.

Calcutta, 30th October 1882.

We have the honor to acknowledge receipt of your letter of 30th September last, calling attention to a letter from the Government of Bengal, dated 18th August, respecting two sets of rules framed under the Petroleum Act of 1881, and requesting an expression of opinion upon the same for the consideration of Government.

One set of these rules is intended, under section 7, to regulate the importation of petroleum, and one set

under section 9, to regulate the transport and possession of petroleum.

As you are aware, the firms mostly interested in this trade have recently addressed to the Government of Bengal a memorial on the subject, which deals with the question upon a more comprehensive scale, and, as we have reason to think, will commend itself to the Government, considering the magnitude this trade is likely to assume. If the largeness of this trade is once recognised, we have no doubt the Government will reconsider these rules, which as now framed are more intended for a local retail business, than to meet the requirements of the present, and far less the expansion of the future, in this branch of our commerce.

We consider it of the first necessity that rules for regulating this trade should be divided, as regards—

- (a)—importation.
- (b)—transportation.
- (c)—possession.

(a)—The memorial referred to has fully set forth what we consider as an immediate necessity—a large commodious Depot, with proper appliances for landing, and suitable laboratory arrangements for testing petroleum; and jetties and moorings, at the locality indicated, to facilitate the discharge of vessels.

(b)—The memorial has further suggested the requirements for transportation of the oil from the depot, except such portion as is intended for the local retail trade in and near Calcutta, viz., the connection by a line of Railway with the general railway system to Northern

and Eastern Bengal, and with the completion of the bridge at Hooghly, with the N.-W. Provinces. A suggestion has been thrown out, that such connection should lead from Scaldah via Ballygunge, Alipore, Garden Reach to Metiabrooz Depot; the future extension of trains by such a line would follow, as a matter of course, to the contemplated central station in Calcutta.

In this memorial Scaldah has been chosen as the connecting link, because a large quantity of petroleum finds at present an outlet to Northern and Eastern Bengal, partly by rail—partly by the Eastern Canal route; and by making a halting station at or near Scaldah, goods intended for boat transport to Eastern Bengal could be brought to the Canal, without the streets of Calcutta and suburbs being constantly encumbered, and partially blocked, by the heavy cart traffic now carried on.

If the suggestions submitted in the memorial to his Honor the Lieutenant-Governor receive prompt and favorable attention, it follows, as a matter of course, that the rules intended for importation and transportation of petroleum can be greatly modified, and the working of the same be so much more simply and safely attended to, that we deem it needless to go into details of the present rules submitted.

(c)—There remains the question of "possession" of petroleum, which, if the above plan is carried into effect, will narrow itself to the retail trade of petty dealers in and near Calcutta; and rules for them should be more properly framed by the Municipal or Police authorities.

However, we are equally interested in seeing that these petty traders are protected from unnecessary official restrictions and interference, because upon the activity of these small dealers depends in a great measure the distribution of a cheap article for domestic use amongst the masses of the population.

We apprehend the object of the Petroleum Act was to protect life and property; and carrying this object into effect, rules and regulations were framed which necessitate license fees to compensate the Government for the expense of supervising the trade. The trade fully recognizes the necessity of paying in some form for the accommodation asked for, and for the supervision exercised by Government officials, but it is at the same time anxious to see it simplified under the suggested arrangement, instead of having hindrances multiplied under the proposed rules.

We are fully aware that the arrangements asked for from Government cannot be immediately executed, and that it requires estimates of cost to be worked out before the charges which the article is to bear can be clearly fixed and established; but as it is quite evident that some prompt measures must be taken to meet the increasing wants of this trade, it can only be for a limited period that the matter must necessarily remain in suspense; and for this limited period we think the Chamber might solicit Government to leave the question of these rules in abeyance, pending a more complete settlement of the whole question.

We understand the Committee of the Chamber has received a letter from Mr. Libby, who represents large

interests in the Petroleum trade in the United States, of which we have been favored with a copy. We think the suggestions contained in Mr. Libby's letter of great practical value, and have no doubt your Committee will, with their letter, forward a copy of his also to the Government of Bengal.

With out repeating *in extenso* many of the points touched upon in this interesting communication, we will only allude to the recapitulations which Mr. Libby thinks should be urged upon the attention of Government :—

1. Government godowns at a *Depôt* as near Calcutta as possible.

This has been strongly urged already in the memorial submitted.

2. Modifications to avoid needless loss to the importer in the event of *rejections*.

We think a separate part of such a *depôt*, under proper supervision, would meet the case; the owner and master of a vessel should not be mulcted by having his cargo kept on board on arrival at or near Calcutta, because in most cases he is not interested in its quality but is simply a carrier for hire. There should be a separate place for landing and storing the same, in case the oil is not up to Government tests.

3. "Copy of Bill Lading and New York Certificate to be delivered by masters of vessels in full of all Government requirements." to which we beg leave to add "for permitting landing and storing of the cargo."

The trade is agreed that there can be no difficulty in instructing the master who holds *copies* of Bill of Lading, as a rule, to attach to them copies of the certificates of the oil shipped; but we do not understand why the *form* should vary from the usual certificate granted in New York as suggested by the Government of Bengal; on the contrary, we think, the former quite adequate to afford the necessary preliminary protection under the Indian laws; whilst the form specified in appendix to the Government rules might, under certain circumstances as pointed out in Mr. Libby's letter, cause serious drawbacks and inconvenience in dealing with cargoes, directed "Galle for Orders," and for which the ordinary American Certificate may be on board with the master.

4. "A small testing fee in lieu of licenses."

We should recommend a small testing fee to cover 'Government Depot charge;' in addition to which there would of course be a *charge for storage*, depending upon the time that cargoes remain undelivered. These latter the importers or consignees of cargo would have to pay, and would constitute a primary charge upon the goods, whilst the expenses of the jetties would have to be met from charges upon the vessels that have the facilities of using them and the advantages of quicker discharge.

To the foregoing four items recommended by Mr. Libby, we would add—

5. A license fee for importing petroleum into the town and suburbs of Calcutta under Municipal rules separate from the testing fee as above.

Special rules under Municipal or Police regulation as regards the keeping or storage of smaller quantities of petroleum in the town and suburbs of Calcutta for the purpose of trade, which rules might likewise serve for any other localities or trading places under the Bengal Government.

The "testing fee" once levied should entitle the owner or consignee of the oil to a Government certificate, which should cover the transportation from depot of the whole quantity, by either boat, train or waggon load and the removal of any portion should be accompanied by a certified copy of such certificate. For a trifling charge certified copies of the certificates should be granted by the Depot authorities for any portion that leaves the depot, and for which the original certificate was granted; the number of such certificate to be branded on each case for identification.

In conclusion, we have only to refer to the letter from the Port Officer to the Government of Bengal, recommending Diamond Harbour as an anchoring place instead of Budge-Budge.

This we consider a needless delay; if once the Depot is decided upon at Metiabrooz, and the erection of jetties, for which that part of the river offers special facilities, is carried out, it would in our opinion be unjust to delay a vessel at Diamond Harbour, as the discharge at the depot will be quick, and there is no material danger in letting the vessels come up at once to its destination, which should be deemed as situated within the limits of the port of Calcutta.

Recommending the suggestion to the favorable consideration of your Committee,

We are, Dear Sir,

Yours faithfully,

(Signed) SCHRODER SMIDT & Co.
HOBSON, CONOR & Co.
ERNSTHAUSEN & OESTERLEY.
BALMER, LAWRIE & Co.
KITTLEWELL, BULLEN & Co.
RAMJEE DASS, LUCHMON DASS,
GONESH DOSS JAIRAM.
BISSENDYAL HURDYAL.

Calcutta, 18th September 1882.

TO THE SECRETARY OF THE BENGAL CHAMBER OF

COMMERCE.

DEAR SIR,

Having read, as suggested, the letter of 18th ultimo, from the Bengal Government to the Bengal Chamber of Commerce, I now respectfully submit the following comments :

As approximate unanimity is essential to give effectiveness to suggestions tendered by a commercial community to a Government, it is greatly to be desired that conflicting opinions may be harmonized on the several most important features of the "Rules" proposed by the Bengal Government for the "importation, possession, and transport of Petroleum." These I take to be—

1st.—The capacity, construction, and locality of godowns.

2nd.—The sampling of cargoes and the disposition of "rejections."

3rd.—The documents to be delivered up by the master of a vessel to the local authorities,

4th.—The manner (by licensing or otherwise) in which the petroleum business shall pay its contribution to the revenue.

Godowns, &c.—In the judgment of those who have given the subject the closest attention, the consumption of petroleum in India, notwithstanding the rapid increase of the past few years, is still in its "infancy;" and further accommodation in Calcutta will be necessary in the near future. I think the Chamber should urge upon Government the prompt erection of godowns suitable for at least 500,000 cases, which could not fail to return a fair equivalent for the expenditure. A roof attracting as little heat as possible, a hard substantial flooring and *good ventilation* are the essential requisites of a good godown. Respecting the recommendation of the "Port Officer" in re "Diamond Harbour," it seems to me that, aside from any other question, the *distance* presents insuperable objections, complicating every detail of receiving and distributing, and imposing a transportation "tax"; increasing both cost and handling without bringing benefit to any one but the carrier. Any policy that lessens the handling of Petroleum, and brings its discharge and distribution under the easy supervision of the parties in interest, is greatly to be desired.

Sampling of cargoes and disposition of rejections.

I think the proposed rules should specify a time limit in which the primal test should be reported to the con-

signee, say, "as soon as possible, but not to exceed hours."

I refer to the four cargoes of rejected oil concerning the quality of which so great a divergence of opinion has arisen, to point out the unnecessarily severe loss to the importers arising from the disposition of the "rejections." Every one conversant with the petroleum business of the world is aware, that *assuming* the cargoes aforesaid to be without the requirements of the Indian Act of 1881, they were unquestionably of a quality such as had been for years consumed in India, and would to-day be accepted by 3/4ths of the world including every tropical country except India. I construe the Indian Act of 1881 to contemplate the non-consumption and non-distribution of an oil of lower than 73° Abel test, but I fail to see how anyone can contend that the public safety is imperilled by the temporary *warehousing* of cases which the chemical examiner have reported as a few degrees only below the Indian requirement. I think the term "dangerous" in the Act a misnomer, and while used, I assume merely in an explanatory or technical sense, it seems that a word less harsh might be employed to designate the dividing line which the Indian Government have drawn to distinguish legal from illegal petroleum. An importer of good standing, and acting presumably in good faith, incurs a sufficiently severe penalty in submitting to the expenses incidental to extra handling, godown charges, re-shipment, extra freights, etc, without being compelled to expose his property to heavy deterioration as at present at "Garden Reach." I would therefore suggest that in future, should a "layer" of a cargo be reported by the chemical examiners

as below "test," that subsequent inspections should be for each 1,000 or 2,000 cases (instead of 5,000) until satisfactory oil is reached; then, that the quantity apparently below test should be put in either a separate godown or in specified portions of *any* godown, until its fate is ultimately decreed, thus allowing it to be properly cared for and insured, and, if necessary, re-shipped. I do not apprehend that any oil of even a semi-doubtful character is likely to find its way to India hereafter.

Master of Vessel's documents.—I fail to see why a copy of the Bill Lading, together with a duplicate of the New York inspection certificate, should not *permanently* satisfy Governmental requirement. There is no "certified State analyst" for the purpose, and if there were, the signing of the proposed certificate would be clearly beyond his functions.

When I state that the world's consumption of petroleum in 1881 was upwards of 600,000,000 of gallons (1/8th of which only was for Indian consumption), it is evident that the inspection of petroleum in America is an important business of itself, and has naturally commanded the attention of the New York Produce Exchange, the largest and most influential commercial organization in the United States, resulting in the appointment and licensing of inspectors who have proved themselves duly qualified to the satisfaction of a Petroleum Committee composed of refiners, merchants, brokers and shippers, representing the various interests in the business. These licenses are revoked "for cause." There is no authority in America to outrank these inspectors' certificates, and if not regarded as conclusive by the Indian Government,

they should be received as strong presumptive evidence. It is not competent for the refiners to sign the suggested "declaration," as they very rarely know even the names of the foreign consignee, and sometimes not even the port of destination, as when, for example, a vessel clears "for Galle for orders." The refiner might sign a declaration that he had *shipped* the oil *inspected* under a certain contract, but it would appear to me to be most unusual and extraordinary to make such a demand. Nor can I regard the statement of the master of a vessel respecting the "test" of the petroleum he carries as very pertinent. When we remember the cargoes of petroleum that are floating to-day on almost every navigable water, there is little doubt as to the testimony forthcoming from masters of vessels as to its generally safe characteristics, and such belief is certainly having the practical endorsement of underwriters.

I might say, in parenthesis, that I think the rule specifying "covered cargo boats" for discharging might be amended by omitting the word "covered," leaving it optional with the consignee, who would doubtless find each preferable at times.

Licenses, &c.—Whatever may be said of the godown licenses, the transport licenses must result in endless delays and irritations.

It seems to me that petroleum may easily pay the *equivalent* which the licenses contemplate in a simple form. Why not a small testing fee per case? The detail of assessment and collection would be most simple; the consignee could readily estimate it in his first selling

contract, and the consumer (who in either case would be the real contributor) would find the increase of cost so slight as to be scarcely perceptible.

Recapitulating, I should urge upon Government—

1st.—Governmental godowns as near Calcutta as possible.

2nd.—Modifications to avoid *needless* loss to the importer in the event of rejections.

3rd.—Copy bill lading and New York inspection certificate to be delivered by masters of vessels in full of all Governmental requirements.

4th.—A small testing fee in lieu of licenses.

I do not regard it as within the scope of the present communication to discuss the two most *prominent* questions affecting the future of petroleum interests in India:—1st, the correct applicability of the Abel test and apparent variations claimed to be traceable to barometric and thermometric causes. This subject is having the careful consideration of the Chemical advisers of the Government, whose investigations are not likely to be completed for sometime to come, and the petroleum trade of the world may naturally anticipate much valuable information from the tests and experiments of Professor Redwood, who both from a scientific and practical standpoint, has probably had more experience with the Abel instrument and test than any man living.

The second question which I omit at this time to discuss is the very recent and emphatic official recommendation of Professor Abel, that the Indian standard of test

shall be increased to 83°. It is greatly to be hoped that the Government will not favorably entertain a recommendation calculated to so seriously embarrass the future of the business. In advance of any formal intimation from the Government, that they contemplate acting on Professor Abel's suggestions, it may be somewhat premature to agitate this question, but upon my return to Calcutta, later in the season, I will be pleased, if the Chamber of Commerce so desire, to present my views in *extenso* in the premises.

I have the honor to remain,
Very respectfully yours

WM. H. LIBBY.
(Of New York City)

In behalf of Corporations and Firms representing
about ninety per cent. of Petroleum exportation
from the United States.

From Chamber to Government of Bengal.

Calcutta, 24th January 1883.

The Committee of the Chamber of Commerce desire me to forward for submission to His Honor the Lieutenant-Governor the accompanying letter from Messrs. Balli Brothers and other importers of Petroleum, together with a printed copy of a communication addressed by Mr. W. H. Libby to His Excellency the Viceroy and Governor-General, and Messrs. Schroder, Smith & Co.'s dissent from the first proposition in the former representation.

In forwarding these papers for the consideration of the Honorable the Lieutenant-Governor, the Committee

direct me to say that the condition of Petroleum at time of landing in India is, in their judgment, the principal point to be kept in view; and that it is for the Government to determine whether certificates granted in America under regulations such as Mr. Libby proposes, will meet the requirements of the case.

To The Secretary to the Bengal Chamber of
Commerce, Calcutta.

Sir,

The undersigned largely interested in the commerce of Petroleum have examined copies of the communication of December 21st, 1882, from W. H. Libby of New York city to His Excellency the Viceroy and Governor-General, and believe the suggestions therein contained should receive the favorable consideration of Government, and the Chamber of Commerce in the interests of all concerned should urge upon Government their prompt adoption, *viz* :—

(a) The finality of New York inspection under the conditions "T" have suggested, or other conditions satisfactory to the Indian Government.

(b) No alteration in the present standard unless (or until) pending scientific investigation proves conclusively a change in the character of the oil in transit equivalent to—degrees, when notice of one year should be given as to any amendment deemed necessary to accord therewith.

The undersigned are convinced that any advance in the present standard, *viz*, 73° is not only unnecessary in

the public interests, but would seriously complicate the future of the business.

They also believe that conclusive determination of scientific questions at issue may not be attainable for a long time to come, and that the finality of American inspection certificates under conditions satisfactory to Government should be accepted in the interim, and perhaps permanently.

We hand you a copy of the communication referred to which should be considered in connection with the foregoing.

We have the honor to remain,
Yours respectfully,
pp. RALLI BROTHERS,
pp. RALLI
ERNSTHAUSEN & OESTERLEY.

pp. SCHRODER, SMIDT & Co. A. SMIDT (*applicable to section (b) only*)
KETTLEWELL, BULLEN & Co.
HOBSON, CONON & Co.

From Schroder, Smidt & Co., to Chamber.

Calcutta, 17th January 1883.

With reference to a letter which was addressed to you by a number of firms interested in the Petroleum trade on the subject of Mr. W. H. Libby's communication of 21st December 1882, to His Excellency the Viceroy and Governor-General, we now take the liberty of stating our reasons for signing the said letter with the remark

"applicable to section *b* only." We trust that the Committee of the Chamber of Commerce in forwarding to Government the above mentioned recommendations of Mr. Libby, and the majority of merchants interested in the Calcutta Petroleum trade, will think fit—by annexing these lines—to record our objection to section *a* of Mr. Libby's recommendations.

Mr. Libby's pamphlet purports two questions of importance which demand early legislative determination, *viz* :—

(*a*) What character of Petroleum inspection shall be accepted as conclusive, which will alike satisfy Governmental requirement and relieve commerce from unnecessary risk and restriction in future?

(*b*) Is any alteration in the present standard of test, *viz*, 73° by the Abel instrument, necessary or desirable?

The answer to these questions are :

(*a*) "The finality of New York inspection under the conditions I have suggested, or other conditions satisfactory to the Indian Government.

(*b*) "No alteration in the present standard unless (or until) pending scientific investigation proves conclusively a change in the character of the oil in transit equivalent to—degrees, when notice of one year should be given as to any amendment deemed necessary to record therewith.

We have had no hesitation in seconding section *b*, because we think with Mr. Libby that the history of the Petroleum trade in India proves that an oil flashing at 73° Abel

will satisfy all reasonable demands, *i. e.*, that with some precaution it may be handled with perfect safety even in our tropical climate. We do not see the necessity or advisability of restricting the import of an article which as a matter of fact is infinitely less dangerous than Jute, for instance, a commodity which in spite of its combustible nature and the damage it has done of late in Calcutta is allowed more freedom than Kerosene oil enjoys under the present Act.

To raise the standard from 73° to 83° might in our opinion be judicious if "the finality of the New York inspection" was adopted, but we believe it is unnecessary as long as the present mode of testing is maintained, provided that penalties for the importation of low test Petroleum are rigorously enforced, which, so far, has not been the case. It is a fact that the oil imported since the publication of Act 1881 was with few exceptions of a higher quality than the law required, for the simple reason that importers generally preferred to be on the safe side by importing oil of a good quality to the loss which might be caused by an importation of low test oil. The Petroleum which our firm imported for the last 15 months was found to flash as follows:—

"Royal Edward"	... 28/10	81	79°
"Cleero"	... 6/3	82	78°
"James Watt"	... 3/4	82	78°
"Memon"	... 18/10	82	81°
"Savoir Faire"	... 19/7	82	80°
"Pharos"	... 30/12	82	84°

and we know that most other firms have been importing oil of a similar quality, although the law only prescribes

a test of 73°. This clearly shows that the fear of the existing law tended to improve the quality of oil imported an advantage which should induce Government to reject suggestion (a) "the finality of New York inspection," and to accede to suggestion (b) "no alteration in the present standard." Mr. Libby's able explanation that a raised standard would be tantamount to a considerably increased cost of the oil, and consequently, to a reduction in its consumption, will no doubt receive the due consideration of Government. We refrain from offering any remarks on this point, of which, we suppose, Mr. Libby is the only person in Calcutta able to judge.

It now remains to be shown why, apart from the above mentioned reasons section (d) of Mr. Libby's recommendations should in our opinion be rejected.

The experience gained from the four cargoes of the "Viscount," "Rossida," "Tintern Abbey" and "Celtic Monarch" has not been sufficiently sifted yet, to admit of being used *in certis* as an argument against American certificates. It is, however, evident, that the investigations of the Chemical authorities can result in one of the following three verdicts only:—

1. That the quality of oil tested in America was not the same as the quality of oil shipped in the above four vessels, a mistake which is not beyond possibility, since the test was made in the warehouse and not on board, or
2. That the certificates granted in America were not reliable, or
3. That the oil shipped underwent a change, *i. e.*, deteriorated contrary to former experience.

A fourth verdict, *viz.*, that the mode of testing in India was wrong appears to us to be out of the question, as the results of the tests made by Prof. Pedler, Dr. Warden, and Mr. Waldie were more or less corroborated by Mr. Redwood.

Either of these verdicts would render it most desirable to abide by the present mode of testing, *viz.*, a test in India. The public safety demands, and the Act of 1881 prescribes in the interest of the public, that the imported oil should satisfy a test of 73° F. on Abel's instrument in India, a measure which justly excludes from the consumption in this country any oil which, by undergoing a change in transit or by any other reason, shows its dangerous nature when tested here, whilst it appeared to be fully up to Government standard in America.

We have no interest in disparaging the test certificates of the New York inspectors nor have we a desire to cast a slur on their sincerity, still we cannot help thinking that Mr. Libby's assertion "the reliability of the American certificates had been vindicated with the rarest possible exception, by passing unchallenged in all import markets of the world" cannot be accepted unreservedly. We wish to quote another authority whose opinion may be of some value. The Petroleum Act for the German Empire came in force on the 1st of this month, and the instrument used in testing the oil is, with some improvements, the same which has been adopted for England as well as for India, *viz.*, "Abel's" test apparatus. Up to the end of last year Petroleum was bought and sold in Germany on American certificates, but since the 1st of January 1888, the Petroleum Exchange of

Bremen (the largest European market for Petroleum has thought it advisable to follow the example of the London Petroleum Association whose certificates supersede those of the American inspectors. In a circular before us the members of the Bremen Petroleum Exchange criticize the American inspection certificates as "not always reliable," and we may add that anyhow, before the publication of Petroleum Act 1881, we often experienced the same. It would no doubt simplify the importation of Petroleum considerably if American certificates were accepted, but would not this measure render the Petroleum Act 1881 virtually unnecessary? The experience of the last 12 months has shown that for some reason or other, oil which does not satisfy the Government standard in India may be shipped under an American certificate characterizing the said oil as much, as might, under ordinary circumstances, be considered safe for India; and, we are of opinion, that unless this singular fact has been satisfactorily explained, an alteration of the existing test rules would not only render the Petroleum Act 1881 a dead-letter, but would moreover increase the uncertainty under which the Petroleum trade has been labouring in India ever since the suggestion of admitting American certificates was made. It was argued that unless the latter were to form a basis for all imports of Kerosene oil, the risk of importers would be so great as to deter them from touching the article in future. We must reject this argument as untenable. Our firm is not the only one which has always been able to obtain a quality of oil which was sure to satisfy the Indian test, and if others were less fortunate, their misfortune may in all probability be traced to some mistake or carelessness on

the part of the shippers. We have no doubt that American refiners or exporters are in a position to avoid such mistakes, that they will be more careful in future if Government affirms that the stipulations of the Petroleum Act 1881 will be strictly carried out, and that they will undertake to guarantee the quality of their shipments if importers insist on a clause to that effect being inserted in their contracts.

This we believe to be the only reliable basis for the Petroleum trade in India. It would prevent that this country should be made an outlet for badly refined oils, and we think it is in the interest of Government as well as of importers to make sure that our supplies of Petroleum should not only be cheap but of a safe and reliable quality.

No body will deny that the importers of the so-called condemned cargoes had to suffer severely for importing an oil which did not come up to Government standard, and we are the last to wish for a recurrence of similar cases. If we recommend, nevertheless, that the law should be strictly enforced, we do so because we believe that the hardships in the above cases are to some extent attributable to the unnecessary delay caused by the undecided action of Government. What we have already recommended in former letters to the Chamber is a penalty for the importation of low test oil. Such penalty need not be unnecessarily severe, but at the same time it ought to be heavy enough to prevent a wilful importation of dangerous Petroleum. We do not wish to advocate compulsory re-shipment, but a fine which would force it upon all importers to avoid contracting for their cargoes

at hap-hazard and without leaving a fair margin for any discrepancies which may arise from causes yet unknown. We are confident that this can be done without inflicting any hardship on importers, and we feel assured that a declaration on the part of Government that a penalty for the importation of oil flashing in India below 73° Abol would henceforth be strictly enforced, is the only measure required to relieve the Petroleum trade from all doubts and uncertainties.

We remain,

DEAR SIR,

Yours faithfully,

PP. SCHRODER, SMIT & CO.

To

HIS EXCELLENCY THE VICEROY AND GOVERNOR-GENERAL,
MY LORD,

I avail myself of your Excellency's courtesy to respectfully submit a few facts and suggestions on behalf of the Petroleum industry of America relative to a commodity which from time to time has been the subject of Governmental consideration. I shall not attempt to discuss all the phases of this subject that have appeared on the Indian surface during the past few years; this would be to encroach unduly upon your Excellency's indulgence. Competent chemical examiners in Calcutta, Bombay and London are conducting a series of experiments to which special reference at this time would be premature. Therefore, I do not propose in this communication to cross the scientific frontier. Nor do I pro-

pose to refer to local issues or private interests, but confine myself to the consideration of the two questions of practical importance which are apparently the *only* ones demanding early legislative determination, *viz.*—

(a) What character of Petroleum inspection shall be accepted as *conclusive*, which will alike satisfy Governmental requirement and relieve commerce from unnecessary risk and restriction in future.

(b) Is any alteration in the present standard of test, *viz.* 73° by the Abel Instrument, necessary or desirable?

Aside from local regulations, the permanent adoption of a safe standard, and the certainty of receiving it, absorb all other questions, whether practical or scientific. The statistics of 1881 indicate the world's consumption of petroleum to have been about six hundred millions (600,000,000) of gallons, also that exclusive of an infinity of minor shipments nearly twenty-four hundred (2,400) full cargoes were exported in that year from the United States, the greater part of which was manufactured in populous localities and loaded and shipped in New York harbor or immediate vicinity. A recognised standard of quality, together with an inspection which should be equitable and final, became long since a natural necessity to commerce and communities. The inspection of Petroleum in New York has become an important business of itself, demanding the undivided attention of a number of practical and scientific experts. These must be members of the New York Produce Exchange, must prove their qualifications before a committee of competency representing the various interests involved in their appointment, said committee having authority to issue a special license and revoke the same should any subsequent negligence or collusion

be proven. The foregoing is in accord with the legal powers of the Exchange, which are of legislative derivation. Cargoes of Petroleum can carry no higher form of *American* credential than the certificates of these inspectors, and their reliability has been vindicated, with the rarest possible exception, by passing unchallenged in all the import markets of the world. Acceptance of the finality of these certificates is a safe and simple solution of this phase of the question. A verified duplicate of such certificate could be furnished the master of each vessel, the presentation of which to the local authorities on arrival should be accepted as in full of Governmental requirement; or such certificate might be filed with the proper Department prior to the arrival of the vessel. The American Refiner (manufacturer) would certify that the Petroleum inspected under a specified contract, was delivered to a specified vessel.

The objection which the Indian Government would naturally interpose is, that it has no present knowledge of these inspectors; no voice in their appointment; no control over their action. This might be obviated through the selection of one or more from their number after their reputation and capability had been ascertained through the medium of Her Majesty's Minister at Washington or the British Consul General at New York, or through the medium of the United States Department of State.—*Or*, Government might delegate to permanent residents in America a Chemical Examiner in whom it reposed confidence, who should verify the inspection of Indian cargoes, the incidental expenditure being reimbursed by a small "testing fee" at the port of entry. The magni-

tude of the business would render this fee an almost nominal burden on the import interest. The recommendation that in some form, or under some conditions satisfactory to Government, the American certificate shall be accepted as a finality, is made wholly in the interests of commerce and is, in no sense of the word, the slightest imputation on the capacity, intelligence or good faith of the present Indian Examiners. Experience has evidenced, however, that the Able test is extremely delicate in its detail, and a very slight variation either in the instruments employed or in the application of the test, may produce a discordant or erroneous result, which without subserving any public interest might impose great injustices on the importer. If an occasional rejection is inevitable, is it not wiser and more equitable to all concerned that a heavy loss should be *avoided* at the port of *shipment* rather than *incurred* at the port of *entry*?

The American refining interest, for whom I am authorized to speak, are disposed to co-operate, not grudgingly but cordially, in giving effect to any practicable inspection stipulation required by the Indian authorities.

Should Government regard the foregoing suggestions as inconsistent with its general policy or the public welfare, I think the probabilities of future embarrassments might be materially lessened by augmenting the number of present examiners by some expert from London, not necessarily of greater general competency, but whose long familiarity with the operation of the English Act (identical with the Indian) and long experience of the instrument and test, would render him a valuable auxiliary to the existing incumbents. The Petroleum Association of London

could doubtless designate several such from whom satisfactory choice could be made.

The question of making any alteration in the present standard has been revived through the recommendation of the eminent scientist whose name is identified with the instrument and test adopted in Great Britain and India, *viz.*, that 83° should be substituted for 73°. An examination of Professor Abel's recommendation indicates that it was made without adequate information as to what inspired the existing Indian Petroleum Act, or the injurious effect upon commerce that would attend the adoption of his suggestion, and it is specially observable that he omits to claim that the operation of the existing Act has shown the standard of 73° incompatible with the public welfare, for has not experience demonstrated the contrary? History is more reliable than prophecy, and a practical fact than a scientific theory. Professor Able appears to claim, not so much that there is any necessity for advancing the present standard, as that no special reasons exist why it should *not* be advanced. This may be true from the standpoint of the laboratory, but it is certainly *not* so from the standpoint of commerce. In lieu of answering the arguments *against* a higher standard than 73°, Professor Able refers to the report of Professor Pailer to the Bengal Government prior to the passing of the present Act, as dealing conclusively with that branch of the question. It would appear, therefore, that the Government are invited to a reconsideration of the forebodings of Professor Pailer rather than to any new arguments on the part of Professor Abel.

Again, Professor Able intimates that the primal argument inspiring the adoption of 73° was, that it had been

adopted by the Home Government. He is surely in error in this intimation, for the primal argument was *not* that 73° had been accepted by Great Britain, but that a standard considerably *lower* than 73° had been for years accepted by every *tropical* country on earth—and it has been generally recognized in Great Britain that the adoption of so high a standard as 73° has left a very considerable margin between the danger and safety limit, and its (supposed) equivalent, *viz.*, 100° by a former Act was partly a concession to the Shale interests. Professor Able further intimates that the adoption of 83° cannot impede commerce, citing by way of proof that the barrack service obtain a still higher standard and at "very moderate rates;" but he *omits* to state that the possible *production* of products of that character is extremely small and totally inadequate to respond to anything beyond a *special* demand; and it is surely unnecessary to say that what might be an economic valuation to the purchasing agent of a great Government, might prove a forbidden luxury to the pauper millions of the Orient. But the leading motive which probably underlies Professor Abel's recommendation, is the belief that in using his instrument and test, the *higher* the standard the more indente may be the result attained by inspectors in different localities and under varying climate influences. *Assuming* this to be the case, where would be the limit of the advance in standard? Is it not far more reasonable to exact that the instrument and test shall be harmonized to the requirements of commerce, and *not* that commerce shall be undermined to meet the imperfections of the instrument and test? As, however, progress is reported in the direction of securing equally concordant results regardless of

standard through variation of existing schedule regulations, it may be hoped that this phase of the question will disappear at an early day. I do not claim that the production of an oil of 83° would be a refining *impossibility*. To produce it in large quantities, however, would be attended with a materially higher cost, disturbing the regular operation of machinery and labor, restricting consumption, imposing an unnecessary burden on the consumer, and all this without improving the illuminating character of the product (rather the reverse), and yielding neither to individual nor community any equivalent for the added cost and inconvenience. For purposes of universal consumption, either 73° or 83° are safe illuminants. Both will *burn*, and both would alike succumb to gross carelessness or the cunning devices of the incendiary. We do not legislate against gas because suffocation occasionally attends its misuse. A match is safer minus the brimstone, only it then ceases to be a match. Immaturity burns not its fingers against a *cold* stove, but a stove without fuel has mistaken its mission. It cannot be denied that a fire-proof Petroleum would be safer than the present standard, but it would be no longer an article of commerce. Against exceptional carelessness in the use of many modern necessities, legislation must be ever powerless. Amid conflicting opinions and contradictory experiments, it is satisfactory to record a few statements that are facts, or almost universally conceded so to be.

1st.—No oil of a *lower* fire test than 110° is recognized as being refined Petroleum in the United States, nor could such product be delivered on any contract even if no fire test nor flash point was specified. Therefore, the risk of

any country or community having no legislation, is limited to receiving 110° fire test.

2nd.—That while an exact scale of equivalents between fire test and flash point has not been arrived at, 110° fire test is not likely to prove 73° Abel. 115° would not be far from the dividing line, while 120° has always proved fully adequate to meet the requirements of 73° Abel.

3rd.—That regardless of inspection contrarieties and the question of a possible change in the flashing point of the oil in transit, a *higher* quality of product is being exported to India than is supplied, or ever has been, to any other tropical country, although the Indian consumption is as yet (per capita) much less than in several of the said tropical countries.

4th.—That when subjected to the exposure incidental to the various avenues of retail distribution in India, the tendency of Petroleum is decidedly towards *improvement* and not *deterioration* of the flashing point.

5th.—That any change, actual, apparent or imaginary, that the oil may undergo, would not transform it from a safe to a dangerous product for purposes of warehousing, transportation or consumption. This is of course aside from the question whether it might be transformed from above to below the legal requirements of the Indian Government.

6th.—That refined Petroleum is not liable to spontaneous combustion. The question as to whether the oil really undergoes any change in transit is by far the most important subject of pending chemical decision. It is a question that has only arisen recently in India alone, and so conflicting are the opinions, and so contradictory appear the facts,

that the American industry while open to conviction, are not yet prepared to accept as conclusive a theory which is in opposition to past experience. The American inspectors will be found disposed to co-operate cordially with the examiners of Calcutta, Bombay and London in the final determination of this question. It appears very doubtful, however, if any decision can be reached for an indefinite time of a character so decisive and unanimous as to be accepted by Government as *conclusive*. By way of anticipation, the verdict must be either that the oil is subject to change during transit to India or that it is *not*. If the *latter*, the question naturally becomes obsolete. If the *former*, it is most unlikely that the *extent* of difference could be reduced to decimal accuracy, and therefore, for the purposes of practical commerce, an *approximation* of difference would have to be accepted. I should in that case recommend that if the average difference of a series of cargoes and samples should indicate, for example, two degrees lower flash in India than in New York, that the Government still accepting the finality of New York inspection should give a year's notice whether it would accept 73° (practically conceding two degrees from the present standard) or insist upon 75° by the New York inspection. The American interest are not yet prepared to concede—although later on they may be—that any differences that have eventuated between the two countries may not be traceable to methods of sampling or some discordance in the instruments or applicability of the test. By way of recapitulation, I have therefore most respectfully to commend to the courteous consideration of your Excellency—

(a.) The finality of New York inspection under the

conditions I have suggested, or other conditions satisfactory to the Indian Government.

(b.) No alteration in the present standard unless (or until) pending scientific investigation proves *conclusively* a change in the character of the oil in transit equivalent to—degrees, when notice of one year should be given as to any amendment deemed necessary to accord therewith.

The announcement of this policy by the Government to the several Chambers of Commerce would at once relieve this important and growing industry from the embargo of many doubts and uncertainties at present surrounding it. I think the advocates of the existing Act may fairly claim that what theory predicated experience has demonstrated, viz., that it has proved adequate to the demands of the public safety. In this connection I beg to call your Excellency's attention to the following letter of Mr. Redwood, written in response to one of mine of even date, just prior to his leaving Bombay for London.

COPY.

Bombay, 2nd October 1882.
WM. H. LIBBY, Esq., (of New York.)

DEAR SIR,

With reference to your letter of this date, I have to say that the experience I have gained, and the observations I have made in India, have materially strengthened the opinions which I previously held on the question of the standard of test. I have no hesitation in affirming that any increase in the present standard of test for

Petroleum imported into British India is not demanded in the interests of the public safety, and would unnecessarily embarrass the commercial future of the product.

Yours truly,
(Sd.) BOVERTON REDWOOD.

Mr. Redwood has been identified with the Abel instrument and test from their conception, and has probably had more experience concerning them than any man living, this experience having extended over a long period of time, and including experiments and observations not only England and India, but on the Continent and in America.

Let me remark in parenthesis that I consider the community has a greater interest in judiciously located, properly constructed, well ventilated godowns than in almost any other phase of the question as it stands to-day. In the ordinary daily consumption, distribution and transportation of Petroleum, there is little to be apprehended. Nor when stored in large quantities is it spontaneous combustion, explosion, or even easy ignition that is to be feared, but only the contingency of design, or some unusual or unnatural cause that would produce general conflagration. A very hot and prolonged fire, and one difficult to subdue, would then result in what Petroleum is made to *burn*; in that consists its world-wide value; but instances are not few but many, when the wooden case containing the tins has been consumed without igniting the oil. Many modern conflagrations have evidenced that iron and granite are not impervious to the fire-fiend, and more could hardly be expected of Petroleum.

The manufacturer who refines it, the inspector who daily bends over it, the underwriter who insures it, the ship's master and crew who transport it, the merchant who handles it, the multitudes who consume it, have ceased to regard it with special apprehension. It is being distributed in every land, and is floating on every sea. It has supplied one of the great wants of the world, and specially of the Orient, where it has either become a substitute for previous darkness, or replaced very inferior and far more expensive products. It has specially proved a boon to the masses of the poor, for it has placed within the reach of the scantiest purse one of the primal necessities of life.

After journeyings which have been somewhat extensive and covering nearly every country in the Orient, I may claim for Petroleum that it is something of a civilizer, as promoting among the poorest classes of these countries a host of evening occupations, industrial, educational and recreation not feasible prior to its introduction; and if it has brought a fair reward to the capital ventured in its development, it has also carried more cheap comfort into more poor homes than almost any discovery of modern times. Therefore, I contend, that it has fairly earned the *encouragement* and not the *frown* of legislation. And I feel assured that not only the American industry, but all interested in the commerce and consumption of Petroleum will join in the hope—may I not say the anticipation—that an inexpedient suggestion from a distant laboratory may encounter the more practical wisdom of your Excellency and your Honorable Council. Fearing that I have treated this subject with greater informality, and that I have traversed a somewhat wider latitude than is consistent in the previ-

leged communication from the citizen of one country to the head of the Government of another, I yet venture to hope that the important commercial interests, Indian, British, American, that are involved, may constitute my apology and be accepted as my justification.

I have the honour to remain,

My LORD,

Your Excellency's most obedient servant,

CALCUTTA ;
December 21st, 1882. }

Wm. H. LIBBY,
(of New York.)

From Government of Bengal to Chamber.

No. 1303^T_{IV}, Dated Darjeeling, the 30th Oct. 1882.

I am directed to acknowledge the receipt of your letter, dated the 16th instant, * in which the attention of Government is invited to the Memorial recently submitted by certain Merchants, Agents, and Dealers interested in the Petroleum trade in Calcutta, containing suggestions for the protection and encouragement of the trade. The Committee of the Chamber fully concur in the proposals made by the Memorialists, and recommend them for the consideration of Government.

In reply, I am directed to state, for the information of the Committee of the Chamber of Commerce, that the suggestion made by the Memorialists that Screw Pile Jetties and Godowns should be erected at Metanbrooz for the landing and storage of Petroleum cargoes is

* Printed in last Report.

ready under consideration in the General (Marine) and Public Works Department of this Government. The Board of Revenue have also been asked to ascertain whether the land referred to by the Memorialists, as that on which the Godown should be erected, could be acquired on reasonable terms. The representations made by the Chamber and by the Memorialists will receive full consideration before the matter is finally decided by Government.

The Hon'ble AUGUSTUS RIVERS THOMPSON, C.S.I., C.I.E.

Lieutenant-Governor of Bengal.

The Humble Memorial of the undersigned

MERCHANTS, AGENTS, DEALERS, &c.

RESPECTFULLY SHEWETH,—

That your Memorialists are now and have for some time been interested in the Petroleum trade, or and in the shipping and general commerce of the Port of Calcutta.

That your Memorialists have for some time observed the Petroleum trade rapidly increasing and becoming an extensive article of import into India, and especially into this port, without any provision being made for its expansion here, without any appliances except mooring accommodation to encourage or foster it, and even without suitable accommodation for carrying it on with a due regard to the interest of the port or to public safety and convenience.

That your Honor's Memorialists have only to draw your attention to the four cargoes of Petroleum detained

for weeks on board the vessels carrying it, at the Metabrooz Ghaut, and for months in open ground exposed to the rains and to the weather, in the heat of June and July, and up to the present time, to show the great necessity which has arisen for proper accommodation for this comparatively new and increasing trade, and which promises to expand very largely in a few years. On the reasons for that detention your Memorialists do not propose to enter.

That the importations of Petroleum into Calcutta were :—

In 1881-82	1880-81	1879-80	1878-79.
Gallons 5,776,610	4,217,382	3,696,348	1,077,878.

or an increase in four years of nearly 536 per cent., that is, the trade has increased more than five-fold in that short period, and there is a further considerable increase in the current year.

That so great an expansion of the trade in this article proves clearly how very suitable refined Petroleum is for domestic uses all over the country, and, therefore, apart from any other considerations, how desirable it is to foster and assist it, and how urgently necessary it is to provide suitable accommodation for it. It is simply astounding that up to this time so large a trade has been left almost uncared for, and unassisted in any way whatever.

That your Memorialists have heard with great dismay and concern that not only are there measures proposed which are calculated to repress and damage this new trade by raising the test limit to 83° by Abel's instru-

ment, but that it is contemplated to remove the trade to Diamond Harbour from its present convenient and suitable locality.

Against any such repressive action your Honor's Memorialists most respectfully protest, and they approach your Honor to explain (1) what according to their experience and judgment, the Petroleum trade requires to provide for its prosecution within safe limits, and for its expansion in the future; and (2) what they consider the dangerous and repressive measures above referred to may culminate in, to the prejudice of this special business, and to the great loss and inconvenience of the masses of the people, the chief consumers of Petroleum.

First, as to suitable accommodation: Your Honor's Memorialists do not think a locality can be pointed out which is more suitable or more convenient, alike for Merchants, Agents and Commanders of ships, and also for Dealers in the article, than the Metcalbrooz Ghant. The fairway for navigating vessels is in no wise interfered with. There is sufficient space available for several large vessels to lie in safety. This locality is a convenient distance from Calcutta. Discharged ships can be conveniently supplied with ballast, and can easily drop up to their reloading berths. Your Memorialists see nothing wanted except that the land bounded by the roadway, the Metcalbrooz Ghant lane, the river Hooghly and the Khal,—the latter on the south of the said lane should be taken up for public purposes under the Land Acquisition Act. That at least six spacious and well ventilated and suitable Godowns should be erected thereon, either by the Public Works Department or by the Port Trust,

and that at least three Screw Pile Jetties should be erected connecting the Jetties to the Godowns by a tramrail to enable vessels to discharge their cargoes with despatch in all states of the tide, and in all weathers. To recoup the expenses incurred, a moderate rent of the Godowns, whilst occupied, should be charged to Importers, and Agents of vessels would no doubt gladly pay Jetty hire for the accommodation afforded to them. Vessels cannot now discharge a cargo of Petroleum of 50,000 cases under 25 to 30 days, but, with suitable Jetties, this quantity could easily be discharged during ordinary working hours in ten days at the outside. To facilitate the storage and removal of Petroleum, a suitable staff of officers for testing and supervising importations, as well as skilled labor would be necessary, the expense of such establishment to be paid for by importers. With these proposed measures in working order, the public convenience and safety would be amply provided for, and the complaints of utter want of accommodation for this oil trade, which your Memorialists hereby respectfully make, would be removed. It is hardly necessary for your Memorialists to point out how desirable it is to put an inflammable article like Petroleum ashore and into a place of safety as quickly as possible. This fact alone will commend the subject to your Honor's attention.

Your Honor's Memorialists see no practical or insuperable objections to the carrying out of the measures above suggested for the accommodation and protection of the Petroleum trade, the details of which, as also the size and form of Godowns, &c., can be easily arranged here-

after. It may be urged that private business, as the keeping of private Godowns, &c., would be disturbed and interfered with, but your Memorialists are credibly informed this would not be felt to any appreciable extent, it will be felt very much more if action is delayed.

Into the merits of the discussion as to the quality of particular cargoes which arrived in the current year, your Honor's Memorialists do not propose to enter, but your Memorialists feel, and respectfully desire to express their opinion, that the absence of any fixed or comprehensive regulations as to sampling, the want of any proper organization for testing, and the total want of a properly formed *dépôt* for landing and storing Petroleum in this Port, have greatly aggravated the inconvenience and increased the loss suffered by those interested in the said cargoes.

Second, in regard to raising the test of Petroleum imported into Indian Ports to 83°F. by Abel's instrument your Honor's Memorialists hold a strong opinion that the limit of 79° is as safe as is reasonable for commercial oil, and in this opinion they agree with the Committee of the Supreme Council, the Bengal Chamber of Commerce, and with the Refining interest in the United States of America. A further reason is that to raise the limit of test would check the volume of the trade by increasing the cost of the oil, and that such a high class as 83°F. could not be obtained in quantity, nor would consumers derive any benefit from the proposed alteration as 83°F. is not safer than 73°F. The illuminating power of the latter is quite as good as that of the former ;

besides, to increase the standard test could hardly fail to repress, if it did not practically exclude, Indian Petroleum from this market.

In regard to the proposed site at Diamond Harbour for the accommodation of the Petroleum trade, your Honor's Memorialists desire to say, that a more unsuitable locality in every respect, could hardly be proposed. We most respectfully protest against it, and for the following reasons, which your Honor's Memorialists trust will be considered sufficiently cogent to cause the proposal to be abandoned :—

1st.—There are no means whatever for landing and storing Petroleum or for repairing leaky cases, &c. There is no facility for removal to Calcutta.

2nd.—The distance of Diamond Harbour from Calcutta would render all supervision extremely difficult, if not impossible, and Petroleum requires skilled labor in course of landing which is not available at Diamond Harbour.

3rd.—Because ships arriving at Diamond Harbour would not be within the port, and could not be considered as having reached their destination, if their charters stated, as is usual, the port of Calcutta.

4th.—If ships were obliged to discharge their cargoes at Diamond Harbour, they would be exposed to great danger, inasmuch as they could not get ballast without great expense, to enable them to come up to Calcutta.

5th.—Fresh steam hire would have to be incurred, the Petroleum trade being done by large vessels.

6th.—Admitting that ballast could be obtained, it would probably have to be discharged again in Calcutta in many instances.

7th.—The carriage to Calcutta of Petroleum would be greatly increased, and also the cost and loss by leakage by such long land carriage.

8th.—There would be constant litigation as to the reading of charters if a site at Diamond Harbour is approved.

Your Honor's Memorialists are aware that it is contemplated to connect Diamond Harbour by a branch line with the Calcutta and South Eastern Railway, but your Memorialists are of opinion that such a connection would not afford any material abatement of the numerous objections above pointed out to Diamond Harbour as a site for this new trade.

Your Memorialists keep in view and do not lose sight of the probability, that when the new Central Railway Station has been erected in Calcutta, a branch line may be constructed from the bottom of Garden Reach to the Eastern Bengal Railway Station, but this subject is outside the consideration of the present memorial.

In conclusion, your Honor's Memorialists would respectfully point out, that to concentrate the trade of the port is more necessary at present than to extend it: that any measures tending towards repression are much to be deprecated, and especially is this so in regard to the

comparatively new trade in Petroleum between the United States of America and this Port.

And your Memorialists will ever pray.

pp. SCHRODER, SMIDT & Co.
A. SMITH.
GLADSTONE, WYLLIE & Co.
PEEL, JACOB & Co.
FRANCIS BEER.
KER, DODS & Co.
BALMER, LAWRIE & Co.
KETTLEWELL, BULLEN & Co.
HOHSON, CONOR & Co.
ERNSTHAUSEN & OSTERLEY.
REINHOLD & Co.
BISSENDYAL HURDYAL.
NUNDOD COOMER PAUL & Co.
ISSEN CHUNDER DEY.
OMERTOLAL DHAW.
KISTO CHUNDER COONDOD.
KOYLAS CHUNDER PAUL.
RAMJEE DOSS, LUCHMON DOSS.

Calcutta, 25th September 1882.

**BILL TO REGULATE THE MANUFACTURE,
KEEPING, SALE, CONVEYANCE AND
IMPORTATION OF EXPLOSIVES.**

From Government of Bengal to Chamber.

No. 398 J., Calcutta, the 22nd January 1883.

I AM directed to forward the accompanying copy of a Bill to regulate the manufacture, keeping, sale, conveyance and importation of explosives, together with a copy of its annexed statement of Objects and Reasons, and to ask you to be so good as to move the Chamber of Commerce to favour the Lieutenant-Governor, on or before the 20th February next, with an expression of their opinion on the provisions of the Bill.

From Chamber to Government of Bengal,

Calcutta, 14th February 1883.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 398 J., of the 22nd of last month, with copy of Bill relative to the manufacture, keeping, sale, conveyance and importation of explosives.

The comprehensive statement of Objects and Reasons which accompanied the Bill appears to contain ample grounds for the legislation which it is proposed to adopt throughout British India, in respect of dynamite and other explosive substances, and the Committee of the Chamber concur in the expediency of a measure, the provisions of

which seem well adapted to guard the public safety against indiscriminate dealing with such dangerous articles.

The only point which the Committee deem it necessary to notice, is the requirement of the numerous licenses under the Bill in addition to those which are compulsory under the Indian Arms Act of 1878: and in regard to this it has been represented to the Chamber, that such licenses should be diminished as much as possible, so as not to hamper the trade unnecessarily or overburden it with a multiplicity of charges.

**IMPORTATION OF EXPLOSIVES INTO
INDIA.**

From Govt. of Bengal to Chamber of Commerce.

No. 83 J. Calcutta, the 5th January 1883.

Referring to past correspondence on the subject of the importation of explosives into India, I am directed to forward herewith a copy of a letter from the Government of India in the Home Department No. 2061, dated the 31st December 1882, and of its enclosures, and to request that you will be so good as to move the Chamber of Commerce to favor the Lieutenant-Governor with an expression of their opinion generally on the suggestions made by Colonel Ford, Inspector of Explosives, in his Memorandum of the 12th October 1882.

I am to request the favor of a *very early* reply to this letter.

From Govt. of India to Govt. of Bengal.
 No. 2061, Fort William, the 31st December 1882.

With reference to the correspondence ending with your letter No. 220, dated the 14th September 1882, on the subject of the importation of explosives into India, I am directed to forward a copy of the papers marginally noted, and to request that, with

the permission of His Honor the Lieutenant-Governor, the question whether the heat test as applied in England is suitable to the circumstances of India may be referred, for an expression of opinion, to Mr. Pedler, Professor of Chemistry, Presidency College, Calcutta, and to Surgeon Warden, Professor of Chemistry, Calcutta Medical College. I am further to request that His Honor may be moved to favor the Government of India with any remarks which he may have to offer upon the suggestions made by Colonel Ford. It should be understood that it is only proposed to adopt those suggestions, if adopted at all, as a temporary measure, pending the passing into law of a Bill which will probably be shortly introduced into the Legislative Council, and will deal with the importation, &c., of explosives throughout British India.

2. The favor of a very early reply is requested.

From Her Majesty's Secretary of State for India, to His Excellency the Most Honourable the Governor General of India in Council,—
 No. 173 (Statistics & Commerce), dated India Office, London, the 19th October 1882.

With reference to your telegram of 4th instant on the subject of the importation of explosives into India, and in continuation of my telegram marginally transcribed, I forward herewith, for Your Excellency's information, copy of a letter* from the Home

Office, enclosing a memorandum, with full details, by the Inspector of Explosives. I concur in the recommendations made by Colonel Ford, and should advise their adoption unless there is some difficulty which does not now occur to me.

From Goltrey Lushington, Esq., Assistant Under-Secretary of State, Home Office, to Her Majesty's Under-Secretary of State for India—
 —No. A. 18155—G, dated Whitehall, the 12th October 1882.

I am directed by the Secretary of State to acknowledge the receipt of your letter of the 7th instant, transmitting copy of a telegram from the Government of India on the subject of the importation into that country of preparations of nitro-glycerine of foreign manufacture, which do not satisfy the requirements of the Explosives Act, 1875 ;

and in reply, I am to transmit, to be laid before the Secretary of State for India in Council, the enclosed copy of a memorandum *
 1882.

† Four documents.

by Colonel Ford, Inspector of Explosives, together with the documents † mentioned therein.

Memorandum by Colonel A. Ford, Inspector of Explosives, dated the 12th October 1882.

The attention of the India Office should be drawn to the correspondence relative to a supposed shipment of dynamite per *Portinscale* in July last, and it should be pointed out that it is to the interest of Nobel's Explosives Company (who are the principal manufacturers of nitro-glycerine preparations in Great Britain) that all foreign dynamite should be excluded from India. It is quite true that attempts have been made to import into England a considerable quantity of impure dynamite by one firm, *viz.*, Krels Brothers (now the International Explosives Company) of Cologne; and as prosecutions have ensued, the fact has come to the knowledge of Nobel's Explosives Company, who, it may be presumed, naturally make the most of it in order to push their own trade.

Any communication, therefore, from an Agent of Nobel's Explosive Company on the subject of "impure foreign dynamite" should be looked upon as coming from a trade rival.

Only two brands of foreign dynamite (both No. 1 dynamite) have been imported into England on a large scale—

one of "Opladen" manufacture, the other made by Krels Brothers above referred to. The former has been found uniformly good; the latter has proved to be, almost without exception, bad.

The system of examination of imported dynamite in force in England is as follows:—

When a consignment arrives samples (one cartridge from each of six boxes) are taken by the Customs, and the samples are brought without delay (in gutta-percha boxes or the purpose) to London, and handed over to the Chemical Referee of the Explosives Department.

As soon as the samples have been taken, the explosive may be landed by the importer.

The test to which the dynamite is subjected by the chemist in order to ascertain that the nitro-glycerine of which it is composed is thoroughly purified, is given in the enclosed "heat test." It can be applied by any qualified chemist.

If the samples do not pass the heat test, steps are at once taken to ascertain where the consignment has been deposited, and it is placed under seizure by one of Her Majesty's Inspectors of Explosives, further samples being taken. These are also brought to London and subjected to the same test. As a rule, there is no difficulty in ascertaining where the bulk of the consignment has been deposited; as, before an importation license is granted, an applicant for such a license must state where he proposes to store the explosive on its arrival (see Form E, enclosed).

The apparatus and materials having been prepared (as described in the heat test) no great time is required to test the samples; as if the standard test is not produced in a quarter of an hour, the nitro-glycerine is considered thoroughly purified and the samples pass the test.

One or more samples are afterwards tested for the percentage of nitro-glycerine. Dynamite very rarely fails in this respect. Exudation (if any) is generally detected by Her Majesty's Inspector, who, on visiting magazines in different parts of the country, takes the opportunity of examining some of the dynamite at the same time. One of Krebs' cargoes which just passed the heat test on its arrival was subsequently condemned on this ground, and was re-shipped to Cologne for re-manufacture. Cases of exudation are also rare.

It will be seen, therefore, that the test which practically decides whether foreign dynamite shall be condemned or not, is the "heat test," which is easy of application, and when the samples are actually in the hands of the chemist, takes very little time.

The India Office ask as to the course to be adopted with respect to (a) shipments now afloat, and (b) future shipments.

As regards (a) it appears from the letter now under reply, that the Customs Act gives power to prohibit entirely the importation of dynamite into India. I presume, therefore, that it also gives the power of prohibition *conditionally*. If so, I would suggest that dynamite might be prohibited (English as well as foreign make) except on the

following conditions, *viz.* :—(1) that samples taken from the consignment are free from exudation, and pass the same "heat test" as applied in England; and (2) that the consignment is not landed until permission to that effect is obtained. This permission should only be given on the report of the chemist that the samples satisfy the requirements stated in (1). This course will, I think, meet every difficulty.

As regards (b) I see no reason why the course recommended under (a) should not be adopted with respect to future shipments. If the foreign dynamite is of good quality (and this can be ascertained by the tests), there is no need to prohibit its further importation into India.

As to the proposal to prohibit any explosive which has not satisfied the requirements of the English Act, I would point out that there would be a difficulty in granting a certificate to a manufacturer to that effect. If a manufacturer were permitted to consider that he could submit samples to be examined as a matter of right, the demands upon the time of the chemical adviser would be unlimited. Further, the certificate would only relate to certain samples, and it is quite conceivable that an exporter who wished to get rid of a lot of impure dynamite, could mix it with a consignment, samples from which had been reported upon favorably by the chemist.

Again all foreign dynamite to be exported to India would have to be imported into England to be tested. Such a system (if it could be adopted) would practically amount to a prohibition of foreign dynamite in favor of dynamite of English make.

If the Government of India should think fit to adopt the course I have suggested, *viz.*, the prohibition of the importation except on certain conditions, I would recommend that another condition in addition to (1) and (2) stated under (a) should be attached as follows:—(3) all dynamite imprinted shall be packed only as provided for the package of nitro-compound, division 1, in the order of Secretary of State, No. 3 (copy enclosed), see part marked in red ink, which should be set out at full length.

From Chamber to Government of Bengal.

Calcutta, 10th January 1883.

I am directed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 83J. of the 5th instant, with its enclosures, relative to the importation of explosives into India.

In reply to the reference made with regard to the suggestions by Colonel Ford, Inspector of Explosives in England, I am instructed to say that the Committee find considerable difficulty in answering the inquiry, beyond stating that the system of examination in force in England seems suitable to this country also, and that it should be made applicable to all dynamite which is imported whether it be of English or foreign make.

So far as the very limited knowledge of the subject which is available to the Committee can throw light on it, they see no objection to the suggestions made by Colonel Ford.

**PROPOSED LEVY OF DUTY ON BRANDY OR
CORDIALS IN BOTTLES CONTAINING
PRESERVED FRUITS.**

The proposal of the Collector of Customs having been placed before the Chamber by the Board of Revenue, the Committee submitted that sufficient grounds did not appear to exist for making any alteration in the present practice of admitting such spirits duty-free, unless the Collector had reason to believe that he was dealing with in stances of exceptional excess intended to defraud the revenue.

From Board of Revenue to Chamber.

No. 104B., dated Calcutta the 25th Jany. 1883.

I AM directed to forward herewith copy of letter No. 16, dated 10th instant, from the Collector of Customs, Calcutta, submitting for orders a question whether duty should be levied on the quantity of brandy or cordial contained in the bottles in which preserved fruits are imported; and to request that you will favor the Board of Revenue with the opinion of the Chamber of Commerce on the subject.

From Collector of Customs to Board of Revenue.

No. 16, dated the 10th January 1883.

I have the honor to draw the attention of the Board to the following point in connection with the importation of

fruits preserved in spirit or cordials, and to request that instructions may be issued as early as possible.

Before the abolition of the general import duties in March last, all importations of preserved fruits were charged with duty under provision No. 47 of the Tariff Schedule; but since that time, as this head was removed from the Tariff Schedule, they have been passed free of duty. These articles are generally preserved in brandy, cordials or syrup, and the point upon which I desire the Board's instructions is, whether I should levy duty on the quantity of brandy or cordial contained in the bottles when fruits are preserved in these liquors.

There have been several importations recently of fruits preserved in brandy which have been passed free of duty in accordance with the usual practice, but I am doubtful if this should be allowed to continue; the amount of spirit contained in one bottle has been found to be about four liquid ounces.

On referring to the "Imperial Tariff," I find the practice in England is to pass the fruit free of duty, whilst the spirit is taxed at the rate fixed for "unenumerated spirits," and though the importations of such articles into Calcutta are not large, I would submit for the consideration of the Board whether the same practice should not be followed here.

From Chamber to Board of Revenue.

Calcutta, 8th February 1888.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 104 B of the 25th of last month, forwarding copy of letter No. 16 of the 10th idem from the Collector of Customs, who submits for the Board's consideration whether the practice which prevails in England as to the levy of duty on spirits in which fruits are preserved should not be followed here.

In replying to the Board's invitation for an expression of opinion on the Collector's proposal, the Committee desire me to say that while they do not fail to recognise the principle on which such duty is maintained in England, as well as the magnitude of a trade yielding a large addition to the English revenue, they apprehend this the adoption of the Home practice by the Indian Customs and its application to an article of relatively small importation here would result in such trifling accession to the Customs Collectors as to scarcely justify a disturbance of the tariff arrangement under which fruits preserved in spirits are admitted free.

At the same time the Committee are quite prepared to allow that the Collector would be justified in levying the duty if the quantity of spirits were ascertained to be inordinately large, and if he had reasonable grounds for believing that he was dealing with instances of exceptional excess intended to defraud the revenue.

DUTY ON PERFUMED SPIRITS.

*From Board of Revenue to Chamber,
No. 1341 B, Dated Calcutta, 15th December 1882.*

EXCISE:

H. A. COCHRAN, Esq., C. S. I.

I am directed to forward, for the information of the Chamber of Commerce, copy of the correspondence marginally cited, and to request that you will favor the Board with an expression of the opinion of the Chamber of Commerce on the proposals made by the Board in their letter

Govt. of Bengal No. 2797 dated 25th May 1882 and enclosure.

Board to Govt. No. 704 B, dated 23rd Augt. 1882 and annexure.

Govt. order No. 22457 dated 22nd October 1882.

No. 704 B, dated 23rd August last, viz: (1) to exempt from payment of duty perfumed spirits (Eau-de Cologne, &c.) containing more than a certain percentage of proof-spirit, leaving only the weaker and worse kinds to be assessed with duty without respect to the size of the bottles in which they are imported, and (2) to adopt, say, 55° overproof as the limit of strength for the purpose proposed.

From Govt. of India to Govt. of Bengal.

No. 886, Simla the 6th May 1882.

In January 1881 the attention of the Government of India was drawn to the fact that in certain parts of the Bombay Presidency, Eau-de-Cologne imported in bottles containing not more than half a pint, and at that time

liable to duty on importation into India at 5 per cent. *ad-valorem* instead of at Rs. 4 a gallon, the rate charged on perfumed spirit in bottles containing more than half a pint, was used as a substitute for spirituous liquor to an extent which threatened to affect the excise revenue. The Eau-de-Cologne so called, was found in some instances to be 19-7 degrees overproof, and was able to compete successfully with both imported and country liquor, which had to pay a duty of Rs. 4 per gallon of proof. Local Governments and Administrations were accordingly requested to ascertain and report whether perfumed spirits, such as Eau-de-Cologne, Lavender water, &c., were similarly employed in their respective provinces as a substitute for spirituous liquor, and if so, to what extent, and whether there appeared to be any necessity to protect the revenue against the consequences of the practice.

The replies received from the several Local Governments and Administrations addressed, showed that the practice alluded to did exist to a greater or lesser extent in almost every Province. In order, therefore, to check the practice, provision was made under Section 2, Schedule II of the Indian Tariff Act XI of 1852, by which perfumed spirit imported in wood or in bottles containing more than 4 ounces became subject to duty at the same rate as that leviable on spirits, viz., Rs. 4 per imperial gallon of the strength of London-proof.

The Governor-General in Council is of opinion that in addition to the increase of duty leviable under the Tariff Act, further restrictions should be placed on the sale of Eau-de-Cologne for consumption as a spirituous liquor, and that the restrictions should, if possible, be effected by means of the excise laws in each Province.

In carrying out the needful measures, it is to be borne in mind that no pressure should be put upon honest dealers who trade in the genuine article, the object being simply to check the sale of the perfumed spirit passing under the name of Eau-de-Cologne. It appears to the Governor-General in Council this end may be best attained by ruling that Eau-de-Cologne containing less than a certain percentage of proof-spirit may be sold duty-free by respectable tradesmen, but that if the article be found to contain spirit above that standard, it should be treated as imported liquor under the definition of the excise law, and be sold only under a license for the Sale of English liquor.

I am accordingly directed to request that His Honor the Lieut.-Governor take into early consideration the feasibility of placing restrictions of the nature indicated in the preceding paragraph, or other restrictions of a similar character, on the sale of Eau-de-Cologne and other perfumed spirits sold for use as intoxicating drinks, and favor the Government of India with a report on the subject.

No. 2795.

Copy forwarded to the Secretary to the Board of Revenue for the favor of an early report.

By order, &c.

(Sd) E. N. BAKER,

Offg. Under-Secretary to the Govt. of Bengal.

FINANCIAL DEPT. }
Excise, Darjeeling, }
The 25th May 1882. }

From A. FORBES, Esq., Secretary to the Board of Revenue, L. P., to the Secretary to the Government of Bengal, Financial Department,—No. 704B. Dated Calcutta the 23rd August 1882.

EXCISE.
SIR,

I am directed to acknowledge the receipt of Government order No. 279T—F, dated 25th May last, giving cover to the orders of the Government of India, suggesting that, in order to prevent loss to the Government revenue from the growing practice among natives of using Eau-de-Cologne and other perfumed spirits as a substitute for spirituous liquor, restrictions should be placed on their sale for consumption as an intoxicant by means of the excise laws, and calling on the Board to report whether the end in view might not be best attained by ruling that perfumed spirits containing less than a certain percentage of proof-spirit may be sold duty-free by respectable tradesmen, but that if such articles be found to contain spirit above that standard, they should be treated as imported liquor under the definition of the excise law, and be sold only under a license for the sale of imported spirits.

2. On receipt of the Government order the Board consulted the Commissioners of the Dacca, Bardwan, and Presidency Divisions in whose jurisdictions the principal cases of consumption of perfumed spirits as intoxicants had occurred, and they also requested the Collector of Customs and the Chemical Examiner to Government to report the usual percentage of proof-spirit contained in Eau-de-Cologne imported into this country.

3. A copy of the reply received from the Collector of Customs is enclosed for the information of Government.

The statement submitted by Mr. Grimley indicates that Eau-de-Cologne containing the highest percentage of proof-spirit is imported only by respectable European firms, and that the operations of native dealers are confined to perfumed spirits containing a comparatively low percentage of proof-spirit. Mr. Grimley's statistics have only been collected since the receipt of the Government orders under reply, but the conclusions now drawn from them are supported by subsequent enquiries which the Board have made from Messrs. Bathgate & Co. That firm, at the Board's request, have tested several samples of the Eau-de-Cologne imported by them, and find that the percentage of proof-spirit ranges from 50 to 54 O. P. In regard to the Eau-de-Cologne sold in the bazars Messrs. Bathgate & Co. state as follows:—

"The favourite brand with the box-wallahs is one which does not appear in any good wholesale-house list. We do not know the percentage of proof-spirit in this or the other cheap brands, but they most necessarily contain a very low percentage compared with the more expensive qualities."

The evidence adduced by the Collector of Customs is also corroborated by the report of the Chemical Examiner, which shews that in the preparation of Eau-de-Cologne, which is essentially a tincture of volatile oils, the use of a strong spirit is absolutely necessary, and that by many formulae the use of a spirit of 60 O. P. is directed.

4. It would thus appear that it is only the lower qualities of perfumed spirits, *viz.*, those containing a smaller percentage of proof-spirit, which are imported by bazar dealers, and which find a sale as an intoxicant. The

proposal, therefore, to deal with perfumed spirits above a certain strength under the excise rules would operate in exactly the opposite manner to that intended by Government; while the duty of distinguishing between tradesmen who are "respectable," and those who are not, would be an extremely invidious task, and give rise to endless complaints, besides involving the anomaly of one and the same article being treated in the case of one shop as an excisable and in the case of another shop as a non-excisable article.

5. It appears also that there is another insuperable difficulty in the way of dealing with Eau-de-Cologne above a certain strength as an excisable article in the mofussil, *viz.*, the difficulty of ascertaining its correct strength. The Chemical Examiner reports that the hydrometer cannot be employed for the purpose as the dissolved oils contained in the Eau-de-Cologne influence its indications and render the results unreliable.

6. With reference to the provisions of the new Tariff Act, by which perfumed spirits imported in bottles containing more than four fluid ounces are made subject to duty at the same rate as leviable on spirituous liquors, the Board observe that this measure will practically be inoperative in affording a remedy, owing to the fact that it allows the very class of Eau-de-Cologne bottles—*viz.*, four-ounce phials—the contents of which are commonly used as intoxicants, to escape payment of duty altogether. It was explained in paragraph 6 of the Board's letter No. 74B, dated 31st January last, that 40 phials of this article, containing one gallon, can be purchased for Rs. 6-10-8 at a strength of 21° over-proof, while the cheap-

est kind of brandy, with a strength of 22° under-proof, costs Rs. 12 per dozen, or Rs. 6 per gallon, and that therefore strength for strength the Eau-de-Cologne is considerably the cheaper drink of the two; and the Board accordingly suggested that the liability of perfumed spirits to payment of duty should be made without any restriction as to the size of the phials in which they are imported. The Board still adhere to this opinion.

7. I am desired to add, however, that, with the information before them which has now been obtained, the Board would suggest for consideration whether the proper course would not be to exempt from payment of duty Eau-de-Cologne containing more than a certain percentage of proof-spirit, leaving only the weaker and worse kinds to be assessed with duty without respect to the size of the bottles in which they are imported. From the facts now reported, it seems clear that the Eau-de-Cologne containing a high percentage of proof-spirit is imported only for *bonâ fide* use as a scent, and that its cost is too high to admit of its coming into competition with spirituous liquors as an intoxicant.

It is probable, that a percentage of about 54° or 56° O. P. would be a proper limit to adopt for the purpose proposed, but before determining this point it might be advisable to make further enquiries.

I have the honor to be,

Sir,

Your most obedient servant,

(Sd.) A. FORBES,
Secretary.

From W. H. GRIMLEY, Esq., Officiating Collector of Customs, Calcutta, to the Secretary to the Board of Revenue, Lower Provinces,—No. 363, dated Calcutta the 17th July 1882.

I HAVE the honour to acknowledge the receipt of your letter No. 233B, dated 7th ultimo, requesting me to state what is the usual percentage of proof-spirit in Eau-de-Cologne and similar perfumes imported by respectable firms.

2. In reply, I beg to forward a copy of a register which has been kept up in this office since the receipt of your letter of all importations of perfumed spirit liable to duty at Rs. 4 per gallon.

3. I observe that the above information is required by the Board with reference to a proposal of Government to place certain restrictions on the sale of Eau-de-Cologne for consumption as a spirituous liquor through the medium of the excise law; and that it has been suggested that this can be done by ruling that Eau-de-Cologne containing less than a certain percentage of proof-spirit may be sold duty-free by respectable tradesmen, but if containing spirit above that standard should be treated as imported liquor and become subject to the law and rules of the Excise Department. My opinion has not been asked upon this question, but I think I may venture to offer the following observations.

4. From the statement submitted, it will be seen that all the importations of perfumed spirits have been above London-proof, containing from 134·3 to 156·1 per cent.

of proof-spirit, and that while the commoner qualities of perfumes have been imported by bazar dealers, marked (a) in the statement, the superior qualities have been imported by European firms, marked (b), and assuming for the nonce that the latter are the respectable tradesmen and the former not, it will be noticed that the better qualities of perfumes imported by the European or so-called respectable firms, contain the largest quantities of spirit, and as it cannot be assumed that their importations are intended to be used as a drink instead of a perfume, I do not think it is possible to draw a distinction between the importations by European tradesmen and those of bazar dealers, based on the quantity of spirit contained therein in the manner suggested. To rule that perfumes containing less than a certain percentage of proof-spirit should be passed free of duty if imported by respectable tradesmen would be practically inoperative, because the better kinds which are imported by such firms contain the largest percentage of proof-spirit, and are precisely those which are imported for *bond fide* use as a scent; and the result of such a rule would probably be a general deterioration in the article imported so as to bring it within the free limit. I am doubtful if it is advisable to adopt any means that would have such an effect.

5. The difficulty of deciding which firms should be considered "respectable" would be a serious objection. The onus of the decision would probably be thrown upon this office, and this would be a most invidious task and always open to objection. Besides it is probable and possible

that two firms, one classed as respectable and the other not, would both import identically the same perfume. In one case the goods would be passed free of duty, whilst in the other they would be taxed, which would hardly be consistent.

6. Another probable effect of such a rule being adopted as proposed would mean a transfer of the trade from all dealers that are not classed as respectable to those that are; for the former would very soon discover that they were not able to compete with the latter, and would either give up the business, or, what would be more likely, purchase from the respectable tradesmen or merchants, and thereby evade the duty altogether, which would give them an advantage which they do not possess and would defeat the very object that Government has in view.

Statement of Perfumed Spirits.

NAME OF IMPORTER.	NAME OF SPIRIT.	QUANTITY IMPORTED.	STRENGTH.
(c) Fazl Ellahie and Hufuzollah	Rimmel's Lavender	5133 I. gallons	50 2 O. P.
(d) H. and A. Berens & Co.	Eau-de-Cologne	12 doz. 1 pint	55 "
(e) South Street & Co.	Eau-de-Cologne	54 17 " Minis	35 2 "
(f) The Delhi and London Bank	Eau-de-Cologne	2 I. gallons 1/2	52 3 "
	Ditto	12 bottles @ 15 oz.	
(g) Watson and Summers	Johanne Maria Faria's	6 qt. " 1/2 "	
	Eau-de-Cologne	10 doz. pints	55 1/2 "
(h) Sham Chand Shaw & Co.	John Gonnell & Co.'s	14 1/2 I. G.	
(i) D. Lacey & Co.	Lavender Water	4 doz. @ 6 oz.	34 1/2 "
(j) Alia Bux	Florida Water	2 1/2 I. G.	39 9 "
	Lavender	5 1/2 " "	44 1 "

CUSTOM HOUSE, CALCUTTA,

The 17th July 1882.

W. H. GRIMLEY,

Offg. Collector of Customs.

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*From Government of Bengal to Board of Revenue.
Excise No. 2245 T. F. Darjeeling, 22nd Oct. 1882.*

In the last paragraph of your letter No. 704 B, dated the 23rd August last, reporting on the proposal of the Government of India to levy duty on Eau-de-Cologne used for consumption as an intoxicant, it is suggested that Eau-de-Cologne containing a percentage of about 54° or 56° overproof of spirit would be a proper limit to adopt for the purpose indicated.

I am directed to request that the Board will be good enough to submit, with as little delay as possible, definite proposals on the subject after instituting the necessary inquiries.

From Chamber to Board of Revenue.

Calcutta, 21st December 1882.

I have submitted to the Committee of the Chamber of Commerce your letter No. 1341 B. of the 15th instant, relative to the importation of perfumed spirits, Eau-de-Cologne, &c., and I am directed to state in reply, that the Committee cannot, without reference to importers, give any information which would throw light on the subject of the Board's inquiry.

The Committee are of opinion that such reference might be more conveniently made through the medium of the Calcutta Trades Association, but they will lose no time in communicating with those members of the

Chamber who may be importers of the articles in question.

From Board of Revenue to Chamber.

No. 1371 B. Dated Calcutta, 23rd December 1882.

EXCISE

H. A. COCKRELL, Esq., C. S. I.

I am directed to thank you for your letter of the 21st instant, relative to the importation of perfumed spirits, and to say that the Board will await receipt of the further report promised in the last sentence of your letter.

From Chamber to Board of Revenue.

Calcutta, 24th January 1883.

In continuation of my letter of the 21st of last month, relative to the importation of perfumed spirits, I am directed to inform the Board that in the judgment of those who have had experience of that trade, the Collector of Customs in his letter to your address, No. 363 of the 17th July, has given expression to a correct view of the probable effects of the proposal of the Government of India, in the 3rd paragraph of their letter No. 886 of the 6th May. The Collector has shown good cause against the proposed arrangement, and the Board appear to accept his conclusions, supported as they are by professional and scientific reports as to the strength

and quality of perfumed spirits imported by European and Native dealers respectively.

As the former import the genuine and expensive qualities for *bona fide* use as scent, containing a high percentage of spirit, and as the latter deal in cheap brands of low percentage, the proposal of the Government of India would impose a severe restriction upon the sale of the former, while the latter which are said to be used, more or less, as intoxicants would be admitted duty-free, and such admission would thus tend to aggravate the mischief against which the Government desire to protect the excise revenue.

It is at the same time represented to the Chamber that the course suggested by the Board does not appear to meet the object had in view, as it would probably stimulate unscrupulous dealers to import in bulk spirits slightly perfumed which could be easily convertible into a palatable beverage: and as the cost of raising spirit from 19 or 20 per cent. overproof to the limit proposed by the Board about 54 or 56 O. P. would be trifling, manufacturers would at once bring up all common perfumes to the required standard and thereby avoid the duty.

To remove the difficulties which a differential appraisal presents, it is suggested for the Board's consideration whether *all* perfumed spirits in bottles should not be rated at a certain duty per gallon, irrespective of the size of bottles or of strength of spirit, on the same principle that obtains in dealing with high and low qualities of Champagne and all other sparkling wines

which are subject alike to the same rate of duty, and on the same principle that duty is levied in the United Kingdom.

This plan, it is said, would obviate the difficulty and inconvenience of having each description tested, and would present its coming into competition with imported and country-made spirituous liquors without interfering, to any material extent, with legitimate trade.

As it would be more difficult to deal with spirits in bulk, it is suggested that it would probably be best to leave the duty as at present.

From Board of Revenue to Chamber.

No. 331B. Dated Calcutta, 21st March 1883.

I am directed to forward for your information the accompanying copy of a letter No. 139 B, dated 19th February, and to request that you will be good enough to favor the Board with an expression of the opinion of the Chamber of Commerce on the proposal made by the Board, in para 5 of their letter, that perfumed spirits imported in bottle should be assessed with duty at an uniform rate of Rs. 6 per gallon (or at an average strength of 50° overproof) without respect to the size of the bottles or strength of liquor.

From A. FORBES, Esq., Secretary to the Board of Revenue, L. P., to the Secretary to the Government of Bengal, Financial Department,—No. 139 B. Dated Calcutta the 19th February 1883.

EXCISE.

Sir,

I AM directed to acknowledge the receipt of Government order No. 2245T—F, dated 22nd October last, requiring the submission of definite proposals in regard to the suggestion made in paragraph 7 of Board's letter No. 704B, dated 23rd August 1882, on the subject of the taxation of perfumed spirits.

2. In reply, I am to say that the Board, on further inquiry, find that the course proposed by them, *viz.*, of exempting from payment of duty perfumed spirits containing more than a certain percentage of proof-spirit, leaving only the weaker kinds to be assessed with duty, will not sufficiently meet the case, for the reason that, as they now learn, the cost of a perfume does not depend so much upon the strength and value of the spirit used in its manufacture, as upon the value of the volatile oils, essences, and other extracts held in it in solution. On this subject the Collector of Customs writes :—

"If, therefore, a limit of strength be fixed, and perfumes containing spirit of strength above that limit be exempted, the manufacturers at home will no doubt be at once instructed to increase the strength of the spirit used in the common and inferior kinds of Eau-de-Cologne, so as to bring them within the free limit, as the increase in strength will enhance but little the cost of the perfume.

The plan adopted by the dealers in the common perfumes when the duty was remitted on bottles of 4-oz. and under, was at once to reduce the size of the bottles, and thereby pass their importations free of duty. No matter what the limit is, I think the dealers will always be able to alter the strength of their perfumes so as to bring them within the free limit, unless it be fixed at pure alcohol, which of course would kill the trade entirely, and is therefore out of the question."

3. This view of the matter is confirmed by the reports received by the Board from the Bengal Chamber of Commerce and the Calcutta Trades Association, copies of which are herewith forwarded for the information of Government. Both of these bodies recommend the levy of customs duty on all spirits, whether perfumed or not, and this is the course which the Board would now advise.

4. It is observed that the Chamber of Commerce suggest that, in order to escape the difficulties connected with an examination and appraisement of perfumed spirits imported in bottles, such spirits should be rated at a certain duty per gallon, irrespective of the size of bottles or strength of spirit; perfumed spirits in wood being rated as at present. This proposal commends itself to the Board on account of its simplicity, and of its rendering unnecessary the constant application of tests which cause much irritation and annoyance to the trade. A somewhat similar practice is, the Collector states, in force in England where perfumed spirit and Eau-de-Cologne when "mixed with any article, so that the degree of strength cannot be ascertained by Sykes' hydrometer,"

are changed with a fixed duty of 16s. 6d. per gallon, or at the rate levied on alcohol of strength of 60° overproof. The Collector represents that the effect of fixing, in the case of importations into this country, a rate of duty regulated by so high a strength of spirit as 60° over-proof will be to kill the trade in the lower qualities of Eau-de-Cologne, for which he believes there is a large demand in India for *bonâ fide* use as a scent, and he is therefore in favour of fixing the duty according to the average strength of past importations. A register has been kept in the Custom House of these importations since the month of June last. There have been 63 importations of an average strength of 41·4 overproof; but if the quantity of each importation is taken into consideration, the average is reduced to 36·1 overproof, and the Collector therefore proposes to take 37·5 overproof as a fair general average for the assessment with duty of perfumed spirits imported in bottles. This would give a duty of Rs. 5-8 per gallon.

5. Considering the undoubtedly large use as an intoxicant of perfumed spirits in this country, the Board are inclined to think that a nearer approach to the home standard may be made, and they would recommend that perfumed spirits imported in bottles should be assessed with duty at an uniform rate of Rs. 6 per gallon (or at an average strength of 50° overproof) without respect to the size of bottles or strength of liquor; perfumed spirits imported in wood continuing to be assessed as at present.

*From Chamber to Board of Revenue.
Calcutta, 31st March 1883.*

The Committee of the Chamber of Commerce have had under consideration your letter No. 331 B. of the 21st instant and its annexure, and they desire me to say that they concur in the Board's recommendation as expressed in the 5th para. of your letter to the Government of Bengal, that a uniform rate of 6 rupees per gallon be assessed on perfumed spirits imported in bottles without respect to size of bottles or strength of liquor.

AMSTERDAM INTERNATIONAL EXHIBITION

The Committee are glad to report that samples of animal, mineral, and vegetable products, and of manufactured articles, were liberally placed at their disposal by Calcutta exhibitors for transmission to the Exhibition through the Government of India, and they hope exhibitors will receive satisfactory reports upon the various articles contributed by them.

**ELECTION OF MAJOR CONWAY-GORDON,
R. E., AS HONORARY MEMBER.**

The Committee being of opinion that some recognition by the Chamber was due to the

service rendered to the trade of India by Major Conway-Gordon, of the Royal Engineers, the author of a pamphlet lately published in Calcutta on the development of the agricultural resources of this country by means of railway extension and cheap railway communication, they resolved to invite his acceptance of Honorary Membership of the Chamber,—the only compliment which it was in their power to pay him.

Major Conway-Gordon's forcible exposition of the pressing necessity for facilitating and cheapening the transport of Indian products, and specially of the supplies of wheat, which can be materially increased if proper facilities are given for extended cultivation, and development of their consumption in the markets of Europe, and at the same time advancing the prosperity of the agricultural classes, has attracted marked attention in the most influential quarters both here and in England; and it is gratifying to the Committee to find that this able officer of the Government has so warmly at heart a subject of the extremest importance to the commerce of India, and has placed before the public his views regarding it in a manner which has commanded the most attentive consideration.

APPENDIX.

TONNAGE SCHEDULE for the Port of CALCUTTA, adopted at a Special General Meeting of the Bengal Chamber of Commerce, held on the 13th February 1873, with effect from 1st September 1872, except as regards the measurement of Cotton, Hemp, Jute, Jute Cuttings, Rhea, Safflower, and other articles similarly packed, which, under the Chamber's Resolution of 14th June 1872, had effect from 1st July 1873.

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Aloes, in bags and boxes ...	20	.....
Alum, in ditto ...	20	.....
Aniseed, in bags ...	3	.....
Arrowroot, in cases ...	.....	50
Arsenic, in bags or cases ...	20	.....
Asafetida, in bags and boxes ...	20	.....
Apparel, in boxes ...	.....	50
Bark, in bags ...	8	.....
Bees' Wax ...	20 gross.	.....
Barilla ...	20	.....
Beld-out ...	20	.....
Books ...	.....	50
Borax ...	20	.....
Brum ...	14	.....
Brimstone ...	20	.....
Bullion ...	at per cent.	.....
Cake-lac, in bags ...	16	.....
Camploot, in cases ...	.....	50
Cardamoms in robing ...	3	.....
" boxes ...	.....	50
Cassia, in boxes ...	15	.....
" bags ...	15	.....
Castor Seed ...	15	.....
Chillies (dry), in bags ...	8	.....
China Root, in bags ...	11	.....
" boxes ...	.....	50
Chiretta ...	.....	50
Churrah ...	14	.....
Cigars ...	.....	50
Cloves, in bags ...	3	.....
" boxes ...	.....	50
Coch ...	20	.....
Cochineal ...	.....	50
Coffee, in bags ...	16	.....
" casks ...	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Coral, rough	20	.....
Coin, loose and unscrewed	12	.....
Copra, or Coconut Kernel...	14	.....
Coriander Seed	12	.....
Cotton	2 bales not ex- cessing	52
Covries	20	.....
Cummin Seed	8	.....
" Black	8	.....
Cutch, in bags	18	.....
Dates, wet	20	.....
" dry	16	.....
Dholl	20	.....
Elephants' Teeth, in bulk	20	.....
Furniture	30	.....
Garlic and Onions	12	.....
Ginger	16	.....
Gram	20	.....
Guns, in cases	50	.....
Gunny Bags and Gunny Cloth	50	.....
Gumgah	50	.....
Hemp	2 bales not ex- ceeding	52
Hides, Buffalo, or Cow, cured	14	.....
Horns, Horn Shavings and Tips	20	.....
Horse, Cow, Buffalo, or Deer	20	.....
India Rubber, in bags	16	.....
" cases	50	.....
Jadigo	50	.....
Iron	20	.....
Jute	2 bales not ex- ceeding	52
Jute Cuttings	2 bales not ex- ceeding	52
Lac Dye	50	.....
Lard	20	.....
Linseed	20	gross.
Mac	50	.....
Mace	20	.....
Machinery	20	.....
Metals	20	.....
Mathie Seed	18	.....
Nircholas	16	.....
Molasses	2 punctureless or 4 lbsds.	.....
Mother of Pearl, in bags	20	.....
" chests	20	.....
Musquet	50	.....
Mustard or Rape Seed	20	.....
Niger Seed	20	.....
Nutmegs, in cases or casks	50	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Nux Vomica	16	.....
Oats	16	.....
Oil, in cases	.....	4 lbsds. 50
" casks	.....	per chest.
Opium	16	.....
Paddy	16	.....
Palmitine, in bags	16	.....
Pean	20	.....
Pepper, Long	12	.....
" Black	14	.....
Planks and Deals	20	.....
Poppy Seed	10	.....
Patchuck	50	.....
Rags	10	.....
Raw Silk, in bales	20	.....
Rattans for dunnage	20	.....
Real Wood, ditto	20	.....
Rhea	2 bales not ex- ceeding	62
Rice	20	.....
Rope, in coils	.....	50
" Lines and Twines, in bundles	16	.....
Rum, in casks	2 punctureless or 4 lbsds.	.....
Safflower	50	.....
Sago, in cases	50	.....
Sul-ammoniac, in bags	20	gross.
" boxes	20	.....
Saltpetre	20	.....
Salt	20	.....
Sapan Wood for dunnage	20	.....
Sealing Wax, in cases	50	.....
Seed-lac, in cases	50	.....
" bags	16	.....
Seam	20	.....
Shells, rough, in bags	20	.....
Shell-lac, in cases	50	.....
" bags	16	.....
Silk Chussum	50	.....
" Waste	50	.....
Silk Piece-Goods	50	.....
Skins	14	.....
Soap, country, in cases	20	.....
" bags	15	.....
" bar	20	.....
Stick Lac, in cases	50	.....
" bags	16	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Sugar	20	.....
Tallow, in cases or casks	20	.....
Talc	20	.....
Tamarinds, in cases or casks	20	.....
Tapioca	50	.....
Tea	50	.....
Teel Seed	20	.....
Timber, round	.....	40
" squared	.....	50
Timber	20	.....
Tobacco, in bales	16	.....
Tortoise Shells, in chests	.....	50
Turmeric	16	.....
Wheat	20	.....
Wool	.....	50

1. Goods in Casks or Cases to be calculated gross weight when paying freight by weight; and where freight is made payable on measurement, the measurement be taken on the Custom House wharf, or other shipping wharf within a radius of 5 miles from the Custom House, except in the case of Cotton, the measurement of which shall be taken at the Screw-house.

2. Measurement to be taken at largest part of the bale, inside the lashing on one side, and outside on the other.

3. Jute, Jute Cuttings, Hemp, Cotton, Safflower, and other articles similarly packed, are scored in bales varying from 300 to 400 lbs.

4. The term "dead weight" shall be understood to mean the following articles:—Sugar, Saltpetre, Rice, Wheat, Gram, Dholl, Peas, Linseed, Rapeseed and all Metals.

427 By a Resolution of a General Meeting of the Chamber held on the 31st May 1881, the Tonnage Schedule was forthwith amended as regards Jute, Jute Cuttings, Cotton, Hemp, and Khea Fibre, the ton of each of which was altered from 59 cubic feet to 5 bales not exceeding 52 cubic feet.

H. W. I. WOOD,
Secretary.

SCHEDULE OF COMMISSION CHARGES

Revised and adopted by a Special General Meeting of the Bengal Chamber of Commerce, held on the 18th June 1861,—with effect from 1st January 1862.

- On the sale, purchase, or shipment of Bullion, Gold Dust or Coin ... 1 per cent.
- On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece-Goods, Opium, Pearls, Precious Stones, or Jewellery ... 2½ "
- On purchasing ditto when funds are provided by the Agent ... 5 "
- On the sale or purchase of all other goods—the commission in all cases to be charged upon the gross amount of sales, and in regard to purchases upon both cost and charges ... 5 "
- On returns for Consignments if made in produce ... 2½ "
- On returns of Consignments if in Bills, Bullion, or Treasure ... 1 "
- On accepting Bills against Consignments ... 1 "
- On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ... 2½ "
- On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2s. per rupee half com.
- On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent. ... 2½ per cent.
- On ordering, or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other commission is derived ... 2½ "

12. On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money $2\frac{1}{2}$ per cent.
13. On *del-credere*, or guaranteeing the due realization of sales $2\frac{1}{2}$ "
14. On the management of Estates for Executors or Administrators $2\frac{1}{2}$ "
15. On chartering ships or engaging tonnage for constituents for vessels to proceed to outports for loading $2\frac{1}{2}$ "
16. On advertising as the Agents for Owners or Commanders of ships for Cabin passengers, on the amount of passage money, whether the same shall pass through the Agent's hands or not $2\frac{1}{2}$ "
17. On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or Charterers of a vessel, upon the gross amount of freight, brokerage inclusive ... 6 "
18. On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings 6 "
19. On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file $2\frac{1}{2}$ "
20. On realising inward freight, inward troops, Emigrant, or Cabin passage money $2\frac{1}{2}$ "
21. On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned, on the declared value of all such goods as may be re-shipped, and on the nett proceeds of all such goods as may be publicly sold 5 "
- If Opium, Indigo, Raw Silk, or Silk Piece-Goods ... $2\frac{1}{2}$ "
- If Treasure, Precious Stones, or Jewellery 1 "

22. On effecting Insurances, whether on lives or property $2\frac{1}{2}$ per cent.
23. On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium $2\frac{1}{2}$ "
24. On drawing, purchasing, selling, or negotiating Bills of Exchange 1 "
25. On debts or other claims when a process at law or arbitration is incurred in claiming them $2\frac{1}{2}$ "
- Or, if recovered by such means 5 "
26. On Bills of Exchange returned dishonored 1 "
27. On collecting House Rent $2\frac{1}{2}$ "
28. On ship's Disbursements $2\frac{1}{2}$ "
29. On realising Bottomry Bonds, or negotiating any loan on *respondentia* $2\frac{1}{2}$ "
30. On granting Letters of Credit 1 "
31. On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another $\frac{1}{2}$ "
32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value. $\frac{1}{2}$ "
33. On all amounts debited and credited within the year (less the balance brought forward) upon which no commission amounting to 5 per cent. has been charged $\frac{1}{2}$ "
- §47 Brokerage when paid is to be separately charged.

H. W. I. WOOD,

Secretary.

CONVERSION OF STERLING FREIGHT INTO INDIAN CURRENCY.

*The following Resolutions were adopted at a General Meeting of
the Chamber, held on the 17th January 1882.*

"That the Resolutions adopted, 31st May 1876, respecting
"conversion into Indian currency of sterling freight
"and commission thereon be hereby rescinded, and
"that the following Resolutions be substituted in
"their stead, with immediate effect, *viz.* :—

1. "That, in the absence of any stipulation to the
"contrary, sterling freight payable in Calcutta, in-
"cluding differences of freight adjusted in Calcutta,
"and all commissions on sterling freight made pay-
"able at Calcutta or there brought into account,
"shall be reduced into Indian money at the rate of
"exchange for Bank Bills on London on demand
"which shall have been current on the mail-day
"next preceding the day when the amount to be
"dealt with shall be ascertained.
2. "That, in the absence of anything to the contrary ex-
"pressed, the words 'current rate of exchange' shall
"be held to mean the rate current for Bank Bills on
"London payable on demand.
3. "That, for the purpose of charging commission or
"adjusting differences, freight expressed in dollars
"(American) shall be converted into sterling at a
"uniform rate of fifty pence per dollar."

*Forms of Bill of Lading and Boat Note as adopted at a
General Meeting of the Chamber of Commerce, on the 17th
January 1880.*

Shipped

in good order and well-conditioned,

by _____
in and upon the good Ship or Vessel called the _____
whereof is Master for this present Voyage _____
and now lying in the Port of Calcutta and bound for _____

being marked and numbered as in the margin, and to be delivered,
in the like good order and well-conditioned, at the aforesaid Port
of _____

*(The Act of God, the Queen's Enemies, fire, and all and every other
dangers and accidents of the Seas, Rivers, and Navigation of whatever
nature and kind soever excepted.)*

unto _____
or to _____ Assigns, Freight for the said Goods
being payable as customary _____

with Average accustomed. **In Witness** whereof, the Master or
Agents of the said Ship hath affirmed to _____ Bills of Lading, all of
this tenor and date, one of which being accomplished, the others to
stand void.

Dated in CALCUTTA, this _____ day of _____ 18

Weight and Contents unknown.

To
THE COMMANDING OFFICER OF THE
Ship.....

Please receive on board the undernoted Goods
from Messrs.....

N.B.—This cargo is only shipped on the special understanding that the Chief Officer will sign for all counter or quality marks and numbers, and the Sales or Packages are not to be taken on board except on these terms, and also when a Sircar is in attendance to check the tally.

In case of any dispute, the Shippers request prompt information in writing from one of the Officers of the ship.

Marks and Numbers.	Number of Packages.	Description of Goods.	

Received on board the ship.....
in good order and condition the undermen-
tioned Goods from Messrs.....

N. B. - The Chief Officer is requested not to take in any package unless he is prepared to sign for all the qualifying marks and numbers.
All packages in bad order must be returned.

Marks and Numbers.	Number of Packages.	Description of Goods.	

Arrived alongside.....

Discharged.....

Returned

Remarks

(Signature).....

Chief Officer.

Ship/.....

Moorings.....

MEMBERS OF THE CHAMBER OF COMMERCE.

Agalesto, A., and Co.
 Ayer and Co.
 Anderson, Wright and Co.
 Acland, F., and Co.
 Barlow and Co.
 Begg, Dunlop and Co.
 Burn and Co.
 Barry and Co.
 Balmer, Lewis and Co.
 Campbell, J., Esq., *Manager, National Bank of India.*
 Carstairs, Nephews and Co.
 Carruth and Co.
 Crooke, Reme and Co.
 Cohn Brothers and Pichin.
 Duncan Brothers and Co.
 Dwarkanath Dutt and Co.
 Eusthausen and Oesterley.
 Fering and Co.
 Elliott, John, and Co.
 Esra, E. D. J., Esq.
 Finlay, Muir and Co.
 Giabone and Co.
 Graham and Co.
 Grindlay and Co.
 Gubbay, Elias S., Esq.
 Hantsmann and Co.
 Harper, G., Esq., *Agent, Oriental Bank Corporation.*
 Henderson, George, and Co.
 Holliger, F. W., and Co.
 Hoare, Miller and Co.
 Huber and Co.
 Huben, Coner and Co.
 Jandies, Skinner and Co.
 Jefferson, W. E. S. Esq., *General Manager, The Painters Stores and Agency Company, Limited.*
 Kettelwell, Bullen and Co.
 Kelly and Co.
 Ker, Dods and Co.
 King, Hamilton and Co.
 King, W. Vale and Co.
 Longman, Thos., Esq., *Manager, Delhi & London Bank, Limited.*

W. A. Main, Esq., *Acting Agent, Chartered Bank of India, Australia, and China.*
 Morris, E., Esq., *Agent, Hong-Kong and Shanghai Banking Corporation.*

R. Murray, Esq., *Agent, Chartered Mercantile Bank of India, London and China.*

Mitchell, Reid and Co.
 Macmillan, J., and Co.
 Mackinnon, Mackenzie and Co.
 Mackenzie, Lyall and Co.
 Macneil and Co.
 Macknight, Anderson and Co.
 McIntosh, A. R., and Co.
 Moran, W., and Co.
 Oldenburger and Hadenfeldt.

Payn, T., Esq., *Manager, Comptoir d'Escompte de Paris.*

Petrovich Brothers.
 Prawkinsten Law and Co.

Prestange, F., Esq., *Agent, Eastern Bengal Railway Company.*

Pigott, Chapman and Co.
 Pallachi, F. C. and Co.
 Ralli Brothers.

Ralli and Narvejan.
 Reinhold and Co.
 Rentiers and Co.

Schroder, Smith and Co.
 Schooner, Kilburn and Co.
 Sassoon, David and Co.

Shaw, Kailayam and Co.
 Sallugan Klunnaah and Co.
 Stead, Octavious and Co.

Strathern and Co.
 Thomas, J., and Co.
 Turner, Morrison and Co.

Ullmann, Hirschhorn and Co.
 Uloth, H. W. Esq., *Superintendent, P. & O. Company.*

Whitney, Brothers and Co.
 Williamson, Major and Co.
 Wood, W. Esq., *Manager, Agri Bank*
 Yule, Andrew and Co.

Honorary Member :

J. A. Crawford, Esq., c. s., late Collector of Customs.

RULES AND REGULATIONS

OF THE

BENGAL CHAMBER OF COMMERCE.

First That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."

Second... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.

Third... That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.

Fourth... That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.

Fifth..... That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of nonfossil members 32 rupees per annum.

Sixth..... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed by a Committee of not less than five nor more than seven members, including the President and Vice-President, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Three to form a quorum.

Eighth... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary, numbered and bearing his signature; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months, or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the members of the Committee shall be forthwith filled up by selection by the Committee, subject to approval at first ordinary general meeting thereafter.

And It is specially requested that before a member is returned to serve on the Committee, his nominator shall have ascertained his willingness to accept office in the event of his election by voting cards.

Ninth..... That parties holding powers of procuration shall, in the absence of their principals, be eligible to serve as members of the Committee.

Tenth..... Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.

Eleventh. That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that the record of their proceedings be open to the inspection of members, subject to such regulations as the Committee may deem expedient.

Twelfth. That all proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.

Thirteenth. That a half-yearly report of the proceedings of the Committee be prepared, printed, and circulated for information of members three days previous to the General Meeting at which such report and proceedings of the Committee shall be submitted for approval.

Fourteenth. That the Secretary shall be elected by the Committee; such election to be subject to confirmation at the next ensuing General Meeting.

Fifteenth. That General Meetings of the Chamber shall be held at such times as the Com-

mittee may consider convenient for the despatch of business.

Sixteenth. That any number of members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber for the despatch of ordinary business.

Seventeenth. That on the requisition of any five members of the Chamber, the President, or, in his absence, the Vice-President, or Chairman of Committee, shall call a Special General Meeting, to be held within 15 days subsequent to receipt of such requisition.

Eighteenth. That every subscribing firm or bank shall be entitled to one vote only, and that the Chairman of Committee and Chairman of General Meetings and Special General Meetings shall have a casting vote in cases of equality of votes.

Nineteenth. That parties holding powers of procuration shall, in the absence of their principals, be entitled to vote.

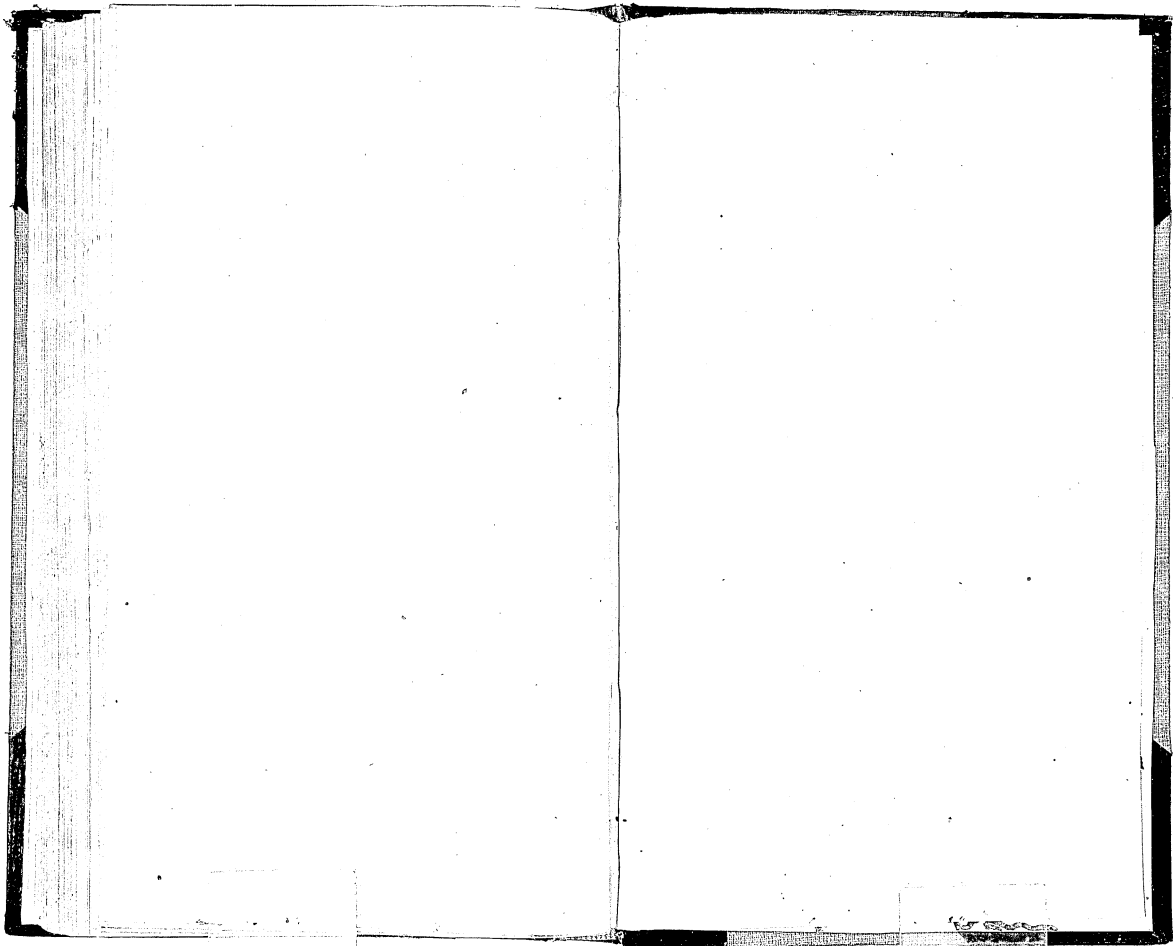
Twentieth. That voting by proxy shall be allowed; provided proxies are in favour of members of the Chamber.

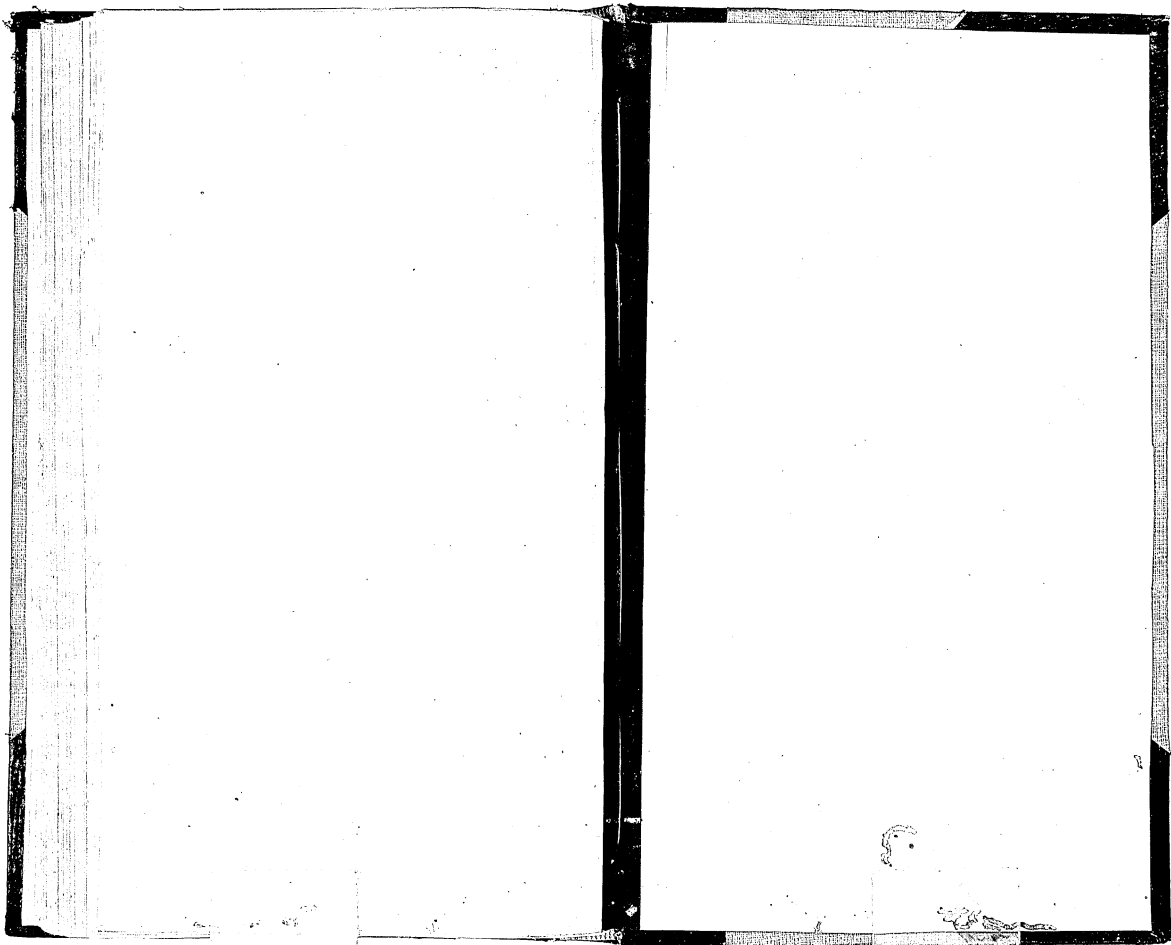
Twenty-first. That the Chamber reserves to itself the right of expelling any of its members;

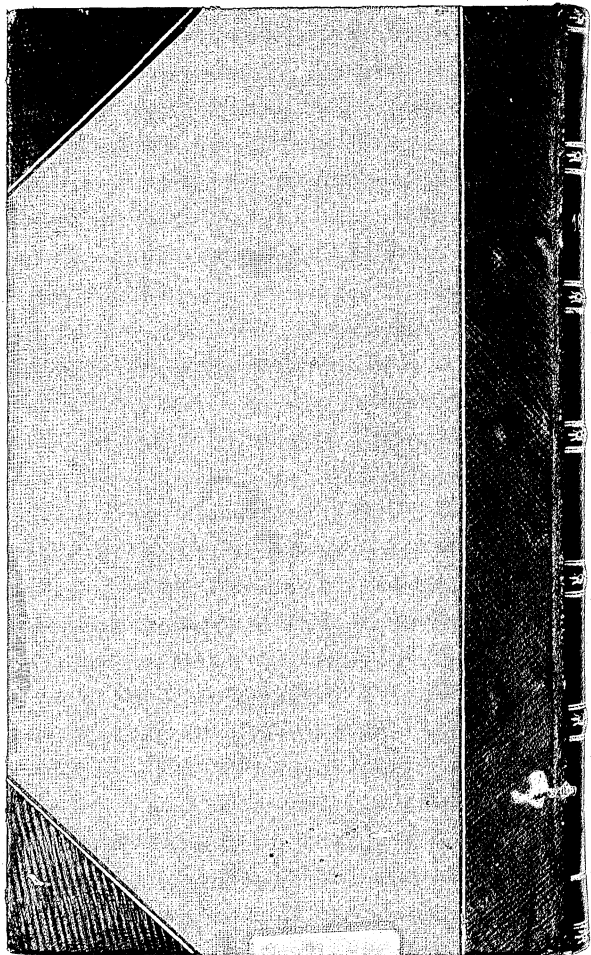
such expulsion to be decided by the votes of three-fourths of members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

Twenty-second. That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.

Twenty-third. That no change in the rules and regulations of the Chamber shall be made, except by the votes of a majority of the members of the Chamber present in person or by proxy at a Special General Meeting to be held after previous notice of three months.







1882-83

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