

(REPORT

OF

THE COMMITTEE

OF THE

BENGAL CHAMBER OF COMMERCE.

From 1st November 1877 to 30th April 1878.

Calcutta:

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1878.

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*Proceedings of the Half-yearly General Meeting
of the Bengal Chamber of Commerce held on
Friday the 31st May 1878.*

S. COCHRANE, Esq., *Vice-President*, in the Chair.

The Chairman, in opening the proceedings, said that since their last meeting, Mr. Duncan Mac-
kinnon, President of the Chamber, had for the time
being left Calcutta, and it therefore fell to his lot
to address to them such few remarks as the report
now before them might suggest. Their last meet-
ing was held on the 18th February, the assem-
bling of the Chamber on that occasion having for
various reasons been delayed, so that the report
now in their hands covered a period of about four
months only. On the occasion of this the meet-
ing for the closing six months of their year it was
necessary to be more punctual in point of time,
as it was now that representatives for the ensuing
year fell to be elected by the Chamber, and it
was desirable that no delay should take place
the new Committee entering upon their duties.

The first subject alluded to in the report was
the *Budget for the present financial year*, a *resumé*
of which was inserted as usual for facility of re-

ference. With the provisions of the budget they were all familiar, and such of them as had had the special attention of the Committee would be referred to under the particular heads.

Since the report was in type, the Government notification regarding the new loan has been issued, and the terms on which the loan is proposed to be raised seem to offer an inducement to investors to subscribe the sum required.

The next matter which claimed attention was the *Overland Mail contract*. At their last meeting the President placed before the Chamber the Committee's views generally on this important subject, which were accepted and passed, with the addition of an amendment relating to the maintenance of direct communication between India and some point in England. In pursuance of the proceedings on that occasion, a letter was afterwards addressed to the Director-General of the Post Office, embodying the views adopted by the Chamber. To that communication they had as yet received no reply, but no doubt its contents had had the full consideration of Government. It was most important that the Indian Mails should be carried with the greatest amount of speed that could be secured consistent with regularity; and the performances of some of the American steamers—notably the vessels belonging

to the White Star and other lines—showed that the present contract rates of speed fell very far short indeed of what was practicable even in Eastern waters.

The next subject was the *License Act*, which was also discussed at their last meeting. The tax levied under this Act was not very burdensome, but it was imposed so unequally, and proceeded on assumptions so incorrect, that the Committee deemed it their duty to memorialise the Secretary of State, praying that his sanction be withheld from the measure in its present shape. The Act was really a revival of the old income tax with this difference that *now* the tax was levied from one class only of the Queen's Indian subjects.

Members would be pleased to notice from the correspondence that there was every prospect of a considerable reduction being made this year in *jetty charges*. The Committee felt some difficulty in replying to the Port Commissioner's reference on the subject of these reductions, as so many considerations necessarily entered into the question of an equitable distribution of the proposed amelioration in these charges. It was hoped, however, that their action in the matter would meet with approval generally.

The next matter was the *abolition of import*

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duty on certain descriptions of cotton goods. The memorial sufficiently explained the objects the Committee had in view in addressing Government on the subject. These briefly were to point out the anomaly of retaining on the tariff certain descriptions of goods corresponding in quality to those exempted by name, inasmuch as the principle on which the legislation seemed to proceed was "the quality or fineness of the yarn" of which the goods consisted. On the other hand, if the intention really was to exempt only those articles specially described in the notification, the Committee had asked Government to issue an intimation to that effect. The Committee were careful to avoid the expression of any opinion on the policy of abolishing these duties: the Chamber represented many and varied interests, and it was believed that considerable diversity of opinion existed amongst individual members on this subject.

The next subject was the *Jute Warehouse Act*, and the correspondence now printed gave hope that material improvement would speedily be effected in the administration of this law. The communication addressed to the Municipality on the subject by the Bengal Government left little further to be said by the Chamber, as His Honor condemned the administration of the Act as strongly as could be desired.

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It appeared from the figures contained in the Lieutenant-Governor's letter that whilst the total cost of the Fire Brigade in 1876 was Rs. 15,698, the fees collected under the Act in Calcutta alone amounted to Rs. 29,291, and adding the suburban's collections, the revenue under the Act from this source was augmented to Rs. 50,085. Out of the surplus so created a grant of Rs. 16,552 was made to the Alipore Lock Hospital (a grant they would observe which exceeded the entire cost of the Fire Brigade); in addition to which a sum of Rs. 10,000 was applied in aid of the general funds of the suburban Municipality. Such an irregular disposal by the Municipality of funds raised for a special purpose at the expense of an unprofitable branch of business would seem almost incredible were it not that the figures he had quoted were taken from the Lieutenant-Governor's own statement.

The next subject is the *complaint of cargo boat-owners against the River Police*, a copy of which the Committee sent up at once to the Bengal Government that enquiry might be made into the matters complained of.

The next subject is the proposed new *Bills of Exchange Act*, a copy of which was submitted to the Committee for consideration. The Committee, as will be seen, recommended a number

of minor alterations. Section 26 provided that Bills and Notes falling due on a public holiday should be payable on the day after, and section 42 provided that a partner in a firm might bind the firm by signing his own name. To both of these provisions the Committee objected. No sufficient reason appeared to exist for altering the present practice which makes a Bill of Exchange or Promissory Note falling due on a public holiday payable on the day preceding, and it was also recommended that when a partner signed for his firm he should be bound to use the firm's name and not his own.

The amended *Bill to define the law relating to Master and Servant* had also been before the Committee. The original Bill met with general disapproval, but the revised measure seemed to be less open to objection. The Committee were disposed to question the expediency of special legislation on the subject, but considered that if Government intended to proceed with a measure of the kind, the amended Draft Bill might reasonably be taken as affording a basis for such legislation.

They now came to the subject of *value-payable overland parcels*. The object of the value-payable system was the transmission of parcels by the Post Office, the value of which, when necessary, would be collected from receiver by the

Department, and accounted for to the sender, less a certain charge for commission. The proposed extension of the system to England having been opposed by the Calcutta Trades Association, the Chamber was referred to, amongst other representative bodies, for an expression of opinion on the subject. The Committee took the matter into careful consideration, but they could come to no other conclusion than that the extension of the system to England would be a boon to the public generally, and thus fulfil the object Government had in view in making the arrangement.

It now only remains to call attention to certain papers containing *revised regulations for the navigation of the Suez Canal* which had been sent to the Chamber for information, and which were inserted in the report for facility of reference.

There were other matters which had engaged the attention of the Committee, but they were not in such a forward state as to warrant insertion in the Report. Amongst these were *certificates of survey for passenger steamers*, the recent *block on the East-Indian Railway*, and minor points in connection with the *Customs Act*.

He now begged to move that the *report of the Committee of the Bengal Chamber of Commerce for the half-year ended the 30th April 1878* be received and adopted.

Mr. G. Yule said that, in seconding the adoption of the report, he had to do so with a considerable amount of faith, for the reason that the report came into his hands only an hour ago, and he had not had the opportunity of doing anything more than glancing at its contents. But he had the requisite amount of faith, and therefore he supported the motion that had been submitted to them. He would confine the few observations he had to make to two subjects that were dealt with in the report, viz. the Import Duties and the Jute Warehousing Act. It must have been a matter of agreeable surprise to many of the merchants in Calcutta when it was announced that what are called the protective duties were abolished. Not that he thought the abolition would have the slightest influence in developing a business in the special articles that had been thus dealt with in the last Budget, but it would do away with a sense of injury that was being done to the importer of goods of a similar character. But these duties being out of the way, there was the larger question of the abolition of the duties on all kinds of piece-goods. The Government at home were willing—the Government here were willing—the Lancashire people were clamorous, and it seemed to him that all that was wanted was a strong effort on the part of the merchants in Calcutta and other Indian ports to bring about what he considered would be an

enormous boon to the trading and other classes of this country—the free and unrestricted dealing in all descriptions of clothing material. In saying this he must protect himself from being regarded as holding the opinion that no greater boon could be conferred upon the people by the abolition of an equal amount of taxation in another direction. He held that the Salt Tax was the most oppressive of all the taxes that crushed upon the people of the country—an article of the first necessity to the personal and, through that, to the social well being of the community; whereas clothing, to a large extent, could scarcely be regarded in any other light than as a luxury; and it may be held to be an accepted doctrine of political economy that articles of prime necessity should be relieved from the hand of the tax gatherer first and then articles of less pressing concern. But in the government of a country the truths of political economy could not always be applied in the order of their merit, and if they could not get what was truest and best, they must struggle for what is next best if it were attainable. And as the abolition of the duty on piece-goods was within their grasp, he hoped the Chamber, during the coming year, would take the question in hand and aid in its settlement.

As to the Jute Act, he could hardly have supposed that in a community professing to be

governed on principles of equity and justice such an act as this could ever have received the sanction of the Legislative Council. In this town, as in all towns, there was a certain danger from fire, and the necessary appliances ought, of course, to be maintained. It was for the benefit of all. But two classes of people were selected to bear the whole burden of the cost,—those who dealt in jute and those who bought and sold cotton and who kept a store for warehousing their merchandise. These warehouses were chiefly in the northern parts of the town, far removed, say, from the Lieutenant-Governor's House, from the Palace of the Governor-General, from the houses of the wealthy merchants, and their godowns stored as they were with an enormous value of goods. But the jute-wallah and the cotton-wallah had not only to pay their share of expense for their own protection, but in addition they had to maintain a brigade to extinguish fires if they occurred at Alipore or at the Governor General's or any where else over the length and breadth of Calcutta and its suburbs.

But this was not all. These jute and cotton people were taxed ostensibly for the support of a fire-brigade, but the amount of the tax was so large as to be something like 250 per cent. more than was required, and donations were given to hospitals and other institutions out of the fund.

The figures were approximately these: last year the expense of the brigade was Rs. 15,000; the income from the tax was Rs. 50,000, out of which a donation of Rs. 16,000 had been made to the Lock Hospital and Rs. 10,000 to the Suburban Municipality, while a fund was being formed to be put into trust to furnish fire engines to Calcutta for all time coming. A more monstrous injustice he had rarely heard of. The Lieutenant-Governor suggested the reduction of the tax and its extension over a somewhat larger area,—to hemp-dealers and oil merchants. But this would only be a liquefaction of a grievous wrong, not a remedy. The letter of the Chamber in reply was, in his judgment, a most admirable one, and they enunciate the true principle of such taxation in writing "that the fees charged under the Act should be fixed in such a manner as not to yield more than the sum required to render the fire-brigade self-supporting, and that the maintenance of such a service is an object in which all classes of the community are interested, and to which all should contribute."

With these remarks he begged to second the resolution.

The Chairman's motion was thereupon put and carried.

The Chairman then called on the scrutineers,

Messrs. Elliot and Clarke, to announce the result of the election of a Committee for the ensuing year, and the following names were returned :—

The Hon'ble E. C. Morgan, *President* ; the Hon'ble A. B. Inglis, *Vice-President* ; W. Craik, Esq., J. W. O'Keefe, Esq., G. Froeschmann, Esq., J. Flemington, Esq., and F. F. Adam, Esq., *Members of Committee*. Mr. Cochrane and Mr. J. A. Anderson had votes equal to those of Mr. Adam, but they retired in his favor.

It was next proposed by Mr. Adam, seconded by Captain Wilkinson and carried, that a vote of thanks be offered to the retiring Committee for their services during the past year.

The meeting terminated with a vote of thanks to the Chair.

H. W. I. WOOD,

Secretary.

^{REV} The Hon'ble Mr. Morgan and Messrs. Craik and Flemington being unable to accept the offices to which they were elected, fresh election was necessary ; and the following members now

form the Committee :—

George Yule, Esq., *President*.
The Hon'ble A. B. Inglis, *Vice-President*.
J. W. O'Keefe, Esq.
G. Froeschmann, Esq.
F. F. Adam, Esq.
H. B. H. Turner, Esq.
F. Finlayson, Esq.

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year
ended 30th April 1878.

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

BUDGET FOR 1878-79.

The annual financial statement of the Govern-
ment of India was made in the form of a Reso-
lution dated the 18th March last; and for con-
venience of record and reference the main results
therein summarised are here reproduced.

The accounts of 1876-77 show a deficit of
about £2,200,000,—famine expenditure and loss
of revenue having absorbed nearly 3½ millions.

The Regular Estimates for 1877-78 also ex-
hibit a deficit of £ 3,430,000,—the prolongation
of famine having involved £ 2,800,000.

The Budget Estimates for 1878-79 shew the
Ordinary Revenue at £ 63,250,000, and Ordinary
Expenditure at £ 61,094,000, with a surplus of

£2,156,000; but the assignment of £1,500,000 to famine expenditure and the formation of a famine insurance fund reduces that surplus to £656,000 available for other purposes.

The expenditure on account of famines in the 5 years from 1873 to 1878 has been estimated at £16,000,000, but taking the past as periods of exceptional disaster, and in the hope that the cost of famine relief will be less in the future than it has been in the past, it has been assumed that the yearly average cost of famines in loss of revenue and actual expenditure will not be less than £1,500,000, and it has been determined that, to enable the State to meet the obligation of preventing and relieving famine—the periodical occurrence of such calamity being taken into calculation as a liability for which provision should be made from ordinary revenue—it is necessary to secure a substantial surplus of revenue, in addition to a margin of half a million to a million sterling which may be demanded for ordinary requirements.

With that object in view the Government have considered it expedient to obtain a portion of these additional resources by new taxation in the form of a License Tax on trades and dealings leviable throughout India and estimated to yield £700,000, and of a tax on the agricultural class-

es of Bengal and Northern India, valued at £500,000 a year. The proceeds of these taxes together with the sum of £400,000 which will be gained by the extension of Provincial responsibility will make up a little more than the £1,500,000 annually required for the insurance of the country against famine.

The remittances from India to England during the current year or, in other words, the drafts drawn on the Treasuries of India by the Secretary of State will amount to £17,000,000.

The closing balance of 1878-79 in the Indian treasuries is expected to be a little over £13,000,000.

It is proposed to borrow £2,500,000, but the Government cannot give any information about the time or manner in which that amount, or any other sum it may actually want, is to be raised.

The equalisation of the salt duties, the abolition of the Inland Customs line and, with it, of the inland duties on sugar, are material fiscal reforms; and the improvement of the Customs tariff by the removal to the free list of a number of articles of importation yielding an insignificant revenue, and by exempting from duty certain descriptions of coarse yarn and of cloths manufactured from such yarn, with which the productions of Indian mills have long and successfully

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competed, is also a concession of some consideration.

The following extracts from the Resolution on these last important points are given *in extenso* for the information of members.

39. There are two great measures to which the Government is pledged: the first is the equalization of the salt duties, the abolition of the Inland Customs line, and, with it, of the inland duties on sugar; the second is the improvement of the Customs tariff and the removal of the import duties on cotton manufactures.

40. Towards the accomplishment of the first of these measures great steps have been taken during the present year. Throughout the Presidency of Madras and Bombay, including Sindhi, the duty on salt, whether foreign salt imported by sea or home manufactured salt, has been raised to Rs. 2-8 per maund. At the same time the village duty which was levied on salt brought by Railway from Bombay into the Central Provinces, has been abolished, so that the duty of Rs. 2-8 per maund is the rate for those Provinces also, since they derive their supply of salt from Bombay and Madras. The duties in Lower Bengal, both import and excise, have been reduced to Rs. 2-2 per maund, and the duty on salt imported across the Inland Customs Line for consumption in the Upper Provinces, as well as the excise duty on salt manufactured in those Provinces, has been reduced to Rs. 2-12 per maund. At the same time the price of Punjab mines salt, the property of Government, has been diminished by 4 annas per maund. More recently that is on the 1st of this month, the price of Sambar salt, purchased for importation into British Territory, has been reduced by 2 annas a maund, but a great part of this reduction has been counteracted by the simultaneous raising of the Railway freight on this salt, when brought to Agra by 11 annas per maund. The freight had been kept abnormally low under an arrangement by which the Inland Customs Department made up to the Railway any deficiency from a fixed standard of profit. This arrangement, which was inconvenient and anomalous, has now ceased.

41. The object of these measures has been recently fully explained. That object is not to increase the burden of the salt taxes on the people of India or to derive therefrom a larger revenue, but to make as large

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step as the finances will permit toward the equalization of those duties, a condition of taxation desirable in itself and an essential preliminary to the abolition of that great objection to British administration—the Inland Customs Line. The Government of India regrets, that on a general review of its position no further steps in this direction can at the present moment be taken, but it confidently hopes that the time is not distant when this great reform, the object of which is to give the people of India “the means of obtaining, with the least possible inconveniences, and at the cheapest rate consistent with financial necessities, a supply of salt only limited by the people’s capacity for consumption,” will be completely carried out.

42. After making due allowance for these changes and for the normal development of the salt revenue, as well as other circumstances affecting it, the Budget Estimates of 1878-79 shows a net increase of ₹217,000 over the Regular Estimates of 1877-78.

43. In Sir John Strachey’s Financial Statement made a year ago, he referred to the duties levied on sugar exported across the Inland Customs Line in the following terms:—

“These are one rupee per maund on refined sugar, and six annas per maund on unrefined sugar, or saccharine produce. Except where the line runs along the left bank of the Indus, exports across it are taken to Native states; but, when it passes the Indus, the sugar is nearly taken from one part of British territory to another. This sugar is all the produce of our own people in the North-Western Provinces, Oudh and Punjab; it is one of the most important agricultural staples of those provinces, and it is important not only to the agriculturists and manufacturers and consumers, but directly to the Government which looks greatly to sugar cultivation for its irrigation revenue.

“While we are taxing heavily our own sugar grown on the east of the Customs line, for the supply of the country beyond it, we admit into the same country the Mauritius sugar, which is imported largely to Bombay, taxed at a much lower rate. It is calculated that the Indian Customs duty is equivalent to 10 per cent. on the value; but the incidence of the duty varies considerably, particularly on refined sugar; on the cheaper kinds the duty is equivalent to more than 20 per cent. on its value; the sea import duty on Mauritius sugar is 6 per cent. *ad valorem*. I do not assert that there is at present any great competition between the sugar of the Upper Provinces of this Presidency and foreign sugar; but, so far as competition exists, the Inland

Customs duty acts as a protective duty in favor of foreign and against our own sugar: to this extent, the duty must fall on the producer within the Customs Line. The competition will be more apparent and severe when the connection of the Rajputana State Railway with the Bombay and Baroda Line is completed.

"Little or no sugar is grown in Rajputana or Central India; the increase of price caused by the Inland Customs Line must tend to diminish consumption, and so still farther, to injure the producer. It is impossible to estimate the injury to the people and the Government caused by placing artificial obstructions on the export of one of the great agricultural staples of the country. Such obstructions obviously affect not only the export but the import trade as well. The Government of India has repeatedly urged upon Native States the policy of abolishing their transit-duties, but it is difficult to see with what consistency we can do this, so long as we retain our sugar duties. They yield about £165,000 a year, this is my only excuse for not proposing their instant abolition: they will, at any rate, disappear with the abolition of the Inland Customs Line."

44. The negotiations relating to salt, with the Native States of Rajputana and Central India, which have for their object the abolition of the Customs Line, are rapidly approaching successful completion. The maintenance of the sugar duties after the arrangements connected with salt in the Native States are put into effect, will not be consistent with the engagements made with those States, and after the Customs Line, along which they are levied, has been removed their retention will be impossible. The Government of India will therefore be compelled under any circumstances to relinquish these duties very shortly; and as no practical financial advantage would be obtained by postponing the measure for a few months, it has been decided that the duties shall be at once abolished. The country will thus be relieved of these sugar duties which have been more than once characterized as "the most discredit-able relic of the dark ages of taxation that exists in India."

45. It is estimated that those Inland sugar duties would have produced in the coming year £165,000. They appear under the head of "Customs" and their abolition has led to a corresponding reduction.

46. The second of the measures of fiscal reform before mentioned, the improvement of the Customs Tariff, next calls for notice.

47. Her Majesty's Secretary of State has called the attention of the Government of India to the Customs Tariff generally, and to the duties

levied on cotton goods in particular, in several despatches received during the past year.

First, in a despatch, No. 81, dated the 7th June 1877. * His Lordship pointed out that there were numerous articles in the Tariff on which the duty levied was quite insignificant, and he requested that at a convenient time the propriety of excluding from the Tariff items that will not be productive of revenue might be considered.

Next, a despatch, No. 124, dated the 23rd August 1877,† forwarded a copy of a memorial from the Council of the East India Association, and a reply thereto by Mr. Dayanford Jackson on behalf of the Associated Committees of Employers and Workmen in the cotton manufacturing districts, respecting the abolition of the duties on the importation of cotton goods and yarn into India. Lord Salisbury observed with reference to these papers:—

"Your Excellency is well aware of the great importance attached by Her Majesty's Government to the gradual reduction of these duties at the earliest period that is not inconsistent with the financial requirements of your administration."

Finally, the Secretary of State transmitted with his despatch No. 186 dated the 30th August 1877,‡ a Resolution which

§ Appendix D. was adopted by the House of Commons on the 11th July 1877 without a division in the following terms:—

"That, in the opinion of this House, the duties now levied upon Cotton manufactures imported into India, being protective in their nature, are contrary to sound commercial policy, and ought to be repealed without delay so soon as the financial condition of India will permit."

His Lordship expressed his concurrence with the views of this Government, as reported in the speeches of His Excellency the Viceroy and of Sir John Sturtey in the Proceedings of the Legislative Council on the occasion of the Budget statement in March last.

The despatch concluded in the following words:—

"I can only, in conclusion, express my hope that the financial prospects of your Government in the approaching year may not preclude the possibility of commencing the reform of this branch of the Indian Tariff, but if, as now seems too probable, it shall unfortunately be such

as to render you unable to incur the risk of any material loss of revenue from remission of duties, there are still two measures in connection with this reform which should not in my opinion be delayed beyond the present year. I mean the repeal of the duty of 5 per cent. on foreign raw cotton imported into India, and the exemption from import duty of the lower qualities of cotton manufactures upon which the present tax is inconstantly protective, not only in principle but in fact, and the value of which for revenue purposes is wholly insignificant."

48. The questions thus brought before the Government of India by Her Majesty's Secretary of State have received careful consideration. It is evident that, in the present state of the finances of India, any large measure of reduction of the Customs duties would be not only impossible, but would not be in accordance with the views of the House of Commons or of Her Majesty's Secretary of State. The Government of India is, however, of opinion that there is no reason for delaying compliance with the instructions of the Secretary of State, that something should be done towards removing from the Tariff the coarser qualities of cotton goods which are subject to competition from the Indian mills and looms, and some other articles which are productive of but a small amount of revenue.

49. Although as just stated, it is not at present possible to sacrifice any important part of our existing revenue, for the purpose of reforming the commercial taxation of India, the Government deems it right to place on record the principles on which its action is at the present time guided, and by which it desires to be guided in the future.

50. It is not necessary now to discuss the advantages to a country of free trade and the disadvantages of protective duties. It is sufficient to say that these have been admitted for many years by the Statesmen who, of whatever party, have guided the policy of the United Kingdom. In pursuance of the principles thus accepted, the Tariff of the United Kingdom, which, less than thirty years ago, subjected to duty more than one thousand different articles, has been brought down by various stages to some half dozen, of which the only important ones are wine and spirits, tea and tobacco. At the same time all export duties have been abolished.

51. The principles on which the Customs legislation of the United Kingdom has been based are now admitted as valid by all who favour the theoretic advantages of free trade. They must be recorded as a part of the national policy which Great Britain has finally adopted,

and which the Secretary of State for India with the deliberate approval of the House of Commons has required the Government of India in this country to carry out.

These principles are, as regards imports:—

- (1) that no duty should exist which affords protection to native industry, and, as a corollary, that no duty should be applied to any article which can be produced at home, without an equivalent duty of excise on the home production, also, that no duty should be levied except for purely fiscal purposes;
- (2) that, as far as possible, the raw materials of industry and articles contributing to production should be exempt from customs taxation,
- (3) that duties should be applied only to articles which yield a revenue of sufficient importance to justify the interference with trade involved by the machinery of collection.

As regards exports:—that duties should be levied on those commodities only in which the exporting country has practically a monopoly of production.

52. These principles are of general application, but in the case of India, they possess a peculiar significance. India is a country of unbounded material resources, but her people are a poor people. Its characteristics are great power of production, but almost total absence of accumulated capital. On this account alone the prosperity of the country essentially depends on its being able to secure a large and favourable outlet for its surplus produce. But there is a special feature in the economic conditions of India which renders this a matter of yet more pressing, and even of vital importance,—this is the fact that her connection with England and the financial results of that connection, compel her to send to Europe every year about 20 millions sterling worth of her products without receiving in return any direct commercial equivalent.

It is this excess of exports over imports which, in the language of the economists, is described as tribute. It is, really the return for the foreign capital, in its broadest sense, which is invested in India, including under capital not only money, but all advantages which have to be paid for, such as the intelligence, strength, and energy, on which good administration and commercial prosperity depend. From these causes the trade of India is in an abnormal position, preventing her receiving, in the shape of imported merchandise and treasure, the full commercial benefit which otherwise would spring from her vast material resources.

53. The comparatively undeveloped condition of the trade of India may be illustrated by the following figures. The value of the imports and exports taken together per head of the population in the United Kingdom about £20. In British India it is about 10 shillings. The Kingdom about £20. In British India it is about 10 shillings. The Custom revenue on the few articles now retained in the Import Tariff of the United Kingdom is about 12 shillings per head, while that of India, on all the articles of its lengthy Tariff, is about 3 pence, showing that as small as is the proportion of the foreign trade of India to that of England, the proportion of customs revenue derived from it is smaller still.

54. Here then is a country which, both from its poverty, the primitive and monotonous condition, of its industrial life, and the peculiar character of its political condition, seems to require from its Government, before all things, the most economical treatment of its resources, and, therefore, the greatest possible freedom in its foreign exchanges.

Under these circumstances, what are the conditions of production and consumption in India? How far is it possible to construct a Tariff of import and export duties, which will comply with the accepted canons of taxation? And how far does the existing Tariff conform to those canons?

55. In answering these questions it will be found that India, by the extent and favourable conditions of its territory is capable of producing almost every article required for the use of man. If, therefore, the import Customs Tariff be maintained it will involve the evils of protection unless an excise duty to counterbalance the customs duty be imposed upon almost every item which the tariff now includes. Now, as excise duties are generally costly, vexatious and inconvenient forms of taxation, would be in most cases impacticable in India, this of itself is a reason against the permanent retention of the existing Customs Tariff, and of which interposes a very serious difficulty in the way of constructing one which shall be free from objection. Since almost every article that is now on the Tariff, or that could be named, is either produced or is capable of being produced in India, it follows that import duties must in every case be actually or potentially protective, while, with the exception of liquors and salt, none of them are subject to an excise.

Again the people of India are too poor to consume many luxuries. The import trade merely consists of what may be considered either the materials of industry or the necessities of life. It will accordingly be found that nearly all the heads of customs revenue which are of any im-

portance are derived from one or other of these descriptions of commodities, and that the revenue derived from articles is so insignificant as neither to justify the machinery of collection nor the interference with the trade.

56. The total amount of import duties was in 1876-77, £4,170,947, or, deducting erroneous collections, refunds and drawbacks on re-exportation, £4,098,296; of this latter sum there was realised—

From Salt	...	2,491,010
From Liquors	...	331,761
Total	...	2,822,771

On these articles there is an internal excise duty counterbalancing the customs duty.

Deducting the duty on these two articles, there remains £1,276,225. Deducting again from this the revenue realised from opium goods, or £211,240, there remains £464,186, which is thus distributed:—

	£	£
Copper	...	65,624
Iron	...	17,696
Other metals	...	80,920
Silk, raw, and manufactured	...	49,727
Woolen manufactured	...	39,068
Provisions	...	32,901
Apparel	...	23,653
Hardware and cutlery	...	21,049
Spices	...	16,724
Sugar	...	13,886
Glass	...	13,244
Railway materials	...	11,333
Articles, each group of which gave less than £10,000	...	132,853
Total	...	464,186

Many of the numerous articles in the last class yield each an insignificant revenue, and nearly the whole are or can be produced in India. The duties on them are thus indefensible, in principle, and cannot consistently be maintained longer than financial exigencies require their retention.

57. To revert to the cotton duties, regarding which the resolution of the House of Commons has declared that, being contrary to sound com-

merch principles, they ought to be abolished, the Government of India has been at some pains to ascertain how such of them as are now actually protective can be defined. The real test is the quality or fineness of the yarn of which the goods consist. At present the Indian manufacture is confined to the coarser yarns and goods made of such yarns, and it is evident that the 5 per cent. import duties does protect such yarns and goods against competition from without. It is difficult to determine exactly how far it is effective. The coarser Indian yarns and piece goods only, by their comparative cheapness, displace, as indeed it is asserted that they have displaced, finer imported goods in the Indian market. So far as this happens, the duties are destructive of the Customs revenue. However this may be, it is generally admitted, and the Customs returns, so far as they supply information, show, that there are certain descriptions of goods regarding which it can safely be asserted that they are of the kinds with which the Indian manufactures can compete successfully. These are unbleached T cloths under 18 reed, jennas, domestics, sheetings, and drilles. The duty paid by these descriptions of piece goods in 1876-77 was only £22,237, of which probably some portion was given back in the shape of drawback and refund, and there is a considerable re-export of grey piece-goods from India. The total value of such goods re-exported in 1876-77 was £302,234. They are taken chiefly to Persia, Arabia, and the east coast of Africa. The total refunds and drawbacks in 1867-68 amounted to £12,263. It is not known how much of this was on account of the coarser goods specified above.

58. The Government of India has determined to commence by exempting these descriptions with the further condition that the goods so exempted shall not contain finer yarn than what is known as 30s, that is, yarn of which 30 hanks of 840 yards each weigh one pound. The loss of duty, calculated on the figures of 1876-77, cannot exceed £22,237, and, for the reasons above stated, will probably be less. For yarns themselves, the limit selected for exemption is for made twist 22s and for water twist 20s. The former yielded in 1876-77 £3,400, and the latter £39, minus any refunds and drawbacks that may have been granted. The duty on longstapled raw cotton yielded £15, and it is quite unnecessary to maintain this duty. The maximum remission of duty proposed under these heads, calculated on the figures of 1876-77 amounts to £25,681.

59. It has been urged in some quarters that instead of taking the duties of imported cotton goods so long as they are retained, it

would be right to exise the Indian manufactures. Regarding this proposal, it may be said, first, that it would be impossible to exise the product of all the hand-looms and spinning apparatus in India, and that to confine the exise duty to the large mills and looms worked by European machinery would be not only an unjust and incomplete measure but would place an obstruction on a most legitimate and desirable development of the industry of India; secondly, that it would be impossible to tax the manufactures produced in India in Native States outside of British territory without maintaining the present inland Customs lines, which the Government of India are strenuously endeavouring to abolish, and without establishing many more similar lines; and thirdly, that the imposition of an exise duty is inconsistent with the declared future policy of the Government of India, and of Her Majesty's Government, namely, eventually to abolish all import duties on cotton manufactures. The Government of India has, therefore, no hesitation in rejecting the proposal in question. Orders giving effect to the decisions will be found in the Notification issued with this Resolution.

60. Another class of articles is also clearly marked out for exemption. These are materials for railways. Under any circumstances, it must be a short-sighted fiscal policy to add artificially to the cost of railways, on which the development of the wealth of India is so greatly dependent; but when it is considered that, under the guarantee system, the Government of India has to pay five per cent. on the customs duties which it imposes on railway plant not imported by itself, the inexpediency and inconsistency of retaining these duties is beyond question. Locomotives and other machinery for railways, as well as wooden sleepers, have already been freed from duty. On the rest £11,335 net duty was realized in 1876-77, and the Government of India has determined to free this head of the Tariff from duty.

61. It has also decided to relieve the Tariff of 26 other major heads, comprising a larger number of sub-heads and innumerable articles, the details of which will be found in the Notification published with this Resolution. The whole of these Tariff heads produced in 1876-77 £20,610. The most important is the head "Fruits and Vegetables," being chiefly coconuts, dates, and the like—articles of food of the poorer classes. These yielded a revenue of £6,126.

62. With respect to the Export Tariff, the only duties now remaining are those on rice, indigo, and shell and button lac. Although India cannot be said to possess a complete monopoly of these articles still this condition is nearly enough complied with to justify their present

retention on the Tariff. As soon as the finances will permit of it, the question of the retention of these duties may be reconsidered. They yielded in 1876-77 the following amounts:

Rice ... ..	...	...	...	...	529,739
Indigo ... ..	...	...	...	...	41,132
Lac of all sorts ... ..	...	...	...	...	33,552

63. There will now remain out of the 62 tariff numbers of Schedule A. of the Indian Tariff Act, 1876, only 26 numbers, and this important reduction including the remissions of duties on the cotton goods and minor articles is affected with a loss of about £27,000.

64. These measures, designed to be the first steps, towards giving effect to the policy that has been enjoined on the Government of India by Parliament and the Secretary of State, strictly comply with the conditions under which that policy was to be carried out. The estimate of the Customs revenue of 1878-79 is, after allowing for all the proposed remissions, taken at £2,480,000 or £150,000 less than the regular estimate of 1877-78. This decrease is less than what will be given up by the relief of sugar from Inland Customs duty, so that the sea customs duty remitted has no part in this decrease. The amount of sea customs duties in the coming year is smaller than in the earlier years of the series given below by reason of the reductions made in the tariff in the year 1876 by the Government of Lord Northbrook:—

					£
1872-73, Actuals ... ..	...	...	...	...	2,654,000
1873-74 " ... ..	...	...	...	...	2,628,000
1874-75 " ... ..	...	...	...	...	2,678,000
1875-76 " ... ..	...	...	...	...	2,728,000
1876-77 " ... ..	...	...	...	...	2,483,000
1877-78, Regular Estimate ... ..	...	...	...	...	2,480,000
1878-79, Budget " ... ..	...	...	...	...	2,480,000

The Government of India, in pursuing for the future the policy that has guided it in making these remissions, will always give full consideration to the general financial position of the country and will recognise the obligation laid upon it not to attempt to burden this important fiscal reform by additional taxation. It confidently expects that the normal growth of the revenues will place at its disposal the necessary means.

OVERLAND MAIL CONTRACT.

This important question was under consideration at the meeting of the Chamber held on the 18th February, and the Chamber's last Report contains the President's remarks upon the subject, the conclusions arrived at by the Committee, and the proposals submitted by them for approval and adoption.

Immediately after the meeting the following letter was addressed to the Director General of the Post Office, and, although the Committee have had no acknowledgment of their communication, they believe it has engaged the attention of Government, and that it will be duly submitted to Her Majesty's Post Master General.

From Chamber to Director General of Post Offices.

Calcutta, 19th February 1878.

The subject of the Eastern Overland Mail Service in connection with the approaching termination of the present mail contract was brought forward at a General Meeting of the Chamber of Commerce held yesterday, when it was resolved that the Committee should communicate to you the views entertained by the Chamber on this important matter: and I am desired to submit the following representation for your consideration.

1st.—In the opinion of the Chamber, although the maintenance of the Southampton route may no longer be required so far as purely mercantile interests are concerned, communication should be maintained under contract between India and some point in England.

2nd.—As Indian mails from Brindisi have on occasions been delayed in Egypt waiting arrival of mails from Southampton, and Indian mails for Brindisi have also been, or may be, similarly delayed waiting arrival of mails from China or Australia, the new contract, if it should include the conveyance of the Southampton, China and Australia mails, should expressly stipulate that no such delay shall be allowed, but that when these do not arrive in Egypt before or at the same time as the India and Brindisi mails, the latter shall be forwarded without delay and without reference to the others, which the contractors should be bound to send on by other steamers.

3rd.—The rates of speed stipulated for in the present contract are admittedly under those which present times warrant and demand. The Chamber, however, is not prepared to name any rates which should be stipulated for, but would recommend, as a test of what can be had, that tenders should be called for, and that tender selected which gives the highest speed, combined with a subsidy which would not make enhanced postage a necessity, and which also could give the fullest assurance of ability to carry out the contract in its integrity.

4th.—Duration of contract should similarly be made a matter of tender, as contractors would doubtless accept a long contract on more favorable terms to the public than a short one.

5th.—In considering the tenders which may be submitted the Chamber would urge that the fullest consideration, consistent with public interests, should be given to that which will doubtless be made by the present contractors, who have so long, and certainly not unsatisfactorily, carried out the mail service between India and Europe.

6th.—In submitting this the Chamber would take the opportunity of suggesting that when arrangements are being made for the accelerated receipt of European mails in India their more rapid transit through India and the Continent is a subject well deserving of attention. The mails last received in Bombay from Europe lay there for the greater part of a day before being despatched to Calcutta and other parts of India connected with the line of Railway leading to Calcutta.

LICENSE ACT.

This subject was also referred to at the Chamber's last meeting, and although no special Resolution was passed regarding it the Committee were of opinion that the general feeling of the Chamber as to the exceptional character of the legislation adopted by Government warranted them in memorialising the Secretary of State against a measure which presented the objectionable feature of invidiously and unjustly exempting the official classes from a special taxation levied for imperial purposes, and thereby throwing its burden entirely on every commercial and trading

industry of the country. The Committee therefore prepared the following memorial to Her Majesty's Secretary of State, and forwarded it through the prescribed channel.

From Chamber to Her Majesty's Secy. of State.

Calcutta, 23rd March 1878.

That your Memorialists recognise the necessity imposed upon the Government of India, by the calamitous famines that have within the last few years occasioned enormous expenditure of the public revenue, to make provision for meeting extraordinary and exceptional charges that may be incurred hereafter by similar disasters.

That your Memorialists therefore recognise the expediency of an Imperial Fund being created for the special purpose of meeting the demands that may arise by reason of future scarcity and famine, and approve of the policy whereby the pressure of expenditure may be equalised over a series of years.

That your Memorialists also acknowledge the necessity for bringing the public revenue and public expenditure into a condition of financial equilibrium, for maintaining a sound financial position, as well as for creating a Special Famine Fund by means of additional taxation without encroaching on the ordinary revenue reserved for ordinary requirements of the State.

That such special Famine Fund proposed to be created

by the Government of India is intended to be provided from the following sources:—

New Taxation: License on Trades, Dealings, and Industries ...	£700,000
Agricultural Tax, Bengal and Northern India ...	500,000
Gain by extension of Provincial responsibility ...	400,000

That in pursuance of such determination, and with the view to raise a proportion of such additional taxation within the Territories subject to the Lieutenant-Governor of Bengal, an Act for the licensing of Trades, Dealings, and Industries has been passed by His Honor and assented to by the Governor General of India.

That your Memorialists cannot but regard the said Act as a violation of established principles of taxation, inasmuch as it throws upon certain classes of the public a burden which should be borne by all alike without exception, and demands that all branches of trade and industry shall contribute to the support of the State, while it exempts, invidiously and unjustly, every grade of the salaried officers of Government from any share of a special taxation necessitated by national exigencies.

That while your Memorialists are content to bear their fair share of that burden, they entirely dissent from the assumption that trades and industries generally benefit from famines, and that therefore they should be called upon to pay so large a proportion of the annual tribute demanded by the State as protection against such calamities. That while it cannot be denied that some trades and industries do derive temporary benefit from famines,

your Memorialists submit that such benefit is limited to a few only, while the great majority not only derive no benefit but actually suffer serious losses by the occurrence of famine.

That owners of jute mills and of steam ships and other carriers undoubtably did derive advantages from the late famine in Madras, but ship-owners, with one or two notable exceptions, are not and cannot be made liable to such taxation as is now imposed, not being resident or in any way established in India; and to make those who are established in India liable to such taxations, while the others escape it, is to prejudice local interests as against foreign. With the exception of the classes named your Memorialists believe famine is a misfortune to trade generally, which is nevertheless called upon to meet the entire cost of providing such portion of the fund necessary to protect the State as is derivable from the measure complained of.

That markets for all classes of imported goods become stagnant from the results of famine,—scarcity and consequent dearthness of food interfering with the ability of the population to purchase, importers thus finding consumption of their goods materially reduced; whilst exporters of produce find most articles of commerce enhanced in value and all means of carriage dearer,—trade thereby being rendered exceptionally hazardous and generally unprofitable.

That it has been officially assumed and declared that traders in rice in connection with the late famine have amassed enormous profits from that source. Your Memorialists believe such is not the case. No doubt, some

have made large profits, while a greater number have made moderate profits; but of others who were engaged in the trade some have been seriously embarrassed and some ruined through such operations, although at the same time the commercial enterprise involved in an unprecedented exportation of food grain from the Port of Calcutta has, your Memorialists believe, enabled Government to meet the emergencies of the famine at a very much smaller cost to the country than had traders not engaged so extensively in the traffic.

That in the opinion of your Memorialists the action of the Government of India by placing so heavy a burden upon the commercial and trading classes who have thus rendered substantial service to the State, while all official classes have been exempted, is unmerited and unjust.

That your Memorialists frankly admit and bear testimony to the laudable and excellent services rendered by Government officials of all ranks who were engaged in the famine in Southern India and elsewhere, and they would gladly see them appropriately recognised and rewarded; but your Memorialists submit that the performance of duty however zealously and efficiently discharged is no ground for exemption from taxation for national purposes; and that the immunity of the official classes from the obligations compulsorily imposed upon other sections of their fellow-subjects invests the Government measure with a most invidious character and constitutes it an act of grievous partiality.

Your Memorialists respectfully submit that national misfortunes, whether arising from famines or other causes beyond or within human control, enjoin obligations upon

every class of the community (if able to bear them) to contribute towards the national resources needed for alleviating consequential distress, and protecting the State against similar disasters in the future: and that any measure of Government which violates equitable taxation by overweighing selected classes of the people and giving entire freedom to others well able to bear their share of the burden, cannot be too strongly condemned as being at variance with a right disposition of responsibilities common to all alike.

That in the judgment of your Memorialists the Government measure is but a revival, in a modified form, of the abandoned Income Tax, which however possessed the redeeming features of approximately assessing the means of all who were bound to contribute to public requirements and of abstaining from taxing the hard earned pittance of the poorest classes; while the License Act, on the contrary, touches the scanty resources of the humblest and lowest in every social industry that can be enumerated, and apportioned the fees payable in the three Presidencies in such a manner as to deny the tax even the merit of reasonable equality in its incidence.

Your Memorialists therefore pray your Lordship will not sanction the License Tax until it has been amended so as to include every official class within Her Majesty's Indian Territories, and to provide that all assessments shall be determined by a standard of uniformity.

From Chamber to Government of Bengal.

"The Committee of the Chamber of Commerce desire me to place in your hands the accompanying memorial

addressed to Her Majesty's Secretary of State for India, with their request that it may, with the permission of His Honor the Lieutenant-Governor of Bengal, be forwarded to the Government of India for transmission to the Secretary of State."

JETTY CHARGES.

THE Chamber's last Report contained a representation to the Government of Bengal relative to the high tariff of charges maintained by the Port Commissioners for landing and shipping cargoes at their jetties. It was pointed out that the necessity for such rates did not exist, as the Commissioners had admittedly for some years appropriated large surplus of revenue towards permanent works of construction, the cost of which the Committee contended should be met by capital and not revenue; that the schedule of charges was consequently capable of considerable reduction, and that the perpetuation of an unnecessarily high scale was opposed to one of the most important objects for which the Port Trust had been established.

The answer of Government was disappointing, the Lieutenant-Governor having decided that the time had not then come for any general reduction of the existing scale of charges.

It was therefore with agreeable surprise that the Committee—within 6 months of His

Honor's unfavorable reply—were informed that the Commissioners were in a position to lower their rates: and, after communicating with members on the subject, the following letter was addressed to the Commissioners.

From Port Commissioners to Chamber.

Calcutta, 23rd March 1878.

In accordance with a resolution passed at the last meeting of the Commissioners, I am directed to inform you that the Commissioners contemplate making a reduction in jetty charges during the next financial year, and I am to request that you will be good enough to favor the Commissioners with any suggestions you may have to offer on the subject.

From Chamber to Port Commissioners.

Calcutta, 16th May 1878.

The Committee of the Chamber of Commerce received with much satisfaction the intimation conveyed in your letter No. 4588 of 23rd March that the Port Commissioners contemplated making a reduction in jetty charges.

To enable them to ascertain, for their guidance in answering your reference, what the opinions of members of the Chamber might be on the subject, the Committee submitted the Commissioners' proposal for information and early reply in a circular dated 30th March, but they regret they have not received so many answers as they hoped would be sent: as they are anxious however to place before the Commissioners an acknowledgment of

their reference without further delay, the Committee direct me to forward the individual opinions of members as the most convenient means of enabling the Commissioners to gather what reduction is suggested in respect to the articles in which each is specially interested.

The Committee experience considerable difficulty in recommending to what extent the reduction should apply to each of the numerous articles specified in the import and export schedules,—a variety of circumstances presenting themselves in the consideration of what would be a fair and proper distribution of jetty rates: the proportion of revenue contributed by each item; the quantities and values of goods, the sizes of packages, facility in handling them, &c.

An all-round reduction of so much per cent. advocated by some of the members would not in the judgment of the Committee be an equitable arrangement, and they are not prepared to recommend it; nor can they endorse all the changes submitted in the correspondence: but they have no hesitation in expressing their opinion that while a substantial reduction is required on all classes of merchandise care should be taken to relieve as far as possible cheaper and bulkier articles, which can less bear the weight of charges than others of greater value and in smaller compass.

The Committee hope the Commissioners will see their way to make very material reductions in their tariffs, and thus give practical effect to one of the most important objects of their trust, viz., the removal of burdens from the trade of the port to the utmost extent consistent with legitimate demands on their resources.

IMPORT DUTIES.

The following representation has been submitted to the Government of India regarding the remission of import duties on sundry descriptions of grey cotton piece-goods. The object of Government in their Financial Resolution on the subject was stated to be the removal of the protection afforded to cotton fabrics manufactured in this country coming into competition with imported British goods of similar kinds, and thus relieve the latter from the pressure to which they had been subjected in consequence of the production of Indian mills being unhampered by excise or duty. This new policy was inaugurated by the declaration that certain descriptions of cloth should be exempted from import duty on the condition that they contained yarn of no higher count than 30s. that number being taken as the standard by which exemption should be determined.

It seemed however that several important articles of cotton goods, although fulfilling the conditions of exemption as regards quality, were still subject to duty because not specially referred to by name in the notification: the protection therefore which it was the avowed object of Government to remove remained in full force as against the articles referred to, and the pur-

pose of the Committee's representation was to call attention to this anomaly.

From Chamber to Government of India.

Calcutta, 17th April 1878.

I am directed by the Committee of the Chamber of Commerce to address you in regard to the Notification, No. 43, dated 18th March 1878, exempting from all import duties sundry descriptions of grey cotton piece goods.

In the Resolution No. 1911, dated 18th March 1878, published by the Financial Department, it is stated that the Government of India have been at some pains to ascertain how such of the cotton duties as appear to them actually protective could be defined, and it is then added, as the result of such enquiry, "that the real test is the quality or fineness of the yarn of which the goods consist."

The Committee of the Chamber do not propose to discuss the question of how far this proposition is correct, the object of their communication being to point out that the legislation which followed the enquiries resulting in the conclusion above referred to appears to have proceeded on a different basis, and to call attention to certain anomalies which in consequence have arisen.

Para: 57 of the Resolution particularises by name the descriptions of goods proposed to be exempted from duty, these being T. cloths, jeans, domestics, sheetings and drills; and para: 58 imposes "the further condition that goods so exempted shall not contain finer yarn than

" what is known as 30s, that is, yarn of which 30 hanks " of 840 yards each weigh one pound." In the Notification it is similarly specified that the goods exempted from duty shall come under certain designations, and also be subject to the further condition as regards fineness of yarn, already referred to.

The apparent contradiction between the "real test" as defined by the Government of India and the terms of the Notification has occasioned considerable dissatisfaction amongst importers of cotton goods, and it has been represented to the Committee of the Chamber that the condition referred to must operate very unfairly against certain goods which, though satisfying the condition as to count of yarn, are still not commonly recognised by any of the names set forth in the Notification. As an illustration, the Committee would draw attention to a certain description of *stout* or *domestic* cloth, which, for convenience of sale, importers have been in the habit of receiving in pairs of about 10 yards in length. These goods are used very largely by the Natives as *chaddars*, and consequently this name has been given to them by importers and is their recognised designation by the Custom House authorities. This being so, it follows that although the cloth is in all respects, as far as quality is concerned, a *domestic*, still with the present Notification before him the Collector of Customs is unable to pass it free of duty.

Other instances might be given to show the unfavorable position in which importers of certain fabrics are placed, but *chaddars* have been selected both because they fairly illustrate the anomaly created by the terms of the Notification, and also because such goods are largely manu-

factured in Native mills; and thus the protection which the Government apparently desire to remove still remains in full force in regard to these goods.

The practical effect of the Notification as it now stands is that cloth made in a particular length and bearing an arbitrary title passes free of duty, while precisely the same fabric cut up for convenience of sale into a different length has to pay duty.

The Committee of the Chamber would therefore respectfully urge on the Government the desirability of amending the Notification so as to include all cloths, of whatever denomination, made of yarn not finer than 30s; or if the intention of Government was really to exclude from exemption all goods not specially particularised, although fulfilling as to quality and fineness of yarn the "real test" laid down in the Resolution, then in such case steps should be taken to remove the ambiguity which appears at present to surround the question.

JUTE WAREHOUSE ACT.

This important matter has been the subject of a lengthened correspondence with Government which was given in the Chamber's Report for last half-year: and the Committee have occasion to draw attention to it again. It will be noticed that the representations made by the Committee as to the manner in which the Jute warehouse and fire-brigade Acts were administered have resulted in a communication from the

Government of Bengal to the Chairman of the Calcutta Municipality, which more than justifies the Chamber's action and remonstrances against the excessive contributions levied from a single limited and unprosperous branch of business, compelled to bear the burden of the entire cost of maintaining the fire-brigade of the city.

There might have been some reasonable ground for such taxation if it were shewn that it was essential to the purpose for which it was raised; and that for the efficient maintenance of the fire-brigade the Municipality needed all the funds that could be legitimately collected; but the levy of excessive fees from the owners or licensees of jute and cotton warehouses has been gravely aggravated by the facts disclosed in the Lieutenant-Governor's letter to the Municipality.

The following extract gives those facts:—“*But from the accounts of 1876 it appears that in that year the receipts from the single item of jute and cotton warehouses amounted to a sum which not only defrayed the entire cost of inspection, &c., in working the Act, and the whole expense of the fire-brigade, but also yielded a surplus, which allowed of a grant of Rs. 16,552 being made to the Ati-pore Lock-Hospital, and also of a grant of Rs. 10,000 being made in aid of the general funds of the Suburban Municipality. The total cost of*

the fire-brigade is entered at Rs. 15,698; while the fees on warehouses in Calcutta were Rs. 29,291 and in the Suburbs Rs. 20,794, or Rs. 50,085 in all.”

It was impossible for the Lieutenant-Governor to ignore or overlook such facts: the statement carried with it a condemnation of the system which produced them; and the Committee have emphatically declared against the application of such funds to objects having no conceivable connection with those contemplated by the Act.

From Under-Secy. to Govt. of Bengal to Chamber.

Calcutta, the 15th February 1878.

With reference to this office letter No. 432, dated the 28th January 1878, and connected correspondence, regarding the working of the Jute Warehouse and Fire-
* No. 701, dated the 15th February 1878.

Brigade Acts (11 of 1872 and II of 1875 of the Bengal Council) I am directed to forward herewith, for the information of the Committee of the Chamber, copy of a letter* which has this day been addressed to the Chairman of the Calcutta Municipality on the subject.

From Govt. of Bengal to Calcutta Municipality.

Calcutta, the 15th February 1878.

With reference to your letter No. 1901, dated the 18th June 1877, and the connected correspondence, I am directed to communicate the following remarks of the Lieuten-

nant-Governor on the working of the Jute Warehouse and Fire-Brigade Acts, and to request that the subject may be brought to the notice of the Municipal Commissioners for their consideration and for such action as they may consider it advisable to take.

2. It will be remembered that in August 1876 the Bengal Chamber of Commerce complained of the manner in which the law was administered, and a correspondence ensued, in the course of which the questions raised have been very fully examined, and the provisions of the law, as well as the practical effect of its operation, have been carefully considered by the Government.

3. The Lieutenant-Governor is of opinion that it is not at present expedient to attempt any amendment of the law. Some provisions of the law might no doubt be improved, if legislation on the subject were otherwise desirable. It has been shown that the tax on Insurance Companies is really paid not by the Companies themselves, but by those who insure with them; and it would be well either to abolish this tax altogether, or to impose it in some form which should secure its being paid by those on whom it was intended to fall. The law also appears to fix the minimum license fee in Calcutta at Rs. 250, and in the Suburbs and Howrah at Rs. 100; and it would be an improvement if this minimum were lowered, so as to meet the case of warehouses which cannot equitably be charged at so high a rate. It would also be desirable that the Commissioners should be authorized to levy a moderate fee (in addition to the ordinary house-rate) upon such premises as are used for the storage of what the Insurance Companies class as "hazardous goods;" and that fees so levied should be credited to

the Fire-Brigade Fund, in addition to the fees for fire-work licenses, which are creditable to the Fund under the existing law.

4. But considering that the Act of 1872 has been in force for hardly six years, and that two amending Acts have subsequently been passed, the Lieutenant-Governor does not propose to have recourse to further legislation at present. It remains to consider in what manner the provisions of the existing Acts should be carried out, so as most effectually to secure the objects with which the law was framed, without entailing hardship upon any class of the community.

5. Section 29 of Act II of 1872 contemplates the contingency of a contribution being made by the Municipal Commissioners of Calcutta and the Suburbs towards the payment of the expenses of the fire-brigade in the event of the charges of the brigade not being fully covered by the receipts accruing under the Act; that is to say, by the fees on jute warehouses and on fire-work licenses, together with the receipts from Insurance Companies. But from the accounts of 1876, it appears that in that year the receipts from the single item of Jute and Cotton warehouse licenses amounted to a sum which not only defrayed the entire cost of inspection, &c., in working the Act, and the whole expense of the fire-brigade, but also yielded a surplus which allowed of a grant of Rs. 16,552 being made to the Alipore Lock-Hospital, and also of a grant of Rs. 10,000 being made in aid of the general funds of the Suburban Municipality. The total cost of the fire-brigade is entered at Rs. 15,698; while the fees on warehouses in Calcutta were Rs. 29,291 and in the Suburbs Rs. 20,794, or Rs. 50,085 in all.

6. It appears to the Lieutenant-Governor that such a statement carries with it a condemnation of the present system. The maintenance of a fire-brigade is an object in which all classes of the community are interested, and to which all ought to contribute. It would be reasonable that a portion at least of the expense should be borne by the general funds of the Municipality. The owners of jute and cotton warehouses might fairly be called upon to defray the whole cost of inspection, and to contribute a portion of the expenses of the fire-brigade. But a system under which a single class of the community (a class whose numbers are limited, and whose business is understood not to be specially prosperous) is made to pay the whole cost of the protection of the town from fire, and to contribute a large sum for expenditure upon other objects, is opposed to all principles of equity and to the spirit, if not to the letter, of the law. Municipal taxation is already so high that the Lieutenant-Governor does not desire to press the question of a contribution to the fire-brigade from general municipal funds, but only to commend to the consideration of the Commissioners the arguments which appear to show the equity and reasonableness of such a contribution being made. But His Honor is of opinion that the fees charged under the Act should be fixed in such a manner as not to yield more than the sum required to render the fire-brigade self-supporting; and he would invite the Commissioners to keep this principle in view in dealing with all applications which may be made to them for reductions of the present assessment, or for the issue of fresh licenses.

7. The present surplus in the Fire-Brigade Fund,

which is understood to amount to about Rs. 35,000, should, in the Lieutenant-Governor's opinion, be devoted to the formation of a reserve fund for the purchase of new-engines, hose, and other plant required for the working of the brigade. A sufficient number of horses for the engines should also be kept, and the establishment generally should be made as efficient as possible.

8. The Lieutenant-Governor would also invite the attention of the Commissioners to the provisions of Section 30 of Act II of 1872 which authorises the Lieutenant-Governor on the recommendation of the Commissioners passed by resolution, to declare that any other fibre or other commodity which is stored or warehoused in warehouses, besides jute and cotton, shall be warehoused and kept subject to the provisions of the Act. It appears to Mr. Eden that hemp is a fibre which might properly be brought under the operation of this section, and he will be prepared, if the Commissioners should pass a resolution recommending him to do so, to declare hemp to be subject to the provisions of the Act in the same manner as jute and cotton, and with the same exemption of small quantities as is provided for jute by Section 13 of Act II of 1872.

9. Whether any other commodity besides hemp may properly be treated in the same manner is a question upon which the Lieutenant-Governor does not desire at present to offer a decided opinion. It has been suggested that mineral oils, when kept in any considerable quantities, are a source of serious danger, and that dealers might be required to keep them in licensed warehouses. The Lieutenant-Governor would be glad to receive an expression of the opinion of the Commissioners on this point and to be favoured with any information

which they may be able to give regarding the trade in mineral oils, the amount imported, and the kind of buildings in which the oil is usually stored. The extension of the Act to hemp warehouses (and possibly to oil warehouses also) would throw the burden upon a larger class, and would enable the Commissioners to reduce the existing rates without diminishing the total receipts of the funds.

From Chamber to Government of Bengal.

Calcutta, 15th May 1878.

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 704 of the 15th February last, forwarding for their information copy of a letter addressed to the Chairman of the Calcutta Municipality regarding the working of the Jute Warehouse and Fire-Brigade Acts.

Your letter would have received an acknowledgment in due course, but the Committee have deferred it in the hope that the answer of the Chairman of the Municipality would also be placed before them, so that they might have the opportunity of expressing their opinions simultaneously on the subject of your letter and the measures which the Municipality may recommend or adopt: but as further time may lapse before they are in possession of the Chairman's reply, the Committee proceed to submit the following remarks.

I am to express their satisfaction that the persistent representations of the Chamber, regarding the manner in which the Acts referred to have been administered, have at length resulted in the full examination and careful

consideration of the points submitted by the Chamber, of the provisions of the law, and of the practical effect of its operation. It is the evident desire of the Lieutenant-Governor that the law shall, for the future, be administered with a just respect for the interests of those whom it affects; and the Committee are confident that, after His Honor's recorded condemnation of the system against which they have so strenuously protested, a fair and equitable distribution of taxation will be practically recognised as the only principle on which the Acts can be satisfactorily worked.

That the Chamber had sufficient grounds for protesting against the immoderate charges demanded from the licensees of jute warehouses is amply shown by the fact that those charges not only defrayed the entire expense of maintaining the fire-brigade but yielded a surplus of more than twice the amount of such expense, as well as by the revelation of an extraordinary misapplication of that surplus to purposes entirely foreign to the objects contemplated by the Act. To weight a limited and generally unprosperous business with excessive taxation and to appropriate a large portion of a surplus thereby acquired to objects altogether beyond the scope of the Act, is so totally opposed to all principle of equity that the Committee cannot refrain from expressing their condemnation of such irregular dealing with funds contributed for the maintenance of a special branch of municipal administration.

The Committee entirely concur in the Lieutenant-Governor's opinion that the fees charged under the Act should be fixed in such a manner as not to yield more than the sum required to render the fire-brigade self supporting,

and that the maintenance of such a service is an object in which all classes of the community are interested and to which all should contribute; but they fail to see the reasonableness of His Honor not desiring the General Municipal Fund to contribute to the fire-brigade because municipal taxation is already so high. The licensees of jute warehouses are not freed from heavy municipal taxation by their payment of the fire-brigade tax, but have to pay their rates as well as other house-holders. That municipal taxation is already excessive is rather a reason for distributing the fire-brigade tax as widely as possible and not for accumulating it upon a single trade that can with difficulty pay its way.

With reference to the proposal that hemp should be declared to be subject to the provisions of the Act in the same manner as jute and cotton, the Committee apprehend that, as the whole amount of the trade in that fibre is so petty and entirely in the hands of traders in jute, there are not half a dozen godowns used in Calcutta for hemp that are not already licensed for jute, and that the proposal has been made under a misconception of the extent of the trade in that article and of the provision already made for its storage.

There is a point in connection with the matter under submission which does not appear to have arrested the Lieutenant-Governor's attention, but it is an important one; and the Committee believe that if the Municipal Commissioners of Calcutta, of Howrah, and the Suburbs adopt the recommendations indicated by His Honor, the apprehended diversion to the producing districts of the business of screwing jute will be materially checked; for they are credibly informed that the onerous conditions

under which the jute trade has been worked here have caused a steady increase of screwing in the interior which has led to several ships loading at Chittagong, and if that route should be more generally adopted Calcutta would lose a large part of her jute exports, thereby affecting the receipts of the Eastern Bengal Railway Company by diminished traffic and the revenue of the Port by diminished tonnage.

CARGO BOATS.

It will be seen from the letter addressed to the Chamber that certain owners of cargo-boats have presented a very strong remonstrance against the conduct of the River police; and the grievances complained of, under a variety of circumstances, appearing to be such as to call for the interference of higher authority and the consideration of Government, the Committee forwarded a copy of the representation for submission to the Lieutenant-Governor. No reply has been received yet, but it is believed that the matter is engaging His Honor's attention.

From Chamber to Government of Bengal.

Calcutta, 14th March 1878.

The Committee of the Chamber of Commerce desire me to forward a printed copy of a letter addressed to them by some members of the Chamber and others in-

terested in the subject regarding certain wrongs and grievances complained of by the owners and manjees of cargo boats.

Presented with the authority of signatures which they are bound to respect the Committee are of opinion that the remonstrance so strongly urged upon their attention demands the serious consideration of Government, and they forward the representation for submission to the Lieutenant-Governor in the hope that His Honor will be pleased to direct an inquiry into all the matters brought to notice.

Calcutta, 6th March 1878.

Referring to the conversation some of our number had last Saturday with you and with Mr. Mackinnon, your President, we beg to solicit the assistance of the Chamber in redressing certain wrongs and grievances which are shared alike by Cargo Boat Owners and Cargo Boat Manjees.

The manjees have long complained of the persecutions they have been subjected to at the hands of the police, but these proceedings are now being carried on to such an arbitrary extent that they have really become beyond endurance. The result has been that the boatmen as a body struck work last Friday, and the shipping of the port was suddenly suspended all that forenoon, until the men were persuaded to resume work on the assurance that their grievances would be represented through the proper channel.

Ever since the termination of the famine and the commencement of the slack times, there has been, as it were,

a regular raid made by the police on the cargo boat manjees; and the Customs authorities appear to be doing all in their power not only to uphold and assist the police, but to exercise all the authority they can against the interests of the cargo boat owners.

The grievances of the boatmen are, that the police are continually persecuting them. If one of the crew happens to be absent from a boat, the manjee is summarily arrested, taken off to the police, placed before the magistrate the next day, fined on the evidence of a single policeman, and his license taken from him. It is almost unnecessary for us to explain, for it will be obvious to the Chamber, that it is frequently rendered necessary for one of the crew to go ashore, either to report the movements of his boat, or on some other matter connected with the cargo he is carrying, or the business on which he is employed, or for the purpose of procuring the necessaries of life; or a man may suddenly be taken ill and sent ashore. As cargo boat owners, we would be relieved of a great cause for anxiety were the police to take upon themselves a portion of our duty in seeing that our boats are properly manned, but this voluntary and zealous care of our property may be, and is being, carried to such an extent that it becomes a perfect nuisance; it unnecessarily harasses the boatmen, causes constant loss to the owners, and retards business to such an extent as to lead to the greatest annoyance and inconvenience.

Another grievance is, that when a boat is being hauled in to a wharf to load, or alongside a ship to discharge, and there is some trouble and consequent delay in so doing, no matter what the cause of such delay may be, whether from the state of the tides, or from any other cause over

which the boatmen can have no control; if it so happens that a police boat is passing at the time, the manjee is at once arrested, taken off to the police, placed before a magistrate the next day on a charge of causing an obstruction, is fined, and his license is taken from him. Considering how close the ships are moored to each other, and the number of boats that are required to meet the daily loading capabilities of say two ships lying abreast of each other, considering the strength of the tides in the Hooghly, considering also how close the ships are moored to the shore, even at some of the chief export wharves (for instance the wharf between Koila and Chandpaul Ghats) where the daily exports are considerable; it is simply impossible to avoid at times a temporary obstruction and crowding; the interference of the police, which is exercised without any judgment or discretion, falls with great severity on the poor boatmen.

Whilst on this subject, we beg leave to suggest that the Port Commissioners be asked to leave the inshore mooring berths unoccupied by vessels from Koila to Chandpaul Ghats, so as to give the accommodation that is actually necessary for the exports that are daily made from that wharf.

Another grievance the boatmen have is that, by some new rule, no boat is allowed to carry more than 7½ seers of rice for the use of the crew. It is needless for us to make any comment on this; the absurdity and unreasonableness of this new rule will be obvious to the Chamber. But apart from the absurdity of the rule, the arbitrary way in which the police attempt to enforce it is such that no man, however humble in position, could tolerate it. The police go into a boat, upset the crews' pots and pans, and other-

wise ill-treat the men and their property in a most arbitrary and ruthless way. If this is not wanton trespass and abuse of authority, we hardly know how else to designate such action.

Another complaint generally made by the boatmen is, that these raids against them on the part of the police, are frequently made for the purpose of levying "black mail." When a manjee is arrested by the police he has only to make a successful bargain with the arresting officer, generally a native, to effect his release. All the prosecutions against the manjees are conducted by the police, and convictions obtained on the evidence of a single policeman.

Now all these grievances on the part of the manjees recoil on the owners of boats. Owing to the frequent and heavy fines inflicted on the manjees, the crews of the boats have all struck out for higher wages, and this the owners have been compelled to grant. This falls as a tax on the owners, arising solely from the unnecessary interference on the part of the police. This loss, however, is small, compared with that which is entailed through the detention of the boat and consequent loss of hire. No matter for what offence a manjee is convicted and fined, whether for having a short crew, or for causing an obstruction, the license of the boat is attached by the police, and forwarded to the Customs authorities. The Customs authorities either return the license with a fine, or cancel it altogether; but this also is done by a strange rule of equity. No matter how many boats one owner may possess, if two or three of his manjees, of different boats, are prosecuted by the police, it is considered as a repetition of the same offence, and the license is cancelled.

The owner is then obliged to apply for a fresh license, which necessitates a fresh survey, and this renewal of the license, after a delay of two or three days, which is taken up in the license being sent from the police to the Customs, and on application to the Collector, causes a further detention of three or four days. Formerly the license used to be returned on payment of a fine, which fell heavy enough, but now the cancelling process is reverted to with unrelenting severity.

We submit there is really no necessity for this wanton interference, on the part of the police and Customs authorities, with our private property and the rights and liberties of the cargo boat manjees. Cargo boat owners have quite enough of capital at stake to make them look after their own property, and to exercise sufficient vigilance over the manjees, to see that a full crew is maintained. If the River Police were to do their duty, they ought to have quite enough of legitimate work to attend to without going out of their way to harass cargo boat manjees and impede the work of the port.

In regard to the licensing of cargo boats, owners are made to suffer an unreasonable detention and loss of hire, through the culpable indifference on the part of the Custom House authorities as to the unnecessary delay that takes place in the issue and registration of the licenses. A boat is first sent to the Kidderpore Dockyard for survey, but there no delay occurs, for the Surveyor of Cargo Boats, we feel bound to admit, promptly executes his part of the work. After the survey, the boat is sent to the Custom House Wharf, and it is here that the trouble and delay is experienced, owing to the supercilious indifference displayed by the Custom

House people from the Registrar of Cargo Boats down to the peon who goes to see the number painted on the boat.

We submit there is no necessity for the boats being sent all the way from the Kidderpore Dockyard to the Custom House Wharf simply for the purpose of a peon being sent on board to have the number painted on. This portion of the licensing operation could better be done at the Dockyard by the Surveyor when he has passed a boat. Indeed it would be a cheaper and better arrangement if the offices of Surveyor and Registrar were amalgamated into one, and we think if this matter were represented to the Government, it would meet with some consideration.

Another grievance the native cargo boat owners complain of, but which has not yet been felt by us, is that when a new boat is sent for registration after survey, the Registrar insists on knowing what the boat has cost, and even goes so far as to demand the production of the account to support their statements, meanwhile withholding their license.

Another new rule recently issued by the Customs authorities appears feasible in theory, but practically works to great inconvenience and loss to cargo boat owners. When goods are returned from a vessel, the Preventive Officer on board issues a protective boat-note, which holds good for 24 hours only. If the owner of the goods does not take delivery within that time, and often it occurs that he cannot do so, the license is taken to the Custom House, where it is retained until application is made for it. The license is then, at the option of the Collector,

returned either with or without payment of a fine, or it is cancelled. In any case, the loss, by detention of the boat, falls very heavily on the boat owner. There is really no necessity for the exercise of such severity in a matter of this kind.

Another new rule, which causes considerable inconvenience, might well be withdrawn without the least detriment to the Customs Department. From time immemorial, it has been the custom that, as soon as a boat is loaded at a wharf, it hauls out to make room for other empty boats to come in to be loaded. The loaded boats haul out and hang to a buoy, and, as is often done, the manjee is ordered by the shippers' sircar, if the tide suits, to drop down to a particular buoy, and to wait there until he gets his boat-note: meanwhile, the shipper is taking out his pass at the Custom House. Now if a loaded boat is found laying at a buoy, even if it be at a buoy just outside the loading wharf, the Customs' Inspectors demand the license from the manjee, and forward it to the Collector. The tedious, dilatory, and ruinous process of getting back the license has to be gone through again.

Since writing the above, one or two matters have transpired which we think it necessary to mention here. On Tuesday last, a boat, which had been laying empty at a buoy, was coming to the wharf to allow one of the crew to go on shore. The wharf was crowded, and the man, seeing there would be delay in getting the boat close inshore, left it when it was still a little way out. Shortly after he had done so, the Police Boat came by and arrested the manjee for having a short crew. The owner of the boat went down to the Police Court to have the manjee defended. He went too late, for the case had been

disposed of, and the manjee fined Rs. 3; but while giving his instructions to one of the Pleaders of the Court, he was informed by the Pleader that it was useless to defend the manjees in cases of this nature, as, unless very good witnesses, other than boat manjees, could be produced, the Court would be certain to convict on the evidence of the police. The Pleader also stated, he had defended several manjees in cases of this kind, but he had found it a hopeless task to get an acquittal. We mention this to show the impression left even on the minds of the Pleaders.

Another matter is, that a few days ago a boat was coming out of the canal, and a policeman hailed the manjee, and demanded his "khorakee," a common occurrence as we are given to understand. The manjee knowing what his fate would be if he refused, asked how it was to be given. The policeman threw a cloth on board, and told the manjee to fill it with rice, and to hand it to a beggar who was passing at the time, intending, doubtless, to take it from the beggar at a favorable opportunity. The manjee did as he was told, but it so happened that, just at that moment, another policeman was passing by, who arrested the beggar and the manjee. The manjee then made a clean statement of the whole case, and the result was, that the first policeman was also arrested, and eventually the policeman and manjee were both convicted by the magistrate. This case will speak for itself.

From a report in the daily newspapers of a case that was recently tried in the Calcutta Police Court, it appeared that Superintendent Robertson came forward to explain that the late strike among the cargo boat manjees

arose from the fact that 29 of their number were arrested on one day on a charge of bleeding bags of rice. Now this charge against these 29 men was got up the day after the police had, by beat of drum, notified the new rule that no boat was to carry, for the use of the crew, more than a certain quantity of rice. To enforce the rule, a regular raid was made against the cargo boat manjees; the manjees of those boats in which more than that quantity was found, were arrested and charged with bleeding the bags. What evidence did the police produce in support of the charge? Surely they were not eye-witnesses to the bleeding operation, and we are given to understand the charges were not made at the instance of the shippers. The bleeding of bags is carried on to as great if not greater, extent by the coolies and cartmen ashore, but the police do not find it such profitable employment in prosecuting these men, for the reason that they cannot be caught in out-of-the-way places beyond the reach of witnesses, as is the case with the cargo boat manjees.

We trust the Chamber will agree with us that cargo boat owners and cargo boat manjees have just and reasonable grounds to protest against this abuse of power and tyrannical treatment, and we solicit the early assistance of the Chamber in having these grievances redressed.

Bill to Amend the Law relating to Promissory Notes, Bills of Exchange and Cheques.

THE Committee having been requested to express their opinion on the provisions of this Bill sent in the following remarks upon those sections which appeared to them capable of amendment.

From Chamber of Commerce to Govt. of Bengal.

Calcutta, 18th February 1878.

THE Committee of the Chamber of Commerce desire me to submit the following remarks on the Bill to define and amend the law relating to Promissory Notes, Bills of Exchange, and Cheques.

Section 1.—The Committee are of opinion that the term *Hundi* should be defined, in the same manner as Notes, Bills, and Cheques are defined.

Section 19.—The Committee suggest that this section would be better expressed by transposing the word *Cheque* after *Bill of Exchange*.

Section 22.—Cheques, as such, are payable on demand; but if they are made payable at sight, after sight, or after date, they become Bills of Exchange and require to be stamped as such.

Section 23.—The expression *at sight* has not hitherto meant *on demand*.

Section 26.—The Committee fail to perceive any distinction between a *non-business day* and a *public holiday*, for they consider every day to be a business day that is not a

public holiday or is not one of the days covered by that expression. The explanation in the Bill practically includes all Indian holidays, the effect being that all negotiable instruments maturing on these days are payable on the next *succeeding* business-day. There seems no sufficient reason to alter the present custom which is quite the opposite, and under which payment has invariably been made on the day *preceding* such non-business day or public holiday.

Section 27 (d).—The provision contained in this clause is a dangerous one, because the custom in Calcutta on presentation of bills for payment is for the holder to endorse them before presentation, but such endorsement does not necessarily prove that the bills have been paid.

Section 28.—The exception to this section seems of doubtful expediency, and to contradict the provision of the Section immediately following.

Section 34, 35 and 40.—The wording of these sections requires to be made more distinct.

Section 42.—The Committee are of opinion that the exception to this section should be omitted. A partner when signing for his firm should always use the firm's name, and not his own; if his acceptance is for partnership purposes the firm's name, and not his own, should be used.

Section 45.—Ordinarily bankers decline to accept, except in cases where they have specially agreed to do so: for instance—a cheque which has been altered and made payable at sight, after sight, or after date, would be refused acceptance by a banker in this country. Any other

practice would lead to confusion. A banker cannot be expected to write off amounts from an ordinary current account to provide for acceptances.

Section 51.—seems complicated, for if *every* prior party is a *principal debtor* how can they be described as *sureties*? A verbal alteration of the section is necessary, as at present the position of the principal debtor and sureties does not appear to be sufficiently defined.

Section 70.—The Committee are of opinion that it would be simpler to make the words *or order* a sign of negotiability, and their absence the reverse. At present the endorsement *Pay C.* would be considered as requiring *C* to apply personally for the money, and would not empower him to transfer the document to any other than the drawee.

MASTER AND SERVANT BILL.

THE revised Bill to define the Law relating to Master and Servant has had the Committee's attention, and their opinion of it will be found in their reply to Government.

From Government of Bengal to Chamber.

Calcutta, 11th April 1878.

I am directed to forward herewith a copy of a draft (revised) Bill to define and amend the Law relating to Master and Servant and of its statement of objects and reasons, and to request that you will be good enough to favour the Lieutenant-Governor with an expression of

opinion of the Committee of the Chamber of Commerce on the provisions of the Bill.

2. I am to request that a reply may be sent so as to reach this office by the end of May next.

From Chamber to Government of Bengal.

Calcutta, 15th May 1878.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 1718 of the 11th ultimo, with copy of a Bill regarding the relation of Master and Servant which is intended to form a chapter of the Indian Civil Code.

The Committee are much inclined to doubt the expediency of the proposed legislation, as they consider the relations existing between Masters and Servants sufficiently well established and recognised without the interposition of an express legal enactment: but if it is the purpose of Government to proceed with the measure the Committee are of opinion that, compared with the Draft Bill published some months ago, and which failed to carry with it the approval of the public by whom many of its provisions were strongly objected to, the Bill now before them presents no features to which exception can reasonably be taken.

Value-Payable Overland Parcels.

THE Director General of the Post Office having invited the opinion of the Committee on the question whether the extension of the value-payable system to overland parcels would or would not be a boon to the public, especially to Europeans residing in the interior of the country, the Committee have replied in the affirmative, as they believe the arrangement would be greatly appreciated by those who have no facilities in distant and isolated parts of the country for making remittances, and instrumental in promoting the convenience of the community generally.

From Director General of the Post Office of India to Chamber of Commerce.

Calcutta, the 9th April 1878.

In forwarding to you the accompanying Memorandum and its enclosures, relative to the objection taken by the Calcutta Trades Association to the extension of the 'value-payable' system to overland parcels, I have the honor to invite an expression of the opinion of the Bengal Chamber on the point mentioned by the Government of India, viz., whether "the extension of the 'value-payable' system to overland parcels would, or would not, be a boon to the public, especially to European residents in the interior of the country."

Memoandum by A. M. MONTAGUE, Esq., Director General of the Post Office of India,—No. 388, dated 9th April 1878.

Annexed are copies of the papers noted on the margin relative to the objection taken by the Calcutta Trades Association to the extension of the system of 'value-payable' parcels, so as to include parcels transmitted from England to India.

From Secretary, Calcutta Trades Association, dated 5th December 1877.

To Secretary, Calcutta Trades Association, No. 5577, dated 12th February 1878.

To Secretary to the Government of India, Financial Department, No. 5108, dated 12th February 1878.

From Secretary to the Government of India, Financial Dept., to the Secretary, Calcutta Trades Association, No. 1951, dated 21st March 1878.

system to overland parcels would, or would not, be a boon to the public, especially to European residents in the interior of the country." In pursuance of this desire, it is now proposed to consult the several Chambers of Commerce, the Trade Associations of Madras and Bombay, the Agents of the principal Railways (on behalf of the large numbers of the Europeans employed under them), the Planters' Association, Assam and the Coffee Planters' Association.

3. The 'value-payable' system provides for the transmission by the Post Office of a parcel (paid or unpaid) with the condition of realizing from the addressee on delivery the value of its contents as declared by the sender, and the payment to him (the sender) of the amount so realized, less a commission of about 2 per cent.: thus facilitating intercourse between customers and tradesmen by saving the addressee (or customer) from the trouble of

a separate remittance and the sender (or tradesman) from the risk and trouble of collecting his money.

4. No question has been raised as to the probable convenience of the system as applied to the inland parcel post of India; and the point raised by the Calcutta Trades Association has reference solely to the extension of the system to parcels coming from England to India.

From E. HICKES, Esq., Secretary, Calcutta Trades Association, to the Director-General of the Post Office of India,—dated 8th December 1877.

In your Notification of the 1st November 1877, relative to the introduction into the Indian Post Office of a system of 'value-payable' parcels, it is stated that the system "will shortly be extended to 'overland parcels' booked in London for delivery in India."

2. The Committee of the Calcutta Trades Association desire to protest most strongly against the extension of the system to England, as calculated seriously to injure all who are engaged in trade in India. That this must be the result is obvious; and yet this consideration appears to have been overlooked in the preparation of this scheme.

3. The Committee desire also to express their surprise that no reference should have been made to them in this matter, seeing it is so intimately connected with the interests they represent. They submit that, if it was thought advisable to obtain their opinion when the scheme was first mooted in connection with India, in 1870, there was clearly a greater necessity for doing so at the present time.

4. It cannot be denied that the Post Office is working within its legitimate limits in endeavouring to facilitate the delivery and payment of small packages of merchandise sent from one part to another of the same country; but when it proposes to establish an agency for similar purposes between two countries opposed in so many respects as England and India, and which have not even a common currency, the Committee submit that the Department is entering on a service which does not lie within its province.

5. The Committee would remark that the Trades Association made no objection to the introduction of the Money Order and Overland Parcel Post systems, as it was felt that these measures were for the convenience of the Indian public, notwithstanding that they might tell, as they have told, against the direct interests of the Indian trader. It is, however, a very different matter when the Government takes upon itself functions which lie completely outside its legitimate sphere, and the Committee contend that it cannot be any part of the duty of a Department of the Indian Government to collect bills for traders either within or without the country.

6. When the proposed measure was first announced in 1870, it was believed that its application to local transactions would tend to relieve the almost compulsory system of credit which obtains in India; but a reconsideration of the question has led to a better appreciation of the broad principle involved, and the Committee would now prefer to see the proposed scheme abandoned in its entirety. If it be adopted, its application abroad cannot fail to have a depressing influence on trade here, with the probability that the revenue may suffer on the one hand,

without either the general public or the Government receiving an adequate advantage on the other.

7. The Committee would also remark that the British Post Office has apparently not advocated the scheme, nor has any connection with it, and it appears, therefore, unjust to the Indian tax-payer that an important public department of this country should be permitted to become the medium for promoting the interests of the London tradesmen only, and to establish in London a separate agency for the Indian Post Office, thereby increasing the home charges of India.

8. It is questionable, also, whether the system, if extended to England, would, under the limit of value payable, *viz.*, £10, satisfy either the Indian consumer or the London supplier, for the Committee presume that the Government do not contemplate the development of the system, in reference to overland parcels to its fullest extent.

9. It is also a significant fact, as showing the unfeasibility of the proposed scheme, that although private enterprise is ever ready to forward the interests of the public, it has not ventured on an undertaking of this nature.

10. There will also necessarily arise, in connection with this matter, questions of Exchange, Commission, Insurance, Freight, and Customs Duty; and when these are fully considered, the working of the scheme will be found to be surrounded with so many practical business difficulties as would hardly, the Committee conceive, induce any Government to be at all more ready than private enterprise to enter upon it.

11. The Committee would therefore respectfully solicit that a scheme so objectionable on all grounds, and so illusive in the advantages it seems to present to the general public, may not be confirmed by the Government of India.

4. I give below extracts from the replies to the communication above mentioned:

Calcutta Trades Association, - 27th July 1870.

"In the absence of details as to the working of this system, the Committee does not feel itself competent to pronounce a decided opinion, although on a *prima facie* view of the question there appears to the Committee no reason why such a system should not succeed in India, where it would, if introduced, be a convenience both to the public and the trade. To the trade the risk which now attends the complying with orders from persons in distant parts of the country of whom little or nothing is known would certainly be greatly diminished, while to the public an easy and expeditious way of paying for goods would be secured. And nowhere would the convenience of such a system be so much appreciated as in the many small stations throughout India where no means are available to the residents for the remittance of money of Calcutta."

Madras Trades Association, - 22nd August 1870.

"The Committee of this Association think that the introduction into the Indian Post Office of the Prussian system of Postal carriage of parcels and the collection of the cost of them would be very advantageous to the public. The Committee would like to see such a system have a trial in India.

"The Post Office of the United States of America, I believe, performs a similar service, and it is found to work well.

"There can be no doubt that persons in some parts of the mofussil find it very inconvenient to remit small sums of money; and to such persons the system would be invaluable.

Bombay Trades Association, - 31st March 1871.

"We are strongly of opinion that if you see your way towards adopting the proposed arrangement, it will be of unquestionable benefit to the public. Many of us have large transactions with the mofussil, and our experience leads us to think that considerable numbers of our constituents there would adopt this plan of paying for their purchases in preference to that of sending money in advance.

"The system would doubtless be liable to abuse, sometimes by the sender, and sometimes by the addressee of a parcel; but as the Post Office would probably protect itself against loss from such abuse, caution would soon be exercised by both parties in making use of the arrangement.

"We beg to express our cordial approval of the proposed system, if worked wisely. We understand that it has long been in successful operation in several European countries, and believe that it will result in a large internal development of trade in British India."

5. While in Europe in 1873-74, I found that the system of 'value-payable' parcels was not confined to the internal post of Prussia, but had been extended to

other European countries, and made to embrace international as well as internal operations. I found also that it was valued to be much valued by the public of the countries to which it had been extended.

6. When I made the reference to the Trades Associations in 1870, the parcel post was confined to Indian limits, and the opinions then given had reference solely to the parcel post as then existing. The parcel post has since been extended to Great Britain; and the question now at issue is, whether the 'value-payable' system, regarded for inland purposes as an "unquestionable benefit to the public" (Bombay Association), as a thing "very advantageous to the public" (Madras Association), and as a thing likely to be "a convenience both to the public and the trade" (Calcutta Association), should not be regarded in a similar light as respects the overland service.

7. So far as concerns the convenience of the *Indian public generally*, I believe that the 'value-payable' system is beneficially applicable to overland parcels in quite the same degree as to inland parcels. As concerns the interests of that portion of the public *who are engaged in trade in India*, I do not feel able to regard the views held by the Calcutta Trades Association as belonging, in any considerable sense, to Indian tradesmen outside the limits of the presidency towns. And even as respects those engaged in trade in the *presidency towns*, I cannot but think that the effect of the measure has been wrongly estimated.

8. I would invite the attention of the Government to the fact that in the overland service it is proposed to limit

the amount payable on any single parcel to £10, thus placing an important restriction upon its operation as compared with the inland system. I would also mention that the average weight of an overland parcel from Great Britain to India is only 6 lbs., thus showing the very small character of the transactions for which the overland parcel post is used. The rate of charge, too, (6d. per lb. for books and 1s. per lb. for other articles), is high when compared with the cost of transmission of goods as freight from London to Calcutta, Madras, or Bombay. And having regard to these considerations, I do not see reason to anticipate a disturbance of trade operations in the presidency towns from the application of the 'value-payable' system to the overland parcel post. Such an anticipation is, to my mind, premature.

9. I cannot concur in the view expressed in the 4th paragraph of the Association's letter, to the effect that a parcel service which is admitted to be within the legitimate limits of postal organisation, so long as it is confined to one country, ceases to be so when it links two countries together. This is not the view held in those countries where the system is worked in Europe; and it seems to me obvious that if the value-payable system between England and India is to be condemned on this ground, the whole overland parcel post ought to be condemned with it.

From Trades Association to Government of India.

Calcutta, 23rd February 1878.

The Committee of the Calcutta Trades Association having been informed by the Director General of the Post Office that it is his intention to lay before the Gov-

ernment of India the correspondence relating to the system of value payable parcels recently introduced into the Indian Post Office, and which it is proposed to extend to "overland parcels" booked in London for delivery in India; I have the honor to submit the following observations of the Committee on the subject:—

2. It will be observed, from the accompanying copy of a letter which was addressed by the Association to the Director General on the 8th December 1877, that the Committee have protested against the extension of the system to overland parcels booked in London for delivery in India. The grounds on which the Committee have based their protest are, that the extension of this system beyond the limits of British India is neither essential to the convenience of, nor called for by, the public; that it does not lie within the province of the Post Office; and, lastly, that serious injury would be caused thereby to the interests of those engaged in trade in India.

3. The Director General, in his answer to the protest of the Association, intimates that the proposal has been made "in the interests of the public," and with the object of "promoting the general convenience." The Committee submit that the plea of promoting the convenience of the public cannot fairly be put forward in the present case, as the public have already ample facilities for procuring goods from England through the agency of the Overland Parcel Post, and of paying for them through the Money Order Office. The Committee believe that these agencies fully meet the requirements of the general public so far as Government is justified in providing for them.

4. The persons who would be mainly benefited by the proposed scheme would be the London tradesmen, who do not contribute to the Indian revenue, and possess, by their residence in England, immense advantages over their Indian competitors, but who would, if the value payable parcels system comes into operation, be absolutely guaranteed by the Indian Government against risk. In addition to this, all expenses and losses by Exchange, which are now borne by the Indian tradesman before he receives his goods, and must be paid, sold or not sold, will be realized by Government from the purchaser.

5. The Committee do not lose sight of the fact that one of the chief objects of so important a public department as the Post Office is, to consult the convenience of the public generally, and not of any particular section thereof. They cannot, however, admit that this principle has been observed in the present case, as the *English tradesman* and not the *public* will chiefly benefit by the proposed scheme. The public have not desired it, and they seem to be fully satisfied with the facilities presented by the Overland Parcels Post and Money Order systems for getting out and paying for goods to small amounts. So far as the Trades are concerned, they would willingly see the entire scheme abandoned, rather than it should be adopted in its present objectionable form.

6. It must not be forgotten that the Indian tradesman is heavily taxed, and that the losses and expenses incident to business in India are exceptionally heavy; and it seems therefore contrary to sound policy and common justice that the Post Office should increase these advantages by offering facilities to tradesmen in England to

which they have no reasonable claim. No taxes are paid by them to the Indian Government, nor have they capital invested in a large stock, such as the Indian tradesman is forced, in the nature of things to maintain. They will further incur no risks, as the scheme under notice will, in its operation, secure them their money or the return of their goods. In therefore undertaking to realize and remit the price of goods sent out by them to India, the Post Office will assist a most unfair competition with the local trader, and will also place the importation of a large class of goods into this country by resident traders at a serious disadvantage.

7. The Committee trust therefore that, for the reasons herein adduced, the system of 'value-payable' parcels will not be extended to England.

From A. M. MONTEATH, Esq., Director General of the Post Office of India, to the Secretary, Calcutta Trades Association,—No. 8507 dated 12th February 1878.

Your letter of the 8th December, protesting against the extension of the system of 'value-payable' parcels to overland parcels booked in London for India, has been considered by me since my return from tour.

2. The proposal to apply the 'value-payable' system to the parcels post (inland and overland) was made in the interests of the public as a whole, the object being to promote the general convenience. It was not anticipated that any particular interest would be injured; and I am still of opinion that no injury is likely to result from the system to those engaged in trade in the presidency towns.

3. But as the Calcutta Trades Association have such

a strong objection to the proposed measure on the ground of anticipated injury to the interests of those engaged in trade, I shall lay the correspondence before the Government of India.

From A. M. MONTEATH, Esq., Director General of the Post Office of India, to the Secretary to the Government of India, Financial Department,—No. 8508, dated 12th February 1878.

I have the honor to forward, for the consideration and orders of the Government of India, copy of the correspondence noted on the margin, containing a protest from the Calcutta Trade Association against the extension of the system of 'value-payable' parcels to overland parcels booked in London for India.

2. The Government will observe that, while intimating to the Association that I do not share their anticipation of injury to trade interests, I have said that the correspondence would be laid before the Government.

3. In the letter of the Calcutta Trades Association, reference is made to a correspondence which took place in 1870, and I may explain, for the information of Government, that in that year I addressed the Trades Associations of Calcutta, Madras, and Bombay describing the 'value-payable' parcel system as existing in the Prussian Post Office, and asking for an expression of their opinion "as to whether they regard the measure as one calculated materially to benefit the public in India."

From C. BERNARD, Esq., Additional Secretary to the Government of India, Financial Department, to the Secretary, Calcutta Trades Association,—No. 1901, dated 21st March 1878.

Your letter, dated the 23rd February, conveying the views of the Calcutta Trades Association on the proposal to extend the value-payable system to overland parcels has been considered by His Excellency the Viceroy and Governor General in Council.

2. In reply, I am directed to state that the extension of the value-payable system was proposed as a boon to the public of India, because that system had worked well and had been highly appreciated in European countries, and because it had already been successful in India. Your Association now submits its opinion that the proposed extension is not required by the public, that it is surrounded with many practical difficulties, and that the value-payable system, if successfully applied to overland parcels, will work much injury to the tradesmen of India and, through them, to the public.

3. His Excellency the Viceroy in Council considers that a representation from the Calcutta Trades Association is entitled to much consideration from the Government, and the arguments contained in your letter have accordingly been carefully weighed both by the Director General of Post Offices and by the Government. At the same time, His Excellency in Council is not satisfied that a boon of this kind, which is expected to benefit the general public should be withheld in deference to the wishes of the Trades Association. As yet no expression of opinion on the matter has reached the Government of India from any public body, besides your Association. Before taking a final decision, the Governor General in Council

will cause other representative bodies to be consulted, whether in their opinion the extension of the value-payable system to overland parcels would, or would not, be a boon to the public, especially to European residents in the interior of the country.

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

Calcutta, 25th April 1878.

The Committee of the Chamber of Commerce have had under consideration the subject submitted in your letter No. 387 of 9th instant, and they instruct me to state, in reply, that in their opinion the extension of the value-payable system to overland parcels would be a boon to the public generally, and its advantages appreciated especially by European residents in the mofussil and at distant stations throughout India who have not convenient means of remitting money.

The proposed action of Government in this matter may perhaps, in some measure affect the interests of Indian Tradesmen, but the Committee question very much whether the injury likely to result has not been considerably over estimated by the Calcutta Association, or whether it would be of such magnitude as to justify the abandonment of a scheme which appears capable of being materially useful to the general public.

SUEZ CANAL.

The President of the Suez Canal Company having requested the Chamber to give publicity to the revised regulations for the navigation of the Canal, the Committee have inserted them in this Report as the most convenient means of bringing them to the notice of members and of having them recorded for reference at any time.

Paris, le 27 Mars 1878.

MONSIEUR LE PRESIDENT,

J'ai l'honneur de vous expédier aujourd'hui, par la poste, un exemplaire du nouveau Règlement de navigation dans le Canal maritime de Suez, qui sera appliqué à dater du 1^{er} juillet 1878.

Des modifications ayant été introduites dans le texte de ce document, je vous prie de vouloir bien en donner communication au commerce de votre ville par votre mode de publicité habituel.

Je vous serais très-obligé, Monsieur le Président, de me faire savoir si le document que je vous transmets vous est parvenu.

Veuillez agréer, Monsieur le Président, l'assurance de ma considération très-distinguée.

P^e Le Président,
Ch. A. deLESSEPS.

Monsieur le Président de la Chambre de Commerce de Calcutta.

WORKING DEPARTMENT.

REGULATIONS FOR THE NAVIGATION

Of the Suez Maritime Canal (1)

"ART. 14. We hereby solemnly declare for ourselves and for our successors, under reserve of ratification by H. I. M. the Sultan the great Maritime Canal from Suez to Pelusium and ports belonging to it henceforth and for ever open, as neutral passages to any merchant vessel crossing from east to west without any distinction, exclusion or preference whatever for persons or nationalities against the payment of dues and execution of regulations established by the said Universal Company in grantee for the working of the said Canal and its dependencies.

"ART. 17. To indemnify the Company for the expenses of construction, maintenance and working devolving upon them by these presents, we authorize the Company henceforth, and during the whole term of their lease as determined by clauses 1 and 3 of the preceding article, to establish and levy for the passage thro' the Canals and ports thereunto appertaining navigation, pilotage, towage, tracking or berthing dues according to tariffs which they shall be at liberty to modify at all times upon the following express conditions :

"1st. That these dues be collected without exception or favour from all ships, under like conditions.

"2nd. That the tariffs be published three months before they come into force, in the capitals and principal commercial ports of all nations whom they may concern.

"3rd. That for the special navigation due the maximum toll shall not exceed ten francs per ton of capacity on vessels and per head of passenger."

(Extract from the act of concession dated 5th January 1866.)

ARTICLE FIRST.

Before entering the Canal captains of ships shall bind themselves on receiving a copy of the present regulations to abide by and conform themselves in all points to all required arrangements made in view of the execution of these regulations.

ART. 2.

The Suez Canal having a depth of eight metres (26 ft. 3 in English) throughout its entire length, is open to ships of all nationalities, provided

that their draft of water does not exceed seven metres and a half 24 ft. 7 in (encl. 19a), and that they conform to the following conditions:

Sailing vessels above fifty tons are bound to be towed thro'.

Steam vessels may pass thro' the Canal by means of their own steam power or be towed subject to the conditions hereafter noted (2)

ART. 3.

The maximum speed of all ships passing thro' the Canal, is fixed at ten (10) kilometres equal to 6½ nautical miles per hour.

(1) These regulations are to come into force on and after the 1st of July 1878. Previous regulations are hereby annulled.

(2) Of course, the towing of steamers through the Canal is not compulsory on the Company; it will only be performed in so far as they have unengaged tugboats.

ART. 4.

Every vessel measuring more than hundred (100) tons gross must take on board a Company's pilot for the whole length of the Canal, who will indicate all particulars concerning the passage through.

The captain is held responsible for all groundings and accidents of whatsoever kind, resulting from the management and manoeuvring of his ship.

Pilots place at the disposal of captains of vessels their experience and practical knowledge of the Canal; but as they cannot be specially acquainted with the defects or peculiarities of each steamer and her machinery, in stopping, starting, etc., the responsibility, as regards the management of the ship, devolves solely upon the captain.

ART. 5.

When a ship intending to proceed through the Canal shall have dropped anchor either at Port-Said or Suez, the Captain must enter his ship at the Transit Office and pay all dues for passage, as also for pilotage, towage and berthing when such be the case, a receipt for the same shall be delivered to him, which will serve as justification whenever required.

The following written information to be handed in by the captain:

Name and nationality of the ship,
Name of the captain,
Name of the owners and charterers,
Port of sailing,

Port of destination,

Draft of water,

Number of passengers as shown by the shipping list,

Statement of crew as shown by the muster roll and its schedules,

Capacity of the ship according to the legal measurement ascertained by producing the special Canal certificate, or the ship's official papers established in conformity with the Rules of the International Tonnage Commission, assembled at Constantinople in 1872.

ART. 6.

The Company determines the hour of departure of each ship and her subsequent stoppages at sidings, in such manner as to give full security for the navigation as well as to ensure as much as possible the rapid passage of mail steamers.

Therefore no ship can require as a right an immediate passage through the Canal neither will any claim be admitted in connection with any delay originating from the foregoing causes.

ART. 7.

All ships on entering the Canal are to be prepared by bracing their yards forward, running in their flying jib and jib-booms and swinging their boats in board.

In addition to their two bow anchors they must carry at the stern ready for letting go at the request of the pilot a strong kedge with a stout hawser bent on sufficient to hold the ship.

ART. 8.

§ 1. Having a ship's passage through the Canal, she must have a boat towing astern containing a hawser in readiness for being promptly fastened to any mooring post on either side of the Canal.

§ 2. The captain is required to establish a watch both by day and night; the men to be in readiness to ease away or cut hawsers as may be required.

Every ship made fast on four hawsers must slacken those moored to leeward, in order to give free passage to tugs, steam launches, hopper-larges and any other craft of a light draft, that shall have to pass her.

§ 3. Navigation by night time is only authorized under exceptional circumstances and under the captain's full responsibility assumed in writing as far as any delay, mishap and damages that might happen to

his own ship are concerned, as well as such aforesaid occurrences as he might cause to other ships in transit or to the Company's craft and plant to be found in the Canal (1).

While navigating by night time under the above authorized conditions ships must carry their usual lights and have a man on the look-out forward.

Ships moored during night time must show a white light forward and another ast with the usual look-out.

At the approach of tugs, steam launches, hopper-barges, etc., or of a ship empowered to pass them, they must show the side for free passage, by exhibiting on each side two white lights.

§ 4. All steamers, tugs included, must blow their steam whistles when approaching the curves of the Canal, also when passing in either direction boats or lighters, dredgers or any thing else afloat. They must stop when the Canal appears not to be clear. They must pass along all sidings, stone or earth-work, quays, vessels made fast or under weigh, hopper-barges, dredgers and any other craft at a reduced speed.

§ 5. Whenever a collision appears probable no ship must hesitate to take the ground and thus avoid the collision. The expenses consequent upon a grounding under these circumstances shall be defrayed by the ship in fault.

§ 6. When two vessels proceeding in an opposite direction are in sight of each other, they must both decrease their speed and hug the flankboard shore or stop if so required by the pilot.

§ 7. Ships proceeding in the same direction are not allowed to pass each other in the Canal.

This move, when necessary, can only be effected at the sidings, under the immediate management of the Canal Company's Employés.

ART. 9

When circumstances arise that oblige a ship to stop during her passage through the Canal and when a siding is not at hand, which must always be reached if possible, the captain must make fast ahead and astern to the weather bank, showing the proper signal by day, and two lights by night, forward and ast as already mentioned.

(1) Navigation by night time and by tug-master in the Bitter Lakes to also but exceptionally authorized and under the same conditions.

In the event of a grounding, the agents of the Company alone shall have the right to direct all operations by which a vessel is to be floated off again, to unlash and tow the vessel as may be necessary, by means of the plant and stock which the Company has at hand, at the expense of the vessel unless it be regularly proved that there was an insufficient depth of water in the canal or that erroneous direction by the pilot had caused the grounding.

The aforesaid costs of floating, towing, discharging and reloading, etc., must be paid according to the account or estimate of the Company, before the departure of the ship from Port-Said or Suez.

All manoeuvres with the object of helping to refloat a grounded vessel are formally prohibited to other ships in transit.

ART. 10.

The following prohibitions are hereby notified :

§ 1st. The overloading of the dock, before entering the Canal, with coals or other merchandise to such an extent as to compromise the general stability of the vessel.

§ 2. The anchoring of a ship in the Canal except through unavoidable circumstances and then only with the consent of the pilot.

3. Throwing into Canal earth, ashes, cinders or material of any kind.

§ 4. Picking up, without the direct intervention of the Company's agents any thing that may have fallen into the Canal.

Should any material of whatever kind fall overboard, the circumstances are to be immediately made known to the pilot, who is instructed to transmit such information to the Company's agent at the nearest station.

The recovery of all material that has fallen into the Canal, whatever may be the attendant circumstances, shall be carried out at the expense of the captain, to whom such material will be restored when the aforesaid expenses are paid thereon.

§ 5. It is expressly forbidden, and on penalty of legal proceedings, to masters of ships while in the Canal or in the ports or sidings thereon appertaining, to allow shots being fired from board ship.

ART. 11.

1. The net tonnage resulting from the system of measurement laid down by the Imperial Commission of Constantinople and inserted:

on the special certificates issued by the competent authorities or on the ship's official papers is the basis for levying the special navigation dues of ten (10) francs and the surtax of three (3) francs already referred to two francs fifty (2 fr. 50) and further referred to in the points stipulated by the Convention of February 21st 1876, approved of the 30th March 1877 by the Sublime Porte (1).

In levying the dues, any alteration of net tonnage subsequent to the delivery of the above mentioned certificate or papers, shall be taken into account.

2. The canal authorities may ascertain whether cargo or passengers are carried in any spaces which, as shown by the certificate of tonnage, have not been included in the gross measurements, or which were allowed as deductions for the accommodation of the crew after measurement, or which being within the engine, boiler or bunker space, form no part of the net tonnage shown on the certificate;

And generally may verify whether all the spaces which ought to be included in the tonnage are entered on the certificate and are exactly determined therein.

3. Every vessel not provided with a special certificate or official papers giving the net tonnage laid down by the Constantinople Commission, shall be measured by the Company's agents in conformity with the Constantinople rules, and shall pay her dues according to such measurement, until she produces a special certificate from the authorities of her own country.

4. Vessels of war, vessels constructed or chartered for the transport of troops, and vessels in ballast are exempted from the surtax; said ships pay the special navigation dues of ten (10) francs per ton on the net tonnage defined by the Constantinople Commission.

5. Any ship carrying mails or passengers or having in her holds coals or other merchandise in whatever quantity, is not considered as being in ballast.

6. The charge of ten (10) francs per passenger above twelve years of age or of five (5) francs per passenger from 3 to 12 years old, as well as the transit dues, must be prepaid on entering the canal at Port-Said or Suez.

(1) See page 6 the "Extract from the final Report submitted up the proceedings of the International Tonnage Commission assembled at Constantinople, in 1875".
And page 10 the "Convention of February 21st 1876, approved of the 30th March 1877 by the Sublime Porte."

7. The berthing or anchorage dues at Port-Said, Ismailia and opposite the Company's embarkment at Suez are fixed at 0 fr. 02 centimes per day per ton after a stay of twenty-four (24) hours and for an unlimited time, the berth of the ship being assigned to her by the harbour-master. The amount will be collected every ten days.

8. Errors in the declaration of tonnage or in the levying of the dues must be rectified within a month after the ship's passage through the canal. After this delay rectifications will not be admitted; no erroneous applications of the tariff can ever be brought forward as a precedent against the Company.

Transitory provisions.

A surtax of four (4) francs, in addition to the tax of ten (10) francs, shall be levied per net register ton on steamers whenever the deductions due to engines have been determined under § A of clause XXIII of the British Act of 1864 defining rule III (1).

The gross tonnage of ships not measured under Mooren's system is brought into accordance with that system by the application of the Lower-Danube scale of factors, and their net tonnage is determined according to § A of clause XXIII of the above-named British Act; they shall pay, over and above the tax of ten (10) francs, a surtax of four (4) francs per ton on their net tonnage.

ART. 12

The charges for tonnage in the Canal by the working stock of the Company are fixed as follows:

For sailing vessels measuring 400 tons and under, 1,800 francs; for sailing vessels measuring above 400 tons, 1,200 francs for the first 400 tons and 211 francs for every surplus ton.

For steamers measuring above 400 tons, 2 francs per ton, without any distinction, upon their whole tonnage, but on the condition that they use their propelling power, or keep it in readiness for assisting the tug.

Steamers measuring under 400 tons, also steamers not intending to give the assistance of their propelling power will pay the same as sailing vessels.

(1) The Constantinople decision has provided no reduction of the surtax of four (4) francs. The company thinking that ships would provide themselves within the least delay with the special tonnage certificates prescribed by the said decision, has allowed a reduction of 20 centimes per ton on ships bearing former official papers.
From and after the 1st of January 1879 every vessel not bearer of a Suez canal special tonnage certificate, shall pay the full surtax of four (4) francs.

The charges for towage in the roads by the working stock of the Company, on ships applying for such service, are fixed as follows:

For steamers or sailing ships, without distinction, the tariff is 0 fr. 25 centimes per ton of net tonnage, for the distance between the inner basins and the end of the Jettées and reciprocally; the amount never to be under fifty (50) francs.

For towage to a greater distance the amount shall be settled by private agreement.

In the event of compulsory stoppage or grounding in the Canal or in the ports thereto appertaining, the agents of the Company shall have the right to employ, of their own accord, a tug to re-establish a free passage and thus avoid delaying other vessels; all charges to be defrayed by the ships thus assisted in conformity with article 6.

The charge under the circumstances now described will be for every twelve hours:

A tug of the first class.....	1,200 fr. "
" " second class.....	800 "

Every day begun to be reckoned as a whole day.

Whenever a ship shall have been floated off, and continued her route under tow of a tug, she must in addition defray the services of the tug according to the tariff of charges.

When a ship shall require a tug to accompany her, the charge for such services will be 1,200 francs a day, if a tug of the first class be employed, and 800 francs a day for a tug of the second class. In the event of a stoppage the tug will render assistance in getting the vessels under weigh, each time that it may be necessary. If the vessel is towed any distance exceeding that of one station from another, the charge for towage may be demanded in lieu of the tariff fixed for accompanying her.

It is hereby provided that when a tug shall only have accompanied or towed a vessel one half of the length of the Canal, 600 francs shall be levied for the return trip of a first class, and 400 francs for a second class tug, and one half only of the total towage dues shall be charged. No other division time that of half shall be allowed; from Iznania to Port-Saïd being considered one half on one side and from Iznania to Suez the other half, on the other side.

All ships towed must furnish their own warps.

For the towing of monitors, loaded or empty lighters and other exceptional vessels, arrangements by contract to be made by private agreement.

Shipowners are authorized to have their vessels towed and accompanied by their own steam tugs, all responsibility connected with such acts devolving upon themselves.

Such tugs are to be approved of by the Canal Company.

Ships towed or accompanied by tugs belonging to their owners will pay 0 fr. 50 cent. (fifty centimes) per ton as towage dues.

Such tugs whenever they shall tow or accompany vessels belonging to their own proper owners will be free of any tax whatever.

Whenever they shall go through the Canal for the purpose of meeting vessels of their owners which they are entitled to tow or accompany, or otherwise returning to their usual residence after having towed or accompanied them through, said tugs shall not be submitted to payment of the special navigation dues but they will be obliged to pay pilotage dues and take a pilot on board.

Tugs in question are subject to berthing dues.

Any transport of goods or passengers is prohibited to them; the fact of having on board passengers or goods would entail upon them the payment of all dues and charges to which ships in transit are subject.

Whenever said tugs shall be used for towing or accompanying vessels not belonging to their own proper owners, the same dues and charges shall be levied on them as on ships in transit.

Besides the special treatment specified by the present article, tugs belonging to private owners shall be subject to the strict observance of the present regulations concerning vessels berthing or in transit.

ART. 13.

The pilotage charges for traversing the canal are levied according to draft of water and are as follows:

All ships whose draft of water is 9 metres or under, 5 francs for each decimetre of immersion;

All ships drawing from 3 m. to 4 m. 50 — 10 fr. per decimetre.

" 4 " 50 to 6 " — 15 "
" 6 " — to 7. 50 — 20 "

Pilotage charges for entering the port of Port-Said and leaving the same are fixed as follows:

Pilotage by day-time.....	steamers.....	25 francs.
	sailing ships.....	10 "
Pilotage by night-time before	steamers.....	50 "
sunrise and after sunset.....	sailing ships.....	20 "

The payment of the pilotage charge for entering the port of Port-Said and leaving the same is compulsory on every ship measuring one hundred (100) tons gross and upwards.

Whatever length of time ships may stay in the harbour of Port-Said and whatever commercial operations they may transact there, total remission will be made of the pilotage charges for day-time entrance, or remission of half the charge for night-time entrance, provided that immediately on arrival in port it be declared either to the pilot in charge or to the company's agency that they are intended for transit.

In default of such declaration, pilotage charges for entrance in harbour incumbent on non-transiting vessels shall be levied.

The charge for pilotage by night-time on entering the port of Port-Said or leaving the same is fixed as follows for ships performing the passage of the Canal:

Steamers.....	25 francs.
Sailing ships.....	10 "

Twenty (20) francs per day is levied for pilots kept on board in case of berthing (1).

ART. 14.

The Company receive at their Offices in Paris, payments in advance on account of transit and any other dues specified in the present regulations either from shipowners direct, or thro' the medium of Agents employed by shipowners at their own risk and peril.

The Administration in Paris will give, on receiving such amounts in deposit receipts of the same, which can be handed over as cash to the Company's Agents in Egypt entitled to collect the dues.

(1) In the pilotage charges are included remuneration for maintenance of beacons, signals, telegraphy, watch men, signals and other means established by the Company along the canal to ensure, in every way, the safety and good navigation of ships.

The Company's Agents entitled to collect the dues in Egypt, are moreover empowered with respect to ships whose owners have made the above payments for transit in advance, in Paris at the Company's cash office, to accept the captain's draft at sight on the owners for any balance that may be due for pilotage and other charges.

In the event of payments in advance not being effected in time to remit receipts thereof to the captain, the Company will inform by telegraph, their Agents in Egypt of the amounts so paid. The cost of telegrams to be defrayed by the shipowners.

This last clause is equally applicable to payments in advance made in Paris for dues of ships coming from beyond or eastward of Suez.

(Sgd.) FRANK DE LESSURE,

President-Director.

Paris, March 12th, 1878.

Provisionally and until further orders, ships, barges, lighters and other craft, either coming in ballast or empty from Port-Said under orders for Ismailia or returning from Ismailia to Port-Said with cargoes of native produce; or bringing from Port-Said to Ismailia cargoes bound to districts of Lower Egypt next to the Canal, and returning empty or in ballast from Ismailia to Port Said, shall be exempted, either outward or homeward bound whether they be empty or in ballast, from the special navigation dues and shall only be subject to the payment of five (5) francs per ton and of the surtax settled by the Constantinople Commissioners, representing the special navigation dues on half the length of the Canal for their passage when loaded outward or homeward bound.

Such toll is to be prepaid when said ships, barges, lighters or other craft enter the Canal in ballast or empty to go and take cargo of native produce at Ismailia as well as when loaded.

As regards dues or charges other than the special navigation dues (viz: berthing, pilotage, towage dues, etc.), said ships, barges, lighters or other craft are bound to pay them in full.

FUNDS OF THE CHAMBER.

THE Chamber's balance on 30th April 1878
amounted to Rupees 4,539-14-8, exclusive of Ru-
pees 12,000 in 4 per cent. Government Secu-
rities.

S. COCHRANE,
Vice President.

APPENDIX.

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Coral, rough	20	
Corns, loose and unscorred	12	
Copra, or Coconut Kernel	14	
Coriander Seed	12	
Cotton	50	
Cowries	20	
Cummin Seed	8	
" Black	8	
Cutch, in bags	18	
Dates, wet	20	
" dry	15	
Dhol	20	
Elephants' Teeth in bulk	20	
Furniture	50	
Garlic and Onions	12	
Ginger	16	
Gram	30	
Gums, in cases	50	
Gunny Bags and Gunny Cloth	50	
Gunjah	50	
Hemp	50	
Hides, Buffalo, or Cow, cured	14	
Hoofs, Horn Shavings and Tips	20	
Horns, Cow, Buffalo, or Deer	20	
India Rubber, in bags	15	
Indigo, in cases	50	
Iron	50	
Jute	20	
Jute Cuttings	50	
Lac Dye	50	
Lard	50	
Linseed	20 gross	
Mace	20	
Machinery	50	
Metals	20	
Melba Seed	20	
Mirkolans	18	
Molasses	16	
Mother o' Pearl, in bags	20	3 puncheons or 4 hhd.
" chests	20	
Munjeet	20	
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	50	
" casks	4 hhd.	
Opium	per chest	
" Fakly	15	
Palmitine, in bags	15	
Pean	20	
Pepper, Long	12	
" Black	14	
Phanis and Deals	50	
Poppy Seed	20	
Putchuck	10	
Rags	50	
Raw Silk, in bales	10	
Rattans for dunnage	20	
Red Wood, ditto	20	
Ricea	50	
Rice	20	
" in coils	50	
" Lines and Twines, in bundles	15	
Rum, in casks	2 puncheons or 4 hhd.	
Safflower	50	
Sago, in cases	50	
Sassaonine, in bags	20	
" boxes	20 gross.	
Saltpetre	20	
Salt	20	
Sapan Wood for dunnage	20	
Sealing Wax, in cases	50	
Seed-lac, in cases	50	
" bags	15	
Senra, in bags	50	
Shells, rough, in bags	20	
Shell-lac, in cases	50	
" bags	16	
Silk Chusamm	50	
" Waste	50	
Silk Piece Goods	14	
Skins	50	
Scay, country, in cases	15	
" bags	29	
" tax	50	
Stick Lac, in cases	16	
" 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	20	.....
Tea	50	.....
Teel Seed	50	.....
Timber, round	20	.....
" squared	40	.....
Thresh	50	.....
Tobacco, in bales	20	.....
Tortoise shells, in chests	10	.....
Turmeric	50	.....
Wheat	20	.....
Wool	50	.....

1. Goods in Cases or Cases to be calculated gross weight when paying freight by weight; and where freight is made payable on measurement, the measurement to be taken on the Custom House wharf, or other shipping wharf within 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 measured 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 Acids.

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.

1. On the sale, purchase, or shipment of Bullion, Gold Dust or Coin 1 per cent.
2. On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece Goods, Opium, Pearls, Precious Stones, or Jewellery ... 2½ "
3. On purchasing ditto when funds are provided by the Agent 5 "
4. 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 "
5. On returns for Consignments if made in produce ... 2½ "
6. On returns of Consignments if in Bills, Bullion, or Treasure 1 "
7. On accepting Bills against Consignments ... 1 "
8. On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ... 2½ "
9. 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.
10. On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent ... 2½ per cent.
11. On ordering, or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other Commission is derived 2½ "

12. On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money ... 2½ per cent.
13. On *del credere* or guaranteeing the due realization of sales ... 2½ "
14. On the management of Estates for Executors or Administrators ... 2½ "
15. On chartering ships or engaging tonnage for commitments for vessels to proceed to outports for loading ... 2½ "
16. On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agent's hands or not ... 2½ "
17. On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessel upon the gross amount of freight, brokerage inclusive ... 5 "
18. On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings ... 5 "
19. On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file ... 2½ "
20. On realising inward freight, inward troop, Emigrant, or Cabin passage money ... 2½ "
21. On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned on the declared value of all such goods, as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold ... 5 "
- If Opium, Indigo, Raw Silk, or Silk Piece Goods... 2½ "
- If Treasure, Precious Stones, or Jewellery ... 1 "

22. On effecting Insurances, whether on lives or property ... ¼ per cent.
23. On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium ... 2½ "
24. On drawing, purchasing, selling, or negotiating Bills of Exchange ... 1 "
25. On debts or other claims when a process at law or arbitration is incurred in claiming them ... 2½ "
- Or if recovered by such means ... 5 "
26. On Bills of Exchange returned dishonored ... 1 "
27. On collecting House Rent ... 2½ "
28. On ship's Disbursements ... 2½ "
29. On realising Bottomry Bonds, or negotiating any loan on *respondentia* ... 2½ "
30. On granting Letters of Credit ... 1 "
31. On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another ... ½ "
32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value ... ½ "
33. On all amounts debited and credited within the year (less the balance brought forward) upon which no Commission amounting to 5 per cent. has been charged ... ½ "
- ☞ Brokerage when paid is to be separately charged.

H. W. I. WOOD,

Secretary.

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MEMBERS OF THE CHAMBER OF COMMERCE.

Allman, J. Esq., <i>Acting Agent, Chartered Bank of India, Australia and China.</i>	King, Hamilton and Co.
Appelto, A. and Co.	Kongswini, T., <i>Manager, Delhi and London Bank, Limited.</i>
Apear and Co.	MacCallister, J. and Co.
Ashburner and Co.	MacCallister, R. and Co.
Anderson, Wright and Co.	Macdonnell, Mackenzie and Co.
Barlow and Co.	Macdonnell, Lyell and Co.
Beng, Dunlop and Co.	Macneil and Co.
Burn and Co.	Macneil, Anderson and Co.
Bullock, Whithead and Co., (<i>Notified</i>).	McIntosh, A. B. & Co.
Carlisle, Newlands and Co.	Norah, W. and Co.
Currit & Co.	Nich, Finlay and Co.
Cochrane, S., <i>Manager, Agria Bank, Limited.</i>	Oldmeyer and Hadenfeldt.
Colein, Goole and Co.	Pech, T. Esq., <i>Manager, Comptoir d'Escompte de Paris.</i>
Crosby, Rowe and Co.	Petracovicha Brothers.
Cun, Henry S.	Pravickissen Law and Co.
Cohn Brothers and Fuchs.	Prentiss, F. Esq., <i>Agent of the Eastern Nepal Railway Company.</i>
DeSouza, Thos. and Co.	Ralli Brothers.
Duncan Brothers and Co.	Ralli and Marcojuni.
Dwarkanath Dutt and Co.	Rehohit and Co.
Ede and Hahorn.	Robert and Charriol.
Ernsthausen and Osterley.	Rothers and Co.
Ewing and Co.	Schroter, Smidt and Co.
Fillett, John and Co.	Schrozo, Kilbura and Co.
Ferns, E. D. T.	Sassoon, David and Co.
Ferguson, J. H. and Co.	Shaw, Finlayson and Co.
Finlay, Muir and Co.	Shen Ostervick & Co.
Gibbans and Co.	Thomas, J. and Co.
Got, Bro. & Co.	Taney, Morrison and Co.
Grat and Banniger.	Thomson, L. W. and Co.
Graham and Co.	Tanvava and Co.
Grindley and Co.	Tombou, Paul and Son.
Guthrie, Eliza S.	Ullmann, Hirschhorn and Co.
Harper, G. Esq., <i>Agent, Oriental Bank Corporation.</i>	Valdeh, K. J. and Co.
Henderson, George and Co.	Weinhold Brothers.
Heiligan, F. W. and Co.	Wilson, J., <i>Agent, Hong-Kong and Shanghai Banking Corporation.</i>
Herbert, C. H., Esq., <i>Agent, Chartered Mercantile Bank of India, London and China.</i>	Wilkinson, Captain C. J., <i>Superintendent of S. & Co. Company.</i>
Hoax, Miller and Co.	Wilson, H. F., (<i>Notified</i>).
Hove, Goodwin & Co.	Wingram, J., <i>Manager, National Bank of India.</i>
Haber and Co.	Whitney Brothers and Co.
Jardine, Skinner and Co.	Williamson Brothers and Co.
Kettlewell, Bullen and Co.	Wineman, Mitchell, Reid and Co.
Kelly and Co.	Yule, Andrew and Co.
Ker, Dods and Co.,	

Honorary Member.
J. A. Crawford, C. S., late Collector of Customs.

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RULES AND REGULATIONS

OF THE
BENGAL CHAMBER OF COMMERCE.

- First* That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."
- Second*.... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.
- Third*.... That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.
- Fourth*.... That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.


Fifth.....That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.

Sixth ... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed by a Committee of not less than five nor more than seven members, including the President and Vice-President, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Three to form a quorum.

Eighth.... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary,—numbered and bearing his signature; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the members of the Committee shall be forthwith filled up by selection by the Committee subject to approval at first ordinary general meeting thereafter.

 *It is specially requested that before a member is returned to serve on the Committee his nominator shall have ascertained his willingness to accept office in the event of his election by voting cards.*

Ninth... That parties holding powers of procurement 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 procreation 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.

Cotes and Co., No. 307, Dow Bazar Street.

REPORT
OF
THE COMMITTEE
OF THE
BENGAL CHAMBER OF COMMERCE.

From 1st May 1878 to 31st October 1878.

CALCUTTA:
PRINTED BY THOMAS S. SMITH, CITY PRESS,
12, BENTINCK STREET.
1878.

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*Proceedings of the Half-yearly General Meeting
of the Bengal Chamber of Commerce held on
Tuesday, the 18th February 1879.*

GEORGE YULE, Esq. *President*, in the chair.

The advertisement convening the meeting
having been read by the Secretary,

The Chairman addressed the members present,
as follows :—

In moving the adoption of the report which
has been circulated among you I will follow the
practice of my predecessors, and comment upon
some of the subjects that have been under our
consideration during the past half-year. You
may have noticed that the subjects are more
numerous than usual, and that they are all of
an every-day business character. We have had
no exciting topic before us such as the depreciation
of silver, or that of exchange, but such as
"the overland mail service" which is an old
friend, and we are pleased to learn that it is to
be entrusted once more to the careful keeping of
those old and familiar friends the P. and O. Com-
pany. Then there are four subjects connected with

the customs; there are also the subjects of 'Steamers Survey Certificates,' 'Compulsory Pilotage,' 'Calcutta Canals,' and about a dozen others which are all set forth in the Index before you. What I intend doing is to select three of the subjects and confine my remarks to them. The first is 'The License Tax,' and on it I shall be very brief. The second is the 'Jetty Charges,' and along with it I will consider the larger questions of Port charges generally and Port management. On these, I have a rather lengthened statement to make; but I trust you will think, after I have done with it, that the time occupied in bringing it before you has not been wholly misspent. The third is the 'value-payable parcels,' and I shall then take up a little of your time in referring to the present state of trade. But before commencing what I have to say on those subjects, I wish to express my thanks to the members of the Committee for their forbearance with me in what, I fear, must necessarily have been a very imperfect discharge of the duties appertaining to the office of your President; and I owe similar thanks to the Secretary for his uniform courtesy and for the aid he has afforded me in the new and untrod position into which I was, in a manner, pitchforked, without having had the advantage which a preliminary training as a member of the Committee would have given me.

You will see that the prayer of our memorial in connection with the License Tax was rejected. The Chamber had no objection to the principle of the tax, but it seemed to it that there was an absence of justice in imposing the tax upon persons who derived their income from precarious trade and exempting those whose income was not of an uncertain character. In addition to the inequality of its incidence there was undoubtedly much injustice done by the way in which the tax was assessed. Not the slightest discrimination was exercised, and much discontent was the natural consequence. As an illustration of the heedless manner in which the assessment was made, I may state that in Calcutta there were 1,519 petitions of objection disposed of up to 31st December last. Of these, 612 were in the first grade of Rs. 500. Upon appeal only 14 of these were upheld. Sixty-four of the petitioners were found to be so poor as to be wholly exempted, and the rest were reduced to lower grades. Out of the total number of 1,519 petitions only 137 were upheld. The cost of appealing was itself an onerous tax, and it is little to be wondered at that the complaints were both loud and deep. It is perhaps to be regretted that the time which was spent in connection with the Vernacular Press Act was not devoted to framing judicious rules for assessing the people under the License Act.

The License notices had a wider circulation than the native newspapers, and, owing to the manner of their distribution, were much more likely to generate sentiments of disloyalty.

I now come to the subject of port charges. The representation which was made to the Port Commissioners last year led, as you will observe, to a reduction in landing charges, amounting to about Rs. 52,000. We look upon this concession with a mixed kind of feeling. We are grateful for what has been done, but the reduction is not so liberal as we were entitled to expect, and accordingly we have a lively gratitude for favors still to come. We have no reason to suppose that it is the intention of the Commissioners to make any further reduction meanwhile. But we think we have abundant reason for pressing the subject once more upon their notice. I wish to state as briefly as I can, how the case presents itself to my mind. The Port Commission is a trust not for the purpose of deriving a large commercial profit from the public, but for facilitating the commerce of the country, as far as that lies within its sphere, at the least possible expense. I am supported in this assertion by the high authority of Sir George Campbell. A committee of the British Parliament was appointed last year to enquire into the Public Works Department of this country. Sir George Campbell was one of

the witnesses. After paying a well-deserved tribute of praise to the Vice-Chairman of the Port Trust and to the Commissioners for the admirable manner in which they had discharged their duties, he said, in answer to the question No. 1110 in the Report, "Do you know exactly what per cent. the Port Trust are paying now?" "They pay 5 per cent. I believe, and I think the sinking fund is 2 or 2½ per cent. They pay 7 or 8 per cent., without giving exact figures; and I should say, as regards the profits, the Port Trust would pay a very much larger profit; but in justice to the commercial community, the rule laid down was that, this being a public trust, the charges should be such as simply to pay the cost; so that the effect of the working has been that, while the accommodation is improved, the Port charges have been very much reduced." And in answer to the question (1113) "Do you say that usually the sinking fund is sufficient to pay off the debt?" he said, "Yes; the payment is calculated to be made in the form of an annual sum which will both suffice to pay the interest and to sink the capital in 30 years."

Now, keeping this purpose of the Trust steadily before us, I wish to trace how far it has been observed in practice, and how far Sir George Campbell's belief is correct that the Trust simply pays the interest and sinking fund of 2 or 2½ per cent.,

any excess over that being absorbed by a reduction of charges. I am able to trace the working of the Trust from the clear and comprehensive reports which the Commissioners submit yearly to Government. For the clearer apprehension of the analysis of the accounts I am to submit to you, it may be necessary to give you an outline, and it shall be nothing more than an outline, of the history of the Port.

In the year 1861 the Lieutenant-Governor pointed out to the Government of India that it would be advantageous for the city and for the Government to constitute a Trust for the Port and city of Calcutta. About this time, in 1863, an Act was before the Council to provide the city with a system of municipal government, and it was proposed to incorporate the management of the Port with that of the new Municipality. A reference on the subject was made to this Chamber by the Government, and it replied that, in opinion of the Committee, a separate Trust should be constituted, and that such a Trust would be better suited to carry out certain improvements that were in contemplation than the Municipality. Looking at the working of the two bodies, there can be little doubt that the view of the Chamber was correct. The Government of India arrived at the same conclusion; but nothing more was done in the matter for three years. In February

1866 a Bill for the improvement of the Port of Calcutta was introduced into the Bengal Legislative Council, in which it was proposed to constitute the recently-formed Municipality the Port Trustees. The Chamber protested most strongly against this proposal, and opposed it at every stage of its progress, but without success. All that the Chamber could get was the promise that the conduct of the Municipality would be carefully watched. Some jealousy appears to have arisen between certain members of the Municipality, who had charge of the Port, and some of the Government officials; and after a great deal of show of work in the shape of plans for improvement, the sub-Committee of the Municipality, to whom the practical work of carrying out the purposes of the Trust was committed, declined to go on under the restrictions they were subjected to at the instance of the Government of Bengal. The scheme broke down, and all that was left of it within 18 months of its initiation were the plans referred to and the report thereon of the Engineer. The Government resumed control and carried out some of the works proposed by the Engineer; and during the following three years four jetties were erected, two more were in hand, and some improvement had been made in the wharves. In February 1870 a Bill under which the present Trust was constituted became

law, and at the end of that year, or, to be more exact, on 17th October, the Commissioners took possession of the Trust which the Act had committed to their charge. It was divided into three parts. The first is the Jetties, the second the inland vessels wharves, and the third the Strand Bank lands. The outlay upon the jetties and wharves at the date of taking them over was nearly 9 lacs, and there was in the hands of Government 1 lac in cash, which was handed over at the same time, and the Trust became indebted to Government for the full amount of 10 lacs, on which amount it undertook to pay interest at the rate of $4\frac{1}{2}$ per cent. and to liquidate the capital by the year 1900. The Government wished the capital to be repaid in 20 years, in 1890, but the Commissioners successfully pleaded that it would be laying too great a burden upon the commercial community to make the charges so high as to leave a surplus of so large proportions as to extinguish the debt within so short a period. We shall see presently what has been done. With regard to part 3, which consisted of the Strand Bank lands, no capital indebtedness was incurred, but there was a yearly charge of Rs. 40,000. The quantity of land handed over was about 64 beeghas.

On 17th October 1870, then, the Trust consisted of the three properties I have named, cash

amounting to a lac of rupees, and a debt of 10 lacs. In the following year what is called the Port Proper was handed over to the Trust. This consists of the buoys, moving material, heave-up boats, and other floating block, and the Moyapore Powder Magazine. The capital value of all these was Rs. 17,65,000. The Government desired to have this amount subjected to the same terms of interest and repayment as the ten lacs for the jetties, wharves, and Strand Bank lands. The Commissioners, however, objected to the payment of the capital in 30 years, or, indeed, at all. They were careful, I suppose, of the commercial interests, "which ought not to be subjected to charges of so extreme a character as to pay so large an amount for a permanent improvement of the port." We shall see presently what has been done in this respect, in this department of the Trust property, which is known in the accounts as part IV. In dealing with the income and expenditure of the accounts I shall include parts 1, 2, and 3 under one head, and part 4 will be examined separately.

Well, now, the net revenue of the jetties, wharves, and Strand Bank lands from 17th October 1870 to 31st March 1871, the date on which the yearly accounts are closed, was Rs. 1,09,000. From 1st April 1871 to 31st March 1872 the revenue was Rs. 3,69,000, and for the following

two years Rs. 3,54,000 and Rs. 3,23,000, respectively. This brings us to the end of the fourth financial year, and adding these sums together the net revenue amounted to Rs. 11,55,000, an amount sufficient to extinguish the whole capital of the block taken over from Government and leave Rs. 1,55,000 to begin a good new year. Let me here explain what I mean by net revenue. It is the surplus of income over expenditure after all charges for working these three departments are deducted, after repairs, after taxes, after the interest on the 10 lacs, and every other expense of whatever kind. It would appear, therefore, that the profit of these four years' working was at the rate of 25 per cent, with a lac and half to spare, in place of the modest 2 to 3 per cent, which Sir George Campbell represented to the Committee of the House of Commons was the handsome profit, and the evidence of the successful management of the Port Trust.

But during these first four years of Trust management there were considerable additions made to the block of these three departments. They consisted chiefly of the following:—extensions to, and connections of, jetty heads, Rs. 5,60,000; a new jetty, Rs. 3,00,000; new sheds, Rs. 4,00,000; jute godown, built for Hoare, Miller & Co., Rs. 1,66,000; the new Aheeretolah-road, Rs. 2,50,000; machinery and dragger, Rs. 3,00,000.

Altogether, the additions involved an outlay of 25 lacs, making, with the 10 lacs taken over from the Government, 35 lacs in all. But with respect to two of the items, *viz.*, the jute godown and the Aheeretolah-road, these are in the nature of investments, and are, or will be, independently remunerative, and should be deducted in estimating the outlay on the working block. These two items amount to 4 lacs, which would leave the working block at 31 lacs on 31st March 1874. Now I wish to show you what the result of working this block of 31 lacs has been after another period of four years ending 31st March 1878. I have told you that the profit of the first four years was Rs. 11,55,000. The profit during the second four years was Rs. 17,55,000, and these two amounts added together make 29 lacs and 10 thousand, and if we add to this sum the 1 lac in cash which was handed over by Government, the amount will be 30 lacs of net income as against a capital outlay of 31 lacs; so that within four years we again have the cost of the block practically extinguished and the profit of 25 per cent. per annum repeated. We have thus brought the history of the outlay down to 31st March 1874, and the history of the income to March 1878. It may not be uninteresting to trace it for a third period of four years. The outlay I have ascertained, but we must be content with an estimate of the

income. The expenditure was heavy, 43 lacs, or nearly 11 lacs per annum, which brought the total outlay up to 78 lacs on 31st March last. The chief expenditure was connected with the Aheerectolah-road, which stood on that date at Rs. 23,40,000. There was also a new Tramway built, costing Rs. 4,20,000, and the new offices, Rs. 2,50,000, amounting together to 30 lacs. The remaining 13 lacs were spent on further additions to the sheds, jetties, wharves and machinery. In separating the items that are of a permanent character, and that are of the nature of an investment, from the working part of the trust, I find them to be

	Rs.
Jute godown	2,12,000
Aheerectolah-road	23,40,000
New quarters for Commissioners' servants	1,30,000
Tramway	4,20,000
	<hr/>
Amounting to	31,02,000

All these are separately self-supporting; and although they do, or will, contribute to the satisfactory working of the port, the advantage will be more collateral than direct; and there is no reason why they should not last with proper repairs as long as Calcutta itself, and remain as valuable as they are at present. Well, deducting the cost of these four items from the 78 lacs, we shall have

the outlay upon the working portion of the Trust standing at 47 lacs. In estimating the profit for the current period of four years it seems to me that we may fairly take the average of the past three years. The profit last year was exceptionally large, owing to the great increase of traffic caused by the famine, and it would not be safe to calculate upon a repetition of so favorable results for this year or the three succeeding years; but the average of the past three years does not seem to be an unreasonable expectation to form. The profits were

1876	Rs. 3,43,000
1877	" 3,95,000
1878	" 7,05,000
	<hr/>

and the average is 4,60,000. 14,43,000

Four years of revenue at that rate will give Rs. 18,00,000, which, added to the profits—Rs. 30,00,000—earned up to 31st March last, will give Rs. 48,00,000, against a working block outlay of Rs. 47,00,000. In the working block I include everything in connection with the Trust except the four items named. I include not only all the jetties, all the sheds, all the machinery, all the outlay on the wharves and sloping embankments, but also such items as these—the new office, costing Rs. 2,50,000, tank-house Rs. 1,03,000, the new 30-ton floating crane Rs. 1,46,000. We found

that the outlay at the beginning of the first two periods of four years was extinguished by the profits made during the currency of these two periods, and we again find that at the close of a third period of four years the net income will again meet the outlay at the beginning of the third period, and that the profit of 25 per cent. per annum will be repeated, and more than a lac will be left as a nest egg.

Now, a merchant or a ship-owner, with these facts and figures in his mind, walking round those spacious sheds and upon those splendid jetties, with their railed inclosures, and along that fine line of wharves, must feel that they all partake of a monumental character; for he will think of some of his old capital and young profits that lie entombed within them; and if he feel an interest and satisfaction in all he sees, in the neatness and order which everywhere prevail, his satisfaction and interest will be like that which one experiences in loitering through the avenues of a fine cemetery.

Thus far I have dealt with the jetties, wharves, and Strand Bank lands, and I shall now state to you what has been the result of the working of the fourth part, called in the accounts "Port Proper." I have said that this part was taken over from Government in 1871, and that the value of the block was Rs. 17,65,000, but this amount included

a sum of Rs. 1,80,000 in cash, so that the value of the material of the block was Rs. 15,85,000, which forms a permanent book debt, not to be paid off like the rest of the block in 30 years. The Commissioners, as I understand, considered that the payment of the capital of this debt would have been an unreasonably heavy-burden to throw upon the mercantile community. Well, the net profits after providing working expenses, repairs, interest, and all other charges, has been 5,000 rupees short of 6 lacs; and if the same fees continue to be levied, and the trade be no less than it has been for the past seven years, the profits will in 10 years be sufficient to pay off the balance of the original debt. I have stated that the income of the Trust has, beyond doubt, benefited largely by the excellent management of its affairs, but the good results are not wholly due to that cause. I find, for example, that in the year 1874-5 the average work done by each assistant in the Harbour Master's Department is represented by the figures 288, but in the year 1877-8 the work done is represented by 540, or 80 per cent. increase. This great improvement is accounted for in the 49th clause of the Administration Report, thus: "The fact that so many vessels entering and leaving the port are steamers, and that the greater portion of the sailing vessels are towed into port and have many of them steam winches,

accounts for the increased amount of work done by the assistant harbour masters without any additional establishment."

Now, gentlemen, these are results which must tempt the merchants of Calcutta into a breach of the moral law and make them envious,—results not derived from trade, only from an instrument of trade—an instrumentality called into existence for the express purpose of facilitating trade at no higher a charge than is necessary to keep the instrument in good working order, and to provide for the extinction of its cost over a period of not less than 30 years. While we admit the management has been such as, upon the whole, to satisfy the most captious critic, our complaint is that we have not derived the full benefit of the good management, and that, so far as the trading interests are concerned up to this time, the management might just as well have been bad as good.

But while we have little but unreserved praise of the management of that portion of the Port which is under the charge of the Commissioners, we cannot say so much for the management of that part which is still under the control of the Government. From Garden Reach downwards the river is under the management of Government officials. The Pilot Service is also under their direction. The income is very large, amounting last year to 14 lacs; but how this sum is dis-

posed of is not apparent; no account is published of the whole department; only an abstract, which is both obscure and erroneous; and that abstract deals only with 3 to 4 lacs of the income. Great irregularities were found in the working of the Port when the whole of it was under the immediate charge of Government, and a regular yearly deficit appeared as one of the results. It was shown, however, that these deficits were created by debiting to the port many accounts which did not concern it at all, and that sums which should have been credited to the port were taken to make up deficiencies in another department. One of our late Presidents, Mr. Bullen Smith, who was a member of a Committee appointed to investigate the accounts, said respecting them: "This unfortunate Port fund seems to have been a sort of scape-goat of the Bank's Hall. How much it was over charged, or how much short it was credited (and we found flagrant instances of both), no one seems to have known and no one seems to have cared; and thus it has been that year by year a balance has been carried to its debit, but with so little care and discrimination that the accounts are totally unreliable."

There seems to be some reason for believing that this unsatisfactory condition of affairs still continues; and our suspicions are strengthened, per-

haps exaggerated, by the secrecy in which the working of the department appears to be purposely shrouded. The Act under which this part of the port and port approaches is worked was passed in 1875, and there is the extraordinary provision that the accounts shall not, or need not, be published. This provision is stated in nine words, constituting a minor clause of a long sentence in one of the longest sections of the Act, and is so dexterously inserted that little doubt is left on the mind that it was placed there at the instance of some one who had some special reason for concealing the working of the department from the intrusive gaze of the public. What can be the reason for this exceptional secrecy? Is it that some account is still needed into which the mistakes of some other department may be poured and hidden from the view of the Council and public? Is the account still a scape-goat on which the blunders of the Dockyard may be sent away into the wilderness of the Accountant-General's office, never more to be seen? I expected to have been able to tell you some thing at this meeting of the working of this part of the port, but I cannot. I addressed a letter to the department asking whether I could see the accounts, and, if so, where; but it politely declines to let me see them, and refers me to the clause I have mentioned. It cannot be that this conceal-

ment of accounts is known to, and approved of, by the present Government—I mean the Bengal Government; for the Act is one of its creating. The popularity of the Bengal Government, as at present constituted, rests, I believe, mainly on the conviction in the public mind that it is striving to root up abuses; to let daylight into every dark corner; to do good and substantial work in a frank and honest way. We are accordingly addressing the Government direct on the question of these accounts in the full hope that the thoroughness of purpose which is characterising all their other work will not halt and strain at this particular point.

The best remedy for the present unsatisfactory state of affairs of this part of the port would be the transfer of the management of it to the Port Commissioners. This would relieve the Government of a troublesome business; and the trading interests might then reckon upon the powerful support of the Government in remedying any proved grievance which may arise under the administration of the Commissioners. It is always uphill work to get redress from Government when their own officials are the delinquents.

The value-payable parcels system has not yet, I regret to say, been carried into practical operation. The chief opposition to it has emanated from our friends of the Trades' Association. Their

opposition appears to be based on two grounds. The first is, that the system will be of no benefit and no convenience to the public; and the second is, that the system will inflict a severe injury upon Calcutta tradesmen, for it will enable the public to get articles from abroad at a lower price than the tradesmen can afford to supply them. It is obvious that one or other of these propositions must be incorrect. If the system be neither beneficial nor convenient to the public, the public will not avail themselves of it, and no injury to the tradesmen can therefore follow. If it enable the public to get the articles they may require at lower rates, it will be a benefit, and, possibly, a convenience. The tradesmen approve of the system if it be limited to India. It may be an injury to the tradesmen in the mofussil if facilities be afforded to mofussil people to get their wants supplied from Calcutta. But the Trades' Association recognize in such an arrangement a valuable boon to the public. The moment, however, that it is suggested to extend the privilege as far as England the Association oppose it. What is sauce for the mofussil goose is not sauce for the Calcutta gander. In reading the protest of the Trades' Association no one can doubt that their anxiety about the public convenience is to some extent assumed; and it is apparent that what lies nearest their heart is the conviction that the pub-

lic will think the system too convenient, and that more use will be made of it than would be agreeable to the members of the Trades' Association.

It will be admitted, perhaps, that it would be wrong on the part of the Post Office to withdraw any existing privilege from the public for the purpose of throwing a benefit to a small section of the community. But would it not be equally wrong to withhold a privilege, which it is in their power to confer, because the interests of a few may thereby be injured? The glory of the Post Office management has been that it has not permitted the interests of small classes here and there to stand in the way of a general improvement. The Post Office already carries parcels for the parcel department, and it transmits the money for the payment of these parcels by the money order department; and all that it wants to do is to unite, for the convenience of itself and the public, these two separate and distinct operations into one, which is surely a reasonable, just, and useful reform. The system will do for the public what the clearing-house does for bankers. It will economise the use of capital, and will save the risk and trouble of transmitting funds by means of Post Office orders.

The Calcutta tradesmen tell us that they have large capitals employed in their business which

would be endangered if the system be extended beyond India. But if they with large resources and great experience and thorough knowledge of the markets cannot compete with private persons of no business experience, who must go to retail shops for the articles they require and pay freight at Post Office rates and 2 per cent. for collection, they are not the capable men I take them to be. If they suffer in such a competition, it may not be uncharitable to conclude that they ought to suffer. But will they suffer? Dealers in horses believed the establishment of railways would be the death of their trade. Every trading interest in turn has regarded with dislike new plans for facilitating communication and the easy exchange or purchase of commodities, but, as a rule, these interests have been the first to benefit by the change. The endless number of articles required by residents in India, but which are not obtainable in India, may be made an additional source of revenue to the tradesmen if they will only set their sails to the breeze. They are able to buy much cheaper than private persons. Why should they not offer to act as an intermediary in supplying, through the valuable-payable parcels delivery, such portions of their customers' wants that they cannot supply from their own stock. This would be a great and mutual benefit to the public and tradesmen, and it would add to the revenues of the Post Office. I

am persuaded that the proposed boon to the people of this country will not be marred by the slightest injury to any interest.

And now, gentlemen, before I sit down I wish to refer to a subject which is pressing itself upon the attention of us all. I allude to the present state of trade. Whatever department of industry we look at, whether it be agriculture, or iron, or coal, or clothing, or shipping,—all are passing, and I hope passing, through a time of severe depression. The present dullness is more widespread and general than any of those similar periodic visitations of former days. And another special characteristic of it is the absence of panic, especially in the monetary circle. There is no crisis and no symptom of any. There have been severe local disturbances, but no general collapse of confidence. On previous occasions from 1793, through the short interlude ending 1797, on to the crises of 1825, 1837, '47, '57, and '66, all went merrily until the failure of a leading house revealed the rottenness under the shell of prosperity. But from the inflation of 1870-4 we have slid quietly down into the hollow, with a few heavy lurches to remind us that we were on a descent. Profits have gradually gone and been turned into losses; and I know of no industry that can be pointed to as an exception either in the British dominions or in any of the other commercial nations of the world.

And what may seem strange to those weak-kneed free traders who always begin to doubt free trade principles when they fail to prevent, or correct, all the untoward results of the follies and recklessness which men exhibit in times of commercial excitement is, that those countries who protect native industry the most were the first to suffer, and have suffered the most in those very industries which were most protected.

The chief cause of the depression of trade in India appears to me to lie on the surface. Two successive years of failure of our cotton and cereal crops in large districts of the country sufficiently account for the greater part of the distress which prevails. When food is double its normal price business must be stagnant. There are no surplus stocks to export in payment of commodities that may be wanted from other countries, and that portion of the labouring population which derives no compensating benefit from the high price of food has absolutely nothing to spare from its scanty income to purchase any article of secondary necessity or comfort. In India the first and chief effect of the price of grain is on the piece-goods trade, and we are all sensible enough of the great prostration in which it lies. But while there is no doubt as to the fact of the depression, and not much as to the manner of its coming, we can only guess as to the time and form of its going. Pros-

perity and adversity come not unbidden. Like every other event in the universe they are but results of equivalent and sufficient causes, but these causes are uncertain in their action, and obscure from the constant presence of unseen disturbing influences. Economists have observed, and some believe, that these periods of depression recur at fixed intervals of about 10 years. But it seems to me that the facts are sometimes strained to fit in with the theory, while the observations themselves have been too few to deduce from them so general a law with the confidence that Professor Jevons, for example, propounds it. It is likely enough that there is some such law. The universal tendency in human nature to seek for wealth at the least possible expenditure of effort is the parent of all commercial phenomena. About that there is no doubt, and were that law to have unimpeded action we might with great certainty foretell the course of trade. But there are other laws and a vast number of temporary, undetermined circumstances that check, impel, and divert the course of this general law. Governmental regulations, the political condition of countries, the fluctuating character of seasons, and the more subtle changes of the human mind itself, leading at one time to personal or national display, at another to social tumult, and another to warlike enterprise; all disturb the natural course of busi-

ness, and make all predictions about it unreliable. Accordingly, commercial forecasts are like those of old Moore regarding the weather—rain to-day, or the day before or the day after. Still, there is some substratum of truth in it all, and probably much that is yet undiscovered. We can say with confidence in the midst of bad times that better will come. The bad cannot continue always. The bad has in it the elements of its own destruction. Bad times lead to economy and exertion, and these certainly lead on to prosperity. We are too ready, I think, to look upon a collapse of credit and confidence as being in itself an evil thing and a calamity to be deplored. Would it not be more correct to say that it is only the expression of an evil; the cry of the burnt child, not the burn. It is the outward crisis of a previously unobserved disease. One of the beneficial consequences of a sudden discovery of this kind is the instant application of the only suitable remedy; reduced consumption and increased production. Now, if I have read the progress of the present depression aright there has been no crisis to lead to a speedy cure. There has been no economy of resources and no earnest endeavour to make up the capital that has been lost with bankrupt countries, locked up in non-reproductive undertakings, or squandered in senseless display and luxury. We have but to cast our eyes over

the budgets of European nations and India to see that this is true as regards public expenditure. And although we have not the same exact data regarding private outlay, our observation will attest that the habits of the community are not more frugal than they were six years ago in the heyday of prosperity. I am speaking of the mother country just now. This statement is supported by the excise and custom house returns. I will, with your permission, point out to you the difference in this respect between the three years following the former commercial crisis of 1866, and the past years 1875-6 and 7. Both are periods of trade depression. I will compare the consumption in the two periods of the following datiable articles:—malt, spirits, wine, sugar and tobacco per head of the population; and it may be safely inferred that the consumption of other articles has not been in a less ratio. Of malt, the consumption during 1867-9 was 1.70 in bushels; in 1875-7 it was 2; of spirits, .98 in gallons as against 1.21; of wine, .48 as against .55; of sugar .41lbs. as against .60lbs; of tobacco 1.35 as against 1.45. Taking the consumption all round it may be stated that every man, woman, and child have eaten and drunk, and otherwise consumed, 20 per cent. more in the years 1875-7 than was consumed in 1867-9. Now these figures are to me intensely interesting and instruc-

tive if the surrounding circumstances of the two periods be kept in view. The crisis of 1866 was sudden and severe. People were pulled up sharply. Economy was forced upon them, and they were obliged to be industrious. Less consumption, more production; these two healing processes were instantly at work, and in three years the shattered constitution was restored to health and vigour; and then followed four years of unexampled prosperity. Then came a halt in accumulation; then one or two false starts, and a few serious break-downs. Meanwhile expenditure has proceeded apace. Three bad harvests in England, accompanied by two famine years in India and war in Europe, were pulling away at the reserved capital of the country; but still the people were spending as fast as ever, and as regards Government faster than ever. There has been a gradual exhaustion of the resources of the country, and a gradually deepening distress, which must, it seems to me, go on until the saving process is forced upon the country. Nations like individuals require to be taught over and over again the simple lesson that "we cannot have our plum and eat it;" and if we do not learn it cheerfully, the hand of a stern but beneficent necessity inclines it with stripes few or many as the case may require.

Subsidiary obstructions to the return of prosperity are some of the rules of trades-unions and

the kindred abominations of Governmental regulations, inspections and restrictions of labour, by which men are not allowed to do more, or better, work than the Government and the unions together think proper. The communistic principle of so much labour, so much pay; no more of the first, no less of the latter, for all alike, is enforced. The active, the industrious, and honorably ambitious and competent workman is yoked with the weak and lazy, and often dissolute, whether the companionship and reward be liked or not. And when some good-hearted nobleman, or philanthropically-minded lady, or Government doctor, visits some of the factory towns where such regulations prevail, and sees so many poverty-stricken and apparently dissolute people, the visitor exclaims—"How shocking! These poor people must be protected." He does not perceive that the previous artificial protection is the chief cause of the infirmities he notices. To the extent that the labour of the active and frugal man is curtailed, there is more work for a time thrown in the way of the lazy and dissipated. The dissolute have the means of becoming more dissolute, and the indifferent can eat the bread of comparative idleness. Pain and poverty, Nature's remedies for low and wasteful habits, have not been allowed to be administered at the beginning of the disease; and when there is a check to trade, these

fostered and petted hands are thrown upon the parish at once; and the industrious and careful workman, having been prevented from earning all he was capable of earning, finds himself with a smaller reserve than he might have had, and he, too, gradually sinks into the ranks of the pauper. Economic law is a stern avenger when its precepts are broken, and none so kind and gentle when its teachings are followed. Farmers, ribbon makers, shipowners were nearly protected out of existence in England. The workman is now the object of solicitous care, and the process of sinking as regards him is becoming visible. Look at the following figures:—

After agriculture, the cotton manufacturing industry is the most important in the world. In 1860 the supply of the raw material was 5,700,000 bales. Great Britain took 2,800,000 and other countries 2,900,000. In 1870 the supply was 6,250,000. Of that quantity Great Britain took 3,000,000 and other countries 3,250,000. Great Britain during that decade increased its consumption 200,000, and other countries 350,000. That indicated a turning point. Now mark: in 1877-8 Great Britain again took 3,000,000 bales, but other countries took 4,300,000. England remained stagnant and other countries increased their consumption 33 per cent.

Two countries, in one of which effort and aspiration have free play, and the other in which aspiration and effort are checked and confined, cannot be long equal in the race even if they start fair. On the Continent and elsewhere there is little or no artificial restraint on labour; and I know of no other condition which accounts for the retardation of progress of this industry in England and its rapid advancement in other countries. This shackling of the faculties of man may go on for some time longer. Acts of Parliament for this purpose have been enacted and amended and re-amended and tinkered times without number, and still new clauses and alterations of clauses with the view of making the restraint greater are asked for. But it may be that the end of this kind of legislation is not far off. Our legislators and philanthropists and trades-union secretaries may discover that a higher and better law has existed all the while, securing, when it has free action, the best possible adjustment of labour and its reward. I do not mean to say that if labour were free periods of mania and panic would cease. So long as hope and fear are elements in human character we shall have times of excitement and distrust; but restrictions placed on the free exchange of services create and prolong *bad* times, such as we have at present. They are one of the factors of

dullness and depression. No one ever dreams of curtailing the production of cotton, or wool, or jute; but the moment these are to be turned into servicable articles down comes an Act of Parliament with its series of amendments, trades-unions with their rules, and a host of inspectors limiting the hours of work, limiting the kind of hands to be employed, limiting the production and prescribing the pay. The wealth of a country embraces the commodities of a country. The production of commodities is curtailed by the regulations I refer to, and the country is so much the poorer: The cost of production is enhanced by these regulations. Few persons can consequently buy the articles produced, and the comfort of the people is thereby abridged. Capital looks for places where it is least fettered. Like lightning it seeks the line of least resistance. Where every one is free to offer, free to accept, and free to refuse, just bargaining is secured; and wealth, which is another word for well-being, is more largely diffused.

The Chairman concluded by saying that he owed the meeting an apology for the length of his speech, and thanked them for their attention; and he now had much pleasure in proposing "that the Report of the Committee of the Bengal Chamber of Commerce for the half-year ended the 31st October 1878, be received and adopted."

Captain C. J. Wilkinson, in seconding the motion, remarked that the members present could not, as mercantile men, fail to appreciate and commend the admirable statement just made as to the affairs which concerned them most, and the general state of trade. He recommended the precepts inculcated to the consideration of the Port Trust and the Government, and had no doubt the suggestions thrown out, if acted on, would result in advantage to the public.

The Chairman's proposition was put to the meeting and carried unanimously.

The following resolutions were also agreed to:—

Proposed by The Hon'ble A. B. Inglis, and seconded by Mr. T. F. Hamilton. "That the Committee's conditional election of Messrs. Barry & Co., Messrs. Birkmyre Brothers, and Mr. James Duffus as members of the Chamber be confirmed."

Proposed by Mr. John Cowie, seconded by Mr. C. S. Carlisle. "That the cordial thanks of the Chamber be given to the Committee for their services during the past half-year."

The meeting was closed after a vote of thanks to the Chairman, on the motion of Mr. H. B. H. Turner, seconded by Mr. G. Froeschmann.

H. W. J. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE.

Report of the Committee for the half-year
ended 31st October 1878.

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

THE OVERLAND MAIL SERVICE.

On the 29th August we were informed, by Reuter's telegram, that Her Majesty's Government had accepted the Peninsular and Oriental Steam Navigation Company's tenders for the conveyance of the East India and China mails for a period of 8 years. No official particulars have transpired, but it is believed that the contract will have effect from the 1st, February, 1880; that the Company will receive an annual subsidy of about £400,000; that they will be required to maintain a speed of 11 knots between Brindisi and Bombay, and of 10½ between Suez and Shanghai; and that the Southampton service will be abandoned. The accelerated speed will shorten the service between London and Bombay by about two days and a half; and as all the mails will be despatched *via* Brindisi

the time now lost in sending the heavy portion *via* Southampton will be saved. The Company have well deserved the confidence of the public, and the Committee are glad that the continuance of the mail service between Europe and the East has been committed to their experienced management.

THE LICENSE TAX.

The memorial addressed by the Chamber to the Secretary of State setting forth the grounds of their objections to the tax was included in the Committee's Report for last half-year, and the reply now recorded informs you that Her Majesty's Government declines to comply with the memorial, because the representations therein contained have failed to convince the Secretary of State of the expediency of negating the Act under which the License Tax is levied.

From Government of Bengal to Chamber.

Calcutta, the 22nd October 1878.

With reference to your letter, dated the 3rd April 1878, I am directed by the Lieutenant-Governor to forward, for the information of the Chamber of Commerce, the accompanying copy of a letter from the Government of India in the Financial Department, No. 3133, dated the 27 ultimo, and of the despatch from Her Majesty's Secretary of State for India therein alluded to, being a reply to the memorial of the Chamber relative to the License Tax lately introduced in India.

From E. J. SINNINGSON, Esq., Under-Secy., to the Govt. of India, Financial Dept., to the Secretary to the Government of Bengal,—No. 3133, dated Simla, 27th September 1878.

With reference to your letter, No. 970, dated 10th April 1878, I am directed to forward copy of a despatch, No. 275, dated 15th August 1878, from Her Majesty's Secretary of State for India, being a reply to the memorial of the Bengal Chamber of Commerce relative to the License Tax lately imposed in India.

2. I am to request that the decision of the Secretary of State for India may be communicated to the Chamber.

From The Right Hon'ble VISCOUNT CRANBROOK, Her Majesty's Secretary of State, for India in Council, to His Excellency the Right Hon'ble the Governor-General of India in Council,—No. 275, dated India Office, London, the 15th August 1878.

PARA. 1.—I have received your Financial (separate Revenue) letter, dated the 3rd June last, No. 11, forwarding a memorial from the Bengal Chamber of Commerce, dated the 23rd March last, relative to the License Tax recently imposed in India, and praying that it may not be sanctioned "until it has been amended, so as to include every official class within Her Majesty's Indian territories, and to provide that all assessments shall be determined by a standard of uniformity."

2. The memorial transmitted by you has been carefully considered by me in Council, but the representations therein contained have not convinced me of the expediency of negating the Act under which the License Tax is now levied.

3. I request that you will inform the memorialists that Her Majesty's Government must decline to comply with the prayer of their memorial.

CUSTOMS:—IMPORT DUTIES.

The views of the Committee on this subject were expressed at some length in a letter to the Government of India which appeared in their last Report; and it will be observed from the reply to the Committee's further reference that the matter was one that involved some difficulty and was receiving the attention of Government. Nothing more has been communicated, but the Committee are not without hope that their representation has placed the matter in such a light as to enable the authorities to see their way to amend their previous decision, and to place on an equality all imported manufactured goods which can fairly claim exemption under the Government Resolution of last March.

*From Chamber to Government of India.
Calcutta, 15th July 1878.*

On the 17th April last, the Committee of the Chamber of Commerce drew your attention to the practical effects of the Notification No. 48, dated 18th March, under which sundry descriptions of grey cotton piece-goods were exempted from import duties, and for the reasons they then gave the Committee urged upon the Government the adoption of suggestions with which their representation was concluded.

The Committee do not doubt that the views submitted by them for the consideration of Government have had due attention, and they desire me to request you will

oblige them by an early communication of any action which the Government may decide to take in the matter.

*From Government of India to Chamber.
Simla, dated 20th July 1878.*

I am directed to acknowledge the receipt of your letter dated the 15th instant, requesting to be informed of the orders of Government on the representation of the Chamber of Commerce in regard to the exemption of certain descriptions of grey cotton piece-goods from import duties.

In reply, I am directed to say that the matter is one involving some difficulty and is still under consideration. The Chamber of Commerce will be addressed as soon as any conclusion can be arrived at.

CUSTOMS:—REVISION OF THE TARIFF.

The Committee have not been unmindful of the material difference which has for sometime prevailed between the market prices of certain classes of imported cotton piece-goods and yarn and the tariff values upon which duty has been levied—the difference ranging from 7 to 21½ per cent against 8 enumerated articles—and they brought the matter to the notice of Government last July in the hope that an early amendment of the Tariff Act would be made.

The Committee at the same time suggested that the tariff should be revised annually instead of at the long intervals which have usually elapsed

between the official examination and settlement of the rates for duty: this appeared to the Committee a more equitable arrangement for all interests, and they hope their recommendation will be adopted.

From Chamber to Government of India.

Calcutta, 8th July 1878.

The Committee of the Chamber of Commerce desire me to submit for the consideration of the Government of India that, since the Indian Tariff Act No. XVI of 1875 was passed, various circumstances have combined to render it expedient to revise the tariff values of British Cotton manufactures and other merchandise upon which Customs duties are charged.

The position of most articles of importation has not improved in the interval, and the statement appended hereto, exhibiting the per-centage of difference between tariff rates and rates realised by importers, amply justifies the Chamber's application for bringing the former into a more equitable concurrence with the prices obtained by merchants.

It is abundantly manifest from this statement that the tariff is capable of material amendment, and that its provisions do not adequately correspond with the actual position of several of the articles included in the Schedule of the Act: and the Committee of the Chamber believe that a thorough examination of the position of numerous other articles will result in satisfying the Government that the present application for a revision of the tariff is not made on insufficient grounds.

The Committee are of opinion that although the present system works conveniently by reason of a fixed valuation for certain classes of goods it is not free from objection, inasmuch as duty is frequently charged on values which do not correctly represent, and are at variance with, current prices.

The *ad-valorem* system is probably the fairest to both Government and the merchant; but the fixity of values, on the other hand, has the advantage of certainty and freedom from fluctuations during the currency of the Tariff Act.

The Committee do not propose any change in that respect, but they are decidedly of opinion that the revision of valuations takes place at too long intervals, during which the interests of merchants and the Customs revenue may be injuriously affected.

An annual revision of the tariff would, in the Committee's judgment, be a far more equitable arrangement, and the Committee advocate the proposed amendment in the interests of all concerned.

1877. If the Collector is still unable to give the relief sought for, it is proposed to ask the local government to use the power given by the new Act to suspend or modify the sections ruling the case.

*From Chamber to Government of Bengal.
Calcutta, 5th June 1878.*

The Committee of the Chamber of Commerce direct me to submit for the consideration of the Hon'ble the Lieutenant-Governor the following remarks regarding two of the penal clauses of the Sea Customs' Act—No. 8 of 1878.

No. 17 of the offences and penalties covered by the Act runs as follows:—"If any goods entered in the import manifest of a vessel are not found on board of the vessel; or if the quantity so found is short, and if such deficiency is not accounted for to the satisfaction of the officer in charge of the Custom House, the master of such vessel shall be liable to a penalty not exceeding twice the amount of duty chargeable on the missing or deficient goods if they be dutiable and the duty leviable thereon can be ascertained, or otherwise to a penalty not exceeding five hundred rupees for every missing or deficient package or separate article."

In their report on the Customs' Bill, submitted to the Government of India, in a letter, dated 26th January 1878, the Committee of the Chamber observed that the object of penal clauses in a Customs' Act is the prevention of smuggling dutiable goods, and that the master's declaration that certain goods had been shipped on board his vessel should be taken as evidence of *bona fides* on his part rather than of any intention to endeavour to defraud the revenue. The

penally appeared to them to have been prescribed without due consideration of the master's position towards the owner of the goods: for if, they had been shipped the master is obviously bound to account for them to the owner, and in the event of their having been lost he had to satisfy the owner's claim, which would include the duty paid at time of passing at the Custom House.

If, therefore, the owner paid the duty in the first instance and recovered it subsequently, together with the cost of the missing goods from the master, it was excessively hard to make the latter pay double the amount which the Customs had already received: the Government demand having been satisfied any penalty in addition thereto seemed to the Committee a punishment which circumstances did not justify, for there had been no intended evasion of the law nor anything done to the detriment of the revenue.

It very often happens in consequence of steamers calling at several ports between London and Calcutta that packages, duly manifested, are short delivered: some eventually turn up, but a few can never be traced; and in that case the captain or agent has to pay the consignees the value of the missing packages together with any duty that may be chargeable. But under the Act this is insufficient, and the law is not supposed to have been sufficiently respected until the penalty of twice the amount of duty received by Government has been inflicted on the master, who already has had to suffer a probably heavy loss arising from accidental inability to produce what had been placed in his charge.

It is an unnecessarily oppressive provision, because it demands more than equity requires, and a harsh and vindictive procedure against an unintentional contravention

of the law should have no place in an Act the chief object of which is to protect the revenue. To punish a fraudulent evasion of its provisions is a legitimate and necessary part of the Act; but to inflict a heavy fine for an undesigned non-fulfilment of its obligations can hardly be justified.

The Act no doubt provides that the penalty is leviable if the deficiency is not accounted for to the satisfaction of the officer in charge of the Custom House; but it may chance to be a matter of difficulty to satisfy such officer, if his punctilious exactness rejects a master's or agent's affidavit or declaration as to loss or deficiency, which the Committee are of opinion should always be accepted to prevent the infliction of duty, single or double,—a small fee being paid for amending the manifest.

Section 55 authorises the Collector to permit the master to amend any obvious error in the manifest, or to supply any omission which, in the opinion of the Collector, results from accident or inadvertence, by furnishing an amended or supplementary manifest, and may, *if he thinks fit*, levy thereon such fee as the Chief Customs' authority from time to time directs.

The complaint which reaches the Committee regarding this is that the levy of fees is the rule and not the exception, and that this constantly demanded charge is a vexatious and harassing penalty for simple clerical errors in copying marks, or for the mere transposition of a letter, such as *A. W.* for *W. A.* or *Dr.* for *Mr.* on an address package, and so on. These are such trivial errors that their correction should be permitted without demur or fine.

If the Committee have not been misinformed it would appear that these fines are distributed among the depart-

mental employés, whose object of course is to endeavour to discover as many errors as possible, and much of their official time and intelligence is consequently devoted and directed rather to a minute, dilatory, detective process than to a prompt and expeditious despatch of public business.

The Committee bring these matters to the notice of the Lieutenant-Governor in the hope that His Honor will be pleased to have them duly investigated and to deal with them in such manner as may appear expedient.

*From the Government of Bengal to the Chamber.
Calcutta, the 13th September 1878.*

With reference to your letter of the 5th June 1878, containing the remarks of the Chamber regarding two of the penal clauses of the Sea Customs' Act VIII of 1873, I am directed to forward, for the information of the Chamber, copy of a letter, No. 680B, dated 20th August 1878.

from the Board of Revenue
Paragraphs 1 to 8 and 11 and 12. together with an extract
from a letter, No. 386, dated 25th July 1878, from the Collector of Customs, Calcutta, to the address of the Board, and to say that, from the orders issued by the Board and the circumstances explained by the Collector of Customs, no further action appears necessary in the case.

From W. H. GRIMLEY, Esq., Secy. to the Board of Revenue, L. P., to the Secretary to the Government of Bengal, Revenue Department,—No. 689D, dated Fort William, the 20th August 1878.

I am directed to acknowledge the receipt of Government order, No. 570T, dated 18th June last, forwarding,

for report, a letter from the Bengal Chamber of Commerce on the remarks of the Chamber regarding two of the penal clauses of the Sea Customs' Act VIII of 1878.

2. In reply, I am directed to submit the accompanying copy of a letter from the Collector of Customs, Calcutta, No. 386, dated 25th ultimo, from which it will be seen that, so far from the provision of the Customs' law, to which the Chamber of Commerce have taken objection in their petition to Government, being worked oppressively, there is almost an undue show of leniency on the part of the Customs' officials in dealing with breaches or supposed breaches of the law. The Chamber appear to have been misinformed on several points, for it would appear from their letter that duty is levied three times: first, from the owner or agent, and afterwards from the master in the shape of penalty-duty; but it will be seen from paragraph 6 of the Collector's letter, that the duty levied in the first instance is always refunded to the consignees.

3. It appears to the Board that, under the penal clause of the Customs' Act, the penalty of double duty is a maximum penalty, and the Collector is allowed a discretion, a point which Mr. Maclean has not noticed in his report, and it is only in extreme cases that such maximum penalty should be imposed. The Collector by acting on this principle will be able so to regulate his penalties that there will be no occasion for complaint of harsh and oppressive working of the Act. The Board will instruct the Collector to use his discretion in the manner indicated above.

4. The original annexure of the Government order is herewith returned.

Extract from a letter from J. D. MACLEAN, Esq., Collector of Customs, Calcutta, to the Secretary to the Board of Revenue, Lower Provinces,—No. 386, dated Calcutta, the 25th July 1878.

I have the honor to return the letter of the Chamber of Commerce to Government, of the 5th June last, forwarded with your endorsement No. 288B, dated the 25th idem, with the following report.

2. The point raised in the initiating portion of the letter is as to the penalty inflicted upon the master of a vessel who fails to account for goods entered in the import manifest. I have examined the facts for the three months of April, May, and June and since the introduction of Act VIII, 1878.

3. Two thousand five hundred and eleven packages were found to be unaccounted for at first. Of these, 1,647 packages being free goods, and Government duty not realizable, no penalty was called for; 151 packages being dutiable goods, and subsequently found or accounted for by being brought in subsequent vessels, or found on the jetties or Custom House, in respect of these no penal action whatever has been taken. This leaves 713 dutiable packages or articles to be accounted for. Out of these, 77 have been subject to no penalty, an explanation, however slight, having been offered and accepted. This leaves 636 packages for which no sort of explanation could be offered. On 15 packages, when it was not possible to ascertain the value, penalties amounting to Rs. 19 were inflicted; upon the remaining 621, double duty, representing Rs. 499-15 has been levied,—one-half representing duty on goods of which the value could be ascertained and the remainder representing penalties in 621 instances.

4. The procedure has always been this: an importer expecting his goods comes and presents a bill-of-entry, and pays his duty in advance. If the goods do not turn up he applies for and receives a refund. It therefore follows that if he does not get the goods Government loses the duty.

5. When it appears that the master has not accounted for packages entered in the manifest, he is called on to explain for this. If in any way he can do so (and any sort of reasonable excuse is freely accepted,) no penalty is inflicted. If he does not do so, double duty is taken—one representing Government dues, the other a penalty which the figures already quoted will shew to be so lenient as almost to amount to laxity.

6. The Chamber of Commerce urge that the master has to pay the consignee the Government duty in addition to the value. I do not understand why he does so. Every agent of a ship is a merchant here, and knows that refund of duty is always granted when the goods do not reach the consignee, and if he pays the consignee the duty unnecessarily this office cannot be held responsible. It might be asked why the duty having once been levied from the consignee, any demand *quoad* satisfaction of Government dues is made. The reason is this: the consignee not having received his goods is entitled to a refund which cannot be denied, and therefore Government must look to the master for its dues. Moreover, if transfers were made between the names of the consignee and master in the accounts and register of this office, the confusion and alteration in entries would throw the accounts into extreme disorder, and therefore every payment or transaction must be kept distinct and separate; conse-

quently refund is made to the consignee who has not received his goods, and a separate record kept of the master's payment.

7. As to the penal effects, the Chamber of Commerce urge that instead of this procedure it would be preferable to levy a small fee. But the figures shew that, instead of a heavy fine, the infliction of double duty, i.e. Government duty and penalty, is less than a rupee in the cases where it has been inflicted. As I have said before, even this is only inflicted where no explanation can be offered. Moreover, a refund is always granted if proof is produced from England that the goods actually were not shipped.

8. When the amount of the penalties is considered with respect to the duties of the master, and the penalties which might legally be inflicted, it will, I think, be conceded that the procedure errs rather in the direction of leniency than severity, and that no charge of punctilious exactness can be sustained, it being an absolute fact that any reasonable explanation is accepted.

* * * * *

11. The last two paragraphs of the Chamber of Commerce's letter allude to fees charged for clerical errors. They quote two classes. I may say at once that it is not the practice to penalize any such or similar clerical errors as *Dr.* for *Mr.* The other is more important. *A. W.* does not represent *W. A.*, and, to use the example given, Adam Williams is different to William Adam. The fact is that much is left to native clerks, with a poor knowledge of English, to prepare in mercantile offices, and these clerical errors are the result of their carelessness. Because, as the Chamber of Commerce remark, the correction of these errors leads to much delay and hindrance of more

careful people; and in their interests, as well as for the despatch of business, it is necessary to enforce correctness by the infliction of Re. 1. I should, however, say that the instance quoted, *A. W. for W. A.*, is not quite a fair instance. The corrections have as commonly to be made as to marks and numbers of packages, description of goods, or values, and every such correction doubles the work of the clerk, who has to search through a long manifest to find the goods, which could be dealt with by one transaction if bills-of-entry and manifests were correct and in harmony. Moreover, the actual instances of such penalties on the average are not more than one in every 50 or 60 documents, and the Deputy Collector is as lenient as it is possible to be when the point is not an important one.

12. It is to be much regretted that the Chamber of Commerce should not have been careful to ascertain the accuracy of their information before they impute the motives assigned to the subordinates of this office in the last paragraph of their letter. It is thereby alleged that the subordinates are stimulated to a careful performance of the duty of checking the errors of the mercantile documents by a personal advantage resulting therefrom. This is absolutely incorrect. Any such penalties are credited to Government, and no subordinate or any one else derives any benefit, or can be influenced by the unworthy motives imputed to them.

From Chamber to Government of Bengal.

Calcutta, 7th November 1878.

I have the honor to acknowledge the receipt of your No. 2211 of the 13th of September, forwarding copy of a

letter from the Board of Revenue and extracts from the letter of the Collector of Customs in reply to my letter of 5th June last.

The Committee of the Chamber of Commerce have read the Collector's explanation with much interest: they are naturally unable to follow his figures, but his arguments do not exactly apply to the cases referred to by the Committee; but seeing the orders which have been issued by the Board of Revenue upon their representation, the Committee are satisfied that the object they had in view has been attained; and they feel sure that if the spirit of the Board's recommendations for the working of the penal clause of the Act be adhered to, there will be no occasion for further complaints such as have of late been made to them by merchants and agents of vessels.

The Committee instruct me to take advantage of this reference to ask for some relaxation of the rule which is now in force in regard to transhipment of duty-paid goods when they are, from unavoidable causes, shut out from the vessel in which they were originally intended to be shipped.

The Committee are informed that at present fresh duty has to be paid, and the goods have to be dealt with as if they were a fresh shipment. The refund of duty first paid has to be specially applied for, and delay occurs in obtaining repayment, which to small traders is a serious inconvenience. The Committee would suggest that some form of transhipment pass be adopted to meet these cases.

**CUSTOMS -- REFUND OF DUTY ON BONDED
SALT.**

In their report for the half-year ended 31st October 1877, the Committee published a representation to the Government of Bengal on the question of duty demanded on an excess wastage of bonded salt, in which they supported the appeal of the bonders for refund of the amount levied on an unauthorised deficiency. The following resolution recapitulates the circumstances which prompted the Committee to move in the matter, and concludes with an order to refund the amount in question.

The Committee have not been favored with a copy of the Government of India letter of 1st May referred to, nor have they seen the petition of the Merchants' Trading Company of Liverpool who were interested in the cargo, and whose intervention appears to have satisfied the Board of Revenue that there were circumstances not previously disclosed which justified a revision of their rejection of the bonders' appeal, and a reversal of their original order.

The Committee fail, however, to see any connection between the ascertained wastage of salt while in bond and the admitted wastage during the voyage to India as a reason for the Board's altered opinion; and they adhere to their contention that

wastage from natural causes should always be held sufficient to excuse the levy, on any deficiency thus created, of a duty so excessive in its incidence, and that bonders of salt should be treated with the strictest impartiality whether they store it in private or Government godowns.

*Resolution of the Government of Bengal in the Revenue Department,
dated Darjeeling, the 2nd July 1878.*

Read the following papers regarding the levy of duty by the Custom authorities on the deficiency in a cargo of Salt imported by Messrs. Nicol, Fleming & Co. ex "Fearnought" and landed under bond and stored in a private warehouse at Ghosery sometime between March and October 1876.

Letter from Bengal Chamber of Commerce, dated 23rd July 1877.

Letter from Messrs. Nicol, Fleming & Co., dated 8th April 1878.

Letter from Government of India, R. A. & C. Department, No. 58, dated 1st May 1878.

Petition of the Merchants' Trading Company (Liverpool), dated 21st March 1878.

In March 1876, Messrs. Nicol, Fleming & Co. imported ex "Fearnought" a cargo of 49,000 maunds of Liverpool salt. A quantity was sold from the ship's side, and the remainder, 38,074 maunds, was placed in bond. There being no Government godown at the time, the importers were compelled to store their salt in a private warehouse at Ghosery. The building, which was inspected by the

Customs' authorities, during the dry season, was found to be to all appearance water-tight, but when the rains set in the roof leaked, and on the final adjustment of the weights of salt received and delivered from the warehouse, there was found to be a deficiency of 1,400 maunds or 3½ per cent on the quantity bonded. After making the usual allowance of 2½ per cent for wastage, there remained an unauthorised deficiency of 463 maunds, 26 seers, on which the importers were called upon to pay a duty of Rs. 1,500-6-0. This excess wastage was, it is urged, quite *bond-fide*, and the importers pray for the refund of duty paid thereon, but the Collector of Customs rejected their petition.

An appeal was submitted against the decision of the Collector, but the Board, after looking to the precedents on record, and in the absence of any detailed arguments on the petitioners' behalf, also rejected their prayer.

A representation was subsequently made by the Bengal Chamber of Commerce on behalf of Messrs. Nicol, Fleming & Co., and a petition has also been submitted to Government by the Merchants' Trading Company, (Liverpool) who were interested in the cargo of salt.

The Board, who were asked to report on these representations, are now of opinion that, from the particulars given in the petition from the Merchants' Trading Company, the wastage in the private warehouse was not in great disproportion to the recognised allowance or to the admitted wastage of the salt during the voyage to India. There is no imputation of any fraud in the case, although the bonders of the salt appear not to have been sufficiently careful of their own interests in protecting the salt from rain or leakage. The Board now recommend that

a refund be granted to Messrs. Nicol, Fleming & Co., of the duty amounting to Rs. 1,500-6-0 levied on the excess deficiency. The Lieutenant-Governor accepts the Board's opinion and directs the refund of the amount in question.

Order—Ordered that a copy of this resolution be submitted for the information of the Government of India in the Department of Revenue, Agriculture and Commerce; also that copies be forwarded to the Board of Revenue, the Bengal Chamber of Commerce, Messrs. Nicol, Fleming & Co., and to the Merchants' Trading Association (Liverpool), for information.

*Copy forwarded for the information of the Bengal Chamber of Commerce with reference to their Secretary's letter, dated 23rd July 1877.

CARGO-BOATS.

The last half-year's report contained a remonstrance addressed to the Chamber by owners of cargo-boats against the action of the Port Police and Customs' authorities, and which the Committee forwarded for the consideration of the Government of Bengal. The charges contained in the memorial were promptly investigated, and the result of the inquiry was communicated to the Chamber in a Government Resolution, dated the 1st August, the last three paragraphs of which are here reproduced as containing the conclusions arrived at by His Honor the Lieutenant-Governor after a careful consideration of the grievances complained of.

In submitting Mr. Robertson's report, the Commissioner of Police has expressed his opinion that the facts on which the complaints against the Police are based have been misrepresented and much exaggerated. In this opinion the Port Commissioners concur; and they, as well as the Commissioner of Police, consider it evident that if the vigilant supervision of the River Police were withdrawn there would be very serious risk and loss to the shippers of cargo, and the interests of the owners of cargo-boats would most materially suffer. The Lieutenant-Governor sees no reason to doubt the correctness of these conclusions, but having regard to the notorious tendency of subordinate Police to act oppressively, if not carefully watched and superintended, he trusts that the Commissioner of Police will give instructions to the Superintendent to exercise personally, and through his Inspectors, the most vigilant supervision over the Police. Mr. Robertson should place himself in direct communication with the chief owners of cargo-boats, and get them to bring promptly to his notice any case of alleged extortion or unnecessary and illegal interference with people on the part of the Police.

The Lieutenant-Governor regrets, however, to find that there was considerable foundation for the complaints made against the Customs' authorities. It will be seen that the Collector of Customs has already put a stop to the practice of sending boats to be again surveyed when their licenses are not six months old at the time that they are cancelled. The Lieutenant-Governor agrees with the Board that it is wholly unnecessary for the Registrar of cargo-boats to make any inquiry as to the cost of a boat brought to him for registration, and also that the practice of giving preventive officers two-fifths of the penalties inflicted upon

cargo-boat owners and manjees is most objectionable. The Board will be requested to issue the instructions necessary to put a stop to this practice.

The question of transferring the registration and licensing of cargo-boats from the Collector of Customs to the Port Commissioners is now under the consideration of Government, and it is believed that when this question has been disposed of, and the rules under the Sea Customs' Act of 1878, have been issued, there will no longer be any ground for complaint of delay in granting licenses to cargo-boats.

REDUCTION OF JETTY CHARGES.

It is satisfactory to record that the Port Commissioners have in some degree met the views of the Chamber regarding the charges levied for landing and shipping goods at their jetties; and the following extract from the Commissioners' Report for 1877-78 shows that, as a result of the increased use of that accommodation, the schedule of rates has been amended so as to admit of a reduction estimated at Rs. 52,000.

The Committee will be glad to find this acceptable measure of relief followed by a more liberal reduction, as the Commissioners' Report on the working of the jetties shows a nett revenue of Rs. 374,624—more than double the nett income derived from that source in the previous year—and

so considerable an increase in their receipts should enable the Commissioners to materially lower their tariff of charges still further.

In last year's report the Commissioners referred at some length to the correspondence which had passed between themselves and the Chamber of Commerce with regard to a proposed reduction of jetty charges, and it was stated that after carefully considering the estimates of revenue for 1877-78, which had then been recently prepared and were based on the actuals of the previous year, the Commissioners did not see their way to meeting the views of the Chamber in the matter. Owing to the large increase in the number of vessels that used the jetties, the estimated receipts were largely exceeded, as shown in paragraph 17, and the Commissioners, when preparing the estimates for the current year, determined that, subject to the approval of Government, a reduction, estimated at Rs. 52,000 per annum, should be made in the schedule of jetty charges.

The Chamber of Commerce and Traders' Association were asked to favour the Commissioners with their opinion as to the articles on which the proposed reduction should be allowed. The replies received were submitted to a sub-Committee of the Commissioners for report, and a revised schedule of landing charges has been prepared and submitted for the sanction of Government. The sanction of Government to the revised schedule has since been received, and the new schedule of jetty charges comes into operation from the 1st August 1878.

HOSPITAL DUES.

The following letters have been addressed to His Honor the Lieutenant-Governor on the subject of the tax levied upon shipping for hospital dues. The object of these dues is to meet the outlay connected with sick seamen during the time they may be in one or other of the hospitals in Calcutta. The amount of the charge is believed to be in excess of what is required for the purpose indicated, and the inference, therefore, is that a large portion of the income is devoted to purposes wholly foreign to the one for which the money is raised. But the subject is a subsidiary branch of a much larger question—that of Marine dues. The Port Commissioners are the agents of the Government for the collection of the dues levied for pilotage, lead money, lights, buoys, hospital, and other port dues. The amount handed over by the Commissioners to the Government for the past year appears to have been upwards of 14 lacs. Act XII of 1875, under which these dues are levied, requires that "this account shall show in complete detail the receipts and charges of the port, and an abstract statement of every such account shall be published annually." The account in complete detail has not yet come under the cognizance of the Committee, and the abstract for the year 1876-77, which is the only one the Committee have seen, is so imperfect that it is

reliable information can be gleaned from it. The question will come under the further consideration of the Committee shortly, and they have to express the hope that facilities will be afforded for the purpose of ascertaining the present position of the account and how the income has hitherto been disposed of.

From Chamber to Government of Bengal.

Calcutta, 22nd June 1878.

The Committee of the Chamber of Commerce having had their attention drawn to the charge levied on the shipping of the Port as hospital dues, they direct me to bring the subject under the notice of the Honorable the Lieutenant-Governor.

The Committee believe that a considerable sum has been annually collected; that in the year 1877-78, the hospital dues came to about Rupees 65,000 and that a large balance has accumulated in the hands of Government.

The Committee would be glad to be informed to what special objects these dues are appropriated, and whether the charge now made is not capable of material reduction and thereby affording relief to the contributing tonnage of the Port.

From Chamber to Government of Bengal.

Calcutta, 1st July 1878.

The Committee of the Chamber of Commerce direct me to state, in continuation of my letter of the 22nd ultimo, that they have since had before them the Abstract

Account of Receipts and Charges of the Port for the year 1876-77, published in the "Calcutta Gazette" of the 13th February last.

The Committee find from that Account that on the 1st April 1876 the Hospital Dues' Fund exhibited a credit balance of Rs. 1,37,903-4-4, that the receipts during the ensuing 12 months amounted to Rs. 51,197-11-0, and that by charges amounting to Rs. 60,879-10-1, the balance on 31st March 1877 stood at Rs. 1,28,221-5-3.

These figures to a great extent supply the information desired by the Committee, and confirm their impression that a considerable unexpended balance was held by Government, and that the dues levied from the shipping largely exceeded the amount necessary to provide for the medical needs of seamen.

But this account of expenditure does not appear altogether satisfactory, as the Committee have reason to believe that the item of nearly Rs. 34,000 as charges for sick seamen is excessively heavy, and that if returns were given by all the receiving hospitals, showing the number of admissions and the attendant cost of each, the result would probably support the Committee's belief that the expenditure has not been altogether restricted to the legitimate demands upon the Fund.

The special grant of Rs. 10,000 to the Hospital Nurses' Institution appears a most liberal contribution (under what authority it was made is not stated), but the Committee are not inclined to take exception to liberal support being given to so necessary and useful an institution. They think, however, that the Hospital Dues' Fund should be debited with only such proportion of the grant as the

number of seamen bears to the total number of cases admitted to the hospitals.

The item of salary of the Health Officer, his establishment and contingencies, amount to about 50 per cent of the heavy charges for hospital treatment. The Committee are informed that this officer's duties are not confined to attendance upon the shipping, but that he has also to attend to matters which should come directly under the control of the Health Officer attached to the Calcutta Municipality. If, however, it is more convenient to Government for the duties to be thus divided, it is only just that a portion of the cost of the Marine Officers Establishment should be borne by the Municipality.

Government are doubtless aware that, notwithstanding the charge made as Hospital Dues, masters of ships visiting this port have found practically that it is necessary to employ the services of medical men who practise on the river. It appears to the Committee that if the Marine Health Officer were relieved of other work he would be able to give his whole time to the shipping; and if it was made part of his duty to visit all ships which signalled that there was illness on board, the shipping would be saved the necessity of employing other medical assistance, and in this case the charge of the whole cost of the Marine Officers Establishment to the Hospital Dues' Fund would not be so questionable.

**BILL TO PROVIDE FOR THE DETENTION
OF UNSEAWORTHY VESSELS.**

This most important matter has been so often pressed by the Chamber on the attention of Go-

vernment without any practical result beyond the lengthened correspondence recorded in earlier Reports of the Chamber that the Committee almost despaired of any legislative action on the part of Government. In July 1876 the Government of Bengal were last addressed on the subject, and the Committee epitomised their proceedings as far back as the end of 1872 and gave a brief account of their several representations subsequent to that date.

It is therefore with much satisfaction that the Committee are now able to point to the early prospect of steps being taken to supply a material defect in the regulations of this port by providing for the detention of vessels which, in the judgment of competent authorities, may be considered unseaworthy, and thereby conferring on the port the means of averting a repetition of instances of loss of life and property at sea which have, unhappily, too frequently happened.

From Government of Bengal to Chamber.

Calcutta, the 20th July 1878.

I am directed to forward the enclosed copy of a Bill to provide for the detention of unseaworthy ships and for the appointment of Health Officers at ports, together with a statement of objects and reasons; and to request that you will be good enough to favour the Lieutenant-Governor, at as early a date as practicable, with a report on the provisions of the Bill.

From Chamber to Government of Bengal.

Calcutta, 3rd September 1878.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter, No. 2496 of 26th July, forwarding copy of a Bill to provide for the detention of unseaworthy vessels, &c.

The necessity for such a measure has been so frequently urged by the Committee upon the consideration of Government that they hail with much satisfaction the proposed introduction of this Bill into the Legislative Council of the Governor-General, and they earnestly hope that the movement now made will be speedily concluded, and that the legislative action of Government will be the means of guarding against the recurrence of those disastrous instances of loss of life and property which have been so frequent of late years, and which have been mainly attributed to the unseaworthy condition in which vessels have proceeded on their fatal voyages.

The Committee of the Chamber are of opinion that the provisions of the Bill are calculated to secure the object in view; but they would suggest that surveys should, as far as possible, be made before vessels commence taking in cargo; that no surveyor be recognised or employed who has any interest—direct or otherwise—in any local Docking Company; and that the fees as at present charged by surveyors should be better regulated; but these and other matters will no doubt be carefully regarded by the Port Commissioners as soon as they are vested with the powers which will be given to them by the Bill.

**SURVEY CERTIFICATES OF INDIAN
PASSENGER STEAMERS.**

The following correspondence refers to a difficulty which has arisen regarding certificates of survey granted in India to passenger steamers plying between this country and the United Kingdom, in consequence of the London Board of Trade holding them of less value than certificates granted by the survey officers employed under their own orders, and declining to admit them on the same equality. The Board's refusal to recognise as valid certificates issued by the Indian Government—who are satisfied that their surveyors are sufficiently competent to discharge that duty—involves serious hardship and inconvenience to owners and masters of steam ships who are compelled to have their vessels surveyed under an Act of the Government of India before entering on employment in places within its jurisdiction, and on return to England to have such survey set aside by the Board of Trade as being unequal in value to survey held by their own officers. This process of survey and re-survey under certificates which are not mutually current in this country and at home is exceedingly mischievous. In order to assimilate them the Board of Trade suggests the appointment in Indian Ports of thoroughly competent salaried surveyors, who should not be allowed to

enter into any business or receive any fees, and who should follow the Board's rules and regulations. The observance of such a proposition would entail a heavy cost which could not possibly be covered by survey fees, and the Secretary of State is not prepared to allow any additional charge being imposed on Indian revenues on that account.

This is an embarrassing state of matters, and the Committee can only hope that it will be terminated by the Board of Trade re-considering the subject and recognising certificates issued in this country under the authority of surveyors as competent as the Board's own staff.

*From Chamber to Government of Bengal.
Calcutta, 20th May 1878.*

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 1013 of 7th March, with its enclosures, relative to the recognition in the United Kingdom of certificates of survey granted to passenger steamers in India.

In reply to your inquiry what arrangements should be adopted for the future conduct of these surveys in order to satisfy the requirements of the Board of Trade, and at the same time to impose no charge on Indian revenues, I am directed to submit the following remarks:—

The Board of Trade in their letter of 11th December 1877 to Her Majesty's Secretary of State for India state that, having given the question their careful consideration

and consulted their professional officers, they are advised that the Indian surveys, as at present conducted, would not appear to be of equal value with those performed by the survey staff of that department, and, in order to assimilate them, as far as possible, with the view to their recognition by that department, they suggest the appointment of thoroughly competent surveyors, who should not be allowed to enter into any business, or to receive any fees, and who should follow rules and regulations similar to those contained in the instructions to surveyors of ships issued by the Board.

In communicating the above to the Government of India the Secretary of State writes:—"However desirable it may be to adopt measures which may avoid the inconvenience and hardship to the owners or masters of vessels caused by the refusal of the Board of Trade to recognise as valid the certificates granted by your surveyors in India, I do not think that any additional charge ought to be imposed on Indian revenue on that account."

The question therefore arises:—what arrangement should be adopted for the future conduct of surveys in India in conformity with the views of the Board of Trade and of the Secretary of State?

The Government of Bengal, in their letter of 30th December 1876, to the Government of India, state that the surveyors under Act V of 1862 are the Chief Engineer of the Government Dockyard at Kidderpore and a Chief Engineer of one of the large Steam Companies, in regard to whose qualifications there cannot, in the Lieutenant-Governor's opinion, be the smallest doubt.

That opinion, unfortunately, is not shared by the Board of Trade; and the difficulty that attends the matter under consideration is caused by the Board not recognising the Superintending Engineers of the Dockyards as competent to survey to the Board's satisfaction, which appears somewhat anomalous, since these persons are taken from the self-same class as Board of Trade surveyors in England, *viz.*, Engineers of steam ships. It is presumed that Engineers of Her Majesty's Dockyards in India are Europeans who have passed their apprenticeship in English factories, and have also served in the various grades of Engineers on board sea-going steam ships: if this were not the case the Board of Trade would be justified in declining to accept their certificates. And assuming the case to be so—that the Engineers in India had all necessary qualifications—it is not easy to understand how the Board can object to them, as the men appointed in London have, the Committee are informed, no special training for the duties of survey, but work entirely under the instructions issued from time to time by the Board. If therefore men with no previous training can carry out these instructions it may be conceded that Superintending Engineers of Dockyards in India, with professional education and experience, can do the same, and it is simply for the Board to send them copies of any new orders that may be issued to ensure surveys with which the Board would be satisfied.

If the Government of India can obtain the Board's recognition of the competency of their Superintending Engineers the difficulty now existing would be removed; but if the employment of surveyors who shall devote themselves exclusively to their duty on the conditions required by the Board is insisted upon, the object to be

gained would, the Committee consider, be dearly purchased by the expense involved in securing such service, which would require a high scale of remuneration; and the idea of so securing it must of necessity be abandoned.

The Committee regard it as a matter of great importance that the Board of Trade and Indian certificates should be accepted by the two countries during their currency; existing regulations are quite anomalous, since the Indian Government will not accept the Board of Trade certificates, but require vessels to be surveyed here before they enter on Indian employment; while the board of Trade pronounces the Indian surveys of less value than their own; and the Committee would therefore urge upon the consideration of Government the expediency of passing an Act, with provisions similar to those of the English Merchant Shipping Act, under which special surveyors, subordinate to the Port Commissioners, may be appointed; and advantage might then be taken to assimilate the Indian rules with those of the Board of Trade so as to render English and Indian certificates mutually current. At the same time legislative provision might be made to guard against vessels leaving this port in unseaworthy condition, a subject which has already been brought by the Chamber prominently to the notice of Government.

From Government of Bengal to Chamber.

Calcutta, the 7th March 1878.

I am directed to forward herewith a copy of the papers*

* Letter from the Government of India, R. A. and C. Department, No. 128, dated 30th February 1878 with its enclosure, being—

Despatch to Secretary of State—No. 46, of the 10th September 1877.

Do. from Do. No. 2, (Statistics and Commerce) of the 10th January 1878, and enclosure, viz., two letters and copy of "Instructions to Surveyors of ships."

noted on the margin, on the subject of the recognition in the United Kingdom of certificates of survey granted to passenger steamers in Calcutta and Bombay, and to request that the Lieutenant-Governor may be favored with an expression of the opinion of the Chamber on the arrangements they would suggest should be adopted for the future conduct of these surveys, in order to satisfy the requirements of the Board of Trade, and at the same time to impose no charge on Indian revenues.

2. A copy of this Government letter, No. 3365, of the 30th December 1876, to the address of the Government of India, and of the rules at present in force under Act V, of 1862, is also forwarded for the information of the Chamber.

From Government of India to the Govt. of Bengal.

Calcutta, dated 25th February 1878.

With reference to Mr. Macaulay's letter, No. 3365,

* Despatch to Secretary of State—No. 46, dated the 10th September 1877.

Do. from Do. No. 2, (Statistics and Commerce) dated the 10th January 1878, and enclosure, viz., 2 letters and copy of "Instructions to Surveyors of ships."

dated the 30th December 1876, I am directed to forward herewith a copy of the papers* noted on the margin, on the subject of the recognition in the United Kingdom of certificates of survey granted to passenger steamers in Calcutta and Bombay, and to enquire whether His Honor the Lieute-

nant-Governor can suggest any arrangements for the future conduct of these surveys, which would satisfy the requirements of the Board of Trade, and at the same time impose no charge on Indian revenues.

2. I am to request that the copy of "Instructions to surveyors of ships" now sent, may be returned.

From the Government of India, to the Secretary of State for India,—No. 45, of 1877. Simla, the 10th September 1877.

We have the honor now to reply to your Lordship's despatches noted on the margin,* in the first of which was enclosed a letter from the Board of Trade, No. M, 11,740, dated the 24th August, enquiring whether we desired to make application for the recognition in the United Kingdom under Section 17, of the Merchant Shipping Act, 1876, of certificates granted to passenger steamers in India; and, in the second, enquiry was made by the Board as to the system of survey under which certificates are now issued for passenger steamers by the Indian Government. We much regret the delay which has occurred in replying to these despatches, which was due to the papers of the case having been mislaid.

We enclose copies of letters received from the Governments of Madras, Bombay, and Bengal, and the Chief Commissioner of British Burma. It will be seen that the Government of Madras do not think it necessary for any application to be made under Section 17, of the Act for the recognition of surveys made at that port. The Government of Bombay,

Madras, No. 523, dated the 12th December 1876, and enclosure.
Bombay, No. 246, dated the 10th February 1877, and enclosure.

Bengal, No. 3031, dated the 22nd November 1876, and enclosure.

Bengal, No. 3366, dated the 25th December 1876, and enclosure.

British Burma, No. 2847, dated the 22nd February 1877.

on the other hand, are anxious that certificates of survey granted at Bombay should be recognized in England. The Lieutenant-Governor of Bengal, in the earlier of the two letters now forwarded, expresses an opinion that it is not necessary to press for the recognition in England of certificates of survey under the Native Passenger Ships' Acts, granted at Calcutta: in the later letter, however, (which is a reply to the enquiry contained in the second of your Lordship's two despatches now acknowledged by us) it is shown that in exceptional cases it is possible that certificates may be issued at Calcutta to passenger steamers plying to the United Kingdom. In this letter, and in that from the Government of Bombay enclosed, full information is given in regard to the system of survey pursued at the ports of Calcutta and Bombay, and the qualifications of the surveyors by whom the surveys are made. The Chief Commissioner of British Borneo reports that no one in that Province has been authorized to grant certificates, except in the case of native passenger vessels.

3. It appears to us that application might properly be made to the Board of Trade for the recognition in the United Kingdom of certificates of survey of passenger steamers granted at Calcutta, in conformity with the provisions of Act V of 1862 (B.C.), and at Bombay, under the provisions of Acts II of 1864 and IV of 1873 (B.C.). As the matter has been long pending, and it has been reported to us that inconvenience is caused (more particularly to the Peninsular and Oriental Steam Navigation Company, in respect of their vessels which have been surveyed at Bombay) by the non-recognition in the United Kingdom of Indian certificates, we would solicit that, as soon as the necessary order in Council has been issued

under the provisions of Section 17, of the Merchant Shipping Act 1876, we may be informed of the fact by telegraph.

*From the Govt. of Bengal to the Govt. of India.
Calcutta, the 30th December 1876.*

I am directed to acknowledge the receipt of your letter No. 655 (Commerce and Trade), dated the 18th December 1876, with its enclosures, regarding the application of the Peninsular and Oriental Steam Navigation Company for the recognition, by the Board of Trade, of the certificates of survey of their steamers which are granted by the Bombay Government.

2. In reply, I am to remark that the grant of certificates of survey to passenger steamers under this Government is regulated by the Bengal Council Acts, No. V of 1862 and No. I of 1868, and under the Government of Bombay by the Act of that Government, No. II, of 1864. The Bombay Act is applicable "To * * * * * every British Steam Vessel plying between any part of the Presidency and any other port * * * * *" while the Bengal Acts are applicable only "To all Steam Vessels plying * * * * * except Steam Vessels which may ply between some port within the said provinces and some port not in British India. * * * * *". From this it will be seen that London steamers plying to Bombay come under the Bombay Act, whereas London steamers plying to Calcutta do not come under the Bengal Acts, unless the Lieutenant-Governor makes (Section 7, of Act V, of 1862) a special order for survey.

Enclosed, is a copy of the rules in force in Bengal for Dated 6th February 1876. the guidance of surveyors of steam vessels under the Bengal Council Act, No. V, of 1862.

The surveyors under this Act in Calcutta are the Chief Engineer of the Government Dockyard at Kidderpore, and a Chief Engineer of one of the large Steam Companies, in regard to whose qualifications there cannot, in the Lieutenant-Governor's opinion, be the smallest doubt.

From the Secretary of State for India, to the Governor-General of India in Council,—No. 3, India Office, London, 10th January 1878.

With reference to your letter, dated 10th September last, No. 45, Commerce and Trade, requesting that an application might be made to the Board of Trade for the recognition in the United Kingdom, of certificates of survey of passenger steamers granted at Calcutta in conformity with the provisions of Act V of 1862 (B. C.), and at Bombay under the provisions of Act II, of 1864 and IV of 1873. (Bom. C.), I forward a copy of a correspondence with the Board of Trade noted on the margin.*

* To Board of Trade, 24th Oct. 1877, from de., 11th December 1877.

2. Your Excellency will see that the Board are advised that Indian surveys, as at present conducted, would not appear to be of equal value with those performed by the survey staff under that department, and, in order to assimilate them, as far as possible, with a view to their recognition, the Board of Trade suggest the appointment of thoroughly competent salaried surveyors; who should not be allowed to enter into any business, or to receive any fees, and who should follow rules and regulations similar to those contained in the accompanying book.

3. In forwarding this suggestion to your Excellency, I feel compelled to add that, however desirable it may be to adopt measures which may avoid the inconvenience

and hardship to the owners or masters of vessels caused by the refusal of the Board of Trade to recognize as valid the certificates granted by your surveyors in India, I do not think that any additional charge ought to be imposed on Indian revenues on that account; and I shall be glad to learn whether you can make any arrangement in conformity with this view, which shall be satisfactory to the Board of Trade.

To the Assistant Secretary, Board of Trade. India Office, 24th October 1877.

With reference to your letters of the 24th of August and 26th of October 1876, on the subject of the recognition by the Board of Trade of certificates granted by the Indian Government for passenger steamers, I am directed by the Secretary of State for India in Council to transmit to you a copy of a letter from the Government of India, dated the 10th of September last, with its enclosures, and to say that, bearing in mind the inconvenience caused to the owners of vessels plying between this country and India, and particularly to the Peninsular and Oriental Steam Navigation Company, by the necessity for having a survey made in this country shortly after a similar process has been undergone at Bombay or Calcutta, it appears to the Marquis of Salisbury very desirable that certificates granted at those ports, under the

* Copy enclosed.
Local Acts,* No. 1, of 1862 (Bengal), or No. 2, of 1864, and No. 4, of 1873 (Bombay), should be recognized by the Board of Trade.

It will be seen from the papers forwarded by the Government of India that the officers entrusted with the task of surveying ships, both at Calcutta and at Bombay, are thoroughly competent for the duty.

I am accordingly directed to express Lord Salisbury's hope that the President of the Board of Trade will think it right that Her Majesty should be advised to issue the necessary order in Council without delay.

*From the Board of Trade. Whitehall Gardens,
11th December 1877.*

Steam Ships.

In reply to your letter of the 24th October last, enclosing printed reports and correspondence with the Indian Government on the subject of the recognition by this department of certificates granted by the Indian Government for passenger steamers after a local survey, I am directed by the Board of Trade to request that you will move the Marquis of Salisbury to be good enough to inform the Indian Government that, having given the question their careful consideration and consulted their professional officers, they are advised that the Indian surveys, as at present conducted, would not appear to be of equal value with those performed by the survey staff under this department, and in order to assimilate them, as far as possible, with a view to their recognition by this department, they would suggest the appointment of thoroughly competent salaried surveyors, who should not be allowed to enter into any business, or to receive any fees, and who should follow rules and regulations similar to those contained in the enclosed book.

COMPULSORY PILOTAGE IN THE HOCHLY.

It had been generally believed that pilotage in all the approaches to the Port of Calcutta was compulsory on all vessels exceeding 200 tons bur-

then; but the High Court, in dealing with the case of a collision between two steamers a few months ago, declared that the employment of a pilot outside the port was not, under any past or present Act of the Government, compulsory. The correspondence, herein recorded, places the matter very fully before the Chamber; and the Committee, in answering a reference by the Government of Bengal, concurred in the opinion that pilotage should be made legally compulsory, and that such provision should extend to the furthest limit of pilots' water, *viz.*, the Lower Floating Light;—vessels being allowed, however, to run into Saugor when the weather was threatening and pilots were not available.

*From the Government of Bengal to the Chamber.
Darjeeling, 15th July 1878.*

I am directed to forward the accompanying copy of a resolution, dated 15th July 1878, recorded by the Lieutenant-Governor on the question whether the employment of pilots by commanders of vessels navigating the river Hooghly below Calcutta is compulsory or not, and to request that the Lieutenant-Governor may be favoured with an expression of opinion by the Chamber on the points raised in paragraphs 16 and 17 of the resolution.

*Resolution by the Government of Bengal, dated Darjeeling,
the 15th July 1878.*

READ—The following papers:—

- (1.) Decision of the High Court of Calcutta in its Vice-Admiralty jurisdiction in the case of the *Vicers* vs. the

Duke of Buccleuch, and the *Duke of Buccleuch* vs. the *Vizen*, dated the 24th April 1878.

(2.) Letter from the Port Officer, Calcutta, No. 948, dated 20th February 1878, with enclosures, submitting his opinion that "all vessels, native or other, of over 200 tons burden, should be compelled to take pilots for the river Hooghly, or otherwise be liable to pay double port dues, failing which they should be brought under the action of section 38 of Act XII of 1875."

(3.) Letter to the Port Officer, No. 1078, dated 12th March, in reply to the above, pointing out that it is not clear under what law or rule vessels not taking pilots could be required to pay double port dues, and asking him to state whether he intends to recommend that section 38 of XII of 1875 be specially extended to the Port of Calcutta; and if so, to explain on what grounds he considers such extension desirable.

(4.) Letter from the Port Officer, No. 2083, dated 23rd April, in reply to the foregoing, referring to the decision of the High Court in the case of the *Vizen* vs. the *Duke of Buccleuch*, and proposing that sections 38, 39, 40 and 41 of Act XII of 1875, be specially extended to the Port of Calcutta and its approaches, "substituting for the present penultimate clause payment of double pilotage and port dues."

(5.) Letter from the Port Commissioners, No. 623, dated 22nd May, forwarding correspondence with their solicitor arising out of the decision of the High Court above cited, and suggesting that as the special sections 38-41 of Act XII of 1875 are, under existing notifications, in force within the port proper of Calcutta, they should

also be formally extended to the approaches of the port, so as to make pilotage compulsory in the navigable channels of the Hooghly.

RESOLUTION.—The steam vessels *Vizen* and *Duke of Buccleuch*, while each of them in charge of a master-pilot, came into collision in Fulsah Reach on the 13th September last, and sustained damage in consequence. The pilots were tried by a Marine Court, and the pilot of the *Vizen* was convicted of unskillfulness and punished under the orders of the Lieutenant-Governor. The pilot of the *Duke of Buccleuch* was acquitted of all blame. Cross actions were subsequently brought in the Vice-Admiralty jurisdiction of the High Court on behalf of the owners of the two vessels for recovery of damages on account of the collision. In the course of the trial the counsel for the *Vizen* took the point that, as pilotage in the Hooghly was compulsory, the owners were not liable for any damage caused by that vessel while under pilotage charge.

2. The general law upon the question of the responsibility of owners under these circumstances is thus stated in *Lee's "Laws of Shipping,"* page 153:—"It is a general rule that when a captain is bound by Act of Parliament under a penalty to place his ship in charge of a pilot and does so accordingly, the ship is not to be considered as under the management of the owners or their servants, and they are not liable for any damage occasioned by the mismanagement of the ship, unless it be proved that it arose from neglect or misconduct of the captain or crew; but when it is in the option of the captain to take a pilot or not, as he may think fit, and he does take a pilot, the pilot so taken is to be considered as the servant of the

owners, and as such they are responsible for his misconduct. Under what circumstances and within what limits a captain is bound to put his vessel under the charge of a regularly licensed pilot will in general depend upon the terms of local statutes, or upon the known and established usage of particular ports and places, with both of which it is the duty of the captain to make himself fully acquainted before sailing on any voyage where such pilotage will be required."

3. The High Court therefore proceeded to enquire into the bearing of the local statutes upon this question. (No reference is made to *established usages* in the decision of the Court). The following is an extract of that portion of the judgment which deals with this point :—

"The Indian Ports Act, 1875, extends to all the ports mentioned in the schedule, and to such parts of the navigable rivers and channels leading to such ports respectively as have been declared to be subject to Act XXII of 1855.

"The port of Calcutta and the navigable rivers and channels leading to such port were, by notification of the Bengal Government, No. 401, dated 1st July 1856, declared to be subject to Act XXII of 1855, so that the Indian Ports Act, 1875, does, as regards its general provisions, extend to the port of Calcutta and to the navigable rivers and channels leading thereto.

"But there is a proviso in the Ports Act, 1875, that nothing contained in section 38, which is the section dealing with compulsory pilotage, shall apply to any port, river or channel to which it has not been specially extended by

the local Government; and we do not find that the provisions of section 38 have ever been specially extended by the local Government to the river Hooghly.

"Section 3, no doubt, of the Indian Ports Act, 1875 provides that every declaration made under any of the Acts repealed in Schedule II (amongst which is Act XXII of 1855), and in force at the time of the passing of the Act, shall be deemed to have been made under the Act; and the notification of July 1856, above referred to, did specially extend the provisions of section 12, which corresponds with section 38 of the present Act, to the port of Calcutta. As, however, it did not so specially extend that section to the navigable rivers and channels leading to the port, and as no other notification on the subject appears to have so extended it, we consider that the provisions of section 12 were never extended to the river Hooghly outside the port of Calcutta, and that the employment of a pilot outside the port was not, under Act XXII of 1855, and is not under the present Act, compulsory."

4. In Act XXII of 1855, "an Act for the regulation of ports and port dues," which was the law up to the passing of Act XII of 1875, no definition is given of the word "port;" and throughout the Act a distinction seems frequently to be made between "ports" and the "navigable rivers and channels leading to such ports." By section 12, it became unlawful, in every port to which that section was especially extended, to move any vessel of 200 tons and upwards without a pilot or harbour master on board, unless urgent necessity was proved, or a pilot or harbour master was not to be had on application. Vessels between 100 and 200 tons might, on obtain-

ing written leave, dispense with a pilot. Sections 28, 37, and 40 of the Act had similarly to be specially extended before they could come into effect in any port. Section 28 (requiring that every vessel of over 200 tons should be provided with a proper apparatus for extinguishing fire) related only to *ports*, and has been re-enacted as section 39 of Act XII of 1875. But sections 37 (forbidding unauthorized persons to sweep for lost anchors, &c.) and 40 (imposing penalties for removing soil, moorings, &c.) applied to every *port, river, or channel* subject to the Act. These sections appear now as sections 40 and 41 of Act XII of 1875. By the Government notification of 1st July 1856, the port of Calcutta and the navigable rivers and channels leading to it were declared subject to Act XXII of 1855, and the "provisions of sections 12, 28, 37, and 40 of the said Act were specially extended to the port of Calcutta."

5. Now, as by the wording of two of those sections, 37 and 40, they applied to *rivers and channels* leading to ports as well as *ports*, and as there could have been no intention of restricting their operation by notification in a way not contemplated by the law itself, it may fairly be inferred that in 1856 the local authorities understood the word "port" in the notification as including the port and its approaches: otherwise it is certain that the notification would have been differently worded. There is every reason to believe that the intention was in 1856 to extend the whole of these special sections to the port of Calcutta in the widest sense of that term, and including the rivers and channels leading thereto. That the notification as issued was not sufficient in the judgment of the courts to effect this object seems, how-

ever, to have been determined so far back as 1860, in the case of the *Peerless*, reported in Moore's Privy Council cases, volume 13, page 609, where the Privy Council held that "section 12 (of Act XXII of 1855) not being specially extended to the navigable river or channel, it is excepted by the express terms of the third section." From the general tenor of their judgment, the Privy Council seem to have held that the local Government had power to extend the section to the channels leading to the port, but had refrained from doing so. It was therefore clearly decided, so far back as 1860, that pilotage in the river Hooghly was not compulsory. It seems strange that this case did not attract the attention of Government at the time. It does not seem to have been pressed on the Privy Council that, by comparing section 3 with sections 37 and 40, it might fairly be

* "When any such port or navigable river or channel has been declared subject to this Act, all the provisions of this Act, except such as are hereinafter made specially applicable to certain ports by order of the local Government, shall have effect in that port or navigable river or channel."

argued that the word "ports" in section 3* is used loosely to include also the rivers and channels leading to it. The distinction between "ports" and the "channels leading to ports" was not probably intended to be legally fine and precise. The drafting of Acts in former days was not always very

closely scrutinised.

6. Although nothing was done at the time to remove the defect in the notification or in the law notified by the Privy Council in the case of the *Peerless*, it would seem that the difficulty raised in that case (and now confirmed by the decision of the High Court in the *Vizag* case) was one of the matters that led directly to the passing

of Act XII of 1875; for in introducing that measure, the mover, Mr. Hobhouse, remarked that "Act XXII of 1855, drew a distinction between the port itself and the navigable channels leading up to the port, and some of the provisions applied to these navigable channels, some to the port itself, and some to both. Under section 12 of the Act there were provisions which forbade vessels above a certain burden from moving into the port without a pilot on board. But that applied to the port and not to the navigable channels leading to the port. It was found desirable to have the same provision with regard to the navigable channels. He was not in a position to say why these provisions had not been made to apply to these channels, but he thought it was more likely to have been by accident than design."

7. Act XII of 1875 was therefore intended *inter alia* to remedy the supposed defect and to make pilotage compulsory in the channels leading to ports, if Government chose to pass an order to that effect. By section 2 of the Act it was declared to extend to the port of Calcutta among other places, and to such parts of the navigable rivers and channels leading to Calcutta as had been declared subject to Act XXII of 1855. But nothing in sections 38-41 was to apply to any port, river, or channel to which such section had not been specially extended by the local Government. Under section 3 "every declaration, appointment, or rule" made under Act XXII of 1855, and now in force, was to be read as if made under the new Act; and by section 4 the word 'port' is made to include *any part* of a river or channel, in which the Act is in force, i. e., in virtue either of its general application or special extension,

The effect of these sections is to maintain the *status quo* under the notification of 1856; but if the provisions of section 38 (which corresponds to section 12 of the former Act) were *not* specially extended to the channels leading to the 'port' proper, they are obviously, as the High Court remark, not so extended by the more extended definition of 'port' quoted above, inasmuch as they have never *come into force in that part* of the river.

8. It remains now therefore only to accept the High Court's ruling in the *Vizen* case above alluded to, and to decide what action should be taken with reference to section 38 of Act XII of 1875. It will be necessary to propose to the Government of India under section 5 (b) that it may be extended to either the whole or part of the navigable channels leading to Calcutta, and the limits within which it should apply will have to be defined. To enable Government to settle this, it will be convenient to consider how far, by local usage or by executive rule, pilotage has been hitherto held to be compulsory in the channels of the Hooghly.

9. Before the passing of Act XXII of 1855, there was no law bearing on the subject of pilotage save Regulation VII of 1801, from which it may be gathered that small native craft were allowed to enter the Hooghly without Government pilots, on paying a certain rate of duty for the "benefit derived from the Company's buoys." In the Marine Regulations of August 1833 the following rule appears:—"Government have been further pleased to prohibit commanders of all ships and vessels of more than 200 tons burden from moving them in any part of the river, unless they have a pilot or an

officer of the Harbour Master's Department on board, under penalty (independent of such consequences as the owners or commanders may be subject to by law on the part of individuals) of 200 sicca rupees for every breach of this prohibition. Vessels of 200 tons burden only, or less, may be moved by their commanders, with the permission of the Master-Attendant (which must be applied for in writing), without having a pilot or an officer from the Harbour Master's Department on board, anywhere within the limits of the port of Calcutta; that is to say, between Sulkea Ghat on the north and the Bishop's College on the south. Should vessels of this kind be moved without such permission, they will be liable to the fine specified."

It is clear that under these orders it was made compulsory on all vessels (except the native *dhowies*, protected by Regulation VII of 1801) to take pilots for the river. But this was purely an executive order of Government and had no legal basis on which to rest.

10. In 1846, after consulting the Chamber of Commerce and with their concurrence, the Government of Bengal, by notification of the 31st October 1846, ruled that vessels under 300 tons and not drawing more than 15 feet of water, trading within the Bay of Bengal, might navigate the Hooghly without pilots on payment of double light and buoy dues, provided the commanders of the vessels satisfied the Master-Attendant that they knew the river as well as steam-tug pilots did. Vessels of more than the above tonnage and draught, and from any part of the world, were at the same time allowed to enter the river and proceed without a pilot, so long as they made the usual signal and kept it

flying, and provided they took a pilot if one offered himself. So also vessels leaving for sea were not bound to wait more than 24 hours for a pilot after getting port clearance.

This notification practically did away with compulsory pilotage, which had certainly, up to that time, been the rule.

11. When, however, the notification was promulgated and its effect came to be understood, the Chamber of Commerce withdrew the assent which it had originally given to the modification of the former rules, and declared that the relaxation should only be allowed to extend to small vessels trading in the Bay of Bengal. It would seem that the insurance companies considered further relaxation perilous, and the Chamber accordingly proposed to allow large inward bound vessels from Europe and abroad to come only *as far as Kedgerce* without a pilot on board.

12. The marine authorities of the day were strongly in favour of leaving pilotage altogether optional. But Lloyd's Association in London took up the subject, and protested against this course. They were willing to allow vessels engaged in the trade of the Bay to go up and down the river without pilots, as their commanders might be held to possess the necessary knowledge of the river; and they were willing that foreign-trade vessels, if they failed to get a pilot at the Sandheads, should run into Sangor for anchorage; but they would go no further, save in the case of vessels in tow of a tug with a qualified pilot in command of the latter. The Court of Directors accordingly recommended that the Pilotage Regulations should

be modified as proposed by Lloyd's Association, and the Bengal Government therefore formally withdrew the permission given, by the notification of 31st October 1846, to foreign-going vessels to navigate the river Hooghly north of Saugor without a pilot, except in the case of vessels in tow of steamers.

13. This state of things continued till the passing of Act XXII of 1855, since which time the practice has been to understand section 12 of that Act as making pilotage compulsory on all vessels over 200 tons; vessels of between 100 and 200 tons burden being allowed to dispense with pilots on receipt of permission from the proper authorities.

14. The Lieutenant-Governor has now to consider the communications that have been received since the publication of the case of the *Vizen*.

First, the Port Officer, in his letter No. 2063, dated 23rd April 1878, makes a series of proposals. He says that "pilotage should be made legally compulsory," adding "the only vessels likely to avail themselves of non-compulsory pilotage are craft of small tonnage and draft, a class of vessels useful for training young pilots; and for such of these vessels upon which it might not be expedient to enforce the law, there exists a saving clause in section 38.*.*.* The exceptions will be native craft of the worst class unprovided with accommodation fit for European officers on board."

Lieutenant Warden apparently means to say that he would not as a rule allow even vessels between 100 and 200 tons burden to go without pilots, as these vessels are useful for training young pilots. He goes

on therefore to recommend the extension of sections 38-41 of Act XII of 1875, to the port of Calcutta and its approaches, substituting payment of double pilotage and port dues for the present *penal clause* of section 28. He winds up his proposals by suggesting that "a line be drawn between branches of the sections within the port proper and those without these limits;" and he considers his own suggestion of altering the penalty to be "peculiarly applicable to the approaches where navigation, not under charge of trained men might, by the loss of a ship, block traffic by the total obstruction of a channel."

Lieutenant Warden's recommendations are not very clearly worded, and seem to be made under a strange misapprehension of the powers that Government can exercise in its notifications. It is of course impossible to alter or impose penalties by executive orders in the Marine Department.

15. The next communication is a letter (No. 623) dated 22nd May 1878) from the Port-Commissioners, who have consulted their solicitor as to the effect of the High Court's decision in the *Vizen* case. They have been advised that the notifications under Act XXII of 1855 are valid within the port itself, and that sections 38-41 of Act XII of 1875 are in full force within the port proper. They say that they do not see why pilotage should not be made compulsory in the channels leading to the port by extending section 38 to them. It is probable that sections 40 and 41 must also be formally extended to the channels leading to the port, since under the terms of the notification of 1856, they (in common with section 38) must be held to apply at present only to the port proper.

16. From all the facts now before Government it seems that there is no point of law open to doubt. What has to be decided is whether, for practical reasons, section 38 of Act XII of 1875 should be extended to all the approaches to the port of Calcutta or only to a part of those approaches.

17. As regards section 38, the Lieutenant-Governor is inclined to think that it would be sufficient to make pilotage in the river Hooghly north of Saugor roads compulsory for all ships above 200 tons burden. It seems desirable that vessels should be allowed to run into Saugor when the weather is threatening and a pilot cannot be had without incurring penalties for so doing.

18. Before addressing the Government of India, the Lieutenant-Governor would wish to have the opinion of the Chamber of Commerce on the points raised in the two preceding paragraphs. The Superintendent of Marine and the Port Officer will also be called on for report upon the subject.

From Chamber to the Government of Bengal.

Calcutta, 29th July 1878.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 2418 of the 18th instant, forwarding copy of a Resolution by the Hon'ble the Lieutenant-Governor on the question whether the employment of pilots by commanders of vessels navigating the river Hooghly below Calcutta is compulsory or not, and requesting the Chamber's opinion on the points raised in paragraphs 16 and 17.

The Committee desire me to state in reply that, until the publication of the judgment of the High Court in the case of collision between the steamers "Vixen" and "Duke of Buccleuch" it had been generally believed that pilotage in all the approaches to the Port of Calcutta was compulsory, and that the system hitherto in force had practically been found satisfactory.

But as by the ruling of the High Court it would appear that the employment of a pilot outside the port has not been, and is not, compulsory, and as the Government of Bengal has accepted that ruling, and referred to the Chamber the special points on which an expression of opinion has been invited, I am instructed to add that, in the Committee's opinion, pilotage should be made compulsory not only north of Saugor Roads, as proposed in the 17th paragraph of the resolution, but also extending south to the limits where it has hitherto been believed to be compulsory—viz., to the Lower Floating Light, to which point the Committee understand the other Sections of the Act apply. And they, therefore, recommend that Section 38 of Act XII of 1875 should be extended accordingly.

The Committee also desire to express their concurrence in the remark that it seems desirable that vessels should be allowed to run into Saugor without incurring penalties to Government for so doing, when the weather is threatening and pilots cannot be had.

COMPULSORY PILOTAGE IN THE PORT OF CHANDBALLY.

It will be seen from the following correspondence that it is proposed to make pilotage com-

pulsory on vessels entering the port of Chandbally, except steamers regularly plying there, the commanders of which are presumed to have a sufficient knowledge of the channels to be able to pilot their own vessels.

From the Government of Bengal to the Chamber.

Calcutta, the 7th August 1878.

In forwarding the enclosed extract (paragraph 4) from a letter from the officiating Commissioner of Orissa, No. 379 of the 13th June 1878, I am directed to say that the proposal of the Commissioner to make pilotage compulsory in the Port of Chandbally will necessitate the extension of section 38 of Act XII of 1875 to the port and its approaches in accordance with the provisions of section 5 (b) of the Act. But before passing orders on the subject, the Lieutenant-Governor would be glad to be favoured with an early expression of the Chamber's opinion on the proposal.

Extract from a letter from A. SMITH, Esq., Offg. Commissioner of the Orissa Division, to the Secretary to the Government of Bengal, General Department.—No. 379, dated Cuttack, the 13th June 1878.

PARA. 4. Pilotage should be made compulsory. The charge is not great, and the risks when a pilot is not employed are considerable. From paragraph 15 of a letter No. 1369 of the 12th March last, from the Collector of Balasore to the Joint-Secretary to Government, Irrigation Branch, Department Public Works, printed among the papers on the Coast Canal, I learn that from the 1st October 1877 to the 15th February 1878, five vessels grounded, some of them as often as three times,

and that the repute of the Dhamrah is so bad that Calcutta insurance offices have refused to insure vessels for the port. During my visit one vessel, the *Duka*, was detained in the river because she had grounded, and her master's certificate had been suspended. Pilotage should, in my opinion, be made compulsory, but the masters of the steamers plying regularly to the port, and who consequently know the channels, may, to obviate hardship, be enrolled as pilots for the pilotage of their own vessels.

From Chamber to Government of Bengal.

Calcutta, 10th September 1878.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 2667 of 7th August, on the proposal of the Commissioner of the Orissa Division to make pilotage compulsory in the port of Chandbally.

The Committee have no experience of the tonnage of that place, but if the Government undertake to keep up a sufficient pilot establishment they see no objection to the application of the 38th Section of Act 12 of 1875.

The Committee presume that the Port dues are sufficient for all the purposes of the Port and that there is no intention to increase them.

The Committee have no statistics of vessels visiting the ports of Dhamrah and Chandbally, but they are informed that 30 each year would fully represent the number in 1876 and 1877: that of these vessels not a tittle escaped grounding, not from carelessness or disregard of safety on the part of the commanders, but the accidents are attributed to the want of charts of the approaches and rivers.

The Committee are also informed that a thorough and accurate survey, a careful removal and replacement of bays, and the issue of trustworthy charts, would materially reduce the risks to which vessels are at present exposed; and they recommend these measures for the consideration of Government.

**EAST INDIAN RAILWAY—DELIVERY OF
GOODS AT HOWRAH.**

The Committee have been in correspondence with the Agent of the Company on this subject, and it will be seen that the points they brought prominently under his notice were—

- 1st—the excessive rates charged for demurrage;
- 2nd—the limited time allowed for removal of consignments;
- 3rd—the obligation on the part of the Railway Company to give notice of arrival of goods to consignees;
- 4th—the exactions of coolies employed to load goods at Howrah.

With regard to the first of these a material reduction in demurrage charges was made on the 15th August. Some minor concessions have also been made with regard to the second and third points, and the Committee hope the rearrangement of the goods sheds at Howrah will, when completed, obviate the overcrowding and other

drawbacks hitherto complained of. The malpractices on the part of coolies and cartmen are also likely to be more effectually dealt with under the proposed new Railway Act. The Committee do not therefore press for any larger concessions at present, being desirous to give time for the new arrangements to come into operation, but they will continue to give the subject their attention.

*From Chamber to Agent, E. I. Railway Company,
Calcutta, 27th June 1878.*

In continuation of the correspondence which was closed by your letter of 14th December last to the Chamber, I am instructed by the Committee to express their hope that the re-arrangements of the goods premises and lines and enlargement of the sheds at Howrah then in progress have been completed, and that you are now in a position to comply with the Chamber's renewed application for extending the time allowed for taking delivery and consequent relaxation of demurrage charges.

If the circumstances previously prevailing, and under pressure of which a return to old rules was declared impracticable, do not now exist,—and the Committee believe that the transport of ordinary traffic is altogether free from the difficulties which impeded its progress last year—it is hoped that you will be able to place consignees of cargo in a less unfavorable position than they have latterly occupied in this respect.

It has been represented to the Chamber that the charge for demurrage is so excessive, that if a parcel of

100 tons of linseed, valued at Rs. 10,000, were left at Howrah for a week, half its value would be absorbed by the rate levied by the Company; and that in a fortnight it would be better to abandon the parcel altogether to the Company than to pay demurrage and take delivery.

The Committee are aware that these demurrage charges are not imposed by the Company as a source of revenue, and that they are meant to be deterrent in their effect: they submit, however, that the object of the Company would be equally well served, and many cases of great hardship to consignees avoided, if the scale on which they are levied is reduced. The time at present allowed for removal of goods—24 hours after arrival—is in the majority of cases, quite insufficient; the bulk of the produce arriving by rail at Howrah from the Upper Provinces is intended for direct shipment, and in most cases arrangements have to be made for it after the goods arrive. The processes of sampling and weighing have also to be gone through for the satisfaction of buyer and seller, and frequently bags or wrappers arrive in a damaged state and have to be repaired. In such cases delays are unavoidable, and the consignee may not be to blame. The Committee think that a free period of 48 hours after arrival at Howrah is not too long for the requirements of shippers, and that a fine of one anna per maund for the first 24 hours after that period expires, and two annas per maund for each succeeding 24 hours during which goods are allowed to remain on the railway premises, would amply meet the requirements of the case.

With regard to giving notice of arrival of goods it has been brought to the notice of the Committee that the Company acknowledges no liability to give such notice, and

that they only profess to give it as a matter of favour and not as of right. It appears to the Committee that considerable inconvenience to both the Company and consignees of cargo would be avoided by the adoption of a system of invariably giving notice to parties whose addresses were known at the Howrah office; for it may be fairly presumed that by the early intimation of arrival of their goods consignees would be far better prepared to remove them, and that the material advantage of having their premises promptly cleared would simultaneously be gained by the Company.

To meet the case of native consignees and others whose places of business are unknown, the Company might issue a notice calling upon all consignees to register their addresses at Howrah, and undertake to give early intimation of the arrival of consignments to all parties who should do so; at the same time warning those who neglect to register that no such notice of arrival would be sent to them.

The Committee strongly urge this upon your attention, for they are of opinion that the issue of such notices should be an essential point in the arrangements of the Company as public carriers, and that their responsibility should not be limited by any rule the rigid observance of which may at times be attended with considerable difficulty, and against which it may be beyond the ability of consignees to protect themselves.

Instances of irregularity of arrival of trains at Howrah have not been uncommon or unfrequent, and that circumstance of itself supplies a strong ground for supporting the Committee's recommendation that the Company should invariably give notice.

The Committee do not however consider that notices reaching the addressees on Sundays or on any days publicly recognised as holidays should be held as sufficient, and that in all such cases an additional day should be allowed for removal of consignments.

If the notice, which the Committee thus advocate and contend should be given to all consignees alike, be disregarded, and the removal of goods be neglected after a reasonable time allowed for the notices duly reaching the parties concerned, consignees must bear the consequences of inattention to their own interests. But no demurrage should, the Committee think, be charged in any case where due diligence has been exercised and reasonable efforts have been made to remove consignments within the time allowed for delivery.

Before closing, the Committee desire to bring to your notice an abuse which consignees have frequently complained about. You are aware that loading and unloading charges are included in the rates paid to the railway. The unloading at Howrah is in the hands of contractors, and the Committee are informed that coolies employed by these parties levy a systematic tax from the carters of from 4 to 8 annas a cart before they will load it. This tax of course comes out of the pockets of consignees, who have to pay extra hire for bringing their goods from Howrah. The way in which it works will be seen at once from the fact that carts proceeding from a Calcutta office to the railway station at Howrah can be hired readily for, say, 4 annas, but when the cart makes the return journey with goods, the charge for the same distance from Howrah station to Calcutta is 12 annas to 1 rupee, the extra 8 to 12 annas being pocketed by the coolies and sirdars in the employ of

the railway contractors. The Chamber trust you will take prompt measures to remedy this crying abuse.

From Agent, E. I. Railway to Chamber.

Calcutta 15th July 1876.

I am desired by the Agent to acknowledge receipt of your letter of the 27th ultimo, with regard to the regulations for the delivery of goods received by rail at Howrah.

The following are the chief points commented on:—

The rate of demurrage.

The time allowed for removal.

The question of obligation to give notice of arrival.

The tax alleged to be levied on carters by the loading coolies.

With regard to the alterations now being carried out in the Howrah goods premises, I am to remind the Chamber that they are very extensive, and to inform them that, although being pushed forward as fast as practicable, they are not likely to be completed before the end of the year, owing to the difficulty of carrying on the work without unduly interfering with traffic. Until these alterations are a little more advanced so as to admit of our dealing with goods to better advantage in point of space, the Agent will defer making any reduction in the present charges for demurrage, but hopes that arrangements will admit of his giving notice of a reduction very shortly. Every effort is made by the Traffic Department to prevent the rules from operating oppressively, and heavy lists of "remissions" are frequently sent forward by the Traffic Manager to the Agent for confirmation. The amount of accommodation available, more specially at the present

season, does not admit of our keeping goods on hand without considerable inconvenience, but the Chamber may rest assured that as soon as circumstances will fairly admit of it the notice referred to will be given.

The next point is the extension of time desired by the Chamber. This the Traffic Manager strongly deprecates either now or in the future. An extension of time is on much the same footing as a reduction of charge, and that consignees can remove their goods within the time allowed is shown by the fact that they do remove them rather than incur the penalty. It is somewhat unfortunate for their case that the Chamber put forward such a circumstance as that the processes of "sampling and weighing have to be gone through for the satisfaction of buyer and seller" before the goods can be removed. They will probably admit on further consideration that such an argument is quite inadmissible by the Company as a reason why the goods should be left on their premises to the detriment of their business. The Company's liability as a carrier ceases at a reasonable period after the arrival of the goods at destination, and their solicitors advise them that 24 hours may be considered a reasonable period. After its expiry the Company stands to the consignee in the relation of a wharfinger or warehouseman, and the demurrage charge is really a charge for rent fixed at a high figure in order to get the goods out of hand quickly. The experience of the traffic department has shown that in proportion as these charges are lowered goods are left on hand (by native consignees especially) a longer time, and with lower charges in the busy time it might be expected that the accommodation would readily become blocked to the disadvantage of every body concerned.

The Chamber are possibly not aware that the demurrage charges on grain and seeds, the principal staples of inward traffic at Howrah, are lower than those at present charged at Bombay. At the latter port grain and seeds are only delivered at the Port Trust sidings and Wari Bander, and the demurrage rate of four annas per mmand per day commences immediately on the expiration of the 24 hours of free time. Looking at all the circumstances of the case the Agent, while anxious to do every thing in his power to facilitate the operations of the mercantile community, does not feel prepared to make an extension of the free time, but trusts the Chamber will accept the assurance, given above, that as soon as more accommodation is available a reduction in the charges will be made if the state of the traffic will admit of it.

The Company would much prefer to have produce removed within the prescribed time rather than realize the demurrage charges. If we are unable from want of stacking space to unload wagons as they arrive, we lose considerably more in freight for want of the wagons than we should receive in demurrage for the corresponding quantity of goods occupying space in the sheds. With regard to damaged bags the Agent is given to understand that less than one per cent. of English consignments arrive with bags in bad condition, and the Traffic Department have on each platform badged "bustbands" ready to sew up any openings.

The third point is the question of notices of arrival. The Company has always adhered to the principle that the onus of removal of goods, within the prescribed time, rests with the consignees. It is however the custom to advise known consignees in all cases as soon as the wagons

are shunted to the unloading lines, and the endeavour is to advise all consignees as far as possible of the arrival of their goods. The Traffic Department are fully alive to the importance of early advice as an aid in procuring early removal, and would be glad if it could be ensured that all consignors, when tendering goods for despatch to Howrah, would give the addresses of the consignees.

On this point the Traffic Manager writes "as regards European and the higher class of native firms, I challenge contradiction when I say that notices are issued with great regularity, but there are some dealers whose up-country agents are so ignorant or so careless, that it is impossible, until the receipt is presented, to guess whom the goods are for."

With regard to Sundays and gazetted holidays, I am to remark that the charge for demurrage on Sundays is now no longer made, and this includes Good Friday and Christmas day. The same ruling could not apply to native holidays which, as a rule, are of local influence only, and do not affect the working of the traffic beyond a certain extent even in Calcutta itself, while at up-country stations they are comparatively unnoticed as a material check on railway business.

The concluding point is the tax alleged to be levied on the cartmen by the loading coolies. The Agent has had very careful enquiry made into this matter. He is aware that the abuse existed at one time (say a year or more ago) during a heavy pressure of traffic, but the Traffic Manager is of opinion that it does not now exist to any appreciable extent, and feels "quite sure that the assumption that from 8 to 12 annas a cart was ever exacted is

erroneous." He is inclined to the opinion that, if charges are made to the extent complained of by the Chamber, the cartmen are taking advantage of the fact that the abuse formerly existed to maintain a demand on their employers for recompense of exactions they have not been subjected to. This view is borne out by the fact that the Agent has received several applications lately from natives for the post of responsible chowdry at Howrah, to arrange the distribution of carts in the yard, and these all speak of a tax of one or two pice per cart only as being levied by the coolies. On receipt of one of these applications the G. R. F. were directed privately to try and find out whether even this amount was demanded, and the assistant Inspector General reported only a few days ago that, although a careful look out had been kept up by competent officers on the spot, they had found no reason to suppose that such a tax was levied, and no complaints had come before them on the subject. The Agent would not however conclude from this that the abuse does not exist to some extent, but thinks the remedy lies in the hands of consignees who should decline to pay such charges. When such a tax is paid it is more than probable the cartier offers the bribe to get his cart loaded quickly, and it is hardly to be expected that the coolie would refuse it when offered. The Company has no hold over the contractors' coolies, and cannot have until the Government accede to the proposal, which has been more than once submitted to them, that the servants of contractors in the employ of the Company should be held to be public servants, and consequently amenable to the provisions of section 161 of the Indian Penal Code, as is the case with Railway servants under "The Railway Servants' Act, No. XXXI of 1867."

In the beginning of June of last year a plan was adopted by the Traffic Superintendent at Howrah to so arrange the supply of carts that the coolies should have no option but to load those which came first in order, but this was objected to by the consignees for reasons which are not on record, and a deputation, headed by Messrs Moran & Co., persuaded the Traffic Superintendent to revert to the old system.

From E. I. Railway to Chamber.

Calcutta, 20th July 1878.

In continuation of my letter No. 9661 of the 15th instant, I am desired to add the following remarks with regard to the information received by the Chamber that the coolies at Howrah levy a systematic tax on the carters.

The labor contractors, Messrs. Burn and Company, submit two schedules, showing the rates of cart hire between Howrah and several places in Calcutta, and *vice versa*, copies of which are hereto appended. They say—
 "The Chamber lay stress upon the fact that there is a lower rate of cartage to Howrah than *from* it. This is only natural, as Howrah station is one of the places where a cart is sure of employment and they naturally proceed there. If they can get a load in going so much the better; and it is hardly surprising that they should charge the lowest possible rate, looking at the fact that if they do not get a load they must go empty.

* * * * *
 We can assure you that on a day when traffic is not very brisk, and when carts seeking hire are numerous, or when traffic is very heavy, and carters see a prospect of two

trips per day, the carters literally mob the coolies and press pice upon them, and fearlessly call out the amount they are prepared to pay."

It would not appear from this that the exactions spoken of by the Chamber are systematically made, and it is hoped that the new arrangement of separate roads through the sheds will go far to prevent competition of this description and greatly assist in checking the evil complained of.

MEMO.

Cart hire (highest rates) from Howrah Station to the undermentioned places.

No.	Names of places.	Hire when fine weather.		Hire when had weather.		Remarks.
		Rs.	A. P.	Rs.	A. P.	
1	Pathooria Ghât, near Nimtolla	1	4 0	1	12 0	
2	Hâktholla	1	8 0	2	0 0	
3	Moran & Co.'s Hât, Church Lane	1	4 0	1	10 0	
4	Burra Bazar	1	0 0	1	8 0	
5	Mutty Seal Kuttra, near Burra Bazar	1	4 0	1	12 0	
6	Rajah's do. do.	1	4 0	1	12 0	8 annas.
7	Sealdah	2	0 0	2	4 0	
8	Bhojoo Golah, near Burra Bazar	1	4 0	1	8 0	
9	Ralli's Gate, Ninotolla	1	2 0	1	6 0	
10	Lalla Golla, Burra Bazar	1	2 0	1	8 0	
11	Banotolla Gullie do.	1	4 0	1	12 0	10 @ 12as.
12	Sulkeah ... ..	...	8 0	...	12 0	10 as.
13	Armenias Ghât... ..	...	8 0	...	12 0	

MEMO.

Cart hire (highest rates) from the undermentioned places to Howrah Station.

No.	Names of places.	Hire when fine weather.		Hire when had weather.		Remarks.
		Rs.	A. P.	Rs.	A. P.	
1	Pathooria Ghât ... ..	...	8 0	...	10 0	
2	Hâktholla ... ..	...	8 0	...	10 0	
3	Moran & Co.'s Hât ... ..	...	7 0	...	10 0	
4	Burra Bazar ... ..	...	4 0	...	4 0	
5	Mutty Seal's Kuttra ... ..	...	4 0	...	4 0	
6	Rajah's do. ... ..	...	4 0	...	4 0	
7	Sealdah ... ..	...	12 0	...	14 0	
8	Bhojoo Golah ... ..	...	4 0	...	4 0	
9	Ralli's Gate ... ..	...	4 0	...	4 0	
10	Lalla Golla ... ..	...	4 0	...	4 0	
11	Banotolla Gullie ... ..	...	4 0	...	4 0	
12	Sulkeah ... ..	...	7 0	...	8 0	
13	Armenias Ghât ... ..	...	4 0	...	4 0	

*From Chamber to Agent, E. I. Railway Co.
Calcutta, 24th July 1878.*

I have to acknowledge receipt of your communications of 15th and 20th instant, which have been submitted to the Committee of the Chamber, who are glad to see from your Notification of 22nd instant, that the present charges for demurrage are to be materially reduced after 15th proximo.

With reference to the weighing and sampling of produce at Howrah, the Chamber referred to it as a custom which the plan of direct shipment from Howrah station has rendered necessary of late years. A very large proportion of the business now done in up-country produce in Calcutta is on that basis. If exporters were obliged to remove consignments to their own godowns and ship them from thence, an extra charge of 4 to 5 per cent. would be incurred, which, in most cases, would prohibit business altogether and deprive the railway of the carriage of the goods. It is therefore for the interest of the railway to encourage the plan of direct shipment, as by so doing they increase their own traffic. It involves, however, a certain amount of examination and weighing of goods at Howrah station, which the Chamber think the railway would do well, from their own point of view, to take into consideration in fixing the free time allowed to consignees for removing goods. The Chamber remain of opinion that the free time they stated is necessary both for the general public convenience and to attract additional traffic, but at the same time they admit that the Notification above referred to, will remove, to a large extent, the hardships complained of under the demurrage rules now in force. It should be borne in mind

that the extra cost of carriage by rail as compared with boat from the mere distant up-country stations having water communication with Calcutta is quite 8 annas per maund, and boat carriage possesses the additional advantage of affording storage room for produce after it arrives, until delivery, without extra charge. It is evident, therefore, that besides the inducements held out by the railway of speedy and safe transit, they must also endeavour to compete with river craft in respect of cost of carriage and facilities at place of delivery if they wish to attract a larger proportion of the boat traffic to the railway.

If the obstacle to an extension of the free time is caused by the unwillingness of the Railway Company to accept any liability as carriers beyond a period of 24 hours after arrival, consignees, in slack times like the present, might have the option given them of allowing their goods to remain free of charge for another 24 hours at their own risk, such option to be withdrawn in times of pressure.

Whatever free time is ultimately fixed upon the Chamber are of opinion that it should run from the time consignees receive notice of arrival. They are glad of your assurance that it is the custom of the railway to send such notice to all known consignees, and the Chamber infer from your remarks that the railway would be willing to send notices invariably to all consignees whose addresses are registered.

With regard to the tax levied by the loading coolies from cartmen, the Chamber are informed that it is still exacted, although the amount is probably considerably less now than formerly when there was more pressure on the railway. It is reported that 4 to 6 annas was in some cases paid last week, but that the rates have since dropped to from 2 to 3 annas, probably in consequence of

the enquiries you have been making. Messrs. Burn & Co.'s communication indirectly confirms the statements in my former letter. The Committee are informed carts can now be hired at from 8 to 12 annas to go the distances from Howrah for which Messrs. Burn and Co.'s lists show a hire of 1-4 to 1-12 was formerly paid. The inference seems plain that the coolies used to pocket the difference.

As regards the system introduced last year of loading carts only in line, Messrs. W. Moran & Co. informed the Chamber that the plan was given up before it had been fully tried, under a misapprehension that they and others were opposed to it.

The Committee note with satisfaction that arrangements are now being made to prevent the competition for loads on the part of the cartmen which is the real cause of the evil, and that you are also endeavouring to obtain a greater hold over the contractors' coolies with a view to prevent any mal-practices on their part.

*From E. I. Railway Company to Chamber.
Calcutta, 14th August 1878.*

With reference to your letter of the 24th ultimo, I am directed to remark that the use of the Company's goods delivery-sheds at Howrah as godowns in which to carry out the sampling and weighing of produce brought down by rail has never been contemplated by the Company, and, with the space at command, the Agent does not see how such a principle could be encouraged without great and serious inconvenience to the conduct of the traffic as a rule, or that any similar facilities are afforded to traffic brought down in boats. In cases where produce

is known at the time of despatch to be intended for direct shipment the necessity for sampling would hardly exist, and the weight would be readily taken from the railway documents. In cases where it is not known, and the produce is intended to be sold to shippers on arrival at Howrah, the Company is clearly entitled to some compensation for the use of its premises, and whether this is called demurrage or wharfage, or by any other name, can make little difference.

The Agent is anxious of course to do all he can to facilitate trading operations, and is pleased to hear that the recent change he has been enabled to make in the demurrage rules will remove, to a great extent, the disabilities complained of. He is sorry he cannot undertake to adopt the suggestion put forward by the Chamber to give consignees, in slack times, the option of allowing their goods to remain on the Company's premises, without charge, an additional 24 hours at their own risk. Such an arrangement would, in the opinion of the Traffic Department, be quite impracticable. If we gave notice to a consignee that if his consignment is left on our premises for a second 24 hours it would be at owner's risk and not liable to demurrage, and if, after that time, the goods are discovered to be damaged, it would probably be a difficult matter to show that the damage accrued during the time they lay at his risk, and the Company would have to pay for such damage as a rule.

With regard to your 4th para, it would be seldom possible to prove the precise time at which notices of arrival of goods are received by consignees, and in many instances it would be difficult to prove that they had ever been received at all. The Agent would prefer to

adhere to a rule which admits of no doubt as to the time when the goods first come under demurrage. We do the best we can to deliver the notices, and consignees should have their railway receipts in hand before the notices would reach them, and have made their arrangements to take delivery on arrival.

With regard to the circumstance stated in para. 5 as to the lower rates for cart hire at present obtaining, Mr. Leslie would hesitate to accept the inference, so readily adopted by the Chamber, that the loading contractors' coolies formerly pocketed the difference. Such an inference could hardly be drawn in respect of the very much greater reduction in the rates of boat hire, and the lower rates in both cases may, he apprehends, be fairly attributed to the lesser demand.

With regard to the statement made to the Chamber by Messrs. Moran & Co, that the plan introduced last year of loading the carts only in line, "was given up before it had been fully tried under a misapprehension that they and others were opposed to it," Mr. Leslie imagines they must have forgotten some of the circumstances.

Their letter of the 9th June 1877 to the Traffic Superintendent at Howrah, is very conclusive on the point, and, after recounting their objections to the plan, closes with the following words:

"The inconvenience to all, leaving alone the trouble and annoyance, will be considerable, and we therefore trust you will revert to the old plan, which hitherto was working so satisfactorily."

The "old plan," of which Messrs. Moran & Co. spoke as "working so satisfactorily" is the system in connection

with which the Chamber complain so strongly in the concluding para of their letter of the 27th June, and with which the Company have never been satisfied.

It is hoped the evils of this system will be greatly mitigated by the new arrangements in the sheds, and the Chamber will have probably noticed that, in section 25 of the proposed new Indian Railway Act 1878, now appearing in the Gazette of India, the Government have at length adopted the recommendation to render the contractors' coolies amenable to the Bribery Sections of the Indian Penal Code.

*From Chamber to Agent, E. I. Railway Company.
Calcutta, 24th August 1878.*

The Committee of the Chamber of Commerce direct me to acknowledge receipt of your favor, No. 11222 of 14 instant, in reply to their representation of the 24th of last month.

As regards "weighing and sampling" at Howrah, the Committee have only to say that the practice is not a new one, but has existed ever since up-country produce began to be sold, ready packed, for direct shipment from Howrah station, and in point of fact the business could not be worked at all if existing facilities in this direction are interfered with. They do not mean to say that every such package is weighed and sampled, but a certain proportion always is, except in cases where the Agent up-country who despatches the goods is identical with the shipper at this end. In such cases, which however are the exception, the necessity for testing weight and quality does not exist, but in the vast majority of cases, the person despatch-

ing the goods from up-country is the seller and the consignee at this end is the buyer, and the latter naturally satisfies himself before shipment that the goods come up to the contract description both as to weight and quality.

The usual form of contract in such cases is—"Delivery to be given and taken from Howrah Railway station within" _____

So long as the free time allowed by the railway for taking delivery is not exceeded, and no obstruction is offered to the despatch of business on the Railway Company's premises, the Committee fail to see that any reasonable objection can be taken to the present practice, which is a necessity of the trade.

As regards goods being allowed by the Railway Company to remain rent-free for an additional period of 24 hours, at owner's risk, the Committee think if such a concession were granted it would necessarily be on the understanding that the consignee had satisfied himself that no damage existed, and that consequently no claim could be preferred against the Railway Company unless made within 24 hours after arrival at Howrah.

The extract you give from Messrs. W. Munn & Co.'s letter of 9th June 1877 is noted, and the Committee, on making further enquiry, are informed that the letter in question was written by a subordinate in the office and did not express the opinion of the responsible head of their produce department.

That gentleman saw Mr. Broughton after the letter went in and explained this to him at the time.

The Committee are glad to note that in the proposed new Indian Railway Act, contractors' coolies and others

will be made amenable to the Bribery Sections of the Indian Penal Code.

EAST INDIAN RAILWAY—BLOCK AT CAWNPORE.

In May last representations were made to the Committee, by firms having business relations with Cawnpore, that a block in the railway traffic was again threatened at that station, similar to that which took place during the hot weather of 1877; and the help of the Committee was requested to represent the matter to the proper authorities. The Committee at once addressed the Agent of the East Indian Railway Company on the subject, and it will be seen, from the correspondence which follows, that although the pressure caused very considerable inconvenience while it lasted it did not continue longer than a week. The fears then expressed that the insufficiency of rolling stock in possession of the Company during the Madras famine would again be felt during the seed season of 1878 were not realised, as unfortunately the crops in Behar and the North West proved comparatively a failure, and the Company had no difficulty, after the temporary block in May, in meeting all the demands upon them. The Committee understand that the Company have added considerably to their rolling stock during the past twelve months, and it is hoped they

are now in a position to satisfy all the requirements of the public during the busier periods of the year.

*From Chamber to Agent, E. I. Railway Company.
Calcutta, 28th May 1878.*

The lengthened correspondence which passed between yourself, the Committee of the Chamber of Commerce, and the Government of India early last year, relative to the inadequacy of the carrying power of the East Indian Railway to the demands of a large development of traffic, was closed by the satisfactory announcement that the Company's indent for 1,000 additional wagons, and a proportionate number of locomotive engines, had been sanctioned by Government.

The circumstances which occasioned the correspondence were of the gravest character; and merchants experienced the severest inconvenience by the check which railway traffic had received in consequence of the insufficient supply of rolling stock for its proper conveyance.

It was admitted by the Company that the means at command were unequal to the then existing pressure on their lines, but it was believed that the additional accommodation sanctioned by Government would provide against future emergencies of the kind, and for the increasing requirements of trade.

The Committee of the Chamber had every reason to hope that the efforts which you were making to increase your carrying power would result in the ability of the Company to place at the service of commerce accommodation commensurate with its future demands, and that

the experience of last year would stimulate the Railway Company to obviate the recurrence of the failure which then occurred.

But it is with extreme regret and disappointment that the Chamber is constrained to represent that the Company's resources have again been pronounced totally inadequate to meet even the ordinary demands of trade, and that the operations of merchants are embarrassed by a repetition of a block on the line which it is apprehended may assume very large proportions and create inconvenience of the most serious magnitude.

The Railway Company had a certain amount of justification last year for their unpreparedness to deal with the large increase of traffic which came upon them suddenly, but after the warning they then had their present inability to meet the demands of merchants appears to the Chamber to indicate that the Railway Company have failed to recognise the urgency of placing their line in a position to satisfy the requirements of a continually growing traffic, and of expeditiously obtaining the large addition to their resources sanctioned 12 months ago.

If the Company's carrying power is not greater now than it was when that addition to their deficient rolling stock was applied for, and if the capacity of that line has not been enlarged co-extensively with anticipated traffic, a great responsibility rests with the Company, and a serious damage will be inflicted on the commerce of those parts of the country which are dependent upon the railway for its transmission.

The Committee of the Chamber trust that your best efforts will be directed to remove the obstructions which

at present prevent merchants from fulfilling their engagements, and to secure for the future the uninterrupted and prompt despatch of their merchandise.

From Agent E. I. Railway to Chamber.

Calcutta, 31st May 1878.

I am desired by the Agent to acknowledge receipt of your letter of the 28th instant, referring to the difficulties connected with the conveyance by rail of produce to the port early last year, and to the hope that the experience then gained would stimulate the Railway Company to obviate a recurrence, and representing that the Company's resources have again been pronounced (it is not said by whom) "totally inadequate to meet even the ordinary demands of trade."

Your closing para. trusts that the Company's best efforts will be directed to remove the obstructions which at present prevent merchants from fulfilling their engagements and to secure for the future the uninterrupted and prompt despatch of their merchandise.

In reply to the serious charge the Chamber have based on the above evidence, to the effect that the Railway Company have failed to recognise the urgency of the case and the responsibility devolving on them of providing for the growth of traffic, the Agent desires me to state that although for a very short time, a week or two ago, there was a pressure of traffic at Cawnpore, and a few of the merchants complained that their consignments were shut out, there does not appear to be anything in the present state of the traffic which should have given rise to animadversion on the part of the Chamber.

The Agent would be more inclined to look to the unexpected failure of the seed crops as the actual obstruction which at present prevents merchants from fulfilling their engagements. There is no block of traffic on this line; the Company is better off for wagons than at this time last year, and is quite prepared to supply them whenever they may be required. It is, he regrets to say, the case that if the new wagons were on the line just now there would not be much for them to do.

Last season at this time Cawnpore was sending down 300 tons a day, Patna 200 to 500 tons, in open trucks, and other stations smaller quantities under the arrangement for "special delivery" at Howrah. Lately half a dozen of the larger firms agreed to adopt the same arrangement, but Cawnpore has only sent down under it 600 tons in a fortnight, and Patna 450 tons, although open trucks were available in any number.

The difficulty at Cawnpore referred to above was in the week ended the 18th instant, and during that week the average daily loading of covered goods-wagons at Cawnpore for Howrah was 81. The yard was, however, quickly cleared of goods and the daily average has since diminished, notwithstanding an abundant supply of covered wagons.

The Chamber will doubtless remember that the difficulties of last year were chiefly due to the drawing away of our wagons to the famine districts. There is no such cause in operation now, and the average number about in Western India is at present very moderate. If the Chamber are aware of any point on the line where a pressure exists and will inform the Company, wagons will

be at once supplied. The Traffic Manager, however, with the best sources of information at his disposal, is not aware of any complaints.

With regard to the great responsibility which will in the opinion of the Chamber rest with the Company, if (in other words) some of the new wagons have not already been placed on the line, I am to inform you that it is expected one hundred of the new wagons will be running next month and that the remainder will follow in quick succession. The vehicles being of a new and improved type, special appliances had to be provided for their construction and this caused a delay in making a commencement. They are, however, now arriving rapidly.

*From Chamber to Agent, E. I. Railway Co.
Calcutta, 3rd June 1878.*

I am directed to acknowledge the receipt of your letter of 31st ultimo, and to state in reply that the Chamber's representation of the 28th was based on evidence which they were bound to respect and to accept. That evidence was contained in communications made to yourself by the merchants of Cawnpore, and it appeared ample and conclusive to justify the Chamber's letter on the subject.

Writing on the 13th May, the merchants of Cawnpore referred to "the vast accumulation of goods, this week, on the Company's premises, and the total inadequacy of the wagon supply to meet, what must undoubtedly be called, the normal trade requirements of this market. Some of us have now had our goods lying on the Company's premises awaiting despatch for the past 5 days;"

and they also telegraphed.—"Gates again closed, with about 5,000 tons accumulated, and season scarcely commenced. Our engagements heavy and pressing, while no intimation has been given us of your inability to carry ordinary goods."

From these extracts, and the general tenor of the letter and telegram addressed to you, it appeared to the Chamber that a very strong case had been established for submission to the Railway Company; and in the absence of any information that the block complained of had not been removed and that matters had consequently not improved, it was fairly assumed, at the date of my addressing you, that the merchants of Cawnpore were still suffering from the causes which they had brought to notice.

But your reply conveys the assurance that the pressure of traffic at that important station was only temporary and has been relieved, that there is at present none on any other point of the Company's line, and that 100 of the new wagons will be running this month, to be quickly followed by the remainder of your indent of last year. These assurances are received with much satisfaction.

It is far from the desire of the Chamber to animadvert on the Company's administration: they are always more ready to give credit for efforts to promote public convenience than to reflect on failures to attain that object; and they have the pleasure to admit that your reply serves to remove their impression that the late block on the line was more serious than you have represented it to be.

*From Agent E. I. Railway Company to Chamber.
Calcutta, 13th June 1878.*

With reference to your letter of the 3rd instant, in which you are good enough to withdraw the imputation conveyed in your former letter that the Company had failed to recognise the urgency of the case, and the necessity of providing for the growth of traffic, I am desired to send for the consideration of the Chamber the accompanying extract from a letter, No. 4849 of yesterday's date, from the Traffic Manager, exhibiting the low value of the opinion of the few Cawnpore merchants, who addressed the Chamber, as to what are the normal trade requirements of their market so far as railway transport is concerned.

The Agent observes that the Company could not be expected to provide wagons (more especially without any notice given) to meet the requirements of those who endeavour to crowd into a few days the bulk of their despatches for the season, and the Chamber have possibly been misled into supporting a groundless complaint, the reasons for which do not clearly appear.

Extract from the Traffic Manager's letter, No. 4849, of the 12th June 1878, to the Agent, East Indian Railway Company.

"As the Secretary remarks, the merchants, addressing you on 18th May, commented on the total inadequacy of the wagon supply to meet, what must undoubtedly be called, the *normal* trade requirements of this market."

Now this expression "*normal*" could only be understood by any outsider to mean that there was a probability of such a trade continuing for some considerable period: but what are the facts?

In the week just closed, when that letter was written, the daily average loading at Cawnpore had been—

	To Howrah.	To other Stations.	Total
	85	58	143
In next week to 25th May	82	70	152
In week ending 1st June	66	51	117
In last 10 days to 11th June	47	38	85

while there is no accumulation of goods and plenty of wagons; so that, with a practically unlimited supply of wagons now available, we find the Cawnpore people are satisfied with a little over half the number which, less than a month ago, they declared to be "totally inadequate" to the "normal trade" of the place.

*From Chamber to Agent, E. I. Railway Company.
Calcutta, 25th July 1878.*

I am directed to acknowledge the receipt of your letter, No. 8096 of 13th ultimo, enclosing for the consideration of the Chamber an extract from a letter, No. 4849, dated 12th ultimo, from the Traffic Manager of your Company.

Regarding your observation that the Company could not be expected to provide wagons to meet the requirements of those who endeavour to crowd into a few days the bulk of their despatches for the season, the Committee acknowledge its reasonableness, but at the same time they assert that consignors answering to your description were not the only sufferers during the late temporary block at Cawnpore. To the knowledge of the Committee the Calcutta agents of one Cawnpore House, whose system of working implies as nearly as possible daily

purchase and daily despatch, were compelled to cancel contracts for 300 tons of seeds in consequence of the block, short as it was.

Referring to the extract from the Traffic Manager's letter, I am directed to submit that his interpretation of the word "normal" is in their judgment erroneous. The words "normal trade," strictly speaking, should not be used except as indicating the ascertained averages of previous years, but used in the sense in which they were referred to by the Chamber, it was perfectly reasonable to base an estimate of the future requirements of the trade upon these ascertained averages.

Such estimates are liable to be upset by circumstances which are not perfectly patent at the time they are made, and the Cawapore correspondents evidently did not calculate on such a failure of the seed crop as might destroy their estimate of a "normal trade."

The Committee are, however, quite content to leave the interests concerned in your hands, feeling assured that they will receive your anxious attention in time of need.

EASTERN BENGAL RAILWAY :- CARRIAGE OF JUTE.

In addition to the correspondence recorded, the Committee had the benefit of the attendance of the Agent of the Eastern Bengal Railway at one of their meetings. It thus became apparent that the advertisement referred to below did not clearly express the intention of the Company. One of their objects was to encourage the shipping of

light, easily handled, bales, and at the same time to insure a reasonable density. A second advertisement intended to more clearly indicate this object was published shortly afterwards. The other apparent object of fixing a high permanent rate during the currency of the jute season the Committee were persuaded the Company could not accomplish, so far as the shipping ports were concerned, and having regard to the opposing modes of conveyance. Their opinion has been justified by the course of rates during the present season, these having fluctuated from 13 annas to 6 annas per maund.

*From Chamber to Agent, E. Bengal Railway Co.
Calcutta, 27th June 1878.*

The Committee of the Chamber of Commerce desire me to address you with reference to your advertisement of 31st ultimo relative to the carriage of baled jute from the 1st of next month.

They are of opinion that the schedule has been compiled in error, and that the special condition on which baled jute is to be carried is incompatible with the usage of the jute trade and with the process of compressing the fibre into ordinary recognised dimensions.

Your object, naturally, is to load your wagons to the maximum of their weight carrying capacity; but it appears to the Committee that the condition as to the density to which bales shall be pressed will defeat that object, inasmuch as by the terms of your advertisement

no jute will be carried in bales of less density than 450lb. to 10 cubic feet, a density which, as the Committee are advised, no press in Dacca or Naraingunge is capable of working.

The Committee are of opinion that the advertised arrangement is open to so much objection that they hope you will on reconsideration withdraw it; and if you desire to adhere to the application of density, they suggest that *varying rates* be charged for *varying densities*—say 1,500lb, 2,000lb and 2,500lb per 50 cubic feet.

If it is of importance to the Company to obtain light bales (of densities corresponding to the above) an inducement should be offered at least equal to the additional expense of preparing smaller, and consequently more numerous packages.

The Committee also desire to point out that the notice of any advance in the rates charged by the Company should be sufficiently long to admit of contracts not being prejudiced or affected by any alteration suddenly announced; for any surprise of this kind may seriously embarrass those who have entered into engagements based on the ordinary rates of the Company, and the Committee of the Chamber hope this suggestion will receive your attention.

They are of opinion that at least three months' notice of any important change should be given; dealers in jute, as one of the staple exports of Bengal which contributes largely to the receipts of your company, are justly entitled to this consideration; and the interests of the Company would be materially promoted if every endeavour were made to prevent the diversion of so important a traffic from its natural destination.

Eastern Bengal Railway.

NOTICE.

On and from 1st of July next, and until further notice, jute in bales pressed to a density of 50 cubic feet to the ton will be carried as under:—

bales weighg. 400lbs. each	}	20 per cent below the 2nd
and upwards		class rate of 2½ds of a pie
		per maund per mile.
" " between 350lbs. to 400lbs.		21½ per cent do.
" " " 300lbs. to 350lbs.		23 " do.
" " " 200lbs. to 300lbs.		25 " do.

FRANKLIN PRESTAGE,
Agent.

SEALDAH TERMINUS. }
The 31st May 1878. }

From Agent E. Bengal Railway Co., to Chamber.
Calcutta, 3rd July 1878.

I beg to acknowledge the receipt of your letter, dated the 27th ultimo, which came to hand yesterday evening, and in reply to point out that the wishes of the Committee of the Chamber of Commerce in respect to the density to which bales of jute must be pressed for carriage on the Eastern Bengal Railway have been anticipated, and it will be seen from the accompanying circular that the practice observed in the Port of Calcutta, as ascertained from your letter, dated the 20th ultimo, has been adopted by this Company.

While thanking the Committee for the suggestion "that varying rates be charged for varying densities," I would

beg to state that the matter of rates has had the fullest consideration, and there are many reasons why it is desirable to adhere to the scale of charges already published, subject to the modification in regard to density now communicated to you.

In regard to the remarks of the Committee as to the sufficiency of the notice of the intention to increase rates, I would beg to state that, excepting in the case of the modification of rates advertised on the 30th June, and which modification was made with a view to assimilate the rates charged on all goods carried on the Northern Bengal and this Railway, and which I may state further resulted in many important reductions on staples carried over the Northern Bengal State Railway, the practice has been to charge the usual advertised classified rate for all goods excepting when rates are charged below those rates. Under the head of special rates, it has been the practice to give the longest possible notice of any intended reduction, and a month's notice is always given of the intention to revert to the usual classified rates. This arrangement has, I understand, given satisfaction to the general traders of the country.

TELEGRAPH SERVICE.

Representations having been made to the Committee regarding the rumoured probable action of the telegraph companies at the Congress to be held in London in June next, the Committee decided to bring the subject before the other Chambers in the East, and to invite their co-operation in taking steps to endeavour to prevent

any alteration in existing rules that would upset codes at present in use or cause inconvenience to the commercial public. A copy of the circular letter addressed to the Chambers is appended. The replies up till now received have been on the whole satisfactory.

There will also be found below—printed *in extenso*—some very interesting correspondence respecting telegraph ciphers, kindly placed at the Chamber's disposal by Messrs. Finlay, Muir & Co. which the Committee would ask members to peruse carefully, as it goes very fully into the matter and will be found to contain much acceptable information.

Bengal Chamber of Commerce.

Calcutta, 6th September 1878.

The Committee of this Chamber have had their attention drawn to a movement contemplated by the Eastern Telegraph Company, the adoption of which would result in all present commercial codes being rendered useless, and merchants will have to suffer the inconvenience, annoyance, and expense of preparing new ones.

The proposal is to issue an authorised code of 50,000 words selected from the English, French, German, Latin, Italian and Hindustani languages—which it is declared by the Chairman of the Eastern Company would be sufficient for the requirements of commerce—and to apply a single rate for each word in this code, but a double charge would be made for any words other than those contained in it.

The carrying out of such a scheme would cause a total disorganization of the present system of working with figures and retranslating into words which has been generally adopted by merchants, and in the opinion of this Chamber an endeavour should be made to resist this attempt of the Telegraph Companies by an unanimous action on the part of all mercantile communities interested in maintaining the arrangements now in operation.

The adoption of an authorized code of 50,000 words is advocated by the Chairman of the Eastern Company on the ground that "the occupation of the lines for the repetition of words wrongly transmitted is not only a loss to the Companies but inconvenient to the public, other telegrams being delayed, while mistakes are remedied." But it can be shown beyond doubt that the transmission of messages in figures only, including entire repetition, would occupy less time than word messages require. Indeed it was the suggestion of the late Director-General of Telegraphs in India that merchants here should put their codes into figures as best suited the Telegraph Companies; and as most of them did so they have now to translate their messages into figures and retranslate them into words.

The Committee have no objection to an authorized code, but they consider that a code containing only 50,000 words is not sufficient for the requirements of commerce; that at least 100,000 words are necessary; and that the use of such authorized code should be optional with merchants. They have no doubt in time its use would become general as new codes were prepared, but in the meantime they suggest that a united representation be made to the Companies and to the Government Director-

General, advocating that merchants be allowed to continue using their present codes, and that 5 figures should be taken as one word without repetition charge, as also Whitelaw's word combinations and any others based on the same principle.

The Committee would be glad to be informed if your Chamber is willing to join in a general protest against the proposed alteration, and in a request that all words or word combinations not exceeding 10 letters, similar to those referred to, be admitted and 5 figures be received as one word without extra charge. Should such a protest fail to bring the telegraph authorities to reason, the publicity that will thereby be given to the unpopularity of the present lines will probably lead to competition, as a new deep sea cable could now be laid down at greatly less than the last one cost. Such a result would equally meet the mercantile wants, and such a line working correctly would certainly command the support of the Calcutta merchants.

An early reply will oblige, as it is advisable that this matter be fully gone into long before the next Congress meets.

TELEGRAPH CIPHERS.

Copy of correspondence between the Government of India and Messrs. JAMES FINLAY & Co.—Glasgow.

Copy of letter to the MARQUIS OF SALISBURY, dated 12th March 1878, from JAMES FINLAY & Co.—Glasgow.

We beg to be allowed to bring under your Lordship's notice, the following papers enclosed herewith:—

1. Copy of a memorial to Lord John Manners, the Postmaster-General, on the subject of ciphers that may be

used for telegraphing. All the firms who have signed the memorial along with us are of the highest standing and reputation in the Eastern Trade.

2. Copy of the useful little work referred to in it.
3. Copy of a correspondence between the Calcutta Telegraph Office and our firm there, Messrs. Finlay, Muir & Co.
4. A few specimens of telegrams received by us containing the words in question.

With regard to the first two enclosures we would respectfully solicit your Lordship's favourable consideration of the memorial to the Post master-General, so far as the Indian Government are concerned.

On the correspondence between our Calcutta firm and the Calcutta telegraph officials, we would remark that we ourselves compiled 100,000 words, not exceeding 10 letters, from the dictionaries of four or five European languages, which we had in use up till July last year, when we began to use the words published by Mr. Whitelaw. The benefit of Mr. Whitelaw's words over our own is that they bring a large number of ciphers into a small compass, so that when a word is mangled in transmission it is very readily deciphered. They are thus a great practical benefit, not only to the receivers of messages, but also to the Telegraph Companies. They do not save anything whatever in the cost of our telegrams, but since July last we have had upwards of 500 messages from Calcutta alone, similar to the specimens enclosed, and we have not had occasion to ask for a repetition in a single instance. We therefore think that we have a reasonable ground of complaint against the Calcutta telegraph officials who have

gone on accepting these words for six or seven months in lengthened messages (surely a long enough prescription to establish their use) and then all of a sudden object to them. We would also remark on the reason which they give for their procedure. First, in their letter of 26th January, they say the words are not language at all: on which our Calcutta friends point out that they are language, and most intelligible language: then in their subsequent letter of 30th January the telegraph officials shift their ground, and write, "it cannot reasonably be held to be in accordance with the usage of any language indiscriminately to join any prefix to any affix"; but this remark, which is a perfectly just one in itself, shows an entire misapprehension of Mr. Whitelaw's combinations, which are formed on the principle that any affix of the name of a place may be rightly combined with any descriptive adjective, or any proper name of its own language. After the interesting works of Dr. Forstemann in Germany (*Die Deutschen Ortsnamen*) and the Rev. Isaac Taylor in England ("*Words and Places*") we should not have thought that this principle would have been gained at by any one of intelligence of the present day. But even if so high authority could not be appealed to, we think, to put it on the very lowest ground, that the word combinations should come under the rule that cases of doubt are to be decided in favour of the sender of the message.

We have every hope, therefore, that the result of our application to your Lordship will be the reversal of the decision arrived at by the Calcutta telegraph officials.

Copy of Telegraph Superintendent's letter, dated Calcutta, 26th January 1878, to Messrs. FINLAY MUIR & Co., Calcutta.

I am desired to call your attention to the fact that inadmissible groups of letters are used in your foreign messages, e.g., in No. 350 of the 17th instant, there occur "Maniknagar," "Ekrupparah," "Sydmouth," and in No. 396 of the same date, "Divarkushk" and "emmottfoot," which are mere combinations of letters and have no existence as words in any language. Letter cipher under the rules of this department is inadmissible in foreign messages, and I must request, therefore, that you will make such alterations in your code as will save us the necessity of referring messages containing it.

Copy of Messrs FINLAY MUIR & Co's. letter, dated Calcutta, 26th January 1878, to the Superintendent, Government Telegraph Office.

In reply to your memo. of date, we would respectfully beg to point out that the words you refer to are taken from a code compiled of geographical names, in accordance with the rule that combinations of words in accordance with the usage of the language are admissible.

The word "Maniknagar," means the "City of Manik," and is in exact accordance with the usage of the language, and the other words you refer to in the same way. We trust this explanation will be satisfactory to you, and if you wish it we shall be glad to show you more fully the principle of the code, and we may add that no objections are taken to it at home or on the Continental lines.

Copy of Telegraph Superintendent's letter, dated Calcutta, 30th January 1878, to Messrs. FINLAY MUIR & Co., Calcutta.

Referring to your letter dated the 26th instant, I am desired to inform you that the Director-General is unable

to admit messages containing such combinations as these under notice. They are not words in actual use, and are therefore inadmissible under the convention.

I am to add that the Director General is well acquainted with the principle of the code, and that it cannot reasonably be held to be in accordance with the usage of any language to indiscriminately join any prefix to any affix; I must request, therefore, that you will, as soon as you can, communicate with your correspondents on the subject, discontinue the use of these combinations and others similar to them in your messages.

Copy of letter from the Under Secretary of State for India, dated London, 17th April 1878, to Messrs FINLAY & Co., Glasgow.

I am directed by the Secretary of State for India to acknowledge receipt of your letter (with enclosures) of 12th ultimo, remonstrating against the opposition of the Telegraph Department of the Government of India to the use of Mr. Whitelaw's code of words for telegraph messages.

In reply, Mr. Hardy directs me to observe that the principle on which the code in question has been prepared is, as you are aware, considered not only by the Indian Telegraph department but also by the British Post-office to be inconsistent with the telegraph rules adopted at the St. Petersburg Convention, and that the use of the code is in consequence equally objected to by both authorities. As long, therefore, as the Convention rules remain as they are, he does not see how the use of that code can be sanctioned, but at the next Conference which is appointed to be held in London in July next, the rules themselves will be revised, and it can then be determined whether such of

them as affect code-language require any, and, if so, what, modification.

Copy of letter from JAMES FINLAY & Co., Glasgow, to the Under Secretary of State for India, dated Glasgow, 19th April 1878.

We have the honor to acknowledge and thank you for your letter of 17th instant in reply to ours of 12th ultimo. With regard to Mr. Whitelaw's code of words for telegraph messages, we would express our very great regret that this useful little work should not receive your official recognition. Up till now we have not received a reply to the memorial to Lord John Manners on the subject, signed by so many of the leading mercantile firms in the Eastern Trade, so that we are not yet aware of the view which the British Postal authorities take of the subject, though we believe they are now giving the work itself a careful reconsideration.

In thanking you for what you kindly mention as to the next meeting of the International Telegraph Conference in July, we would point out that the present question turns on the construction of the present St. Petersburg Rule, which states:—

"Combinations of words contrary to the usage of the language are not admitted."

If this rule were altered to—

"Combinations of words contrary to the usage of the language are not admitted, but combinations formed in accordance with the usage of the language, though they may not be in actual use, are not to be held to be contrary to the usage of the language."

We really do not think that it would imply any more than it does at present, and it is precisely on this construc-

tion that Mr. Whitelaw's work is founded, it being merely a compilation of names *actual and possible*.

If, however, at the next meeting of the International Conference this construction of the rule could be established beyond doubt, it would be a very great boon to all of us in the Eastern trade, and it is for the purpose of placing this before you, in the hope that the Indian office may use its influence to bring it about, that we again trouble you on the subject. We could easily show from our own experience that increased facilities for telegraphing, by the free use of all legitimate ciphers, tend to a greater revenue to the telegraph lines, because, although we are enabled to telegraph freely on any particular subject more cheaply, yet the number of subjects telegraphed about is far more, and the information given much more complete than when we are restricted in our use of ciphers.

Copy of letter from Major J. U. BATEMAN CHAMPAIN, Director-in-Chief, Indo-European Government Telegraph Department, to JAMES FINLAY & Co., Glasgow, dated London, 26th April 1878.

I have read with much interest a packet of correspondence from yourselves and others about Mr. Whitelaw's code of words for telegraph messages.

I am not authorised to communicate with you officially on the subject, but as I have had, and may again have, a voice in the discussion of this and similar questions at the Conference, I trust you will let me trouble you with one or two remarks.

I should like you to look on this note as merely an expression of my individual opinion.

I freely admit the necessity for employing codes. I think their use should be encouraged by the administra-

tions, and, moreover, it seems to me that Mr. Whitelaw's scheme is ingenious, simple, and sound in the abstract.

On the other hand, certain rules have been, as you are aware, laid down by the Convention, and I cannot help thinking that under them, as they now stand, the code is not admissible.

Permit me to say that I believe you somewhat misapprehend the real intention of the regulation you quote: "combinations of words contrary to the usage of the language are not admitted."

This regulation was meant to prohibit the tender, as single words, of such expressions as—"Wireanswer" "Sendreply," "Starttoday," &c., &c., &c.

Our unit for measurement is, as of course you know, the word. Our tariffs were originally fixed on the supposition that a word would average 5 or 6 letters, and at first words of no less than 7 syllables long were accepted, with the idea that these would be very rare and that short words here and there would counterbalance them. But the general adoption of codes on long lines soon ousted all the short words, and we were forced to come down to 10 letters as the minimum length of a single word.

Now, I have always maintained that, in principle, telegraphy should, like everything else, be paid for in proportion to the labour exacted. If I employ a painter to write a long name over my door I have to pay him, I suppose, more than for a short one. In theory, therefore, it ought not to matter to me whether "wireanswer" were transmitted over my wires, or "photograph," both consisting of 10 letters, and in theory, therefore, a letter tariff would be more logical than a word tariff. But in practice the adoption of the former would give rise to immense trouble,

and for the present at least the limited word is the standard. Now, our lines though largely supported by the mercantile houses—code users—are not exclusively for their benefit; and as indicated above, tariffs were originally framed for plain language. Latterly, of course, we have not been blind to the increased employment of codes, but we have never bargained for every word being up to the maximum. I am not now arguing about what the conditions ought to be, I am merely pointing out what they are, to show that if our charges were fair for words averaging 5 or 6 or even 7 or 8 letters, these charges should be raised, if, by the universal use of codes, no word less than 10 letters long were ever tendered for transmission. It is exceedingly difficult to devise a set of rules which shall not be liable to abuse by one class of senders, or else too stringent for another.

It is difficult to say even what is a fair word. Our practise is not to question such combination as "racehorse," "blackbeetle," "lanplight," &c., &c., because these are already in actual use. Again, "Liverpool" being the name of a place is of course a perfectly fair single word, but I should say that "elbowpool," although no longer and no more troublesome to the signaller, should not, strictly speaking, be accepted, because I assume that no such place does exist. "Forget-me-not, if it were only 10 letters long instead of 11, would be one word, because it happens to indicate a particular object, but "rememberne" would be two, because it does not represent a particular object. The reason for this, whether good or bad, is obvious. Our standard is the word, not combinations of letters or syllables, nor strings of words up to 10 letters.

Such being the case, if we admit Mr. Whitelaw's combinations would it not be open to any deviser of a rival code

to argue that, as the usage of the language admitted "forget-me-not, 3 separate words, to be tacked together and to form a single group, so any other 3 short words might be combined. At present our reply is," these may some day or other be combined and get into general use, but hitherto they have not been: we do not consent to new words being coined by a code-maker; he must content himself with "those already established." If we allow the innovation, up goes every group to the maximum, and as a reasonable consequence up go our tariffs also: the sender of plain language or short code words being the sufferer.

As far as I am concerned I would gladly see Mr. Whitelaw's code legalised, if it could be done without opening a wide door to other systems which would vastly augment the signalling labour and make the word standard an absurdity.

I shall be very glad indeed to receive any further suggestions from you if you should think it worth while to answer these rather hasty observations.

Copy of Letter from JAMES FRYLAY & Co. Glasgow to MAJOR J. U. BATEMAN CHAMFAIS, dated Glasgow 30th April 1878.

We beg to return you our best thanks for the courteous unofficial letter addressed to us under date 26th instant on the subject of code words for telegrams. We have often thought that it would be well if the telegraph officials were to discuss this matter freely with such firms as ourselves or any of those who signed the recent memorial to the Post-master General, and who have a large and varied telegraph correspondence with the East, so that they might see what the necessities of business require, as we think it would be found that the real interests of mer-

chants and those of the telegraph lines are not antagonistic. We can also say both for ourselves and all our respectable neighbours that we are most anxious to keep within the rules laid down from time to time, and, while taking full advantage of them, we would not willingly seek to evade them in any way. We shall, therefore, express our views fully on the points you have referred to:—

1. *The 10 letter limit.*—It seems to us in every way right that there should be a limit to the length of a word for a single tariff so as to prevent the use of too long words. In fixing this at 10 letters we think the Conference selected the very lowest maximum that would have been at all endurable. This rule gave immense trouble and inconvenience at the time when it took effect, but we have all now become accustomed to it, and we trust it will be allowed to remain as a lasting settlement of this matter, fair to the telegraph lines on the one hand, if pressing somewhat too restrictively on senders of messages on the other.

In selecting words for telegraph codes, merchants endeavour to weed out those too neatly alike one to the other: that is, words which through bad writing or carelessness may be mistaken one for the other, or mutilated, as well as those which have nearly the same telegraphic signals. Now if 1000 words, of say, 7 letters, are taken from any dictionary, and also 1000 words of 10 letters, it will be found that the rejections out of the 7 letter words are much larger than out of the 10 letter words. No firm with a business of any extent to the East can get on without a code of at least 15,000 to 20,000 words, so that undoubtedly the tendency of code words is necessarily thus towards a high average. The

telegraph lines, therefore, must take into account that in code words the 10 letter limit will on the average be nearly approached, and fix their tariff according to what their experience shows them the average length of messages—code and non-code—with a 10 letter limit, is over a period. They have now had nearly three years experience of this. The question of rate per word is not one for merchants. The telegraph lines to the East are worked very efficiently, and no one expects that they will be carried on at a loss to their shareholders. The following considerations, however, may perhaps be found useful on this question. Our daily experience shows that there are three different kinds of telegrams:

- a. What may be called *necessary telegrams*, that is about business or events arising which must be telegraphed about; for these codes are at their best sometimes no help at all, and often only a partial help. Circumstances are continually arising which no codes can provide for, and the more urgent and important the matter the more explicit the message must be.
- b. What we call *information telegrams* principally for market information, statistics, &c. It is for these that codes are of the greatest benefit, and although they practically give the merchant a low tariff for each item or quotation still they tend to an increase of revenue to the telegraph lines. Of this, we select the two following practical instances

These two instances will show the tendency of a low tariff with this class of messages to increase the revenue of the telegraph lines. Merchants will always pay more for their own exclusive market information, but when this costs beyond a certain amount,

then they will either subscribe to Reuter's scheme, or several of them club among themselves for a regular telegram addressed to one, but communicated on receipt to all, and the expense shared among them. This subscribing to Reuter or clubbing otherwise is what a high tariff, or, what comes to the same thing, restricted ciphers, directly encourages, and its tendency, therefore, is greatly to diminish the revenue of the lines.

- c. What we will call *telegrams depending on the cost*: cases daily occur where the question arises—"Is it worth while telegraphing about this"? "Shall we write or telegraph"? "Shall we telegraph or leave it to ourselves"? "Is it worth while having an answer by wire or shall we wait for the mail"? and these questions are usually determined by the cost of the message. If we happen to have a code phrase or phrases suitable to the case a message is generally sent. If not, it is not sent.

Therefore, practically, the effect of a full tariff combined with a free selection of code words is to give the telegraph lines the benefit of their full tariff for the messages which we have called "necessary messages," and for the other two classes of messages, the free selection of code words gives *both the merchants and the telegraph lines* the benefit of what is equivalent to a low tariff. In this respect the interests of both are identical. It should also be borne in mind that, as a rule, those who send the greatest number of code messages are also those who send the greatest number of non-code ones.

Telegraph officials usually are so inimical to codes of every kind that it was a real pleasure to us to read the

broad and liberal views of this matter expressed in your letter, and we believe the remarks we have just made will tend to support the conclusion, at which you have already arrived, that the use of codes should be encouraged by the administrations.

2. *Mr. Whitelaw's Words.*—As just mentioned, what merchants want are ciphers not too nearly alike the one to the other, and it is also a great object to get a large number into a small space, so as more readily to decipher words mutilated in transmission. This Mr. Whitelaw's scheme does in *what we believe to be the only legitimate way in which it can be done.* For the rule that "any affix for the name of a place may be attached to any proper name or any descriptive adjective," is as clearly a usage of the language as the practice of adding "er" or "est" to adjectives, as strong, stronger, strongest, or of adding "ed" to verbs or "s" for the plural and possessive case. Indeed, the usage with reference to place—affixes is the oldest of all, for these learned in these matters tell us that "et" and "est" are only contractions of the separate words *more* and *most* (we have a survival of the old practice in *kindness*) and it is not so long ago since our ancestors wrote "He love^d hid," "John his hat," for what we now contract to "he loved" and "John's hat." Mr. Whitelaw's work, therefore, rests on what is the oldest and most widespread of all literary usage.

Since receipt of your letter, we have analysed Whitelaw's combinations, and the following carefully checked statement shows the exact average length of his words:

	English	German	Hindi
Words of 5 letters	19	6	0
" 6 "	219	55	36

	English	German	Hindi
Words of 7 letters	1,516	397	438
" 8 "	5,731	2,711	3,558
" 9 "	13,867	3,304	11,846
" 10 "	14,958	14,427	20,922
	36,300	26,900	36,800
average	9.15	9.39	9.44
average of the whole		9.33	

It will be seen from the foregoing that the English words average least: the Hindi most. The English Post-office expressed a great dislike to the Hindi words, probably because they are not accustomed to them, and we understand Whitelaw offered to have the work revised by omitting the Hindi entirely and confining it, if possible, to English only, if no objection were taken to its principle. When the work was first prepared, we are informed the main object kept in view was "words not too nearly alike;" the other object of "as short words as possible" was not thought of. But if the work were revised, keeping both objects in view, very probably an average of considerably under 9 letters would be attained.

Every word in Whitelaw's prefixes is either an adjective or a proper name in actual use, and every word in his affixes an actual affix in use for the name of a place. But a great part of his combinations, it may be said, do not represent actual places. The answer to this is that there is every difference between a fictitious word and an illegitimate word. Fictitious words, if formed in accordance with the principles of the language, especially for names of places, have everywhere been recognized as legitimate in literature so long as it has existed. But before it could

positively be asserted that any one of Whitelaw's combinations is not actually in use, a complete gazetteer of all the local names in England, Scotland, Ireland, the United States, Canada, Australia, Hindostan, and all German-speaking places, would have to be referred to, and no such complete gazetteer, or series of gazetteers, exist, anywhere.

3. *Illegitimate words.*—We entirely concur in the view that these should not be accepted by the telegraph lines. The instances you give of "wireanswer," "sondrepoly," are quite against the usage of our language, which does not admit of the combination of verbs either with their object or subject. It appears to us that if a properly constructed scheme, such as Whitelaw's, were recognised, so far would it be from sanctioning and encouraging such practices as you seem to fear, that it would remove the temptation to use these spurious words, because undoubtedly they do fill up the need that merchants experience of a large number of ciphers in a small space.

Further, we think with you, that words in actual use which are exceptions to a general rule of word-formation cannot be regarded as establishing a rule for like exceptions. The instance you mention of the flower "forget-me-not" is one of these, so also the scent "kiss-me-quick." They are only licences, not rules. When Dickens framed his word "Estanswill," (eat and swill) and Scott his word "Dryadust," (dry as dust) they took a similar licence, but when they formed the words "Muggleton" and "Ganderclough," they went by established rules. "Atone-ment" is another word of exceptional origin; two Saxon words and a Latin affix—at-one-ment—quite contrary to all rule. Such words can only be taken because they are in use, not because they are in accordance with usage.

The phrase you mention, "remember me," could not be combined by English usage, but curiously enough it is the practice in Italian to combine these pronouns with the imperative of the verb: as "rispondetemi," answer me, &c. One language thus admits of combinations which another does not, and this distinction should be kept up. Your reference to *Liverpool* we think would be explained by considering "Liver" as a colour. We have "Blackpool" in the same way.

4. In present circumstances what we suggest is, that Whitelaw's code, as it is, be recognized while the present St. Petersburg rules last; that if the conference in July makes no alteration in the present rules, then Whitelaw revise his code in accordance with the proposal he has already made to the Post Office, selecting the shortest words he can find, and replace the copies now in use with the new edition. Further, we believe that it will both be for the interest of the telegraph lines and the mercantile community that no alteration be made in the present St. Petersburg rules, but we think that a very practical arrangement as to word-combinations would be something like the following:—

That all words and word-combinations formed in accordance with the usage of the language to which they belong be accepted; but when such words as are not contained in the ordinarily accessible dictionaries, directories and gazetteers, or other works recognized from time to time by the telegraph authorities as containing words or word-combinations in accordance with usage (all which works the telegraph authorities should be bound to recognize) be presented for transmission, it will be obligatory on the sender to satisfy the telegraph clerk that the words in question

are proper and legitimate words. Failing this, the message may be refused, or a double tariff charged for the words in question.

We think such a rule as this would entirely protect the telegraph lines from spurious words, and we throw it out as a suggestion for consideration.

Copy of letter from MAJOR J. W. BAYMAN CHAMPAIGN, Director-in-Chief, Indo-European Government Telegraph Department, to JAMES FRYLAY & Co., Glasgow—Dated London 7th May, 1876.

I have to thank you for your very clear and valuable statement dated the 30th April. I wrote you a short note explaining why I was unable to reply at once.

You divide your remarks under four heads which I will, with your permission, take in order.

With all you say under head 1, I so cordially agree, that I will merely observe that I have no reason to suppose the ten-letter limit now in force will be altered. As I hinted in my former communication, suggestions for a letter tariff were tentatively put forward but met with little encouragement, and the great majority of the administrations are, I am persuaded, averse from any change. I should myself deprecate it on many grounds, one of which would be that it would lead to a complete revision of all the codes in use and entail great inconvenience and loss on the mercantile houses which use our wires. Your analysis of the different kinds of telegram is interesting and instructive.

Under head 2 you refer to Mr. Whitelaw's code, and were the question under discussion a philological one I don't think I would presume to, carry on the argument. Every one of Whitelaw's combinations might, no doubt, be

a perfectly correct name of a place, infinitely superior to many of the barbarous compounds used to christen the new towns and villages which daily spring up in America and the Colonies.

But the question is, I submit, not what might be, but what is. Were I a telegraph clerk, and were one of Whitelaw's messages handed to me, I should accept it without question, presuming that the place mentioned did exist. But if, when you offered the message, you gratuitously informed me that the names were freshly coined and not *bona fide* names of existing places, I should, under the strict interpretation of the convention rules, be right in declining to forward them. At least that is my view of the case.

As regards your remarks under 3 (on illegitimate words) they are no doubt strictly correct, but it would be impossible to expect that an ordinary telegraph clerk would be acquainted with the rules which ought to prevail even as regards his mother tongue.

"Risponde'temi," is an example of what is meant by the Convention rule as to "usage of a language;" except for the ten-letter limit it would be distinctly one word, because it is the practise in Italian to join *anser* and *me* together. In English it would not be allowed.

I hope you will not think me very obstinate if I say that I am still of opinion that Whitelaw's code, which coins combinations of parts of words, however correct by linguistic law, is not admissible under the code as it stands. But, for my part, I would never press the application in such a case of rules which are manifestly arbitrary and imperfect.

I think it might be well to effect a kind of compromise and strike out the Hindi portion. If Mr. Whitelaw will agree to this, I believe I can get permission from the India Office to plead the case with the Post-office authorities and induce them to waive the objection. The Eastern and Indo-European Companies would, I am sure, agree, and so the code could be in force by mutual consent on the lines to India without our entering into a long correspondence with the object of changing the international regulations. I make this suggestion because (as you may have heard) the Telegraph Conference has been put off until June 1879.

Copy of letter from JAMES FINLAY & Co., Glasgow to MAJOR J. W. BAYENAS CHAIRMAN, Director-in-Chief, Indo-European Government Telegraph Department—dated Glasgow, 10th May 1878.

We are in receipt of your favor of 7th instant, and beg to return you our best thanks for the kind consideration which you have given to our letter of 30th ultimo. We notice with much interest that the ten-letter limit is not likely to be altered, and also that the conference has been put off till June 1879.

As regards Mr. Whitelaw's words, we have no doubt he will see his way to re-issue his work in English and German only, and that he will do all he can to make the words as short as possible.

To the Right Hon'ble Lord John Manners, Post Master-General for the United Kingdom.

We beg to be allowed to solicit your kind personal consideration of some points with reference to Extra-European telegrams, in which we consider that the facilities as to the use of some classes of words, allowed to senders of messages by the St. Petersburg Convention,

1875, have been considerably restricted by the regulations of the English Post-office, and as the firms who sign this letter spend, in connection with their correspondents abroad, many thousands a year in telegrams, we hope that it will not be considered out of place for us to submit these points direct to your Lordship.

The St. Petersburg Convention of 1875 reduced the maximum length of the word to 10 letters, and though, we think this the very lowest maximum which the public would have endured, and though the alteration put all of us to immense inconvenience and trouble at the time when it took effect, still on the whole, as between the public and the Telegraph Companies, it may have been a fair and necessary arrangement to prevent the use of too long words. But in restricting the length of the word to 10 letters the St. Petersburg Convention allowed the following facilities:—

- (1.) That messages may be sent in any one of the languages used in the territories of the contracting states, or in Latin.
- (2.) That all word-combinations not contrary to the usage of the language to which they belong, so that the combined word does not exceed 10 letters, should be admitted,—cases of doubt being decided in favor of the sender.

Taken in connection with the restriction of the word to 10 letters, these last regulations seem to have been conceived in a liberal spirit towards the senders of messages.

The points in which the regulations of the English Post-office have narrowed these rules are as follows:—

- (1.) They direct that all messages be sent only in European languages, although the Government of India

and the Persian and Egyptian Governments are parties to the Convention.

Thus, the Post-office rule would include Turkish, Russian and Greek, but exclude Hindustani, Persian and Arabic, though, we believe, these three last languages are better known in this country than the three first.

(2.) Instead of "word-combinations not contrary to usage" the Post-office rule restricts words to dictionaries, gazetteers, &c. Now in such languages as English, German, Dutch and Hindustani, no dictionary published gives all the possible combinations, but there are certain clear and simple rules of combination running through all these languages which distinguish, quite easily, legitimate from illegitimate combinations. The Post-office rule as to gazetteers is equally restrictive, as there is no such thing as a complete gazetteer containing all the local names of any one country, nor any complete dictionary of the names of persons and places in literature.

Mr. Whitelaw, the Manager of the Queen's Printer's Warehouse, 43 Fleet Street, London, lately published a little work, a copy of which is sent herewith, containing in a short space 100,000 ciphers, which has been used by some of the undersigned and found a great convenience, inasmuch as words mutilated in transmission are readily discovered by it. It appears to us that it would be for the interest of all parties, not only senders of messages but also the Post-office and the Telegraph Companies, that this work should be officially recognized, as it would save numerous repetitions which at present are daily required. The work is made up on a principle of word-combination laid down by the best authorities on the subject, which has been in use by our Saxon forefathers and in Germany

and India for actual names of places from time immemorial, and by all English, German, and Indian tale writers for fictitious names of places, so long as literature has existed. The principle simply is that any affix for the name of a place—such as "ly" or "ford" in English, "berg" or "dorf" in German, and "bagh" or "poor" in Hindustani—may be rightly combined with any descriptive adjective or any proper name. In no way, therefore, can it be called contrary to usage, but we learn that there is considerable hesitation among the Post-office officials in recognising this useful work, although application has been made for that purpose.

We have therefore respectfully to solicit your Lordship's kind attention to these points. We have every hope that you will agree with us that the English Post-office should not restrict the facilities of senders of messages in this country in the use of legitimate words, nor place them in a worse position than in those countries where, the St. Petersburg rules are given full effect to, or are liberally interpreted. What we beg for is—

(1) That messages may be sent in any one of the languages used in the territories of the States which are parties to the Convention, or in Latin.

(2) That all word-combinations, not contrary to usage, be admitted; cases of doubt being decided in favour of the sender.

(3) That any such work as Whitelaw's, made up on a clearly established philological principle, be recognised as a dictionary of word-combinations according to usage.

It will be sufficient if the reply with which your Lordship may favour us be addressed to the first of the undersigned.

From Messrs. JAMES FISLAY & Co., Glasgow, to the Managing Director, Eastern Telegraph Co., Ltd., London,—dated 25th June 1878.

We were duly favoured with your letter of 19th instant, as to your claim on us for double tariff on 16 words in our message to Calcutta of 14th instant. In order quite to clear up this question, would you kindly permit us to make the following enquiries?

1. Whether the resolution referred to in your Company's letter of 5th instant was ever intimated to the public, as we ourselves had received no notice of it; or whether, after going on accepting from us and others a particular class of words for about a twelve-month, you think it altogether right, or even considerate, suddenly, without notice, thus to put them down? We should mention that the use of Whitelaw's combinations made *no difference* in the cost of our messages. We merely preferred them to our own collection of words from ordinary dictionaries, because of their great accuracy and the facility with which mutilated words were discovered. We have seldom had occasion to trouble you for repetitions of these words.

2. Whether, in coming to the resolution referred to, any philological authority was consulted, or whether, in deciding that the words were not in accordance with literary usage, the telegraph officials merely acted on their own opinion?

3. Whether the objection applies to the German combination as well as the English? We should like to understand exactly as to this, because the Post-office officials in an interview with them on the subject expressly stated the German combinations could not be objected

to. The words, used were: "We must take them, we cannot help ourselves."

4. What is the date of the letter of the Post Master-General of which you favour us with an extract?

5. Might we ask you to explain what practical difference the single-word tariff made to the public or the Companies. Previously all short messages went through Reuter. It must have made a great difference, rather unfairly as we thought at the time, to Reuter, but for whose organisation we do not suppose that the word-tariff would have been introduced.

6. Would you kindly state what facilities you refer to in your letter to the "Electrician, when you say that *"every facility given has been at the expense of Revenue."* All the alterations made by the St. Petersburg Convention were *restrictions* on previous practices; that these *restrictions*, making due allowance for the material increase in traffic, have led to a loss to your revenue is exactly what our experience indicates and your corroboration of this is very instructive, and if the mercantile community were further restricted to a collection of 50,000 code words the immediate effect would be a further decline in your revenue.

As bearing somewhat on this subject, we may mention that an item of our telegraphing is two weekly messages from Calcutta, with a variety of quotations, which cost us about £7-10-0, or say, £400 a year. Some 10 of our neighbours in the trade receive a similar message.

Only last week a proposal was made to us to join in a weekly freight message to be distributed on receipt to all. This, you will see, would save us about £360 a year, while it would reduce your revenue by £3,000. Now we

are very averse to these messages in common, and would rather avoid them, but your recent action, if persisted in, will force us to make some such arrangement in this and a good many other matters, and for other places than Calcutta.

From the Managing Director of the Eastern Telegraph Co. Ltd., London, to Messrs. JAMES FINLAY & Co.,—dated 6th July 1878.

On receipt of your letter of 25th June, I found myself engaged replying to a letter in the "Electrician," signed *Anglo Indian*, and as the views there expressed are similar to those contained in the letter received from you, I have endeavoured to write for publication in this week's "Electrician" all I think it necessary to advance on this subject.

In making my appeal to the telegraphing public to use simple words, and giving my reasons for it, I did not anticipate the possibility of irritating any one.

Ever since the St. Petersburg Conference we have tried as far as possible to tolerate exceptional words, and so long as they remained exceptional and only resorted to by two or three firms we did not care to make any objections. During the last twelve months, however, the correspondence and daily telegrams from and to India on this subject compelled us to reconsider the matter, and adhere more closely to the exact terms of the Convention, especially as the use of combinations of all kinds was a growing evil. We considered the intimation to our customers sufficient notice to establish an understanding that we were obliged to adhere strictly to the established rule.

As to your second question, whether we consulted with any philological authority in deciding what words were, in

accordance with literary usage; we certainly did not do so, and had such a person been amongst us I feel convinced we should have been obliged to ask him to retire, or we never could have come to an agreement. It is almost as much as can be expected, I think, from busy men to deal with all the languages in existence without considering what might be created for the special purpose of telegraphy.

3. Our objections apply to German and all other combinations. What the Post Office probably mean, when they say they cannot help themselves, is that the German language is so elastic that it is very difficult for those who do not know it to detect the combinations.

4. The date of the Post Master General's letter is 28th March 1878.

5. In my letter to the "Electrician" I have given examples of the effect of the single-word tariff upon our Egyptian revenue, and I see the same result growing in the case of our Indian revenue.

It is impossible to make us believe that these combinations are caused by restrictions. It really is not so. The truth is surely that the merchants naturally do what they can to economise in telegraphing. It would be idle on our part to imagine they would not do so. We find no fault, and never have, with packing agencies or with merchants for conducting their telegrams. We have recognised it as an outcome of the business, and have sought to go with the stream and not against it.

When the first Atlantic Cable was being laid in 1865, the word and letter tariffs were discussed, and for some time £1 per word was a favorite idea, but as the whole thing was an experiment it was deemed advisable to have a minimum of £20 for 20 words.

Then came the minimum of ten words; next, the facility of the single-word tariff at a rate and-a-half, and lastly, a single code word at the tariff for ordinary language. All these we brought about at the Conference, and they were neither understood nor appreciated by the Delegates until argued out again and again both in Committee and full sitting, and the meaning of language was always meant to be, and said to be, words in dictionaries or gazetteers.

I hardly think it necessary on your part to defend Reuter's Company. They can very well take care of themselves. Baron Reuter was one of our colleagues on the Boards of the Atlantic Cable Companies at the time of both the Rome and St. Petersburg Conferences. The Chairman of Reuter's is Chairman of the Indo-European Company, and another of the directors is Chairman of another Cable Company; so they were quite alive to the changes proposed to be made by the Companies at the Conference. We have never had a dispute with Reuter's, nor have we ever found fault with their code words. They give us a reasonable average and we have never endeavoured to upset them or any other packing agency, but on the contrary have helped three of these Agencies, which were struggling for existence, to make a livelihood, although two of them at last succumbed. We could have wound them up any time for two years, but did not do so, preferring to give as much facility, within reason, as possible.

You ask what facilities we have given at the expense of revenue.

I put them down thus:—

Duplication of cables to carry the traffic, although one might have sufficed; but having two enables us to do it

with greater speed and with security to the merchants as well as to our revenue in the event of one breaking.

We have *duplexed* these cables also entirely in the interests of speed.

We have adopted *recording instruments* of the most perfect kind that can be invented in the interest of accuracy at a great outlay, requiring additional clerks at every station.

The speed with which you get your messages will, I think, confirm what I have said.

Again, we allow merchants to *register* their names and address as one word.

We have *leased an independent wire* from our London office to Marseilles at a cost of £6,000 a year paid to the Post Office and Submarine Company, and, previous to, our acquiring a new concession from the French Government, at an additional cost of £4,000 a year to that Government.

We *lease a direct wire* to the Land's End at a cost of £1,500 a year.

All this we could do without were we not seeking not only to go with the times but to be in advance of all requirements if possible, and the one thing that beats us so far is the difficulty of being accurate.

I do not know why you read my letter to yourselves as admitting on my part that the "restrictions" we have established at the St. Petersburg Convention have led to a loss of revenue. I cannot admit that I have said anything of the kind.

In the last paragraph of your letter you tell me that ten of your neighbours desire to combine for one message instead of each having their own. I scarcely think I have

anything to do with that. Merchants, I am sure, know their own business too well for me to give an opinion as to whether it is best to combine or not. I do not think, however, that they would spend even £1,000 a year for the sake of obliging* the Telegraph Companies. If I am wrong in this I can only express my thanks for their liberality.

Finally, I would like to assure you that all the managers of telegraphs whom I know have held the same strong opinion as myself, that we should have as few restrictions as possible.

I was an advocate for some time for Phonetic language, —in fact not to care what words were sent so long as they were of a given length and did not unduly occupy the line.

It is only experience which has taught us to see that words of unusual character, ciphers, and letters, retard our work, and occupy the line so much longer than plain language, that we are compelled to consider the matter from the point of view of getting paid for the work done; and, further, it is obvious to us, with the numerous examples before us of different commercial codes, that the liberty of combining letters or syllables as proposed by Whitelaw and others, goes further than we ever anticipated, and the effect is obviously a growing reduction of our revenue.

It has always been a matter of regret to us that in the case of Egypt we did not establish a minimum, as the loss from first to last has been continuous. A very large proportion of the messages consist of only one or two words or one group of figures, while the preamble can never be less than four words, which are not charged for.

We are dealing with a comparatively new business and learning our lesson as we go along. We have done nothing

to show high-handedness or discourtesy, or to irritate, but we have tried to the best of our ability to see what the mercantile community desire, and to go with them as far as possible.

You may possibly wish to know what I mean by *etc.* Whenever any new feature arises which seems somewhat embarrassing, our plan is to invite a meeting of the managers of all the Cable Companies and representatives of the Postal Telegraphs, the Persian Gulf and the Indian Telegraph Departments, to consider the question advanced, and, as far as possible, uniform action is taken.

The American lines have accepted the same rules as ourselves as far as they can, but they are dealing with the Western Union Company of America, which is a gigantic enterprise and declines any control by European rules.

The Directors of the Telegraph Department in India and several of the Directors of these companies are strongly in favor of a letter tariff, to which you will see I have referred in my letter to the "Electrician." We must look it in the face. If we are to have unlimited combinations, legitimate or illegitimate, the tariff must at the outset be so high that those who have not studied the question will think it an outrage.

If combinations of letters or words are to be made unlimited, then every transaction with prices, even to fractions, can be expressed by one, two, or three words, and at the present tariff it is certain this would not pay.

I quite appreciate what *Anglo-Indian* says in the "Electrician," that this leads to enquiries, explanations &c., but that is only incidental.

A great portion of the telegraph work can be done in such a condensed form that a very few words will express anything, and if that is to come to pass I, for one, would have no objections. It is solely a question of tariff.

If, for example, the Government would guarantee a moderate dividend, any tariff and system might be very well tried, but if we must watch our expenses to pay a dividend with the costly repairs of sub-marine cables and expensive apparatus, requiring skilled clerks for working them, we must exercise our judgment as to the amount of work it represents a given tariff.

I regret to find you have withdrawn your business from our line, and so have several others. We seem to have been the first who have irritated some of the firms, just as the Indo-European have offended others who have come to us.

I can only hope that a little time and calm consideration of the relative positions of the companies and the mercantile community will bring about a better understanding.

I shall hope this may end any correspondence on the subject:

To the Director-in-Chief, Indo-European Govt. Telegraph Department,—dated Glasgow, 24th August 1878.

Referring to some correspondence which we had with Major Champain, who we understand has now left for India, about Telegraphic Ciphers, in May last, we beg to enclose copy of a letter which we have addressed to-day to the Post office as to the use of Hindustani words in our telegrams to India. The rule, as given in the Bombay directory, of your department, seems clearly to include this

language, and it does seem absurd that the principal language in the dominions of the Empress of India should not stand on the same footing for telegraphic purposes as the less familiar European tongues. We are extremely anxious to keep within your rules, but the Rule 4, Art. 6 seemed so clear, that we had no doubt at all it included Hindustani. Might we ask you kindly to give this matter your favourable consideration, and anything you may write for our guidance we shall feel much indebted for. The present question applies merely to the Hindustani words in Dr. Forbes' dictionary, and not to any compounds—Whitelaw's or otherwise.

To MESSRS. JAMES FINLAY & Co., Glasgow,—dated London 5th September 1878.

I have not, as you supposed was the case, left for India, but I happened to be absent from town when your letter of the 24th August reached this office and have only just seen it.

Hindustani is not one of the languages indicated by the Indian Administration as suitable for international telegraphic correspondence. I am of course unable to state precisely why Colonel Robinson, the late Director General, thought fit not to include it, but in my opinion he was right in doing so. The difficulties which would arise to the telegraph manipulators would, I fear, be excessive. In rendering the words into our letters the short vowels might, or might not be, admitted, &c., &c., and I must say there seems to me no necessity for its introduction.

I should certainly approve of any system of code which would be of use to the public without imposing undue labour on the signallers; but in my opinion a code form of

Hindustani words would be a certain source of error, repetition, and disputes.

To C. H. D. FAYEY, Esq., *General Post Office, London*,—dated *Glasgow, 24th August 1878*.

In the petition of the merchants in the Eastern trade to the Postmaster-General, in March last, replied to on 29th May, Registered No. 42498, in addition to asking for the recognition of Whitelaw's word combination, his Lordship was also requested to give full effect to the St. Petersburg rule that messages may be sent in any one of the languages used in the territories of the States which are parties to the convention, or in Latin. No reply was sent to this portion of the petition, and we beg therefore again to bring it before you, as yesterday some Hindi words in a message of ours to Calcutta were refused by the officials here at single tariff rates because they were not European.

It was pointed out in the petition of March last that the Post Office rules restricting words to European languages, while it includes Turkish, Russian and Greek, excludes Hindustani, Persian and Arabic, though the three last languages are better known in this country than the three first.

In the rules for foreign telegrams, published by the Indian Government, as given in the Bombay Directory, the following is the regulation laid down. "*Rule 4, Art. 6*" *In what languages messages may be sent.* Messages "may be sent in any one of the languages used in the territories of the States which are parties to the international telegraph convention or in Latin."

And in the articles in the "Electrician," to which we were referred by the Postmaster-General in his reply of

16th May last, Sir James Anderson expressly recognises Hindustani as one of the languages which may be used. He writes:—

"French, German, Latin, Hindustani, and Italian have about 30,000 words of a safe telegraphic character, which the mercantile community can adopt without resorting to any artificial combination."

We trust, therefore, that the English Post Office will no longer stand in the way of our using Hindustani words at single tariff rates. Surely the principal language in the dominions of the Empress of India should stand on the same footing as the less familiar languages of Russian, Turkish, and modern Greek territories.

We send a copy of this letter to the Indian Telegraph Department in Parliament Street, and also to the Indo-European Telegraph Company.

All that we wish at present is to be allowed to use the actual words in Dr. Forbes' Hindustani dictionary, printed in the Roman character, and not in combinations—Whitelaw's or any one else's. Words in dictionaries being understood to infer and include these regular grammatical inflections, as *strong* infers *stronger* and *strongest*.

To MESSRS. JAMES FISLAW & Co., *Glasgow*,—dated *London 5th September 1878*.

With reference to your letter of the 24th ultimo, I beg leave to inform you that the article from the St. Petersburg Convention, to which you refer, does not apply to the admissibility or otherwise of a particular language for international telegraphic correspondence. The Regulation which bears on the point is paragraph II. of rule VI,

under which each administration has the option of indicating amongst the languages used in the territories of the states to which it belongs those which it considers suitable for that purpose. Hindustani has not been indicated as a suitable language by the Indian Government, and is consequently not admissible: I regret, therefore, that the Department cannot sanction its continued use. It would appear from the article in the "Electrician," to which you refer, that the Eastern Telegraph Company have either inadvertently included Hindustani amongst the languages available for code purposes, or are under a misapprehension on the subject, and this has been pointed out to them.

To the Director in Chief Indo-European Government Telegraph Department,—dated Glasgow 9th September 1878.

We beg to acknowledge and thank you for your favor of 5th instant with reference to the use of Hindustani words in telegrams.

Might we ask you kindly to inform us if all the following European languages come within the St. Petersburg rules: Spanish, French, Italian, Latin, Modern Greek, and Turkish. We see there is no doubt whatever that they do, but as we made a mistake about Hindustani, we should like to have our view confirmed.

We enclose copy of a letter received this morning from the Post Office from which it appears that the use of Hindustani rests with the Indian Government, and we would beg to put in the following plans for it, which may be looked on as the views of all our neighbours in the Eastern trade.

(1) It is familiar to ourselves and to most other Eastern merchants.

(2) It is the principal language of the dominions of the Empress of India.

(3) It is a very regular and inflectional language; there are practically no irregular verbs or nouns in it.

(4) The notation in English character is now perfectly fixed by Dr. Forbes' dictionary and Platt's grammar.

(5) The words have all a nice distinctive character, very suitable for Telegraph cipher.

(6) It is an Aryan tongue, akin to English, Latin, &c.

(7) We very much prefer it to the barbarous languages of Northern Europe; for example, take the verb to *speak*, of which the following are inflections:—

Hindustani,	bolna	sprechen
	ega	how much better than sprach
	ten	the German gesprochen
	ungi	spricht.

There are about 1,000 verbs in Dr. Forbes' dictionary all with 10 terminations, so that in Hindustani these would give as 10,000 words, whereas in German we should have to make a long list of 10,000 separate words to do the same thing. It is this which enables us to find out mangled words more readily, and to expunge words too nearly alike; so that, for this reason, it seems to us the Telegraph officials should encourage the use of the smooth southern inflectional languages in preference to the uncouth northern. We may mention that Hindustani is a very fertile language in compounds, and we first thought that we should be entitled to make use of any right compounds, but, on further thinking over it, it does not seem

fair to the Telegraph companies that this license should be allowed, as it is capable of much abuse which they would not be able to detect, and if, now or later on, the Indian Government will name Hindustani as one of the telegraphing languages, we should be quite content that all compounds not found in Dr. Forbes' dictionary be excluded. *The actual words in Dr. Forbes' dictionary, with the ordinary grammatical inflections, is all that we ask for, and we should very much rather use them than German words or Russian.*

Commending these remarks to your usual kind consideration.

To MESSRS. JAMES FINLAY & Co., Glasgow,—dated London 11th September 1878.

In reply to your note of the 9th, I beg to say that the Turkish Language is not one of those indicated as proper for use on the international lines; the others named by you are.

2. I believe that the employment of many of the languages which have been pronounced admissible would, as a matter of fact, be excessively troublesome and would entail infinite worry and loss both on the senders and the administrations.

3. It is the case that a telegram in Polish, Roumanian, or similar dialects is never seen, except in the States neighbouring Poland, Roumania, &c., where these languages are of course tolerably familiar to the signallers. If codes were arranged in these languages, and used in England, all the administrations could do would be to transmit, as best they could, the messages tendered, but to decline to call for repetitions, and of course disclaim all

responsibility on account of mistakes. But I have no fear that merchants would wish to place difficulties in our way when the circumstances are understood by them.

4. As regards the use of Hindustani, I beg to point out that the language, although familiar to you and other Eastern merchants, is *quite the reverse* as regards the great majority of the telegraphists between England and India.

5. The Morse signals are limited in number, see page 73 of the Convention, and we have no means of distinguishing between the several forms of the letters S. T. K., &c. &c.

6. In Forbes' dictionary I think (but I have no copy at hand as I write,) that one or two dots are placed underneath the letters to distinguish them.

7. It would be difficult to arrange some corresponding plan for use on the instrument, and the substitution of a soft for a hard K. of a "Swad" for a "Sin," &c., would entirely alter the signification of a word, and might lead to endless repetitions.

8. The question as to whether Hindustani can be accepted or not is one for the decision of the Indian Department, and I should be sorry to see it decided in the affirmative, as I think the technical reasons against its employment are stronger than those on the other side: but I shall be happy, if you desire it, to forward your letter to Colonel Murray, unless you would prefer to address him yourselves, and explain your views in extenso.

To the Director in Chief, Indo-European Government Telegraph Department,—dated Glasgow 12th September 1878.

We are very much obliged for your letter of yesterday, in reply to what we placed before you about Hindustani words.

It will be quite sufficient if you will kindly send our letter to the quarter with whom the decision rests. We entirely agree with you that it would be unreasonable for us to expect telegrams to be sent in the mixed languages of the different states, but we do think that the leading language of every country, party to the convention, should be allowed: Hindustani, as representing India, and Turkish as representing Turkey. We are very much surprised to find that the Turkish Government refuses its own beautiful and regular language for international telegraphing.

As regards your own particular objection: in the established English notation there are:—

t.	ṭ	3.	3̣	3̣
s	ṣ	n.	ṇ	
d	ḍ	g	g̣	
f	h.	k	ḳ	

These are all the letters so treated, but no one would expect that these distinguishing marks should be telegraphed, and if the language were admitted it should be on this special footing. In Dr. Forbes' smaller dictionary the alphabetical order is English, without any regard to these distinctive marks. In French, *l'acheux* or *l'apou*, the circumflex and the cadille are never telegraphed, and the Hindustani signs in the same way would always be omitted.

We are afraid you will think that we are unduly troublesome: but we make a good use of all the ciphers we can obtain in a convenient form. They enable us to bring much business and business information within the compass of telegraphing, which otherwise could not afford it with the present high tariff.

To the Director in Chief, Indo-European Government Telegraph Department,—dated Glasgow 14th September 1878.

Referring again to our letter of 12th instant, we beg to hand you the following extract from letter of the Calcutta Telegraph Superintendent to our firm there:—

15th August 1878.—“In a recent communication from the Director-General, a list was given of the languages which, under the St. Petersburg convention are admissible in foreign messages. I give it “at foot” and have to express my regret that there “should have been any misunderstanding as to the “admissibility of the Indian vernaculars: a misunderstanding which has, however, I hope, caused you no “inconvenience.”

“French, Norwegian, German, Slavonian, English, “Greek, Polish, Swedish, Bohemian, Dutch, Portuguese, Armenian, Croatian, Hungarian, Roumanian, “Hebrew, Danish, Illyrian, Routhenian, Turkish, “Spanish, Italian, Russian, Flemish, Latin, Servian.

It appears from the above that Turkish words would be admissible, but we should be glad to have the list confirmed by you.

But surely when Croatian, Polish, Routhenian, &c., are admitted, there must have been something strange in the direction which excluded Hindustani, the principal language in the dominions of the Empress of India,

TO MESSRS. JAMES FINLAY & Co., Glasgow,—dated London 18th
September 1878.

I beg to acknowledge the receipt of your two letters of the 12th and 14th, which, with other correspondence on the same subject, I am sending on, as you desire, to the Indian Director-General.

I believe I was mistaken in telling you that Turkish was not admissible. It was allowed, and afterwards struck out, but I find that it has since been re-admitted. It is not, however, used over our lines.

**OFFICIAL PUBLICATION OF WEATHER
REPORTS AND REGISTERED
RAIN-FALL.**

The Committee have great pleasure in recording their obligations to the Government of India for complying with their request for the prompt publication of reports of rain-fall registered at some of the principal stations in the North-Western Provinces and in Assam, Cachar and Sylhet. The information thus officially issued will be of much value to the commercial community, especially to all who are interested in the continued development of the important tea industry of Bengal and of the other staple articles which form the bulk of the trade of this port: and the Committee hope that their application for the publication of comparative monthly tabulated returns of rain-fall, for the special reasons given in their letter of 29th July last, will be dealt with

in a liberal and appreciative spirit. The necessary meteorological statistics are in the possession of Government, and all the Committee ask for is that they may be presented in such a form as will enable merchants to draw their own conclusions as to the probable influence of the general rain-fall upon the agricultural condition of the country, and the consequent consumption of imported merchandise by all classes of the population.

From Chamber to Government of India.

Calcutta, 4th March 1878.

On the representation of the Chamber of Commerce His Honor the Lieutenant-Governor was pleased to direct the publication in the Telegraph Gazette of the rain-fall reports received from the several districts under the Government of Bengal.

Some of the stations, however, from which the Chamber wished to obtain information were not subordinate to that Government, and they were consequently not included in the published returns: and as the Chamber attach much importance to similar publicity being also given to the reports received by the Government of India, I am desired to apply for a like concession as regards rain-fall reports from the districts of Assam, from Sylhet and Cachar, and other stations from which meteorological returns are received by Government and published periodically in the Gazette of India.

The Committee of the Chamber trust it is in your power to comply with this request, and to supplement the

useful information already given to the public by the Government of Bengal.

For convenience of reference, I am directed to forward a copy of the correspondence which resulted in the Lieutenant-Governor's sanction.

From Government of India to Chamber.

Calcutta, 19th March 1878.

In reply to your letter, dated the 4th instant, requesting that reports on rain-fall, &c., received by the Government of India from local authorities may be furnished for publication in the Telegraph Gazette, I am directed to state that instructions will be issued for the prompt supply, so long as the head-quarters of the Government of India are at Calcutta, to that paper of a copy, in proof, of the weekly weather and crop reports as tabulated in this office every Friday. When the offices of the Government of India are located at Simla the reports can be reproduced in the Telegraph Gazette on receipt in Calcutta of the Gazette of India, in which they are obtained.

From Chamber to Government of India,

Calcutta, 16th April 1878.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter, No. 92, of the 19th of last month, and to express their obligations for the instructions that have been issued for the publication in the Telegraph Gazette of weekly weather and crop reports.

I am at the same time to represent for the consideration of the Government of India that as very great delay will attend the reproduction in the Telegraph Gazette

of reports published in the Gazette of India after they have been tabulated in your office at Simla—the location of which at that distant station happens to be during the period when the weather reports are specially important, to those who are interested in promoting the various cultivating industries of the country—the Committee trust that the reports, *more particularly of rain-fall*, may be telegraphed to Calcutta immediately on receipt at Simla from the stations where they are recorded; but should this arrangement entail inconvenience to your Department, the Committee hope that instructions may be given to the recording officers to telegraph particulars to the Telegraph Department direct, or, if that means of communication is not available, by the earliest post.

The Committee feel sure that the Government appreciate the value to the commercial public of the prompt intelligence in this respect and they hope their application may be complied with.

From Government of India to Chamber.

Simla, dated 3rd May 1878.

I am directed to acknowledge the receipt of your letter dated the 16th ultimo, in which the Committee of the Chamber request a reconsideration of the decision conveyed in my letter No. 92, dated the 19th March last, regarding the publication in the *Telegraph Gazette* of the weekly reports of rainfall, &c., received by the Government of India from local authorities.

2. In reply, I am to say that the Government of India are desirous of affording all reasonable help to the Chamber and the mercantile community in general in matters

such as the present, but before taking any action on your letter under acknowledgement, I am to request that you will be good enough to specify distinctly the districts from which it is desired that the rainfall should be telegraphed direct to Calcutta for publication in the Gazette.

3. In your letter of the 4th March last, "the districts of Assam, Sylhet and Cachar" are alone named; and if reports are required from these districts only, it will be comparatively an easy matter to meet the wishes of the Chamber; but if, as might be inferred from that letter, it is desired that reports should also be sent from districts other than those situated in the lower provinces of Bengal and in Assam, the Government of India are doubtful how far it will be possible to comply with your request.

From Chamber to Government of India.

Calcutta, dated 28th May 1878.

I am directed to acknowledge the receipt of your letter No. 129, dated the 3rd instant, and to express the thanks of the Committee of the Chamber of Commerce for it.

In continuation of my previous communication on the subject, and in accordance with your request that I should specify distinctly the districts from which it is desired that the rainfall should be telegraphed direct to Calcutta for publication in the Telegraph Gazette, my Committee instruct me to say that for the information of the growing trade in tea it would be most desirable to have the reports from Cachar and Sylhet and from Govhatty, Debrooghur, and Tezpur in Assam, and for the important traffic in general country produce reports from Agra, Allyghur, Cawnpore, and Delhi, would be most valuable.

Formerly the rise and fall of the Ganges at Benares and Mirzapore used to be announced, and if the reports of changes in the depth of the river at these places could be resumed the information would be of general utility.

The rainfall report published by the Government of Bengal gives particulars from 43 places within its jurisdiction, and if the Government of India will be pleased to comply with the request now submitted, the mercantile community in general will much appreciate the additional information.

From Government of India to Chamber.

Simla, dated 16th August 1878.

I am directed to acknowledge the receipt of your letter of the 28th May last, and in reply to say that the necessary orders have been issued for the despatch to Calcutta, with a view to their publication in the *Telegraph Gazette*, of daily telegraphic reports of the rise and fall of the Ganges at Benares and Mirzapore during the monsoon and of weekly reports of the rainfall at the stations named by you, with the exception of Tezpur, at which place there is no Telegraph station. The weekly telegrams will be despatched to Calcutta on every Friday and will appear in the Saturday's *Gazette*.

From Chamber to Government of India.

Calcutta, 29th July 1878.

The Committee of the Chamber of Commerce desire me to submit the following application for the favorable consideration of Government.

The desire of Government to communicate to the public the fullest information in their power, regarding the weather, prospects of crops, condition of the people, and

state of the public health, is evidenced by the returns published in the official gazettes; and the Committee gladly acknowledge that the publication of such statistics, accurately prepared and systematically recorded, is of special utility to the commercial community.

To all who are engaged in conducting both the import and export operations of the Port of Calcutta, the rain-fall over every part of India is of the greatest concern, the expansion or contraction of those operations being materially influenced by an approximately ascertained quantity of rain in each district, and the probable effects on the cultivation of staple articles of produce by a full or scanty, an excessive or deficient, fall, and its seasonableness in relation to varying crops in rotation.

The results of harvests intimately affect the condition of the people, either adversely or by an improvement of their circumstances, and that condition reacts on commercial progress by the diminished or enlarged capacity of the population as consumers of British manufactures and general merchandise.

Instances can be freely cited illustrating how seriously trade has been at times affected by the want of trustworthy information as to the quantity of rain each division of the country would probably receive during certain seasons of the year; information which might have been obtained, with some approach to accuracy, if reference could have been made to the registered fall at corresponding periods of previous years.

A tabulated statement showing the registered rain-fall in each month of a current year, and in corresponding months of a series of years, at the principal stations in the North-West and Oude, Central Provinces and the Punjab

would greatly assist importing merchants in making forecasts of the probable off-take of their purchases in the home markets; and exporting merchants would likewise be in a better position to form conclusions as to the extent to which their operations might be conducted with the view to meet the requirements of European markets for the agricultural and other products of this country. The freight market would also feel the influence of anticipated large, or moderate, or abnormally small, quantities of produce for exportation, and be regulated accordingly. In short, commercial business in all its bearings would be more or less affected by a partial diminution or temporary suspension of importations and exportations; or by a brisk demand for the former and an active development of the country-trade. How all important the rain-fall in the interior is need not be further illustrated.

The Committee of the Chamber attach so much importance to this matter that they desire me to present it for the consideration of Government; and they trust that the returns for which they respectfully apply may be given as promptly as possible, and in such a form as may be found most convenient to the departments by which they may be prepared for publication. The form which the Committee have drawn up, and which they venture to suggest for adoption, is, they consider, the best that can be devised for the institution of comparisons at certain seasons of the year.

From Govt. of India to Chamber of Commerce.

Simla, dated 30th August 1878.

I am directed to acknowledge the receipt of your letter, dated the 29th ultimo, requesting that the Committee of

the Bengal Chamber of Commerce may be favoured with a comparative monthly tabulated return showing the registered rain-fall at the principal stations in the North-Western Provinces, Oudh, &c.

2. In reply, I am directed to state that though the returns would doubtless prove valuable to Indian merchants, the work cannot under any circumstances be taken up during the present monsoon. A further communication will hereafter be addressed to you in regard to the possibility of undertaking it next year: this, however, will be mainly contingent on the Chamber of Commerce agreeing to defray the extra expenditure involved, an estimate of which will also be furnished to you.

VALUE-PAYABLE OVERLAND PARCELS.

The following communication from the Government exhibits the present position of this question. The Committee see no reason to change the opinion they expressed in their last report upon this subject, and it is with regret they observe that the introduction of the system has been postponed.

Resolution of the Government of India, Financial Department.—No. 3164, Dated Simla, the 8th October 1878.

READ the following papers relative to the extension of the "value payable" system to overland parcels booked in London, *viz* :—

Letter from the Director-General of the Post Office, No. 8598, dated the 12th February 1878, forwarding, with

remarks, copy of a protest from the Calcutta Trades' Association, dated the 8th December 1877; and of his reply, dated the 12th February 1878, No. 8597.

Letter from the Calcutta Trades' Association, dated the 23rd February 1878, making further remarks on the subject of their protest with reference to the reply thereto received from the Director-General of the Post Office.

Letter to the Calcutta Trades' Association No. 1961, dated the 21st March 1878, stating that, before coming to a final decision, His Excellency the Governor-General will cause other representative bodies to be consulted.

Letter from the Director-General of the Post Office, No. 3512, dated the 9th July, reporting the result of enquiries made in pursuance of the determination mentioned above.

RESOLUTION.—Under the "value payable" system, the Post Office recovers the declared value of a parcel from the addressee for the sender, charging for this service a commission of about two per cent. This system has recently been introduced into the inland parcel service of India, without objection being raised: but the Calcutta Trades' Association objects to the extension of the system to parcels booked in London for transmission to India.

2. The main grounds of objection are :—

- (1) that the measure is not required in the interests of the public;
- (2) that it is not the proper duty of the Post Office to perform such a service; and
- (3) that the facilities thus afforded to foreign traders would cause serious injury to traders resident in India.

3. With special reference to the first of these grounds, enquiry was made from other representative bodies—

"whether, in their opinion, the extension of the 'value payable' system to inland parcels, would, or would not, be a boon to the public, especially to European residents in the interior of the country."

* Chamber of Commerce, Bengal.
Nigral Planters' Association, Bombay.
Treasurer
Agent, East Indian Railway Coy.,
" Great I. Peninsula R. Coy.,
" Bombay, Baroda & Central
India Railway Company,
" Eastern Bengal Railway Coy.,
" Sind, Punjab & Delhi R. Coy.,
" South Indian Railway Coy.,
" Outh & Rohilkhand R. Coy.,
" Madras Railway Company.
Chamber of Commerce, Madras.

Traders' Association, Bombay.
† From Officer Commanding 6th Dragoon
Guns, J. Bird,
From Officer Commanding 1-12th Foot,
From Officer Commanding 1st
Hussars,
From Officer Commanding 2-60th
Foot.

boon to the Army.

5. The Governor-General in Council cannot therefore doubt that the proposed measure would be appreciated as a public convenience.

6. As regards the next argument, viz., that it is not the duty of the Post Office to provide such a convenience, the Governor-General in Council observes that this is not the view taken by some of the most enlightened postal

4. The results of this enquiry are now before the Government. The representative bodies and authorities mentioned on the margin,* have, with the exception of the three last in the list, supported the measure as calculated to confer a real benefit upon the public. And, as regards the British Army in India, the reports from the Commanding Officers specified on the margin,† contain unanimous opinions that the measure would be a great

administrations in Europe, and notably by that of

‡ About 6½ millions of articles with "value payable," amounting to £2,667,000, were carried by the German inland post in 1874.

§ About 4 million of articles with "value payable," amounting to £225,000, were exchanged by Germany with foreign countries in 1874.

¶ The foreign countries with which Germany now has exchanges of "value payable" articles, as given in a Postal Guide of 1878, are as follows—
Belgium, Luxembourg.
Denmark, Netherlands.
Great Britain, Norway.
Holland, Sweden.
Italy, Switzerland.

Germany, which has taken a prominent part in the recent improvement of international postal relations. The German Post Office has

not only a large inland service of this kind, but also considerable exchanges,§ under the "value payable" system, with the principal countries of Europe. Even when the Post Office of the

foreign country has no parcel post (as in the case of Great Britain and some other of the countries mentioned), the German Post Office has arranged with private carrying agencies for the exchange of parcels upon the "value payable" system.

7. The Austrian service of "value payable" articles, though smaller in numbers than the German service, is greater in aggregate value, as will be seen from the figures given on the margin.¶

8. No statistics of the operations of the Swiss Post Office in this respect are at hand; but that country has not only an inland "value payable" service, but also similar services with Germany, Austria, and France.

9. The delivery of parcels, excepting books and samples, has never been admitted into the British postal system, not, as is believed, from any objection on principle, but only on account of the large development of private agen-

¶ About 3 millions of articles with "value payable," amounting to £2,450,000, were carried by the Austrian post in 1874.

cies for this purpose. It has hence been necessary for the Indian Post Office to make arrangements with a private agency for this branch of its business in Great Britain. The reasons which deter the British Post Office from following the example of Foreign Post Offices in this respect do not apply to India; and no opposition has been offered to the intervention of the Indian Post Office by the carrying agencies, one of the largest of which is, in fact, the London correspondent of the Indian Post Office.

10. The Governor-General in Council cannot admit that the extension of the "value payable" system beyond Indian limits would involve a transgression of the legitimate functions of the Post Office.

11. As to the last argument, on which the greatest stress is laid, the Governor-General in Council observes that the Trade's Associations at the three Presidency towns have united in strongly deprecating the measure, on the ground of anticipated interference with their trade; and that the Madras Chamber of Commerce supports them. It is not merely injury, but "serious injury," that is anticipated by these bodies to the interests of traders settled in India. The Madras Chamber of Commerce goes so far as to look forward to the London tradesmen, under the operation of the proposed measure, beating "their local rivals out of the Indian market."

12. The Director-General of the Post Office recorded his opinion, upon the original protest, that Indian tradesmen outside the limits of the Presidency towns did not probably share the views of the Calcutta Trades' Association; and that the estimate made by this body of the effect of the measure was exaggerated. In support of this opinion, Mr. Monteath pointed to the petty character of the over-

land parcel traffic, as evidenced by the small average weight (6lbs.) of the parcels, and to the proposed limitation of the value realisable to £10.

13. The Governor-General in Council is inclined to agree with the Director-General, and to think that the anticipations of serious injury to Indian tradesmen are founded on an exaggerated estimate of the practical operation of the measure.

14. The Governor-General in Council hopes that further consideration and discussion may result in a change of the views of those who now oppose the measure: and notes especially that the Bombay Trades' Association, while fully sharing the objections made by the Calcutta Association to the measure as it now stands, would be inclined to look with favor on the proposal "if reciprocity in the offered facilities could be secured." The views of the Bombay Trades' Association are expressed in the following terms, *viz.* :—

"Under these circumstances, it appears to the Committee that any new arrangement of the kind proposed should offer an exchange of advantages to the trade of each country; that if new facilities for trading with India are offered to English traders, similar facilities for trading with England should be secured for the traders of this country, European and Native alike. If reciprocity of this kind were secured in the proposed extension of the 'value payable' system, the Committee and the Association would be inclined to look with favor on the proposal, inasmuch as the injury which it would inflict on them as importers would be counterbalanced by the facilities they would acquire for pushing industrial products of this country in England. In the proposed extension, however, the Com-

mittee do not find that any idea of this kind has been entertained. The system is to operate with parcels booked in London, but not with goods sent from this country."

15. There would be no difficulty in meeting the wishes of the Bombay Association by arranging for full reciprocity in the facilities offered: and, in that case, that Association would not, as the Governor-General in Council understands, any longer oppose the proposal. It is possible that the opinions of the other bodies who object to the measure in its present form might then also be modified. His Excellency in Council, therefore, thinks it well, before pressing the introduction of the revised arrangements, to allow time for a fuller consideration of the matter by those whose interests are supposed to be affected adversely.

ORDERED, that the foregoing Resolution be published in the *Gazette of India*, and communicated to the Director-General of the Post Office of India, and the several Local Governments and administrations; also that copies be sent to the several Trade's Associations and Chambers of Commerce, who have taken part in the discussion, and their remarks invited especially upon paragraphs 14 and 15.

POSTAL SERVICE WITH SERAJGUNGE.

Great inconvenience having been experienced by the merchants of Serajgunge from the alteration of former postal arrangements, the Chamber of Commerce communicated with the Post Master General on the subject, with the result shown in the correspondence recited. It appears that the opening of the Northern Bengal State Railway alone caused the obnoxious alteration, but it does

not appear to the Committee that the reasons set forth are sufficient to justify the extreme inconvenience of which the mercantile community of Serajgunge complain.

From Chamber to Post Master-General.

Calcutta, 8th July 1878.

In February last I personally brought to your notice that complaints had reached the Chamber of Commerce that the ordinary mail service between Calcutta and Serajgunge had been interrupted and much inconvenience occasioned in consequence, and you were good enough to explain that the interruption caused by the opening of the Northern Bengal State Railway was only temporary, and that the mails would be despatched as before.

I have now by direction of the Committee of the Chamber to represent that the merchants at Serajgunge are complaining of the manner in which the dāk is received from and despatched to Calcutta.

Formerly the route was via Kooshtea and Pabna; the dāk then reached Serajgunge, at the worst season, by 9 o'clock in the morning, and was closed from 3 to 5 P. M., according to season; but since the opening of the State Railway the route via Kooshtea and Pabna has been discontinued, and the mails are sent via Diamondke, Sara, and Pabna: the result being that the dāk reaches Serajgunge 2 or 3 hours later, and the Post Office closes so much earlier.

By this arrangement merchants at Serajgunge have scarcely time to reply by return dāk to letters received during the day, and practically they lose 24 hours.

It appears to the Committee that the abandonment of the route via Kooshtea has been attended with an unsatisfactory issue; and they hope it is in your power either to revert to the old line, or to arrange for the present postal service being managed, so as to remove the inconvenience now submitted to your notice.

From Post Master-General to Chamber.

Darjeeling, 11th July 1878.

In reply to your letter, dated 8th July 1878, I have the honor to inform you that I am considering how I can meet the wishes of the residents of Serajunge for a later despatch of the mail to Calcutta.

From Post Master General, to Chamber,—No. 10619, dated Calcutta, the 2nd September 1878.

In continuation of my No. 7170, dated 11th July 1878, I have the honor to inform you that I have been in correspondence with my Inspector on the subject of securing a later despatch of the mail from Serajunge, but I regret to add that I have been unable to effect this object. The crossing between Pubna and Kooshtea is a dangerous one during the rains, but if the correspondence of Serajunge only had been in question I should not have hesitated to have re-opened this line. As a matter of fact, however, the opening of the Northern Bengal State Railway has necessitated an entire re-arrangement of the route of mails between the districts North and South of the Ganges and between Eastern and Northern Bengal, and the opening of the Pubna and Kooshtea line would not only have led to confusion, but it would have entailed much additional labour and some expense. This labour and expense I do not

consider I should be justified in incurring on account of the correspondence between Calcutta and Serajunge only.

I tried to arrange for the transit of the Serajunge mail via Bogra, and if the bridges on the road had not been washed away, I should have been able, by adopting this route, to give the desired late despatch from Serajunge, but in the present state of the road this route is impracticable. Next monsoon I trust that matters will be arranged satisfactorily.

CALCUTTA CANALS.

The improvement of the Calcutta canals is a question of large importance to all interested in the trade of Eastern Bengal; the Committee therefore consider the reply of the Government of Bengal to their communication extremely satisfactory. It is to be hoped that the strictly economical policy recently dictated by the Supreme Government will not interfere with the immediate execution of the improvements sanctioned.

From Chamber to Government of Bengal.

Calcutta, 6th July 1878.

The Committee of the Chamber of Commerce have had their attention drawn to the extremely unsatisfactory state of the Calcutta canals, the navigation of which is reported to be attended with such delay and difficulties that the boat traffic between Calcutta and Dacca, Narainunge and other Eastern markets for jute and country produce has been very seriously affected.

Boats ordinarily perform the journey to the entrance of the canals in about 3 weeks, but they have usually to wait double that time before they can get through into the Hooghly by either Tolly's Nullah or Chitpore. They have to remain till high tides enable them to pass on by tedious stages; and failing to get through, the probabilities are that the boats will take the ground and greatly damage their cargoes, if they are fortunate enough to escape, being totally destroyed.

The lengthened passage through the canals greatly aggravates the risks from fire and other causes, and the boatmen declare that they consider the risk to their boats, so situated, very much greater than that of the rest of the voyage; and this is confirmed by the fact that nearly all the Insurance Companies, who have already suffered heavy losses, decline to accept this class of risk unless at prohibitive rates.

Last season a considerable number of jute contracts were cancelled owing to the inability of steamers and the railway to take the freight that was offered, and in the majority of cases neither buyers nor sellers would run the risk of sending jute by native craft via the canals for the reasons already given. Had the canals been in an efficient state, the jute trade would have adopted that route, and many serious disputes would have been avoided.

The Committee believe that the heavy tolls levied on boats using the canals have enabled Government to accumulate a very considerable fund, that the annual revenue has always been largely in excess of the expenditure, and that ample means are available for maintaining the canals in proper order.

The expenditure incurred for that purpose would, the Committee believe, be more than recouped by a larger traffic, and with obvious advantage to the waterborne trade between Calcutta and the Eastern districts.

They have therefore no hesitation in representing for the consideration of His Honor the Lieutenant-Governor that measures should be taken forthwith to place the canals in the most efficient state, so as to admit of the easy passage of country boats of much larger tonnage than can now be passed through, by having the canals deepened and kept free of all obstructions to uninterrupted navigation, and by a suitable enlargement of the gates at Chitpore, so as to allow of the simultaneous ingress and egress of boats of 2,000 maunds, and by increasing the height of the bridge sufficiently to admit of fully laden boats to pass under without being obliged, as is now often the case, to partially unload.

From Government of Bengal to Chamber.

Calcutta, 15th August 1878.

Your letter of the 6th ultimo, bringing to notice that the boat traffic between Calcutta and Dacca, Narasingganje and other Eastern markets for jute and country produce has been very seriously affected by the unsatisfactory state of the Calcutta canals, having been laid before the Lieutenant-Governor, I am directed to convey His Honor's thanks to the Chamber.

I am to state for the information of the Chamber that the question of improving these canals has been under the consideration of Government for some time, and that the Lieutenant-Governor took up the question in *extenso* some time ago.

It is the intention of His Honor to replace the Chitpore lock by a lock-basin capable of containing a large number of boats at a time, with gates of sufficient capacity to pass the largest native boats and even steamers of moderate size.

An estimate has recently been sanctioned for constructing a lock-basin at Dhappa, which will greatly increase the accommodation of the canals, and, by preserving a uniform depth of water, will prevent the inconvenience and danger now experienced from native crafts grounding.

Arrangements are in progress for improving the sanitary condition of the canals in front of Entally and Ballighatta.

Mensures are also contemplated for improving the lines of canal to the Eastward, and a large sum of money will be expended on the canals during the next working season.

COUNTRY COAL AS BALLAST FOR EMIGRANT VESSELS.

The facts ascertained by the Committee left them no alternative but to recommend that country coal as ballast for emigrant vessels should not be allowed. Native coal, like some descriptions of English coal, is undoubtedly liable to spontaneous combustion, and one of the facts ascertained was that a cargo of native coal from Calcutta to Madras had ignited on the voyage. It was further ascertained that the coal, when stacked, even in the open air, frequently shows indication of heating, and in several instances the heaps had taken fire before any sign of danger was noticed.

From Government of Bengal to Chamber.

Calcutta, 16th August 1878.

In forwarding the accompanying copy of a letter from the Protector of Emigrants, Calcutta, together with copy of its enclosure, I am directed to request that the Chamber will be good enough to favor the Lieutenant-Governor with an early expression of their opinion as to whether there is any objection to the shipment of country coal as ballast for emigrant vessels.

From Protector of Emigrants to Govt. of Bengal.

Calcutta, 3rd August 1878.

I have the honor to submit for the consideration and orders of Government, the accompanying copy of a letter received from Messrs. ———— soliciting permission to ship country coal as ballast for emigrant vessels.

It will be observed that a reference was made to me previously, and that I gave the firm to understand that, owing to the combustible nature of the article, the shipment of coal in vessels intended to carry emigrants would be objectionable.

From Messrs. ———— to Protector of Emigrants.

Calcutta, 27th July 1878.

We beg to acknowledge receipt of your letter of 23rd instant, informing us that coal, being of a combustible nature, cannot be allowed as ballast for emigrant vessels.

As the matter is one of some importance to us, being engaged in regularly supplying ships to carry emigrants to

the West Indies, &c., and the application we expect being new, and coals as a ballasting probably not having been discussed by the Government when framing the law for protection of emigrants, we would respectfully request that our application be sent up to the Secretary to the Government of Bengal for consideration.

In support of our application we beg to state—

1st. That rice, the usual ballasting, being so dear, we have been compelled to seek out some other article of commerce obtainable in the country to give the ships taking coolies the necessary ballasting.

2nd. In making the shipment of coal to foreign ports, we would be helping to carry out the Government resolution to encourage the development of trade in the mineral resources of the country.

3rd. In our opinion, country coal is not more, if as much, liable to spontaneous combustion as a cargo of seeds would be, and these are at present allowed for ballasting.

4th. Emigrant sailing ships from home ports to the colonies take general cargoes, and no restriction, we understand, exists against shipping coal.

5th. As the law stands at present with regard to native emigrant ships, all vessels are compelled to carry a steam power condenser, and must necessarily take a supply of coals in the hold, and in all our experience we have not heard any complaint about the coal having even heated. Had this taken place, it must have been reported to the Government.

6th. Steamers sailing from this port, carrying passengers, take always a large quantity of coals for use during the voyage, and no exception is taken to them.

We therefore hope that, for these and other reasons that might be adduced in support of our application, and in the interests of trade, the Government may be pleased to sanction the shipment of a ballasting of country coal in ships carrying native emigrants from this port.

From Chamber to Government of Bengal.

Calcutta, 16th September 1878.

The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 2815 of 16th ultimo, relative to the shipment of country coal as ballast for emigrant vessels.

In reply, I am instructed to state that the inquiries made by them into the matter have led the Committee to the conclusion that the shipment of country coal, as ballast, would be attended with a degree of risk incompatible with the utmost freedom from danger or hazard which should be the principal care in the conveyance of emigrants.

If the conditions required for the safe conveyance of coal could be absolutely secured—namely, shipment in a perfectly dry state, the absence of dust and small coal, careful stowage, and ample ventilation for the escape of generated gas—there could be no objection to the shipment of coal in emigrant vessels: but as such conditions cannot in practice be secured, the Committee are of opinion that the danger should be rigorously avoided, and therefore strongly object to country coal being shipped as ballast in vessels employed in such service.

PORT TRUST FOR RANGOON.

The appointment of Commissioners for the Port of Rangoon is the subject of the following letter from the Government of Bengal, but the Committee's knowledge of the requirements of that place was too limited to warrant them in expressing an opinion as to the expediency or necessity for such a measure.

*From Government of Bengal to Chamber,
Calcutta, the 10th September 1878.*

I am directed to forward herewith a copy of a letter from the Government of India in the Department of Revenue, Agriculture and Commerce, enclosing copy of a Bill to appoint Commissioners for the Port of Rangoon, framed on the model of the Calcutta Port Commissioner's Act (B. C.) of 1870; and to request that the Lieutenant-Governor may be favoured with an early expression of the opinion of the Chamber on the proposed enactment.

From Government of India to Government of Bengal,—No. 469, dated Simla, the 28th August 1878.

I am directed to forward copy of a Bill to appoint Commissioners for the Port of Rangoon, framed on the model of the Calcutta Port Commissioner's Act No. V (B. C.) of 1878; and to request that the Government of India may be favoured with any remarks His Honor the Lieutenant-Governor may have to make thereon, with reference to the experience gained in the working of the Port Trust Act at Calcutta.

*From Chamber to Government of Bengal,
Calcutta, 30th October 1878.*

The Committee of the Chamber of Commerce direct me to acknowledge the receipt of your letter No. 3175 of 10th ultimo, and to state in reply that the question of the expediency of making provision for the management of the affairs of the port of Rangoon by establishing a Board of Commissioners for that purpose, appears to be one which would be more appropriately answered by the commercial community of that place.

The Committee's knowledge of the subject is too limited to warrant them in expressing an opinion upon it.

REGISTRATION OF BRITISH TRADE MARKS.

The Chamber's report for the half-year ended 31st October 1877 contained correspondence regarding the amended rules under the English Trade Marks Registration Acts, and notice as to registration at Manchester of Trade Marks for cotton goods.

The Committee having been subsequently referred to on the subject by the Government of Bengal, expressed the opinion that there was no demand for registering British Trade Marks in this Presidency.

REVISION OF THE TREATY OF TIENSIN.

The 27th article of the Treaty of Tientsin, concluded with the Emperor of China by the British Government, represented by the late

Earl of Elgin, on the 26th June 1858, provided that a revision of the tariff and commercial articles of the Treaty may be demanded at the end of each successive 10 years if 6 months notice of demand be made by either of the contracting parties; and in order to be in conformity with that provision, H. M.'s Chargé d'Affaires at Peking brought to the notice of Her Majesty's Government the near approach of the expiration of the second 10 years' period of the Treaty with the view to a revision, if considered necessary, of the tariff now in operation.

The correspondence on this subject between the Secretary of State and the Governor-General in Council together with copies of the Convention and Treaty and of the import and export tariffs were forwarded for the information of the Chamber, but the Committee were not in a position to submit any suggestions in regard to the modification of the clauses of the Treaty affecting the trade between India and China.

The subject was, however, brought to the notice of parties interested in the trade, and the Committee received the following suggestion regarding the restriction against opium being carried by foreign traders into the interior of China and the transit-dues levied on the drug by the Chinese Government.

"Now that the cultivation of opium is extending so rapidly in China, an endeavour should be made to relieve the Indian drug of some of the disadvantages under which it labors at present. Opium should be placed in the same category with all other articles of import, and Government should insist on an alteration being made in the 1st clause of the 5th rule attached to the Treaty of 1858.

There can be no reason why English or other foreign traders should be forbidden to accompany or to sell opium in the interior of China when provided with a proper passport; and it is certainly a disadvantage to opium merchants that the transit-dues on this important article of trade is left to be fixed or enhanced at the caprice of the Chinese Government. The Indian Government should do its best to obtain the removal of the special restrictions by which opium is distinguished from every other article of commerce in China, and in effecting this it would be benefitting itself and the merchants connected in the trade."

YORK-ANTWERP RULES OF GENERAL AVERAGE.

"The Association for the Reform and Codification of the Law of Nations" have been good enough to place themselves in communication with this Chamber, drawing attention to their Conference held at Antwerp on the 30th August 1877, at which various important subjects of commercial interest were discussed; and they subsequently communicated the result of the report of a special

Committee or Section of the Conference on the question of General Average, whose recommendations as to material changes in the English practice were adopted by the Association on the 30th May last.

It will be observed from your Committee's reply that, while they were of opinion that uniformity of practice on a common legal basis recognised by all maritime countries, and the adoption of a course of common agreement, would be of advantage to interests involved in sea-traffic, they were not in a position to undertake the promotion of a scheme which rested rather with the managers at home of the Insurance Companies concerned in the trade with the East, and whose instructions to their agents here would be necessary to carry out any change in the present practice.

London, 27th July 1878.

At the request of the English Central Committee I have done myself the pleasure of forwarding to you by book Post copies of a report published by the Committee of York and Antwerp Rules, from which you will gather that it is intended to put those rules in force from and after the 1st January next, and I now write to you in the hope that you will be willing to follow the example of the ship and steamship owners and powerful understanding bodies of England which now favour the adoption of these rules.

You would greatly oblige by circulating the copies of the report now sent amongst your friends, and obtaining from them their consent to the proposed change, and where practicable, to have such consent put on record by subscribing some document to that effect.

On the other leaf, you will find a copy of a draft form of assent which has met with approval here, and which I venture to suggest might be adopted.

You will no doubt concur with me that it is very desirable that the York and Antwerp rules should be adopted without alteration so as to insure a uniform practice, until finally the legislatures of the different countries may be induced to agree upon a common law to regulate General Average.

We, the undersigned, owners of steam or sailing ships, being of opinion that it is desirable there should be uniform rules of General Average for this and other countries, and taking note of the Resolutions unanimously passed at the Conference held in London on the 30th May last, hereby announce that, on and after the 1st January 1879, it is our intention (whilst reserving liberty of action in exceptional cases) to insert in our Bills of Lading and Charter-Parties the following clause, "General Average, if any, payable according to York and Antwerp Rules."

The changes which the adoption of the York-Antwerp Rules will introduce into the English practice are the following:—

1. No jettison of cargo laden on a ship's deck will be admitted into General Average.

This is already the general rule here, but wood goods have been admitted as an exception to a certain extent,—that is to say, a

jettison of timber or deals from deck is treated as a "general contribution" between those parties who have expressly agreed to the shipment on deck. This exception it is proposed to abolish.

The result will be that shippers of cargo on deck will recover a loss by jettison direct from their underwriters, provided the cargo is insured with the clause "in and over all." In like manner, the loss of freight will be recovered direct from the underwriter on freight, if there is such a clause. The clause "in and over all," is at present usually inserted in policies on vessel goods and their freight.

2. When a ship is for the common safety taken into a port of refuge, not merely the pilotage and port charges incurred in going into, but likewise those of coming out of, such port, will be admitted into general average.

At present, the expense of going in is admitted, whilst the corresponding expense of coming out again is customarily excluded. In this respect, the present English practice differs from that of every other country.

3. When, at such port of refuge, it becomes necessary to discharge cargo in order to repair the ship, or for other purposes connected with the completion of the voyage, not merely the expense of taking the cargo out of the ship, but likewise the cost of warehousing and putting it back in the ship, will be admitted into General Average.

At present, the expense of taking it out is so admitted, but the warehouse rent is made a special charge on the cargo, and the cost of reloading a special charge on the freight. In this respect, as in the former, the present English practice differs from that of every other country.

4. The wages and keep of the crew during the vessel's stay in such port of refuge will be admitted into General Average.

This is the rule in most other countries. There is no doubt that this item forms a serious part of the loss actually incurred through bearing up for a port of refuge; and, in cases where such bearing up

has saved the ship and cargo from the risk of total loss, it seems to be contrary to principle, as well as impolitic, to throw this loss on the shipowner.

These are the only changes in English practice. The remainder of the York-Antwerp Rules refer to matters in which the foreign practices are (when these Rules are adopted) to be assimilated to ours.

This Committee recommend that the utmost publicity be given beforehand to the proposed change, particularly that shippers of cargo may understand what is intended, and may have timely warning to arrange for the insertion of the necessary clause in their policies of insurance.

For this purpose it is proposed that those shipowners who intend to avail themselves of the new Rules, and those underwriters or representatives of Insurance Companies who are ready to admit the new clause into their policies, should be invited to join in an announcement of their intention, in order that the same may be generally circulated.

THE YORK-ANTWERP RULES.

RULE I.—*Jettison of deck cargo.*

No jettison of deck cargo shall be made good as General Average. Every structure not built in with the frame of the vessel shall be considered to be a part of the deck of the vessel.

RULE II.—*Damage by Jettison.*

Damage done to goods or merchandise by water which unavoidably goes down a ship's hatches opened, or other opening made, for the purpose of making a jettison, shall be made good as General Average, in case the loss by jettison is so made good.

Damage done by breakage and chafing, or otherwise from derangement of stowage consequent upon a jettison, shall be made good as General Average, in case the loss by jettison is so made good.

RULE III.—Extinguishing fire on shipboard.

Damage done to a ship and cargo, or either of them, by water or otherwise, in extinguishing a fire on board the ship, shall be General Average; except that no compensation be made for damage done by water to packages which have been on fire.

RULE IV.—Cutting away wreck.

Loss or damage caused by cutting away the wreck or remains of spars, or of other things which have previously been carried away by sea-pilot, shall not be made good as General Average.

RULE V.—Voluntary stranding.

When a ship is intentionally run on shore because she is sinking or drifting on shore or rocks, no damage caused to the ship, the cargo, and the freight, or any or either of them, by such intentional running on shore, shall be made good as General Average.

RULE VI.—Carrying press of sail.

Damage occasioned to a ship or cargo by carrying a press of sail shall not be made good as General Average.

RULE VII.—Part of refuge expenses.

When a ship shall have entered a port of refuge under such circumstances that the expenses of entering the port are admissible as General Average, and when she shall have sailed thence with her original cargo or a part of it, the corresponding expenses of leaving such port shall likewise be admitted as General Average; and whenever the cost of discharging cargo at such port is admissible as General Average, the cost of re-loading and stowing such cargo on board the said ship together with all storage charges on such cargo, shall likewise be so admitted.

RULE VIII.—Wages and maintenance of crew in port of refuge.

When a ship shall have entered a port of refuge under the circumstances defined in Rule VII, the wages and cost of maintenance of the master and mariners from the time of entering such port until the ship shall have been made ready to proceed upon her voyage shall be made good as General Average.

RULE IX.—Damage to cargo in discharging.

Damage done to cargo by discharging it at a port of refuge shall not be admissible as General Average in case such cargo shall have

been discharged at the place and in the manner customary at that port with ships not in distress.

RULE X.—Contributory values.

The contribution to a General Average shall be made upon the actual values of the property at the termination of the adventure, to which shall be added the amount made good as General Average for property sacrificed; deduction being made from the shipowner's freight and passage money at risk of such port-charges and crew's wages as would not have been incurred had the ship and cargo been totally lost at the date of the General Average act or sacrifice; deduction being also made from the value of the property of all charges incurred in respect thereof subsequently to the arising of the claim to General Average.

RULE XI.—Loss of freight.

In every case in which a sacrifice of cargo is made good as General Average, the loss of freight (if any) which is caused by such loss of cargo shall likewise be so made good.

RULE XII.—Assent to be made good for cargo.

The value to be allowed for goods sacrificed shall be that value which the owner would have received if such goods had not been sacrificed.

Bengal Chamber of Commerce.

Calcutta, 7th Nov. 1878.

The Committee of the Bengal Chamber of Commerce desire me to acknowledge the receipt of your letter of 27th July, forwarding for their information printed copies of the Report of the English Central Committee of your Association on the York and Antwerp Rules of General Average, and of the Resolutions unanimously adopted at a Conference held on the 30th May last.

The proceedings of the Conference and the subject of a uniform system of General Average for all maritime countries have had the Committee's attentive consideration, and they note the changes which it is proposed to adopt

with the view of assimilating the English practice to the rules of other countries from which it at present differs in some essential respects.

The establishment of uniformity of practice on a common legal basis recognised by all maritime countries is unquestionably an object of importance to all ship-owners, merchants, and underwriters, and the adoption of a course of general agreement would be attended with obviously advantageous results to all interests involved in sea-traffic.

It will be a source of satisfaction to this Chamber if the proposed measure realises the expectations of your Association, but the Committee apprehend that it is hardly within their province to undertake the promotion of a scheme the furtherance of which would appear to rest rather with the managers at home of the Insurance Companies concerned in the trade with the East, and whose representatives here would no doubt receive necessary instructions for the insertion in their policies of the various clauses in accordance with the York-Antwerp Rules.

Besides this consideration, the Committee are of opinion that the adoption of any new and unusual clause in policies of insurance by shippers of cargo here is not likely to be generally followed, unless such a change is initiated by the head offices of the Calcutta firms, and these are located mostly in England.

London 29th November 1878.

Since I had the pleasure of forwarding to you on the 27th July some printed papers published by the Association, nearly 500 of our leading ship-owning firms have signed the assent Memorandum in regard to General

Average, agreeing to insert in their bills of lading and charter-parties the following clause:—"General Average, if any, payable as per York and Antwerp rules" and we should be glad if the shipowners and underwriters of your city would follow the example of what is doing in England.

The interest in these international commercial questions has attracted general attention in England and on the Continent, and has induced our President—Sir Fitzroy Kelly, the Lord Chief Baron—to confer with the Lord Mayor (Sir Charles Whetham) as to holding our seventh annual conference in this city; and finally it has been agreed to hold our next meeting in London under the auspices of the Lord Mayor some time, probably, in July next.

Such being the case I am directed by the Council of this Association to request of you to express to the President and other Members of your Chamber, its desire that your city may be represented at that Conference, and also to ask of you to use your powerful influence with the eminent jurists and leading merchants and shipowners of Calcutta to take part in the movement.

The printed programme of our Seventh Annual Conference will be forwarded to you in due course.

Pray accept my assurance of a hearty welcome to those who will favour us with their presence.

IMPORTATION OF INDIA RUBBER INTO ARAKAN FROM NEICHBOURING HILL TRACTS.

*From Government of India to Chamber.
Calcutta, dated the 29th March 1878.*

I am directed to forward for the information of the Chamber of Commerce a copy of the

* 1. Letter from the Commissioner of Arakan, No. 119, dated the 1st March 1878.

2. Letter to the Chief Commissioner of British Burmah, No. 420, dated the 29th March 1878.

(10 balls) of the rubber.

Copy of a letter from the Commissioner of Arakan to the Officiating Secretary to the Government of India in the Department of Revenue, Agriculture, and Commerce, No. 338-192, dated the 1st March 1878.

1 have the honor to send you by mail steamer 77 balls weighing 30½ lbs a sample of India-rubber, in raw state, as received from the Hill Tracts of Northern Arakan.

2. This India-rubber was brought into Dale Knay (our extreme Northern Frontier station) by Shandoo petty traders from beyond the Administrative Frontier. Very little is known regarding the locality from which this India-rubber comes or the extent to which the raw material is procurable.

It would appear, however, from what the people themselves say, that if sufficient inducements offer, a considerable quantity is to be had, and will be brought in by the hill tribes. What we require to know is the value of the

raw product in the English market, and the amount which may be safely offered for it on the spot, so as to secure a remunerative return on exportation to Europe.

3. Twenty Rupees were paid to the man who brought in the present sample, but this sum was given more with a view to induce further supplies, than as a money equivalent proportioned to the quantity purchased.

4. A small trade is already springing up in India-rubber in the Chittagong Hill Tracts, but the sources of supply are by no means identical with those from which the article finds its way into Arakan.

I regard this as satisfactory to the extent of demonstrating the probability that the *ficus elastica* is widely diffused, and covers a large area of forest tract within British territory, though beyond the present limits of our administrative Hill Tracts frontier.

Copy of a letter from the Officiating Secretary to the Government of India in the Department of Revenue, Agriculture and Commerce, to the Chief Commissioner of British Burmah, No. 420F, dated the 29th March 1878.

With reference to a letter lately received from Colonel Sladen, the Commissioner of Arakan, forwarding samples of India-rubber received from the Hill Tracts of North Arakan, I am directed to state, for communication to Colonel Sladen, that the samples have been pronounced by competent judges to be of a good merchantable average quality, and that their value at Calcutta is estimated to be from Rs. 40 to Rs. 48 per bazar maund of 82½ lbs.

2. In the opinion of the Governor-General in Council, Colonel Sladen's communication is of great importance.

Hitherto it has been supposed that the *ficus elastica* was not found South of North Latitude 24°, but from the fact that the rubber received is brought by traders to Arakan, it would appear that the tree is found much further South, on the hills to the East of that province. Every encouragement should, His Excellency in Council thinks, be given to this new branch of trade.

3. Samples of the rubber, together with copy of the correspondence on the subject, have been sent to the Chamber of Commerce, Calcutta.

NEW MEMBERS.

Messrs. Birkmyre Brothers and Messrs. Barry & Co., have been admitted by the Committee as members of the Chamber, subject to the usual confirmation.

FUNDS OF THE CHAMBER.

The Chamber's balance on 31st October 1878 amounted to Rs. 1,944-8-11, exclusive of Rs. 15,000 in 4 per cent. Government Securities.

GEORGE YULE,
President.

APPENDIX.

FUNDS OF THE CHAMBER.

Statement of the Funds of the Bengal Chamber of Commerce
from 1st May 1877 to 31st October 1878.

	Rs.	A. P.	N. A. P.
To Balance	100	0	0
" Office Rent	5,981	0	0
" Establishment	4,581	10	0
" Cost of 4 per cent Government Securities for Rs. 3,000	9,869	3	6
By Balance	14,112	1	0
To Balance	108	13	3
" Cash in hand	1,200	0	0
" Reserves in Government Paper	16,944	8	11
By Subscriptions	7,638	0	0
" Price current and other	3,448	13	0
" Interest	240	0	0
" Government Securities	3,600	0	0
added to Reserves	14,316	12	0
Represents 31,056 10 8			

CHARTER,
31st October 1878.

Represents 31,056 10 8

E. E.

H. W. I. WOOD,

Secretary.

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TONNAGE SCHEDULE for the PORT OF CALCUTTA, adopted at a Special General Meeting of the Bengal Chamber of Commerce, held on the 12th February 1874, with effect from 1st September 1874, except as regards the measurement of Cotton, Hemp, Jute, Jute Guttings, Rice, 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.
Alora, in bags and boxes	20	.....
Alum, in ditto	20	.....
Ansced, in bags	8	.....
Arrowroot, in cases	50	.....
Arsenic, in bags or cases	20	.....
Asafetida, in bags and boxes	20	.....
Apparel, in boxes	50	.....
Bark, in bags	5	.....
Bear Wax	20 gross	.....
Borilla	20	.....
Betel-put	20	.....
Books	50	.....
Bones	20	.....
Bras	14	.....
Brimstone	20	.....
Bullion	at par cent.	.....
Cake-lac, in bags	16	.....
Camphor, in cases	50	.....
Carumamon, in rolling boxes	50	.....
Cassi, in boxes	50	.....
" " bags	12	.....
Castor Seed	15	.....
Chillies, (dry) in bags	15	.....
China Root, in bags	11	.....
" " boxes	50	.....
Chitta	50	.....
Churrah	14	.....
Cigars	50	.....
Cloves, in bags	8	.....
" " boxes	10	.....
Coal	20	.....
Cochineal	50	.....
Coffee, in bags	18	.....
" " casks	10	.....

ARTICLES.	Cwt. per Ton Net.	Cubic feet per Ton.
Coral, rough	50	.....
Cork, loose and unscrewed	12	.....
Copra, or Coconut Kernel	14	.....
Coriander Seed	12	.....
Cotton	50	.....
Cowries	50	.....
Cumin Seed	8	.....
" Black	8	.....
Catch, in bags	18	.....
Dates, wet	20	.....
dry	16	.....
Diall	20	.....
Elephants' Teeth in bulk	20	.....
Furniture	50	.....
Garlic and Onions	12	.....
Ginger	16	.....
Grain	20	.....
Gums, in cases	50	.....
Gunny Bags and Gunny Cloth	50	.....
Gunjah	50	.....
Hemp	50	.....
Hides, Buffalo, or Cow, cured	14	.....
Hood, Horn Slivings and Vira	20	.....
Horns, Cow, Buffalo, or Deer	20	.....
India Rubber, in bags	16	.....
" cases	50	.....
Indigo	50	.....
Iron	20	.....
Jute	50	.....
Jute Cuttings	50	.....
Leaf Dye	50	.....
Lard	20 gross.	.....
Limeed	20	.....
Meat	50	.....
Machinery	50	.....
Match	50	.....
Mathie Seed	18	.....
Mirabolans	16	.....
Nelluses	20	.....
Mother o' Pearl, in bags	20	.....
" chests	20	.....
Manjeet	50	.....
Mustard or Rape Seed	20	.....
Niger Seed	20	.....
Nutmegs, in cases or casks	20	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic feet per Ton.
Nux Vomica	16	.....
Oats	16	.....
Oil, in cases	.....	4 hds. 50
" casks	.....	per chest.
Opium	.....	.....
Paddy	16	.....
Patmatino, in bags	16	.....
Peas	20	.....
Pepper, Long	14	.....
" Black	.....	.....
Planks and Deals	.....	50
Poppy Seed	20	.....
Patchuek	10	.....
Rags	.....	50
Raw Silk, in bales	10	.....
Rattans for dunnage	20	.....
Red Wood, ditto	20	.....
Rhea	50	.....
Rice	20	.....
Rope, in coils	.....	50
" Lines and Twines, in bundles	.....	16
Rum, in casks	.....	2 puncheons or 4 hds.
Safflower	.....	50
Sago, in cases	.....	50
Salmooning, in bags	.....	20 gross.
Saltpetro	20	.....
Salt	20	.....
Sapan Wood for dunnage	20	.....
Sealing Wax, in cases	.....	50
Seed-lie, in cases	.....	50
" bags	.....	16
Senna	.....	20
Shells, rough, in bags	.....	50
Shell-lie, in cases	.....	10
" bags	.....	50
Silk Chussum	.....	50
Waste	.....	50
Silk Piece Goods	.....	50
Skins	.....	14
Soap, country, in cases	.....	50
" bags	.....	16
" bar	.....	30
Stick Lay, in cases	.....	50
" bags	.....	16

ARTICLES.	Owt. per Ton Net.	Cubic feet per Ton.
Sugar	20	.....
Yellow, in cases or casks	20	.....
Talc	20	.....
Tamarinds, in cases or casks	20	.....
Tapioca	50	.....
Ten	50	.....
Teel Seed	20	.....
Timber, round	40	.....
" squared	50	.....
Tinail	20	.....
Tobacco, in hales	16	.....
" Pestons 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 to be taken on the Custom House wharf, or other shipping wharf within a radius of 5 miles from the Custom House, except in the case of Cotton, the measurement of which shall be taken at the Screw-house.

2. Measurement to be taken at largest part of the bale,—inside the lashing on one side and outside on the other.

3. Jute, Jute-cuttings, Hemp, Cotton, Safflower, and other articles similarly packed, are screwed in hales 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.

H. W. L. 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 Ballies, 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 purchase upon both cost and charges 5 "
- On returns for Consignments if made in produce 2½ "
- On returns of Consignments if in Bills, Ballion, or Treasury 1 "
- On accepting Bills against Consignments 1 "
- On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description 2½ "
- On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2s. per rupee. half com.
- On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent 2½ per cent.
- On ordering, or receiving and delivering goods, or superintending the fulfilment of contracts, or on the shipment of goods, where no other commission is derived 2½ "

- 12. On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money 2½ per cent.
- 13. On *del-credere*, or guaranteeing the due realization of sales 2½ "
- 14. On the management of Estates for Executors or Administrators 2½ "
- 15. On chartering ships or engaging tonnage for commitments for vessels to proceed to outports for loading 2½ "
- 16. On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agent's hands or not ... 2½ "
- 17. On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessels upon the gross amount of freight, brokerage inclusive ... 5 "
- 18. On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings 5 "
- 19. On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file 2½ "
- 20. On realising inward freight, inward troops, Emigrant, or Cabin passage money 2½ "
- 21. On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned, on the declared value of all such goods as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold ... 5 "
- If Opium, Indigo, Raw Silk, or Silk Piece Goods ... 2½ "
- If Treasure, Precious Stones, or Jewellery ... 1 "

- 22. On effecting Insurances, whether on lives or property 2½ per cent.
 - 23. On settling Insurance claims, losses, and averages of all classes, and on procuring returns of premium 2½ "
 - 24. On drawing, purchasing, selling, or negotiating Bills of Exchange 1 "
 - 25. On debts or other claims when a process at law or arbitration is incurred in claiming them ... 2½ "
 - Or if recovered by such means 5 "
 - 26. On Bills of Exchange returned dishonored ... 1 "
 - 27. On collecting House Rent 2½ "
 - 28. On ship's Disbursements 2½ "
 - 29. On realising Botany Bonds, or negotiating any loan on *respondentia* 2½ "
 - 30. On granting Letters of Credit 1 "
 - 31. On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another ½ "
 - 32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value ... ½ "
 - 33. On all amounts notified and credited within the year (less the balance brought forward) upon which no commission amounting to 5 per cent. has been charged ½ "
 - Brokerage when paid is to be separately charged.
- H. W. I. WOOD,
Secretary.

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MEMBERS OF THE CHAMBER OF COMMERCE.

Alkman, J. Esq., *Acting Agent, Chartered Bank of India, Australia, and China.*
 Aguirre, A. and Co.
 Ashburner and Co.
 Anderson, Wright and Co.
 Baines and Co.
 Begg, Dunlop and Co.
 Burn and Co.
 Bullock, Wollast and Co., (*Messrs.*)
 Calhoun, Stephens and Co.
 Curtis and Co.
 Cochran, S., *Manager, Agra Bank.*
 Colver, Corrie and Co.
 Crook, Roma and Co.
 Coe, Henry, & Co.
 Cohn, Brothers and Fuchs.
 DeSousa, Theo. and Co.
 Dances Brothers and Co.
 Dwaraknath, Dutt and Co.
 Elk and Hobson.
 Erasmussen and Osterley.
 Erving and Co.
 Elliott, Fain and Co.
 Ezra, E. D. J.
 Ferguson, J. H. and Co.
 Finlay, Muir and Co.
 Gilborne and Co.
 God, Try & Co.
 Graf and Banniger.
 Graham and Co.
 Girdlay and Co.
 Gubbay, Ellis, & Co.
 Harpur, G. Esq., *Agent, Oriental Bank Corporation.*
 Henderson, George and Co.
 Hulgers, F. W. and Co.
 Herbert, G. H. Esq., *Agent, Chartered Mercantile Bank of India, London and China.*
 Hoare, Miller and Co.
 Howe, Goodwin & Co.
 Haber and Co.
 Jardine, Skinner and Co.
 Keithwell, Bullen and Co.
 Kelly and Co.
 Ke, Doak and Co.
 King, Hamilton and Co.
 Longmuir, T., *Manager, Delhi & London Bank, Limited.*
 Mackilligan, J., and Co.
 Macalister, H., and Co.
 Mackinnon, Mackenzie and Co.
 Mackenzie, Lyall and Co.
 Masouli and Co.
 Macknight, Anderson and Co.
 McIntosh, A. R., and Co.
 Mears, W., and Co.
 Nicol, Fleming and Co.
 Olindey and Hadenfield.
 Pany, T. Esq., *Manager, Comptoir d'Escompte de Paris.*
 Petrocchino Brothers.
 Prawalokan Law and Co.
 Prater, P. Esq., *Agent, Eastern Bengal Railway Company.*
 Ralli Brothers.
 Ralli and Mavrajani.
 Reichardt and Co.
 Robert and Charriol.
 Reuters and Co.
 Schoeder, Smith and Co.
 Schoons, Kilburn and Co.
 Sisson, David and Co.
 Shaw, Finlayson and Co.
 Steel, Gwynne & Co.
 Thomas, J., and Co.
 Turner, Morrison and Co.
 Toulmin, L. W., and Co.
 Tanvasee and Co.
 Tambosi, Paul and Son.
 Ullmann, Hirschhorn and Co.
 Vasta, N. J., and Co.
 Vanklok Brothers.
 Winton, J., *Agent, Hong-Kong and Shanghai Banking Corporation.*
 Wilkinson, Captain C. J., *Superintendent, F. & O. Company.*
 Wilson, H. E., (*Messrs.*)
 Windsor, J., *Manager, National Bank of India.*
 Whitney Brothers and Co.
 Williamson Brothers and Co.
 Wiseman, Mitchell, Reid and Co.
 Yale, Andrew, and Co.

Honorary Member,

J. A. Crawford, c. s., late Collector of Customs.

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RULES AND REGULATIONS
 OF THE
 BENGAL CHAMBER OF COMMERCE.

- First* That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."
- Second*... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal, and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.
- Third*.... That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.
- Fourth*... That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may

be elected by the Committee provisionally, such election being subject to confirmation at the next ensuing General Meeting.

Fifth..... That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.

Sixth..... That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.

Seventh... That the business and funds of the Chamber shall be managed, by a Committee of not less than five nor more than seven members, including the President and Vice-President, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President, being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Three to form a quorum.

Eighth..... Annual elections of President, Vice-President, and members of the Com-

mittee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary,—numbered and bearing his signature; and no voting card shall be received for such purpose unless so authenticated. All vacancies created by the absence of the President, or Vice-President, from the Presidency for three months, or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee. All vacancies created as above by the absence, departure, or death of any of the members of the Committee shall be forthwith filled up by selection by the Committee, subject to approval at first ordinary general meeting thereafter.

§3rd 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 procreation shall, in the absence of their principals, be eligible to serve as members of the Committee.

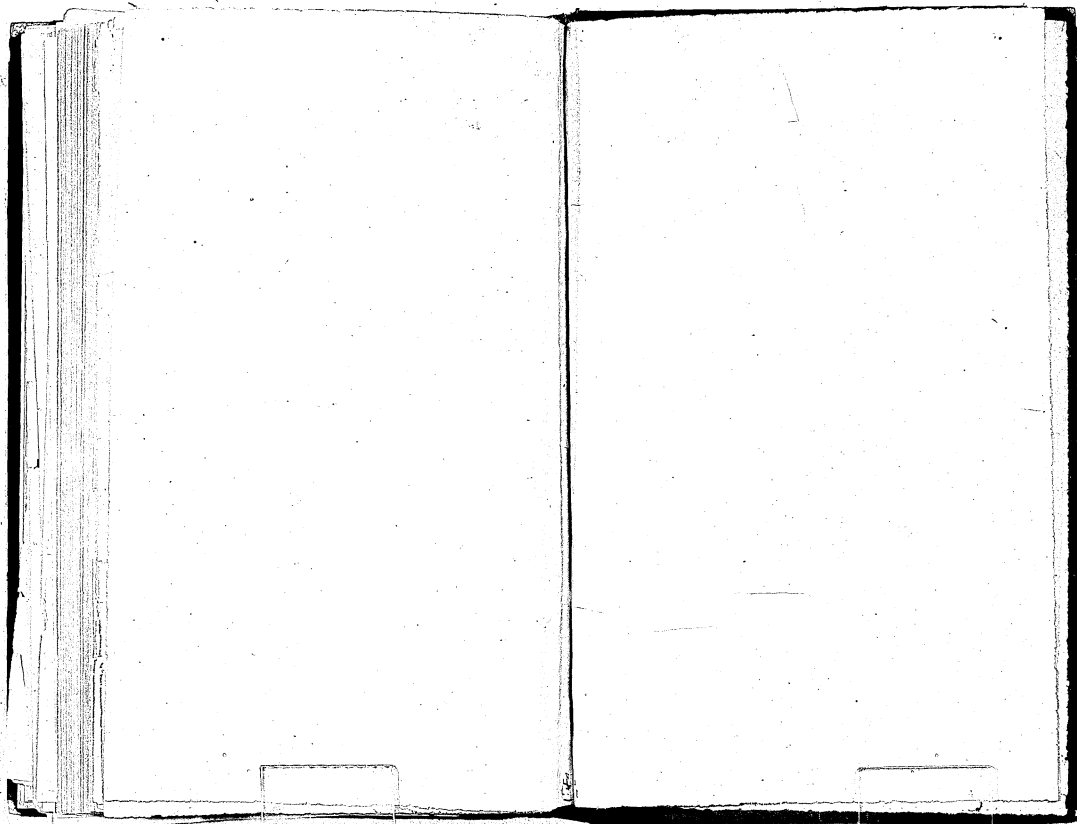
- Tenth.*.... Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.
- Eleventh.* That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that 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-

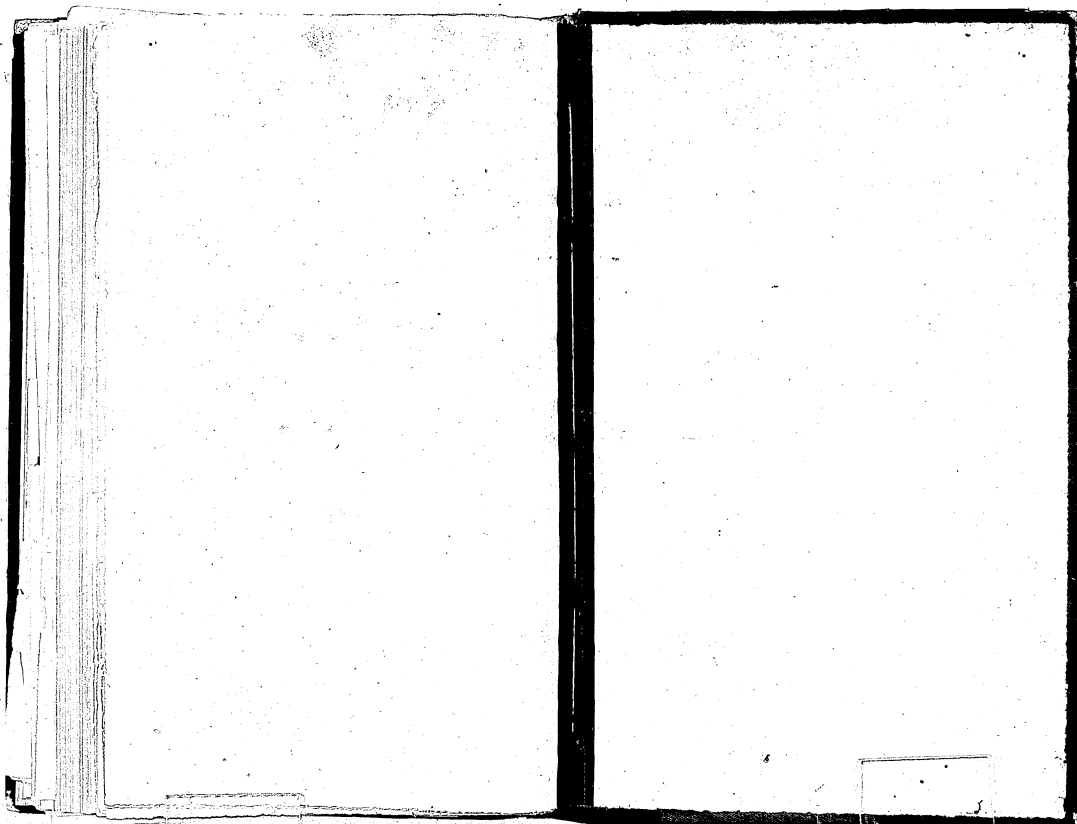
- mittee may consider convenient for the despatch of business.
- Sixteenth.* That any number of members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber for the despatch of ordinary business.
- Seventeenth.* That on the requisition of any five 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;

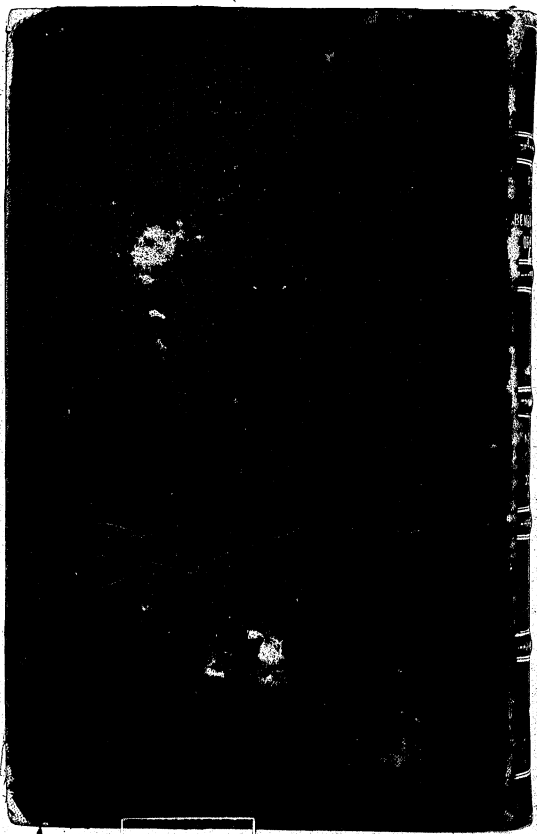
such expulsion to be decided by the votes of three-fourths of members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

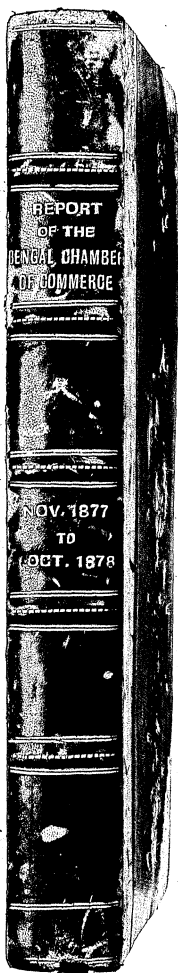
Twenty-second. That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.

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.









REPORT
OF THE
GENERAL CHAMBER
OF COMMERCE

NOV. 1877
TO
OCT. 1878