



PROCEEDINGS

MADRAS

Chamber of Commerce.

January - December, 1916.

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THE MADRAS CHAMBER OF COMMERCE.

Established 29th September, 1838.

MEMBERS.—31st December, 1916.

Mr. W. ALEXANDER.
Mr. J. C. ARMSTRONG (Europe).
Mr. W. A. BEARDSSELL.
Mr. G. W. BLACK (Europe).
Mr. JOHN BLACK.
Mr. A. F. BUCHANAN.
Mr. J. W. BURGESS.
Mr. H. N. C. CAMPBELL.
Mr. D. J. CASTELLI.
Mr. G. A. CHAMBERS.
Mr. A. B. CHANTER.
Mr. H. H. CHETTLE.
Mr. J. W. CRUSHA.
Mr. D. J. DALGARNO.
Sir HUGH FRASER.
Hon'ble Mr. GORDON FRASER.
Sir BERNARD HUNTER.
Mr. J. F. JONES.
Mr. A. J. LEECH.
Mr. JAFFER MAHOMED SAIT
Mr. R. T. MENZIES.
Mr. N. M. MURRAY.
Mr. A. MUIRHEAD, C.I.E.
Mr. A. W. OGDEN.

Mr. H. L. PADDAY.
Mr. W. W. PAUL.
Mr. A. J. POWELL.
Mr. H. P. M. RAE.
Mr. T. M. ROSS.
Mr. W. ROSS MUNRO, (Europe).
Mr. C. S. ROWBOTHAM.
Mr. A. SCOTT.
Mr. B. C. SCOTT.
Sir CLEMEET SIMPSON.
Mr. J. F. SIMPSON.
Mr. R. S. F. SIMSON.
Mr. H. M. SPENCER.
Mr. O. STEINER.
Mr. C. H. STRAKER.
Mr. A. B. STRANGE.
Mr. R. C. M. STROUTS.
Mr. A. P. SYMONDS.
Mr. W. A. TURNER.
Mr. G. K. WALKER.
Mr. F. B. WATHEN.
Mr. C. E. WOOD.
Mr. F. E. L. WORKE.
Mr. R. D. YOUNG.

HONORARY MEMBERS.—31st December, 1916.

Mr. D. T. CHADWICK, I.C.S., (Europe).
Mr. P. ECCLES, I.C.S.
Mr. K. T. B. TRESSLER, (Europe).

Mr. J. H. THONGER.
Hon'ble Sir FRANCIS SPRING, K.C.I.E.

RETIRING COMMITTEE in 1916.

Hon'ble Mr. GORDON FRASER,
Sir BERNARD HUNTER, [*Chairman.*
Vice-Chairman.

Mr. A. J. LEECH
Mr. H. P. M. RAE
Mr. A. P. SYMONDS
Mr. F. B. WATHEN
Mr. F. E. L. WORKE

Committee.

COMMITTEE for 1917.

Hon'ble Mr. GORDON FRASER,
Sir BERNARD HUNTER, [*Chairman.*
Vice-Chairman.

Mr. A. J. LEECH.
Mr. H. P. M. RAE.
Mr. A. P. SYMONDS.
Mr. F. B. WATHEN.
Mr. F. E. L. WORKE.

Committee.

Mr. A. E. LAWSON, C.I.E., *Secretary*, (on Leave).

Mr. T. E. WELBY, *Acting Secretary.*

BANK OF MADRAS, *Treasurers.*

IMPORT SUB-COMMITTEE for 1917.

Messrs. W. ALEXANDER, W. A. TURNER, and J. F. SIMPSON.

THE SKINS AND HIDES SUB-COMMITTEE.

Messrs. G. A. CHAMBERS, R. S. F. SIMSON, and C. H. STRAKER.

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ANNUAL MEETING.

The Annual General Meeting of the Madras Chamber of Commerce was held on the 19th December, 1916. The Hon'ble Mr. Gordon Fraser, Chairman, presided, and there were present the following:—Sir Bernard Hunter, Mr. W. A. Beardsell, Mr. A. F. Buchanan, Mr. H. M. Spencer, Mr. W. A. Turner* Mr. F. B. Wathen, Mr. J. W. Crusha, Mr. C. H. Straker, Mr. W. Alexander, Mr. F. E. L. Worke, Mr. R. S. F. Simson, Mr. A. Scott, Mr. G. K. Walker, Mr. R. D. Young, Mr. John Black, Mr. J. F. Simpson, Mr. C. E. Wood, Mr. H. P. M. Rae, Mr. A. J. Leech, Mr. G. A. Chambers, and Mr. T. E. Welby (Acting Secretary).

THE ANNUAL REPORT.

The following is a summary of some of the more important proceedings of the Chamber during the past year:—

As in the preceding year, the Chamber was largely occupied in dealing with questions arising out of war conditions either directly or through the measures taken by the Government to control trade and shipping.

During the year the Chamber had the benefit of meeting Sir William Meyer, Finance Member of the Government of India, and Sir Thomas Holland, President of the Royal Industrial Commission. Arrangements were made for the Chairman of the Chamber to give evidence before the Commission.

HIDES AND SKINS.

Amongst the most important of these controlling measures was that whereby the War Office acquired the means of ensuring the requisite supply of skins and hides. At a special meeting of members of the Chamber, interested in the skins and hides trade, on the 4th January, it had been resolved to establish a Skins and Hides Export Sub-Committee, and effect was given to

this, by a resolution modifying Rule 17, at the general monthly meeting of the Chamber on the 25th January. In June the Sub-Committee thus formed prepared a statement for the Commissioner appointed to enquire into the working of the skins and hides trade on behalf of the War Office, and on the 3rd July there was a special meeting of the Chamber to concert action in view of the unofficially reported terms on which stocks of tanned hides were to be requisitioned. The Chamber then resolved to protest against the terms, and at another special meeting, held on the 7th July, it was decided to submit the Chamber's proposals regarding the rates which might fairly be taken as market prices for May, which prices had been officially made the basis of the Government's transaction. A similar statement of rates regarding June was agreed upon at a special meeting on the 10th July. On the 29th July, the Chamber again had a special meeting to consider the desirability of urging the Government to control the hides trade from London instead of Madras, but no decision was reached, and the control arrangements devised by the Government came into force.

TRADE POLICY AFTER THE WAR.

The general question of trade policy after the war received much attention from the Chamber during the year. It was felt that no time should be lost in crystalising British mercantile opinion in India on the subject, and the Chamber greatly regretted that its remonstrances to the Bombay Chamber, which had taken steps to convene a Conference, but was afterwards persuaded to defer it, failed to prevent the postponement of the Conference of Chambers which was to have taken place, and which this Chamber regarded as essential for a definite and co-ordinated effort to secure protection against *post bellum* dumping by the enemy countries and other action by them in the coming trade war. With these objects in view, the Chamber had worked out the general principles which it wished to see applied to trade policy and to the future relations between Germany and India. These are given in the record of the year's work, but the main points may be briefly stated here.

The Chamber favoured the establishment of a fiscal system of (a) preference within the Empire and (b) most favoured nations treatment to the Powers allied with it; heavy dues on German shipping using British ports after the war; trade licences for aliens trading in the Empire; prohibition of mining and other concessions to Germans and Austro-Hungarians; licences for aliens engaged in banking in the British Empire, with special licence fees in the case of Germans and Austro-Hungarians; stricter naturalisation laws, and the suspension of all naturalisation by Germans and Austro-Hungarians. The Chamber held that contracts with aliens detrimental to British interests or of countries in politico-economic alliance with Great Britain should be *ipso facto* unenforceable in a Court of Law, and if designed to give any alien a local or general monopoly of materials essential for military or naval purposes should be punishable. The Chamber further considered it essential that the resumption of trade with Germany and her allies, under no matter what restrictions, should be suspended by legislation for at least one year from the end of the war in order to prevent any sudden move by the enemy before Great Britain has reorganised her industries.

As for enemy interests during the war, the Chamber urged on several occasions the necessity of more prompt and effective action in winding up hostile concerns in India. In particular it resolved on the 28th March to convey to the Government of Madras its "strong disapproval" of the procedure adopted in the liquidation of enemy firms. The Chamber also protested against the admission of goods containing up to 25 per cent. of enemy-produced value, arguing that this was analogous to a policy of inflicting only 75 per cent. of defeat on the enemy in the battle-field, but the matter lay with the British Government, and no change of policy could be brought about. In August the Chamber strongly condemned the action of the British Government in the jute contract with Messrs. Ralli.

The Chamber deputed Sir Hugh Fraser to represent it on the British Imperial Council of Commerce and decided henceforth to describe itself as a member of that Council. There were many indications during the year that inter-imperial trade

relations were becoming closer and that India, as well as other parts of the British Empire, was desirous of such co-operation with the Allies as would, the Chamber hoped, result eventually in the creation for all of a prosperity greater in degree and more securely fenced about against German ambitions.

DEPUTATION TO RUSSIA.

The other aspect of the Chamber's policy in these politico-economic matters was shown in its endeavours to encourage trade between Southern India and countries now in alliance with the British Empire. It undertook to bear a large part of the cost of deputing two gentlemen, under the auspices of the Government of Madras, to visit Russia on a tour of enquiry. Subsequently the deputation acquired the aspect of one in the interest of the trade of India as a whole with Russia, and the Chamber, therefore, made a representation to the Government that it felt justified in presuming it would no longer be called upon to bear that proportion of the estimated costs of the enquiry which it had undertaken when the deputation was acting entirely on behalf of Southern India.

In furtherance of the scheme of opening up new markets, the Government of Madras arranged for the preparation of a Handbook of Commercial Intelligence, which was submitted to the Chamber in proof for criticism.

COAL SUPPLY.

Coal supply received attention on many occasions during the year, more particularly from July onwards. In response to the East India Railway's enquiry for regular information regarding stocks of coal, it was decided that the Madras and Southern Mahratta Railway, being already in possession of most of it, should be the means of communicating the desired information. An endeavour was made to expedite urgent coal supply by the Chamber endorsing requests for early delivery.

INCOME-TAX AND DEPRECIATION ON PLANT AND MACHINERY.

A serious grievance in the application of the Income-tax Act, as regards depreciation allowed on machinery and plant, was brought to the notice of the Chamber, and representations

were made to the Government of Madras, who, however, replied in September that the annual depreciation of 6 per cent. allowed as a deduction from profits for income-tax purposes was intended to cover both cost of renewals and cost of repairs and maintenance and stated that they were unable to modify the orders in force. The Chamber thereupon invited other Chambers in India to co-operate in securing redress of the grievance.

The position taken up by the Chamber is that repairs and maintenance are a fair charge as a trade expense to revenue in income-tax returns; that, after all wear and tear has been made good by repairs short of renewal, a further allowance should be made in respect of the imperceptible deterioration due to age; that an allowance should be made for obsolescence when old machinery is replaced by new and the sum set aside for depreciation does not suffice to meet the cost; and that profit is only the sum remaining after the capital used up has been deducted. The Chamber, therefore, desired the Government to instruct the income-tax authorities that machinery and plant represent capital, that capital is exempt from income-tax, and that repairs and maintenance are chargeable to revenue since they are incurred to maintain capital as therein represented, and that it should, in addition, be allowable to claim for depreciation year by year such sums as may enable ultimate renewal of machinery to be carried out. The Chamber also drew attention on another occasion to the inequitable differentiation between partners in a firm and shareholders under the Income-Tax Act as worked.

LANDING CHARGES.

Early in July the Landing Contractors of Madras addressed the Chamber, intimating that owing to war conditions they had resolved to enhance the schedule rates. The Import Sub-Committee of the Chamber failed to agree on the subject, and it was decided to refer it to a specially constituted Committee. Finally the Chamber and the Landing Contractors compromised, agreeing that there should be a supercharge of 35 per cent. on the schedule rates from October to the end of December, 1917, or for a shorter period, if the war should end before that date.

STATE vs. COMPANY MANAGEMENT OF RAILWAYS.

The question of the merits of State and Company Management of Railways was placed before the Chamber, and it was resolved to inform Government that the Chamber was disposed to prefer Company Management if State control of it could be more effectively applied.

A BILL TO AMEND THE COURT-FEES ACT.

The Chamber was requested by the Government of India, through the Government of Madras, to give its opinion on the Bill further to amend the Court-Fees Act of 1870, a piece of legislation which, in spite of amendment on no less than twenty-four occasions, is of an extremely confused character and has given rise to many conflicting judicial findings. The Chamber submitted its views in a lengthy memorandum, suggesting many changes in the interests of equity or of clearness.

OTHER SUBJECTS.

A large number of other subjects came before the Chamber during the year. Amongst these were the Hall-marking of Gold and Silver; the valuation of Government securities in balance sheets; shortage of Railway wagons; Adulteration; the effect on Madras sugar refiners of Ceylon competition favoured by the heavy import tax on sugar in that island, in view of which this Chamber urged protective measures; the form and contents of official forecasts of crops; the Indian Consolidation Act of 1915; Stamp Duty on Cash Credit agreements; Stamp Duty on policies of Life Insurance; the Bill to amend the Presidency Banks Act; the Bill to amend the Small Cause Courts Act; alteration of the existing practice in regard to Government Pro-notes; an open Market for Cotton; Congestion of traffic on Railway; Delivery of goods without the production of rail receipts; an Infectious Disease Hospital for Europeans in Madras; Passports for passengers leaving Madras.

In the course of the year members of the Chamber gave substantial support to various patriotic charities or war funds, including the special Y. M. C. A. fund, the officers' families fund, the fund for convalescent soldiers entertainments and the fund for supplying newspapers to the Fleet.

THE CHAIRMAN'S SPEECH.

The Hon'ble Mr. Gordon Fraser, in proposing the adoption of the report, said :—

I have pleasure in moving the adoption of the report of the proceedings of the Chamber for the year now drawing to a close and in doing so would like to refer briefly to some of the more important subjects which have been up before the Chamber, and also to the present state of affairs.

Our meeting this evening is the third annual general meeting held by our Chamber since the outbreak of war, and we must hope that when we assemble for our next annual meeting, it will be in times of peace. It is impossible to forecast the further duration of the war, and all we can do is to keep on the safe side and continue preparations for a lengthy struggle, and if we do achieve final victory earlier than anticipated all the better. We must hope for the best but be prepared to meet and tackle the worst.

Although we are present this evening as a commercial body, it is impossible to disassociate commerce from the war, as the military situation overshadows everything else and exercises a controlling influence over trade and the course of all commercial markets. All are dependent on and influenced by the struggle now in progress, and the laws of supply and demand have given way to the exigencies of the military situation.

TRADE AND THE WAR.

I remarked last year on the dangers to trade and commerce of outside interference with the natural laws of supply and demand, but conditions are changed and all considerations must go overboard other than those directly concerned with the effort now being made by our country and our Allies.

The overseas commerce of Great Britain is a necessity, and this is especially the case during war time, but it must be controlled and directed into those channels in which it will render the greatest help to the nation. Individual interests will probably—in fact must—suffer and in such cases we are justified in laying the facts of the case before Government for such relief as the exigencies of the situation will allow, without detriment to the main object in view.

DEPUTATION TO RUSSIA.

Arising out of the war we have the present Government deputation to Russia of Mr. Chadwick and Mr. Black. You will remember that two-thirds of the expenses of the deputation have been guaranteed by our Chamber and firms connected with the Chamber. Since its initiation this Commission has assumed an all-India character. If the Government of India will assume responsibility for the whole cost, or, if this is not considered advisable, then I trust that our Chamber will only be debited with its fair proportion of the expenses. It must be remembered it is the country which will benefit and not the individual merchants who have generously contributed. We have addressed Government on the subject, and I have no doubt that the authorities will take a broad and liberal view of the matter.

HIDES AND SKINS.

Also directly due to the war, we have the present Government control of the tanned hides trade. The strong demand for leather for the equipment of our army and the armies of our Allies caused a steady advance in the price of Madras tanned hides. The position was growing so serious that Government in May last decided to step in and take control of the supplies on the spot. I am afraid I cannot commend the steps taken by the Home Government to achieve their object, although at the same time I thoroughly approve of the object in view and of the necessity for Government action. I think the Home Government might have shown more confidence in and have acted with greater frankness towards the firms interested in the trade. Government could have rested assured of our whole-hearted support. Although I cannot congratulate Government on their methods, I do congratulate them on the choice of the Commissioner appointed to carry out their wishes. That the business is running as smoothly as it is and with a minimum of friction is greatly to the credit of the Government Commissioner, Mr. McWatters.

I am sure that members of the Chamber will have noticed with satisfaction the Government prohibition of the export of raw hides from India to neutral countries, which comes into force on the 1st January. Legislation in this direction is long overdue, as neutral countries have been buying the pick of the raw hides and

forcing prices to a level which Indian tanners cannot afford to pay. These high prices, coupled with the exorbitant rates charged by contractors for bark, make it impossible for Madras tanners to work their tanneries, except at a loss, on the schedule prices paid by Government for tanned kips.

On the other hand, large profits are being made by the tanners of sheep and goats' skins and the natural result of this will be that many tanners will switch off hides and turn on to skins, whilst other hides tanners are trying to minimise their loss or work at a profit, by resorting to adulteration. Both these difficulties, as also the question of the present high value of bark, are having the attention of Government. Tanning bark, I understand, is a Government monopoly and, as such, it ought not to be difficult to devise some scheme to supply tanners direct at reasonable rates. The position should be further improved by a Government notification just issued, notifying the intention of prohibiting at an early date the export of tanned skins to countries other than the United Kingdom, and this, what I might also call belated legislation, should increase the output of the hides. To take full effect, however, this prohibition should extend to the export of skins from London.

It is useless, however, trying to increase the supplies of tanned hides unless Government fix prices which will leave tanners a fair margin of profit and at the present moment this is not the case. As for merchants and shippers, they also are now working at a loss, and it is to their credit that, notwithstanding this, they still endeavour to supply Government to the approximate amount of their allotments.

The question of adulteration is a serious and growing evil, and the Hides and Skins Sub-Committee of the Chamber have the matter under consideration at the present moment.

The present Government control has resulted in the curious analogy of buffs selling in London at higher prices than standard parcels.

TRADE PROBLEMS.

The suggestion to hold a Conference of the Chambers of Com-

Unfortunately not materialised. Unfortunately the different Chambers were not all in accord, one Chamber preferring to await a reference on the subject from Government. A Conference such as the one proposed in order to carry weight should be fully represented and unanimous, and, failing this, I think the postponement, however unfortunate, was advisable. The opinion of the Madras Chamber is that the Conference ought to have been held on the dates originally fixed.

In regard to war legislation, evidence all points to the fact that public opinion has been well in advance of Government. We were very pleased to see the Government ordinance providing measures for the liquidation of hostile firms, and it is a matter for congratulation that our local Government has acted so promptly on the authority, vested in them by the new ordinance; certain properties have already been sold, and others are now on the market.

We are in exactly the same unfortunate position to-day regarding dyed stuffs as this time last year. The country is denuded of supplies, and there appears to be little prospects of any improvement. Fortunately dyed stuffs are not necessities to the country.

The question of the allowance sanctioned by Government for depreciation on plant and machinery for purposes of income-tax returns is still before the Chamber. The decision of the local Government is unsatisfactory and, in the opinion of members of this Chamber, is inequitable. We hope that the combined Chambers of Commerce in India will make a joint representation to the Government of India, asking for steps to be taken to place this matter on a more satisfactory basis and establish a more uniform system throughout the country.

INDUSTRIES COMMISSION.

During the year under review we had the pleasure of visits from Sir William Meyer and Sir Thomas Holland and have had the opportunity to discuss with them matters of general interest. Sir Thomas Holland's visit was a preliminary one and preparatory to the visit to be paid later on by the Industrial Commission. Several members of the Chamber have been invited to give evidence before the Commission, and the Chamber as a body has also

received an invitation and has been supplied with a copy of questions to be answered. These questions will be replied to by the Chamber, and at the invitation of the Chamber I will be present to give oral evidence.

It is unfortunate that the scope of the Commission excludes fiscal matters, as it is impossible to dissociate these from a general enquiry into the possibilities and best means of promoting industries in India. The opinion is almost universal in India that the time has arrived for Government to repeal the excise duties on cloths manufactured in the country, and in the case of new industries, especially those classed as key industries, protection or State aid is essential. In considering in due course the report of the Industrial Commission, Government will have to consider the fiscal question side by side with the report.

COAL.

I would like to touch briefly on the coal question. The shortage of supplies and the wagon difficulty are directly attributable to the war, and unfortunately, are unavoidable. The railway companies are severely handicapped; they are under-staffed, short of rolling stock and restricted in their purchases from England of stores and renewals and with all this they have enormous extra traffic in coal and other commodities thrown on them by the almost complete cessation of coasting traffic.

IMPORTS AND EXPORTS.

In regard to imports, the year under review has been one of steadily advancing prices for all classes of goods, and, consequently, a year of profit to importers. In normal times one would have welcomed this as a sign of flourishing trade, but under present abnormal conditions it is a cause for regret. The position tends to encourage speculative trading, and there is the tendency to ignore possible trouble ahead. Unfortunately, business without risk is impossible at present, but one thing we can rely on happening sooner or later is a serious reaction in values. Our difficulties and troubles on a falling market are well known, and we must safeguard ourselves as much as possible against this.

I have already mentioned that the overruling influence on commerce is the war, but the immediate factor most patent to us,

which is exercising a detrimental effect especially on exports, is the scarcity of freight. The position is acute and serious, and unfortunately we have no reason to anticipate an improvement in the near future.

On reviewing the past twelve months, in fact the past two years, one cannot help being struck with the extraordinarily even course trade has taken under the difficult and abnormal conditions which have existed during the period in question. We have had our troubles and difficulties, and the recent acquisition by Government of a vessel chartered to load on our coast and the embargo placed on a Greek vessel by Government after she had commenced loading brings before one very forcibly the dangers existing at present. I think one is inclined to accept it too much for granted that the even course of trade will continue, but this would be fatal, as conditions are so abnormal that it is impossible to foresee what troubles may arise and consequently very difficult to safeguard against them. An instance of this is the new difficulty which has arisen in the restriction of the sale of Council Bills by the Secretary of State. I am afraid I do not take an optimistic view of the prospects of trade during the early months of next year, but possibly good may arise out of the difficulties we are experiencing in so far that merchants are likely to turn their attention and energy to the development of local industries.

ADULTERATION.

The question of the adulteration of Indian produce has been before the Chamber in one form or another on several occasions, and while we are unanimous in our desire to put a stop to the adulteration that goes on, it is recognised that there are difficulties in legislating on the subject. I will not deal with the question at length, as it will be before the Chamber again at an early date. I have not referred to kernels so far; perhaps this is due to the fact that on one occasion, at a dinner, when proposing the health of the guest of the evening, I heard an aside—"Bet you a rupee he refers to ground-nuts before he sits down."

However, on this occasion I cannot say much on this subject. We are at a deadlock. The crop is there waiting to be harvested, the buyers are there across the seas, but there is no tonnage.

Unfortunately there is a demand for only a limited quantity in this country. Even had we oil presses sufficient to deal with the whole crop we would be but little better off, as we cannot ship the oil.

GOVERNMENT AID.

Our thanks are due to our local Government and also to the Government of India for the ready and sympathetic manner in which they have dealt with the various difficulties in regard to trade which we have put forward from time to time. There continues to be a refreshing absence of formality and red tape, and the war has certainly brought the Government and commerce into closer and more sympathetic relations than in pre-war days.

In conclusion, speaking on behalf of the merchants in Madras, I can assure the Government that we are only too anxious to give our whole-hearted support to any measures or restrictions Government thinks it necessary to bring into force for the vigorous prosecution of the war. I think *Punch* sums up the position admirably in the case of the Irishman who said he was quite willing to fight if somebody would come and fetch him. It is the same throughout. If Government will give the lead by taking strong measures the nation will support and follow.

Gentlemen, I have much pleasure in moving the adoption of the report.

Sir Bernard Hunter seconded the adoption of the report, which accordingly was adopted.

THE CHAIRMAN AND VICE-CHAIRMAN.

The Hon'ble Mr. Gordon Fraser and Sir Bernard Hunter were Chairman and Vice-Chairman during the year.

THE MADRAS LEGISLATIVE COUNCIL.

The Hon'ble Mr. Gordon Fraser was the Chamber's representative for 1916.

THE MADRAS PORT TRUST.

The Hon'ble Mr. Gordon Fraser, Sir Clement Simpson, Sir Hugh Fraser, Messrs. J. F. Simpson, R. Greerall, H. P. M. Rae and A. P. Symonds served as the Chamber's representatives for various periods during the year.

THE MADRAS CORPORATION.

Messrs. J. W. Crusha, A. P. Symonds, A. J. Leech and J. F. Simpson were the Chamber's representatives during the year.

THE IMPORTS SUB-COMMITTEE.

Messrs. J. C. Armstrong, W. A. Beardsell, W. A. Turner, W. Alexander and J. F. Simpson served on the Imports Sub-Committee of the Chamber for various periods during the year.

THE SKINS AND HIDES SUB-COMMITTEE.

Messrs. G. A. Chambers, C. H. Straker and R. S. F. Simson.

THE INDIAN TEA CESS COMMITTEE.

Mr. C. E. Wodd was the Chamber's representative for the year.

NEW MEMBERS.

Messrs. F. B. Wathen, T. M. Ross, D. J. Castelli, John Black, H. M. Spencer.

HONORARY MEMBERS.

Messrs. R. Todd, R. C. M. Strouts, C. E. Wood, A. B. Chanter, H. H. G. Mitchell, J. L. Milne.

CORRESPONDENCE.**TRADE AFTER THE WAR.**

Punjab Chamber of Commerce, Delhi, 24th January, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR, — The Committee of the Chamber are of opinion that the problem of trade after the war, in its general aspects and bearing upon the future international relations of civilised States and countries is of so supreme an importance and so fraught with complexity that no time should be lost in clearing the ground for co-ordinated action in the future. This view is doubtless shared by the Committee of your Chamber, as it is by statesmen, merchants, manufacturers and publicists generally.

The problem appears to be so varied, intricate and confusing that piecemeal discussion of individual aspects is of small practical value; and the point to which at this juncture deliberations should converge would seem to be a broad general agreement upon certain simple lines of action.

It is with a view to formulate such an agreement that I am directed by the Committee of this Chamber to address you, to invite your support, your suggestions, and your criticism, so that some representative scheme may be worked out in India, expressing in general terms the sentiments of business men out here. With such a scheme, carefully considered, it would be possible to indicate a collective opinion for submission to the Government of India, the Secretary of State, the Board of Trade, the Home Chambers of Commerce, in fact to all authoritative bodies, political or commercial, whose energies must be directed to the consolidation and the safeguarding of trade interests of the Empire after the war.

It has been suggested to the Chamber of Commerce Journal that what is wanted is the immediate examination of the problem as a whole by a thoroughly representative and imperial body, but it is obvious that even were such a body in existence, and it is not, it must, to bear any practical fruit, be in a position to represent the true opinion of many centres, each with its own peculiar trade aspects. If, therefore, at this time India can come forward with a scheme, applicable in a general sense to the country as a whole, the Legislature both at Home and out here will at least be on fairly firm ground where India is concerned.

A movement is already taking place in France and England to establish a Customs Union which, it is suggested, should embrace the British Empire, France, Belgium, Russia, Italy, Serbia and Japan, as also neutral countries which may wish to join it. The broad object of this Customs Union is not only to promote trade between the countries in the Union, but to control the effect of the commercial campaign that will be organised by Germany and Austria after the war.

Although we have no very precise details of this commercial campaign, the general trend it will assume is fairly obvious, and has to some extent already been foreshadowed in a resolution recently adopted at a Committee held in Vienna. The resolutions of the greatest interest to *Entente* countries are as follows :—

"The necessary condition of the system of fiscal and political preferences is that, especially in the treaties of peace, the principle shall be established that other States cannot claim preferential treatment on the basis of most favoured nation treatment.

"Commercial treaty negotiations with other States are to be conducted by the Allied Empires, subject to the preservation of their sovereign rights, in agreement with one another and simultaneously, and the treaties must be concluded at one and the same time.

"The agreements of the Allied Empires in the sense of these proposals are to be made for a period of time considerably longer than the period which has hitherto been customary in treaties of commerce.

"Preferential treatment shall not be accorded to other States except with due regard for the economic interests of the Allied States, and by mutual agreement among them."

Briefly, the object of the campaign will consist in dumping goods into foreign markets and especially the markets of the Allies. The dumping process itself will further form a core or cortex around which will gather much that will be injurious in the highest degree not only to British trade and the trade of her Allies, but much that will in time again threaten the integrity of their national existence. It is entirely inconceivable that any Government or any people can allow such conditions to obtain without adopting measures to neutralise their effects.

The first thing, then, to do, it would seem, would be to formulate certain broad general suggestions which would commend themselves to all Chambers of Commerce in India. Something has already been done by the Executive Committee of the Imperial Council of Commerce. A Conference is to be held in London on the

5th June next, and a representative attendance of delegates from overseas dominions and dependencies is expected. The provisional programme includes the following subjects, namely:—"Preference within the Empire and preferential relations with the Allies; measures against enemy countries in connection with manufactures and shipping and also against the dumping of enemy goods within the Empire; the abandonment of naturalisation laws and compulsory registration of aliens; the question of licences to trade, and other regulations affecting foreign firms, the prohibition of contracts with aliens which might be calculated to restrain Imperial trade, uniformity in patents, designs and trade-mark laws; Imperial preference in taxation, the question of a double income-tax, and the limitation of membership of Commerce to British-born subjects."

To all of the above subjects mentioned, the Committee of this Chamber are prepared to assent in general terms and would solicit the favour of your Chamber's views in this connection as to the best means for co-ordinating and forwarding Indian opinion on the subject.

I have, etc.,
J. RENTON-DENNING,
Secretary.

Chamber of Commerce, Bombay, 7th March, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to inform you that my Committee have appointed a special Sub-Committee to consider what action should be taken on the general question of trade after the war, and at a recent meeting it was agreed that this subject could be most profitably dealt with at a joint meeting of representatives of Chambers of Commerce in India. I am, therefore, to enquire whether your Chamber is prepared to support this proposal, and, if so, whether your Committee would agree to the meeting being held at Simla about the middle of April next, or such other suitable centre as may be agreed upon.

2. In view of the fact that the Imperial Council of Commerce is to meet in London on the 5th June next, it is felt that the suggested joint meeting of Chambers of Commerce in India should be held as soon as possible, and to facilitate matters, a copy of this letter has been sent to other Chambers.

I have, etc.
R. E. GREGOR-PEARSE,
Secretary.

Chamber of Commerce, Madras, 13th March, 1916.

TO THE CHAIRMAN, PUNJAB CHAMBER OF COMMERCE,
Delhi.

SIR,—In reply to your letter of the 24th January, 1916, I beg to inform you that this Chamber will be glad to co-operate with your Chamber in any concerted endeavour to combat the industrial and commercial designs of the present enemy countries.

This Chamber is in accord with your Chamber that "the point to which at this juncture deliberations should converge would seem to be a broad general agreement upon certain simple lines of policy."

In this Chamber's opinion, no time should be lost in taking up the serious examination of the general policy to be adopted, for if no decision be reached now, the conditions prevalent at the end of the war may easily add to the difficulty of framing a policy. Moreover, in view of the measures being taken in England and by our Allies at the present time, Indian interests must assert themselves before policy crystallises there.

The first step it is necessary to take is in the direction of a Conference at which all the Chambers of Commerce in India would be represented; and this ought to be convened at a very early date, in order that its resolutions may reach the Imperial Council of Commerce well before the 5th June, 1916, on which date that body assembles in London for the consideration of these problems.

The matters which the Conference of Chambers in India might profitably consider are:—

- (1) Preference within the Empire, and preferential relations with the Allies.
- (2) Measures against enemy countries in connection with manufactures and shipping, and also against the dumping of enemy goods within the Empire.
- (3) The abandonment of naturalisation laws and compulsory registration of aliens.
- (4) The question of licences to trade and other regulations affecting foreign firms.
- (5) The prohibition of contracts with aliens which might be calculated to restrain Imperial trade.
- (6) Uniformity in patents, designs and trade-mark laws.
- (7) Imperial preference in taxation.
- (8) The question of a double income-tax.

(9) The limitation of membership of Chambers of Commerce to British-born subjects.

This Chamber would also add

(10) The prohibition of ownership of real estate in India by our present enemies.

It would appear to be desirable, also, that a certain interval of time should elapse between the conclusion of peace and the resumption of trade relations, however limited and controlled, with Germany and Austria-Hungary. That interval is required in order to allow British factories diverted to the production of war material to resume their former work, to permit of the gradual recovery of the labour taken away from industry to the battlefield and to nullify any sudden move by the enemy in the new commercial and industrial war. It is further required in order that the people of the Empire may grow more accustomed to reliance upon the Empire and its Allies for the satisfaction of their demands as consumers. They assuredly cannot now realise how far the Empire and countries in alliance with it are capable of meeting their need because some industries started since war began are still in their infancy, because other industries that might have come into existence have not yet been born in consequence of the imperative claims of war work, and because, generally speaking, the consumers' wants are now limited in some directions and over-stimulated in others. There must be a return to something like normal conditions before the question how far the Empire and its Allies are self-sufficient can be fairly put to the test. Possibly a period of one year might be enough, but that is a matter for discussion.

This Chamber, then, urges the early assembly of delegates from all the Chambers of Commerce in India and the production, after due debate, of a clear and broadly conceived plan for submission to the Imperial Council of Commerce, to the British Government and to the Government of India, and for communication to the leading mercantile organisations in the countries of the Allies.

I have, etc.,

W. B. HUNTER,

Vice-Chairman.

Chamber of Commerce, Madras, 14th March, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Bombay.

SIR,—In reply to your letter of the 7th instant, I beg to say that this Chamber has recently addressed the Punjab Chamber of

Commerce with reference to a Conference of representatives of the Chambers of Commerce in India to consider the question of trade relations after the war, and I enclose copy of its reply. From this you will see that this Chamber considers that such a Conference is eminently desirable and is prepared to send one or more representatives.

As regards the place of meeting, this Chamber agrees to the proposal that it should be Simla.

I have, etc.,
W. B. HUNTER,
Vice-Chairman.

Chamber of Commerce, Madras, 15th March, 1916.
TO THE CHAMBERS OF COMMERCE,
Bombay, Bengal, Upper India, Karachi, Burma,
Cochin, Tuticorin and Cocanada.

SIR,—I beg to enclose, for your information, copies of correspondence that has passed between this Chamber and the Punjab and Bombay Chambers of Commerce regarding a proposed Conference of representatives of Chambers of Commerce in India to discuss trade relations after the war.

I have, etc.,
A. E. LAWSON,
Secretary.

Punjab Chamber of Commerce, Delhi, 18th March, 1916.
TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 13th instant, and beg to hand you herewith copy of a letter addressed to the Bombay Chamber of Commerce in answer to a suggestion from that Chamber that an early Conference on the matter of post-bellum trading should be arranged for.

Your letter now under reply will come before the Committee for discussion on Tuesday next.

I have, etc.,
J. RENTON-DENNING,
Secretary

[ENCLOSURE.]

From the Secretary, Punjab Chamber of Commerce, Delhi; to the Secretary, Bombay Chamber of Commerce, dated the 10th March, 1916.

I have to acknowledge the receipt of your letter No. 353-114 T, of the 7th instant, and in reply thereto am to say that this Chamber is quite prepared to support the proposal therein put forth. The Committee of this Chamber are agreeable to leave the place and date of meeting to be settled by the Bombay Chamber, but would ask to be favoured with a very early intimation as to these particulars when a decision has been arrived at.

Punjab Chamber of Commerce, Delhi, 23rd March, 1916.
TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—In continuation of my letter No. 197, dated the 18th instant, and with reference to your letter of the 14th idem, on the subject of a general policy to be adopted in connection with post-bellum trade, I am directed to express the thanks of the Committee of this Chamber for your letter, and to add that this Chamber heartily concurs in all you have written on the subject.

A Sub-Committee has been appointed here to formulate the views of the Punjab Chamber on measures to be recommended to the Conference, which it has been suggested both by the Madras Chamber and the Bombay Chamber should be held at an early date, a line of action in which this Chamber heartily concurs.

I have, etc.,
J. RENTON-DENNING,
Secretary.

Chamber of Commerce, Bombay, 23rd March, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to my letter, dated the 7th instant, proposing a meeting at Simla of representatives of Chambers of Commerce in India to discuss the question of trade after the war, I am directed to inform you that the first meeting has been fixed for the 25th April at 3-30 p.m. and daily thereafter as may be arranged should further meetings be necessary.

2. My Committee venture to suggest that a Sub-Committee should at once be appointed by each Chamber for the purpose of collecting the views of their members on the various points it may be desired to bring forward for discussion at the meeting at

Simla. It is also suggested that the views of each Chamber should be circulated to all other Chambers sending representatives to Simla to facilitate discussion and to enable each representative to express an opinion with the authority of his Chamber, on the various matters that may be brought forward.

3. The following Chambers have already replied agreeing to the proposed meeting at Simla and will send representatives :—

Karachi Chamber of Commerce.

Madras Chamber of Commerce.

Punjab Chamber of Commerce.

It is hoped that the Bengal, Upper India and Burma Chambers will also agree to send representatives, and a further letter to this effect will be sent you on receipt of replies from these Chambers intimating their willingness to take part in the proceedings.

I shall be much obliged if you will kindly let me know who will represent your Chamber at the meeting.

I have, etc.,
R. E. GREGOR-PEARSE,
Secretary.

Upper India Chamber of Commerce, Cawnpore, 28th March, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to refer to your letter of the 15th instant, on the subject of trade after the war. This Chamber is in entire sympathy with the movement and has also formed a Sub-Committee to consider the action it is desirable for this Chamber to take.

It is practically certain that they will support the proposal for a joint meeting of representatives of Chambers of Commerce in India, but in this point I shall advise you further next week. In the meantime I must content myself with advising you of the adherence of this Chamber to the concerted movement.

I have, etc.,
J. G. RYAN,
Secretary.

Chamber of Commerce, Madras, 6th April, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Bombay.

SIR,—With reference to your letter of the 23rd March and earlier correspondence on the subject of trade policy after the war, I have to inform you that this Chamber will be represented at the Conference at Simla by its Chairman, the Hon'ble Mr. Gordon Fraser.

As regards the views of this Chamber on the main points likely to come up for discussion, I am to say that it is unanimously, or practically unanimously, of opinion that :—

1. There has been some laxity or inefficiency in dealing with German firms in India since war broke out, and the practice of continuing their operations under official supervision, and thus accumulating profits, which will presumably be made over to the German owners when peace is declared, is highly reprehensible. Closure should be immediate.

2. The introduction of some measure of protection is essential. In the opinion of the large majority of the members of this Chamber, the system required is one establishing (a) preference within the Empire and (b) preferential terms as between the Empire and the Allies. Alternatively—but this would be inadequate in the opinion of most members—discrimination in favour of the Allies would be operative only so far that they (and neutrals) would receive better terms than Germany and Austria-Hungary.

3. The countries at present at war with Great Britain, and especially Germany and Austria-Hungary, should be compelled, when peace comes, to pay special dues on any shipping using British ports, and if any country subsidises its shipping or imposes special charges on British shipping, retaliatory measures should be taken to equalise matters. Precautions should be taken to prevent Germans and other late enemy owners masquerading as neutrals, and favourable treatment should be denied to any neutral country which tolerates such disguise through the laxity of its shipping laws. There should be efficient checks on shipping combines detrimental to British trade, especially if the combine includes any line in which late enemy owners are interested.

4. Aliens trading within the Empire should be required to take out licences, and such of them as are subjects of Germany or Austria-Hungary should be obliged to pay heavier licence fees and should receive narrower privileges under the licence than neutral traders. In the case of aliens belonging to neutral countries, the licence should be a mere formality and the fees nominal, and the

privilege accorded by the licence should be extensive. It would probably be desirable to prohibit ownership of land by Germans and Austro-Hungarians and to deny them, and firms in which they are interested, mining and other concessions.

Banking and money lending by aliens should be prohibited except under licence; and in the case of aliens of German and Austro-Hungarian nationality should not be permitted under any consideration. This ruling should apply to missions throughout India, whose influence might be detrimental to the interests of Government and the welfare of the country. Trading and the ownership of land by alien missions should also be prohibited.

5. Naturalisation laws should be considerably more strict; the naturalisation of Germans and Austro-Hungarians should be suspended for at least a generation; and naturalised persons, of whatever previous nationality, should be debarred from holding positions of trust in the Government.

6. Contracts with aliens which are found to be, or are intended to be, detrimental to the interests of the British Empire or of countries in politico-economic alliance with that Empire should, *ipso facto*, be unenforceable in a Court of Law. Further, if such contracts relate to any material essential in war, and appear to be part of any scheme to give an alien country a local or general monopoly of the material in question, they should be punishable.

7. Double income-tax should be abolished.

8. Only British-born subjects representing British firms should be eligible for membership of Chambers of Commerce. Aliens, other than Germans or Austro-Hungarians, should be admissible as honorary members without power to elect officers of Chambers or to vote on questions of general policy.

The Chamber is also of opinion that the resumption of trade, under no matter what restrictions, with Germany and Austria-Hungary should be prohibited for, say, one year from the signing of peace terms, in order (a) to allow of the resumption of former work by British factories diverted to munition making, (b) to permit of the gradual recovery of labour taken away from industry to the battlefield, and (c) to nullify any sudden move by the late enemy in the new commercial and industrial war.

I have, etc.,
GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 6th April, 1916.

TO THE CHAMBERS OF COMMERCE,
Bengal, Karachi, Delhi, Rangoon, Cocanada, Cochin,
Upper India, and Tuticorin.

SIR,—In continuation of my letter of the 15th March, 1916, I beg to enclose copy of our letter, dated the 6th instant, to the Bombay Chamber of Commerce in reply to their letter of the 23rd ultimo on the subject of trade after the war, to be discussed at the Conference at Simla.

I have, etc.,
T. E. WELBY,
Acting Secretary.

TELEGRAM.

From the Bombay Chamber of Commerce; to the Chamber of Commerce, Madras, dated the 7th April, 1916.

In view of Lord Hardinge's reply to this Chamber's address and of further communication from Government of India in connection with trade after war, Committee of this Chamber are now of opinion suggested meeting at Simla on 25th April should be postponed until later in the year. Actual date to be fixed later by mutual arrangement. Writing fully.

Chamber of Commerce, Bombay, 8th April, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to confirm the following telegram sent you from this office on the 7th instant:—

"In view of Lord Hardinge's reply to this Chamber's address and of further communication from Government of India in connection with trade after war, Committee of this Chamber are now of opinion suggested meeting at Simla on 25th April should be postponed until later in the year. Actual date to be fixed later by mutual arrangement. Writing fully."

In replying to this Chamber's farewell address, Lord Hardinge stated he had taken pains to assure himself that India would be consulted before anything was finally decided in connection with the commercial policy to be adopted after the cessation of hostilities and the further communication from the Government

of India, in reply to a telegram from this Chamber, reads as follows :—

"1444. Your telegram of date to Hon'ble Mr. Low. Question asked by Hon'ble Mr. Vijiaraghavachariar in Council on 21st March was as follows :—(a) Has the attention of Government been called to a report which has appeared in the Press that the Allied Governments propose to hold a Trade Conference at Paris, (b) if so, do Government propose to take steps for the purpose of securing direct representation in that Conference of Indian interests by representatives from this country, official and non-official. Hon'ble Mr. Low replied as follows :—(a) The answer to the first part of the question is in the affirmative. (b) As regards the second part the Conference in question has been convened to consider, firstly, the possibility of putting further concerted economic pressure on the enemy during the war, and, secondly, to interchange views as to meeting the changed economic conditions after the war. The Prime Minister in a speech delivered on the 7th March to a deputation from the Chamber of Commerce has emphatically stated that the interests of every part of the Empire, India being specifically mentioned, would be borne in mind in entering on the Conference, and on the next day in the House of Commons he further explained that His Majesty's Government representatives would return from Paris absolutely uncommitted to any specific measures and that the Empire would be taken into Council before any policy was settled. The Government of India have further been informed by the Secretary of State, in reply to their enquiry, that if as a result of the Conference any action should be contemplated, no step will be taken without full consultation with this Government and with the Governments of the Dominions."

This Chamber's telegram to the Government of India read as follows :—

"This Chamber negotiating meeting with other Chambers on subject of trade after war. Sir William Clark yesterday urged us wire you requesting you telegraph urgently text of answer given to Hon'ble Mr. Acharia's question in Council on 21st March regarding Allied Trade Conference. Please wire fully to reach us to-morrow."

My Committee feel, in view of these definite assurances, that India is to be consulted in this matter, that there is no urgent necessity for a meeting of all Chambers at Simla on the 25th instant, and hence their suggestion that the meeting should be postponed until later in the year.

In the meantime a Sub-Committee of this Chamber will continue to sit for the purpose of drawing up points for discussion, and

their recommendations will be circulated for the information of all Chambers taking part in the proceedings at Simla, before the meeting takes place. I am to express a hope that a similar procedure will be followed by your Chamber.

I have, etc.,
R. E. GREGOR-PEARSE,
Secretary.

Punjab Chamber of Commerce, Delhi, 28th April, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward, for your information, the attached copy of a letter addressed to the Chairman of the British Imperial Council of Commerce.

I have, etc.,
J. RENTON-DENNING,
Secretary.

[ENCLOSURE.]

Punjab Chamber of Commerce, Delhi, 17th April, 1916.

TO THE CHAIRMAN, BRITISH IMPERIAL COUNCIL OF COMMERCE,
London.

SIR,—I forward herewith, for the information of your Council, the suggestions formulated by this Chamber, in connection with the consideration of methods for the regulation of trade, particularly with enemy countries after the war.

You will observe that this Chamber assumes the possibility of the establishment of a strong Customs Union embracing all peace-loving nations, and the Chamber ventures to anticipate that while the conditions of the Union may possibly provide that the nations composing it shall have liberty to exercise free and independent action in all matters of duties for purely fiscal purposes, they will co-operate in the adoption of measures calculated to restrain enemy manufactures and commerce from becoming aggressive and hurtful to their interests in the world's markets.

After careful deliberation, this Chamber is of opinion that this object can be attained by imposing a super-tax on imports of finished goods from non-Union countries and on exports of raw materials from Union countries to non-Union countries, the super-tax to be a thing apart from, and in addition to, the duties imposed for fiscal purposes. If a super-tax is imposed as suggested here, the non-Customs Union manufacturers' margin of profit must be reduced making the industrial and commercial energy of non-Customs Union countries less profitable to their people and less useful to the State, retarding the accumulation of profits which will ultimately, judging by the spirit of the people, again come under State control for the purpose of armaments.

All the countries of the Union will be able to contribute strength to this co-operation in some shape or form, and countries like India with an abundance of indispensable raw materials will be of inestimable value to it.

The Chamber is aware that a fear exists in the minds of some people that India's interests will suffer if anything is done to restrain enemy countries from obtaining their supplies of raw materials, such as jute, oilseeds, rice, etc., on open market terms as hitherto. The people who take this view of the position overlook, the Chamber thinks, the fact, that all Customs Union countries will continue to buy on open market terms from India and that in the readjustment of trade after the war and from the stimulant that a Customs Union will give to manufactures manipulating these products in India, in Great Britain, in the Dominions, as well as in the other countries of the Union, demand for India's raw materials will develop, which will take up what non-Customs Union countries may be unable to take, under the new conditions.

The suggestions which the Chamber begs respectfully to submit to your Council as suitable for India are :—

(a) A super import tax of at least 20 per cent. to be imposed on all imports of finished goods from non-Customs Union countries.

No super import tax to be imposed on articles imported from Customs Union countries provided that a super import tax equal to that imposed by India over and above whatever import duty has been imposed on the articles by the Customs Union exporting country for fiscal purposes is imposed on such imports from non-Customs Union countries.

(b) A super export tax of at least 15 per cent. be imposed on hides and skins, bones, raw jute, rice, oilseeds, groundnuts, wool, minerals, and teakwood, exported to non-Customs Union countries.

No super export duty to be imposed on these articles exported to Customs Union countries provided that a super export duty of at least 15 per cent. over and above whatever export duty is imposed by India and the Customs Union country for fiscal purposes is imposed on exports of these articles from the Customs Union importing country to non-Customs Union countries.

(c) Privileges in Indian ports to be accorded to Customs Union shipping equivalent only to corresponding privileges accorded in Customs Union ports to British shipping.

(d) Non-Customs Union shipping, visiting Indian ports to pay at least double the dues payable by Customs Union shipping.

(e) Facilities in Indian ports to be denied to vessels subsidised by non-Customs Union Governments.

(f) Indian Government subsidies may only be granted to Customs Union shipping.

(g) That all merchandise imported into India be carried in Customs Union bottoms.

(h) Subjects of non-Customs Union countries to be prohibited from entering India except by passport or from residing in India except under license.

(i) That no further certificates of naturalisation should be granted to persons of enemy nationality.

(k) That no enemy subject be allowed to trade in India for 10 years after the conclusion of peace and thereafter only under license.

(l) That no enemy subject may purchase or hold land or mineral leases in India, or enter into contracts calculated to restrain Imperial trade.

(m) Membership of Chambers of Commerce to be confined to Customs Union subjects.

(n) Government contracts with enemy subjects to be prohibited.

(o) Enemy subjects to be prohibited from practising professions in India.

I have, etc.,
(Sd.) JAMES CURRIE,
Chairman.

Chamber of Commerce, Madras, 1st May, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Bombay.

SIR,—With reference to previous correspondence on this subject (trade after the war), I have to inform you that this Chamber, at its last monthly meeting, passed a resolution regretting the postponement of the Conference.

Seeing that the object of the Conference was merely to agree on certain broad principles of policy, this Chamber is unable to understand how Government assurances that India will be consulted render it unnecessary to hold the Conference at an early date. In our view, the sooner a broad agreement is reached between Chambers of Commerce in India the better. It is difficult to see what advantage can result from postponing arrival at a definite policy until the invitation to express an opinion is given, by which time the general policy will probably have been in reality, though not formally, determined. It must also be remembered that all announcements of schemes to restrain or exclude German trade after the war have appreciable moral effect on other parts of the Empire and on the enemy, especially if they seem to be spontaneous and not merely in response to State action.

I have, etc.,
GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 2nd May, 1916.

TO THE CHAMBERS OF COMMERCE,
Bengal, Karachi, Delhi, Rangoon, Cocanada, Cochin,
Upper India, and Tuticorin.

SIR,—With further reference to my letter of the 6th April, 1916, I beg to enclose copy of this Chamber's letter of the 1st

instant to the Bombay Chamber of Commerce urging that the Conference of Chambers be held at an early date.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Upper India Chamber of Commerce, Cawnpore, 9th May, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—While thanking you for your letter of the 2nd instant, I beg to hand you herewith, for your information, copy of a letter addressed to all members of this Chamber, on the above subject (trade after the war).

I have, etc.,

J. G. RYAN,

Secretary.

[ENCLOSURE.]

Upper India Chamber of Commerce, Cawnpore, 28th April, 1916.

TO ALL MEMBERS OF THE CHAMBER.

SIRS,—Your Committee have had before them recently for consideration the question of India's trade relations after the war, both with the rest of the British Empire and with other States and countries.

The British Imperial Council of Commerce and the London Chamber of Commerce have had the wide reaching question of the Empire's trade after the war in discussion for some time, and a Business Conference of the British Imperial Council of Commerce will meet in London on the 6th June to discuss an important programme in this connection. This Chamber is represented on the Council by Sir Alexander McRobert, Kt., L.L.D.

The Punjab Chamber of Commerce recently addressed the other leading Chambers in India on the subject and as an outcome of this it was practically decided to hold a Conference of delegates from the various Chambers at Simla on the 25th instant. Prior to this date, however, the Bombay Chamber, which had taken a leading part in determining on the Simla Conference, felt that in view of the reply of Lord Hardinge to the Bombay Chamber's farewell address, and of a reply to assurances that India was to be consulted in the matter of "Trade after the War," there was no urgent necessity for the meeting of Chambers at Simla on the 25th instant, and that this meeting should be postponed till later in the year.

In the interim your Committee had appointed a Sub-Committee to report on the question and in doing so the Sub-Committee clearly regarded the Simla Conference to be merely preparatory to the London Conference of the British Imperial Council of Commerce to be held on the 6th June.

With the Simla Conference postponed your Committee have now considered their Sub-Committee's report as applicable to the forthcoming London Conference, and necessary for the instruction of the Chamber's representative at this Conference.

The Sub-Committee recommended discussion of five subjects, indicating their views thereon. The Committee have added a sixth, and the recommendations of the Committee, with this addition and the measure of support accorded to each recommendation, are as follows:—

(a) The Committee by a majority consider that it would be inadvisable to make any radical change in the fiscal policy of India; they recognise, however, that in certain cases it might be found beneficial to depart, for a term of years, from the general principle of free trade with a view to fostering such industries and trades as can be carried on economically (1) in India and (2) in the British Empire.

Any protection thus afforded should, however, not be discriminatory or preferential, as between present Allies, enemies, or neutrals.

(b) The Committee are unanimous in strongly supporting the necessity for revising, throughout the British Empire, the law governing the naturalisation of aliens and for restricting in India the facilities for naturalisation afforded by the present law.

(c) The Committee by a majority support the necessity for the compulsory registration of all aliens and the imposition of a poll tax on all aliens.

(d) The Committee unanimously consider that licences to trade are necessary in the case of all alien firms and companies, and of firms and companies of which any of the partners, directors or officers are aliens.

(e) The Committee are unanimously in favour of the necessity for making uniform throughout the Empire the laws governing patents, designs and trade marks.

(f) (Added) "The Committee unanimously consider that it may be found necessary to prohibit ownership of land in India by subjects of present enemy countries and to deny to them and to firms in which they are interested, mining and other concessions."

It is necessary to point out that the Sub-Committee were not unanimous in the first of these recommendations (a). A still further variance of opinion exists among the Committee in respect to the second portion of this recommendation, a minority being in favour of discrimination.

A variance of opinion, again based on discrimination, also exists in regard to the third recommendation.

The Committee prefer to restrict their recommendations to the six questions detailed above, but in inviting your views on these recommendations I am to indicate that any opinions you may hold on other matters which you consider may be profitably discussed will be communicated to the Chamber's representatives at the London Conference.

I am directed to request the favour of a reply within a week.

I have, etc.,

Sd.) J. G. RYAN,

Secretary.

Chamber of Commerce, Karachi, 18th May, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward, for your information, a copy each of (a) the minutes of a special general meeting of the Chamber held on the 2nd instant, and (b) the Sub-Committee's Report and the Committee's Resolution No. 89 of the 18th ultimo regarding the policy to be adopted to protect and encourage trade after the war.

I have, etc.,
E. L. ROGERS,
Secretary.

[ENCLOSURE.]

KARACHI CHAMBER OF COMMERCE.

No. 11 of 1916.

Minutes of proceedings of a special general meeting of the Karachi Chamber of Commerce held at the Chamber Buildings, on Tuesday, the 2nd May, 1916, at 3 p.m.

AGENDA.

To consider the Report submitted by the Sub-Committee, appointed under the Committee's Resolution No. 78 of the 28th March, 1916, regarding the policy which should be adopted to protect and encourage trade after the war. (Note.—The Sub-Committee's Report is printed in full in the Committee's Resolution No. 89 of Minutes No. 10, dated the 18th April, 1916.)

In opening the proceedings, the Chairman said that working out a trade policy for the Empire after the war rather reminded him of the old proverb about counting chickens before they were hatched. Their first business now was to smash the enemy. And when the enemy had been crushed, then would be the time to decide exactly what attitude they should adopt towards his remains. At the same time, India was a great country. The Empire was made up of several similarly great and also greater countries. Moreover, the British Empire was only one of a combination of empires and nations all of whom would have to decide what trade policy to adopt with regard to the peoples of Central Europe after their present military organisations had been destroyed. This would take time, so they would be wise to devote a little time to the subject then, the more specially as the British Imperial Council of Commerce, of which the Karachi Chamber was a member, would discuss the whole subject in London on the 6th June next.

A proposal had been made by the Bombay Chamber a few weeks back that representatives of all the Indian Chambers should meet in Simla and endeavour to lay down the general lines of a commercial policy for India after the war. The Karachi Chamber approved of the idea, and the Conference was fixed for the last week of April. The assurance of Lord Hardinge in Bombay on the eve of his departure for Europe, that no action would be taken by the British Government until India had been given an opportunity of expressing its views, had led the Bombay Chamber to suggest a postponement of the proposed Conference. Other

Chambers agreeing, the Karachi Chamber also concurred. Speaking personally, he thought it was a pity not to have met, because the subject would have to be threshed out by all the Chambers in Conference; and the sooner the subject was tackled, the better.

In the meantime a special Sub-Committee of the Karachi Chamber had been considering the matter; the Committee were in complete agreement with the Sub-Committee's recommendations. And it was those recommendations that they would now consider. In this connection the Chairman drew attention to the programme drawn up by the British Imperial Council of Commerce and printed in their circular letter of the 8th March last. The Imperial Council had divided the matters to be considered under three main headings—(1) fiscal questions, (2) legislative questions, and (3) voluntary action by Chambers of Commerce and Boards of Trade, and as the Chamber had nominated Mr. Houghton, of Messrs. Donald Graham and Co., to represent it at the Business Conference in London on the 6th June, it would be well if they could come to an agreement on the various matters set forth in the Imperial Council's programme.

"Before starting," Mr. Webb continued, "I should like to say with reference to the beliefs of the orthodox Free Traders, of whom we no doubt have some representatives here present, that no Tariff Reformer disputes for one moment that under a policy of Free Trade all round, the world's production of goods take place at the lowest possible economic cost and the cheapest possible price to the consumer. That point is not disputed. What is questioned is quite another matter. It is this:—Is it wise to subordinate every social, economic, political and imperial consideration to the attainment of the utmost possible cheapness in consumption? That is the question. "The fact that we have all met here to-day to consider what policy shall be adopted towards commercial Germany after the war, is a plain indication that the majority of the members of this Chamber are of opinion that there are matters other than cheapness in consumption that we ought now to consider."

The recommendations of the Committee (*vide* page 44 of the Committee's Minutes of the 18th April, 1916,) were then discussed and adopted paragraph by paragraph. In one particular only a modification was made. The meeting were unanimously of opinion that some discrimination in favour of British shipping and against enemy shipping should be shown at ports in India and other parts of the British Empire. Where foreign countries had closed their coastal trade against British shipping, the meeting was unanimously of opinion similar restrictions should be placed on foreign shipping trading between ports of the British Empire.

The programme of the British Imperial Council of Commerce to be considered at the Conference in London on the 6th June next was discussed in detail, and the following policy was unanimously agreed upon and approved:—

(1) FISCAL QUESTIONS.

The Chamber is in favour of:—

- (a) A system of preferential tariffs within the Empire.
- (b) Preferential trade relations between the British Empire and Allied nations.
- (c) Measures being taken within the Empire against enemy countries in respect of manufactured goods and shipping.
- (d) Measures being taken to prevent the dumping of enemy goods within the Empire.

(2) LEGISLATIVE QUESTIONS.

The Chamber is in favour of :—

- (a) The amendment of laws relating to nationalisation.
- (b) The compulsory registration of aliens throughout the Empire.
- (c) The registration for purposes of record of foreign traders, firms and companies.
- (d) Reform of patents and designs and trade marks law, with the object of establishing a uniform basis throughout the Empire.
- (e) The application of the principle of Imperial preference in taxation and the adjustment of the present system by which double income-tax is charged within the Empire.
- (f) The assimilation of commercial law throughout the Empire.

(3) VOLUNTARY ACTION BY CHAMBERS OF COMMERCE.

- (a) The question of limiting the membership of Chambers of Commerce to British-born subjects should be left to the discretion of each Chamber.

The Chamber is in favour of :—

- b) Appointment of additional Trade Commissioners by the respective Governments of the Empire.
- (c) Encouragement of inter-Imperial trade exhibitions.
- (d) The promotion of closer trade and social relations within the Empire and in relation to Allied countries.
- (e) The organisation of increased banking facilities.

A copy of these Minutes and also of the Sub-Committee's Report and Committee's Resolution No. 89, of the 18th ultimo, to be sent to all Chambers of Commerce in India, and also by the next mail to Mr. Houghton, for his guidance when representing the Chamber at the Business Conference of the British Imperial Council of Commerce in London on the 6th June, 1916.

(Sd.) E. L. ROGERS,
Secretary.

(Sd.) M. DE P. WEBB,
Chairman.

Chamber of Commerce, Bombay, 30th June, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to previous correspondence in connection with the question of trade after the war and to the suggestion of my Committee that a meeting of representatives of Chambers of Commerce in India might be held in Simla, I am now directed to enquire whether your Chamber will agree to a Conference being held in Simla in September next during the meeting of the Imperial Legislative Council.

I am to add that the subjects my Committee propose to put forward for discussion will be sent very shortly to all Chambers of Commerce taking part in the Conference.

I have, etc.,
R. E. GREGOR-PEARSE,
Secretary.

Chamber of Commerce, Bombay, 14th July, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—Adverting to previous correspondence in connection with trade after the war, I am attaching hereto the final recommendations of this Chamber.

The Conference of Chambers of Commerce will be held in Simla immediately after the meeting of the Imperial Legislative Council in September next, and due notice will be sent you regarding the place of meeting and the actual date and hour fixed.

I have, etc.,
R. E. GREGOR-PEARSE,
Secretary.

[ENCLOSURE.]

Recommendations of the Bombay Chamber of Commerce in connection with trade after the war.

Temporary Measures.

(1) That in view of the impossibility of knowing when or how peace will be concluded, it is desirable, as a temporary precaution, that the Empire should forthwith decide that for a period of not less than six months after the termination of hostilities, an absolute interregnum should be established during which time :—

(a) No enemy subject, including enemy subjects now interned, should, except for purposes of state and under special licence, be allowed to enter or remain in any port of the British Empire.

(b) No enemy shipping whatsoever should be allowed to enter British ports.

A. Measures Suggested for the Empire as a whole.

(1) Firstly, preferential relations within the Empire, and, secondly, preferential relations with the Allied or neutral countries to the exclusion of our present enemies.

(2) Measures to prevent the dumping of enemy goods within the Empire.

- (3) Uniformity in patents, designs and trade mark laws.
- (4) Abolition of double income-tax throughout the Empire.
- (5) The establishment of a Ministry of Commerce.
- (6) Larger grants for scientific industrial research.
- (7) Reciprocal treatment to steamers owned by Allied or neutral countries in the ports and on the coasts of the Empire, *i.e.*, the steamers of each Allied or neutral country to receive the same treatment in British waters and ports as British steamers receive in the waters and ports, respectively, of each Allied or neutral country.
- (8) Prohibition (or unfavourable treatment in the shape of port dues, etc.) against shipping belonging to enemy countries.
- (9) The extension of the system by which Government Departments and local authorities give preference to British goods. Local authorities should only use other than British goods if actually forced to do so by considerable advantage in favour of such foreign goods.
- (10) An improvement in the status and usefulness of British Consuls with restrictions in nationality to all persons acting for Great Britain.
- (11) The protection of industries now started to compete with trades hitherto principally in the hands of our enemies.
- (12) Stricter naturalisation laws and registration of aliens.
- (13) Non-registration of any Company which does not give an undertaking that not less than 75 per cent. of its capital shall be owned by British subjects. Also annulment of registration of any Company which at any time fails to fulfil this qualification.
- (14) Anti-trust legislation to prevent alien control of trades or industries which are essential to the well-being of the Empire.
- (15) Such stringency in the laws of the Empire as may be necessary to prevent change of ownership of firms or companies, or the adoption of new titles to disguise alien ownership.
- (16) Such restrictions on the imports of enemy manufactures as would enable the British Empire to become, as rapidly as possible, self-supporting in regard to all essentials.

B. Measures in connection particularly with India.

- (1) That foreign firms and ships trading in India should be compelled to contribute to the funds of the British Empire under whose protection they trade and that the only effective method of doing so is to levy a tax on turnover in lieu of Indian income-tax.
- (2) That any enemy subject entering India be registered and that no enemy subject be allowed to reside in India for purposes of trade and that adequate measures will be devised to prevent any disguise of ownership and/or nationality. Any enemy subjects or any enemy subjects who have become naturalised within 20 years before the outbreak of the war to be permanently prohibited from sharing in or holding directly or indirectly prospecting licences, mining leases or any other industrial or commercial concessions within the limits of the Indian Empire.
- (3) The necessity for stricter naturalisation laws in India in future and also the possibilities of denaturalisation.

- (4) Disqualification of all but British-born subjects from service upon Municipalities, Port Trusts and other similar bodies.
- (5) Protection for threatened and or nascent Indian industries by the imposition of wider import duties and/or export duties on Indian raw materials.
- (6) The abolition of the excise duties on cloth.
- (7) The necessity for the import of machinery free of duty.
- (8) Extension of Government support to new industries in India.
- (9) The readjustment of railway rates where necessary to assist existing and new industries.
- (10) The extension of railway facilities in India.
- (11) The improvement of cotton cultivation.
- (12) All Government Departments, State Railways, Port Trusts, Municipalities, and other similar public bodies, shall, as far as possible, confine their purchases to British goods from British firms.
- (13) Wherever foreign or enemy Governments attempt to stimulate their industries by subsidies or preferences effective countervailing duties to be imposed.
- (14) Wherever and whenever it may be permissible for enemy subjects to employ agents in India such Agents to be British subjects only and all such appointments to be strictly under Government licence.

Political Department, Karachi, 24th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I shall be obliged if you will favour me with a copy of the reply of your Chamber to the recent enquiry from the Government of India regarding the policy that should be adopted after the war in regard to trade with hostile nations.

I have, etc.,
W. N. RICHARDSON,
Controller of Hostile Trading Concerns in Sind.

Chamber of Commerce, Madras, 27th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Bombay.

SIR,—I beg to acknowledge receipt of your letter of the 14th July, 1916, enclosing the final recommendations of your Chamber on the subject of trade after the war. In reply, I have to inform you that this Chamber agrees to the holding of the Conference

in Simla immediately after the meeting of the Imperial Legislative Council in September next.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Chamber of Commerce, Bombay, 11th August, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,

Madras.

SIR,—With reference to previous correspondence in connection with trade after the war, I am directed to inform you that from enquiries made it would appear that there will be no accommodation available in Simla in September for the representatives of the various Chambers in India who were to attend the proposed Conference.

2. My Committee are, therefore, compelled to suggest another centre for this meeting, and they consider Delhi would be suitable for the propose. Will you kindly let me know whether your representatives agree to this Conference being held in Delhi during the first week in October?

3. I am to add that the recommendations from this Chamber, a copy of which was sent you with my letter, dated the 14th ultimo, are merely suggested headings for discussion at the forthcoming Conference.

I have, etc.,

R. E. GREGOR-PEARSE,

Secretary.

Chamber of Commerce, Madras, 14th August, 1916.

TO THE CONTROLLER OF HOSTILE CONCERNS IN SIND,
Karachi.

SIR,—I beg to acknowledge receipt of your letter No. 1149 of the 22nd July, 1916, requesting the Chamber for a copy of its reply to the recent enquiry from the Government of India regarding the trade policy to be adopted after the war. In reply, I forward herewith the Chamber's views on the subject of trade after the war embodied in a letter to the Bombay Chamber of Commerce. I may mention that this Chamber has not been approached by the Government of India asking for an expression of its opinion on the above subject.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Chamber of Commerce, Bombay, 2nd September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to send you herewith a copy of a letter that has been received in this office from the Bengal Chamber of Commerce, together with a copy of my Committee's reply thereto, and shall be much obliged if you will kindly favour my Committee with the views of your Chamber thereon.

I have, etc.,

R. E. GREGOR-PEARSE,

Secretary.

[ENCLOSURES.]

Bengal Chamber of Commerce, Calcutta, 25th August, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Bombay.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 11th August, on the subject of the proposed Conference in this connection (trade after the war).

2. The Committee note that the idea of holding the Conference at Simla in September must be abandoned, as accommodation for the delegates cannot be provided there. They have also considered your suggestion that it should be held at Delhi in the first week of October. They fear, however, that this would not be convenient to them, as it is most unlikely that they would be able to arrange for delegates to proceed to Delhi in October.

3. I am to add that, since their meetings with Sir George Barnes last month, the Committee have again very carefully discussed the question of whether it is advisable to hold the Conference just at present. Seeing that the commercial community have now been definitely reassured by the Commerce Member, both here and in Bombay, that India will be consulted before action is taken, they feel that a Conference, if held now, would not be likely to advance matters materially. For it appears to them to be essential, if the views of the commercial community are to carry any weight, that any Conference which may be held must unanimously pass strong resolutions in respect of the various principal questions which will engage its attention. And they doubt if at the present moment mercantile opinion has, so to speak, sufficiently crystallised to ensure that suitable resolutions in respect of some of the principal questions would be unanimously assented to. They have, therefore, reluctantly come to the conclusion that the postponement of the Conference for a further period would be a wise measure; and they commend this suggestion to the attention of your Committee, whose views upon it they will be glad to be favoured with in due course.

4. It is noted that the recommendations, forwarded with your letter, dated the 14th July, are merely suggested headings for discussion at the

Conference. In other words, that they are not recommendations which have been adopted as the considered views of your Chamber.

I have, etc.,
(Sd.) H. M. HAYWOOD,
Secretary.

Chamber of Commerce, Bombay, 31st August, 1916.
TO THE SECRETARY, BENGAL CHAMBER OF COMMERCE,
Calcutta.

SIR,—I am directed to acknowledge receipt of your letter No. 1720, dated the 25th instant, in connection with the proposed Conference for the purpose of discussing the trade policy of India after the war and to state, in reply, my Committee note with much regret that the proposal to hold this Conference during the first week in October is not likely to suit the convenience of your Chamber, and particularly so as most other Chambers have agreed to the date and place of meeting.

2. It is also noted with much regret that your Committee have now apparently come to the conclusion that it is desirable the proposed Conference should be postponed indefinitely. My Committee feel any further postponement would be undesirable and, from the point of view of India's interests generally, possibly dangerous, and this being so, I am earnestly to request that your Committee will reconsider the matter and agree to take part at the Conference. They also feel that the non-attendance of your Chamber's representatives at a Conference of this nature would materially lessen the weight of any opinions or resolutions that might have to be submitted to Government later, on behalf of the commercial community in this country, and would adversely affect the chances of such resolutions receiving full consideration probably on the grounds that the meeting was not fully representative of all commercial interests in India. I am here to add that my Committee are strongly of opinion that the Conference should take place at the earliest possible date that will suit the convenience of all the delegates, and if your Committee will fix the date that will best suit your representatives, an effort will be made to secure the approval of all other Chambers taking part.

3. As regards the fourth paragraph of your letter under reply I am again to state that the recommendations of this Chamber, a copy of which was sent to you with my letter, dated the 11th instant, are suggested in those items that carry no definite recommendation, this Chamber did not think it necessary or desirable to do more than suggest the lines on which a general discussion might take place; but such of the items as do indicate a definite course of procedure to be followed after the war, and can, therefore, be accepted by your Chamber as the carefully considered views of this Chamber. Those views are, of course, subject to such modification as may be decided upon by the majority of those taking part in the proposed Conference.

I have, etc.,
(Sd.) R. E. GREGOR-PEARSE,
Secretary.

Chamber of Commerce, Madras, 5th September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Bombay.

SIR,—I beg to acknowledge receipt of your letter of the 11th August, informing us that there will be no accommodation available in Simla in September for the representatives of various Chambers of Commerce who are to meet for the proposed Conference to discuss the subject of trade after the war and suggesting that Delhi would be a suitable centre.

Whilst this Chamber is prepared to accept Delhi as the place of meeting, it considers Bangalore more suitable for climatic reasons and more conveniently located for a considerable proportion of the delegates concerned. There should be no difficulty in securing accommodation at Bangalore at the date proposed for the Conference.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 12th September, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Bombay.

SIR,—In reply to your letter of the 2nd September, 1916, I beg to inform you that this Chamber is strongly of opinion that the Conference should not be postponed on the strength of vague official assurances. If mercantile opinion has not crystallised after two years of war conditions, as the Bengal Chamber suggests, then it is more than time it did, and nothing more definite will be arrived at without discussion directed to specific issues at a Conference *ad hoc*. Individual meditation over the subject will carry us no further, and if Home and official opinion "crystallises" before European mercantile opinion in India, there will be very little hope of any practical result from the consultation promised by Sir George Barnes. This Chamber is not aware of anything in the past record of the Government of India in regard to enemy trade which justifies such confidence as the Bengal Chamber appears to repose in official declarations that something will be done some time.

This Chamber, however, recognises the importance of securing the Bengal Chamber's co-operation. Would it not be possible to point out to that Chamber that participation in a discussion need not commit it to any policy of which it disapproves? To wait for

the automatic creation of unity without discussion does not appear to us a wise course.

I have, etc.,

T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Bombay, 15th September, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—In connection with previous correspondence on this subject (trade after the war) I am now directed to inform you my Committee have ascertained that it is the intention of the Government of India shortly to address all Chambers in this matter, and as it appears to be impossible to fix an early suitable date for the proposed Conference of Chambers it is proposed to defer the meeting until the Chambers have been consulted by the Commerce and Industry Department of the Government of India.

I have, etc.,

R. E. GREGOR-PEARSE,
Secretary.

Chamber of Commerce, Madras, 29th September, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Bombay.

SIR,—I beg to acknowledge receipt of your letter of the 15th September, 1916, proposing to defer the Conference of the Chambers until the Chambers are consulted by the Government of India, which delay this Chamber regrets.

I have, etc.,

T. E. WELBY,
Acting Secretary.

GOODS OF ENEMY ORIGIN.

Chamber of Commerce, Madras, 7th December, 1915.
TO THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

SIR,—I have the honour to inform you that a firm represented on this Chamber recently received a letter from its Amsterdam friends, in the course of which the following remarks occurred :—

"You ask us whether we could furnish a certificate of origin stating that no percentage of material or labour is of enemy origin. This we cannot do, as there will be always a small percentage of it of enemy origin. As said in our letter of the 8th September, we are surprised that objections should be taken to it in Madras, whereas it is not done in Rangoon and Bombay if not above 25 per cent."

The Chamber cannot believe that the statement contained in the last paragraph is correct, and it, therefore, submits it to Government, with a request that the authorities in Rangoon and Bombay may be addressed on the subject at an early date.

I have, etc.,

GORDON FRASER,
Chairman.

GOVERNMENT OF MADRAS.

SEPARATE REVENUE DEPARTMENT.

G. O. No. Mis. 875, dated the 24th December, 1915.

READ the following papers :—

From the Chairman, Chamber of Commerce, Madras, dated the 7th December, 1915.

Telegrams to the Collectors of Customs, Bombay and Rangoon, No. 427, dated the 14th December, 1915.

Telegrams from the Collectors of Customs, Bombay and Rangoon, dated the 16th and 18th December, 1915.

ORDER :—

With reference to his letter, dated the 7th December, 1915, regarding goods manufactured in neutral countries with a certain percentage of enemy labour or material, the Chairman, Chamber of Commerce, Madras, is informed that His Majesty's Consular officers have instructions to grant certificates of origin in respect

of such goods if not more than 25 per cent. of the value of the finished article is due to enemy labour or material, and that such goods are being passed without objection by the Customs Department not only in Bombay and Rangoon, as stated, but also in Madras.

(True extract.)

A. BUTTERWORTH,
Chief Secretary.

Chamber of Commerce, Madras, 9th February, 1916.
TO THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

Sir,—I have the honour to acknowledge receipt of your G.O., No. Mis. 875, Separate Revenue, dated the 24th December, 1915.

I am to say that this Chamber, after careful review of the question, is quite unable to regard leniency towards goods containing up to 25 per cent. value of enemy origin as advisable. Either such goods are indispensable to the Empire or they are not. In respect of any class of such goods, if the assumption be that they are not necessary to British industries and consumers, they should obviously be done without. On the other hand, if the assumption be that they are indispensable, we are asked to believe that Germany is allowing us to receive articles the lack of which would be a severe deprivation to us, and that, in view of the careful State control of German enterprise, is a *reductio ad absurdum*. There can be one, and only one, explanation of the willingness of Germany to allow goods to pass out to neutral countries whence they will reach us. She must be profiting thereby, or she would not do it. What is more, she must be profiting by it more than we are. Without a distinct balance of advantage in her favour, she would never suffer her enemies to enjoy any goods of her production, and least of all would she permit them to obtain indirectly from her goods which they could procure nowhere else.

It is argued that the percentage of enemy produced value is only 25 per cent. maximum in the goods that are allowed into the British Empire, and that on an average the percentage is much lower. The Chamber is unable to see how this affects the principle of avoiding to the very utmost degree possible all transactions contributory to Germany's profit. Further, when Germany's special circumstances are taken into account, it is manifest that the profit to her is relatively considerable. Were she still doing a large business with the world it would doubtless be of little moment to check the importation into the British Empire of goods in

the value of which she has only a small share. But the Allies have tightened their grip on her until her trade has very greatly diminished, and, therefore, profits which ordinarily might be of no vast importance to her are now very precious in her eyes. The policy of admitting goods which contain 25 per cent. of enemy produced value appears to the Chamber disagreeably analogous to a policy of inflicting on Germany only 75 per cent. of defeat on the battlefield.

Admitting that there were serious difficulties at the outset, and that in August, 1914, the Chamber's proposal may have been a counsel of perfection, this representation is made in February, 1916, and it is hard to believe that the British Empire must continue for an indefinite length of time dependent on enemy's industry. As a body of business men, the Chamber will not be supposed to have allowed antipathy towards the King's enemies to blind it to economic needs, and it trusts that the Government will take this further expression of its opinion into consideration.

I have, etc.,
GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 12th February, 1916.

TO THE SECRETARY, CHAMBERS OF COMMERCE,
Karachi, Bengal, Bombay, Punjab, Rangoon, Cocanada,
Cochin, Upper India, Ceylon, Tuticorin, and South Indian,
Chamber of Commerce.

SIR,—I beg to enclose for your information, copy of correspondence that has passed between this Chamber and the Madras Government on the subject of the import of goods of partly enemy manufacture.

I have, etc.,
A. E. LAWSON,
Secretary.

U. I. Chamber of Commerce, Cawnpore, 16th February, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to acknowledge, with thanks, the receipt of your letter, dated the 12th instant, with which you forward a copy of correspondence that has passed between your Chamber and

the Madras Government on the subject of the import of goods of partly enemy manufacture.

I have, etc.,
J. G. RYAN,
Secretary.

Ceylon Chamber of Commerce, Colombo, 17th February, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have to thank you for your letter of the 12th instant, enclosing, for the information of this Chamber, copies of correspondence that has passed between your Chamber and the Madras Government on the subject of the import of goods of partly enemy manufacture.

This correspondence has been perused with interest by my Committee, and I am to state that they will be glad to receive a copy of the reply afforded by the Madras Government to your letter of the 7th idem, as soon as this is available.

I have, etc.,
J. M. SIMPSON,
Secretary.

Separate Revenue Department, Madras, 18th February, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter, dated the 9th February, 1916, regarding goods manufactured in neutral countries with a certain percentage of enemy labour or material, which will receive due attention.

I have, etc.,
C. S. ANANTARAMA IYER,
for Chief Secretary

Chamber of Commerce, Cochin, 25th February, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to acknowledge receipt of your letter of the 12th instant, covering copy of correspondence that has passed between your Chamber and the Madras Government regarding import of goods of enemy manufacture.

This Chamber, being in entire sympathy with your views on the subject, expresses its willingness to support your Chamber, if necessary.

I have, etc.,
S. O'M. DEANE,
Honorary Secretary.

Chamber of Commerce, Karachi, 3rd March, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to acknowledge receipt of your letter of the 12th ultimo, forwarding, for the information of this Chamber, copy of correspondence passed between your Chamber and the Madras Government on the subject of the import of goods of partly enemy manufacture.

In reply, I am directed to inform you that my Committee concur with the view expressed by your Chamber.

I have, etc.,
E. L. ROGERS,
Secretary.

GOVERNMENT OF MADRAS.

SEPARATE REVENUE DEPARTMENT.

G.O., Mis. No. 229, Separate Revenue, dated 23rd March, 1916.

READ the following papers:—

From the Chairman, Chamber of Commerce, Madras, dated the 9th February, 1916.

Letter to the Government of India, Commerce and Industry Department, No. 326, Separate Revenue, 16—1, dated the 22nd February, 1916.

From the Government of India, Department of Commerce and Industry, No. 2115-W., dated the 16th March, 1916.

ORDER:—

With reference to his letter, dated the 9th February last, on the subject of the grant of certificates of origin for goods in cases where not more than 25 per cent. of the value of the finished article is due to enemy labour or material, the Chairman, Chamber of Commerce, Madras, is informed that the Government of India, to whom his letter was sent, state, in reply, that they merely follow

the policy laid down by His Majesty's Government, and that, in view of the fact that the existing procedure has been prescribed by that Government after careful consideration, they see no sufficient justification to move for its amendment.

(True Extract.)

A. BUTTERWORTH,
Chief Secretary.

Punjab Chamber of Commerce, Delhi, 23rd March, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter, dated the 12th ultimo, forwarding copy of correspondence that has passed between your Chamber and the Madras Government on the subject of the import of goods of partly enemy manufacture, I am directed to attach, for your information, copy of a letter addressed to the Government of India, Department of Commerce and Industry, by this Chamber.

I have, etc.,
J. RENTON-DENNING,
Secretary.

[ENCLOSURE.]

Punjab Chamber of Commerce, Delhi, 23rd March, 1916.

TO THE SECRETARY, DEPARTMENT OF COMMERCE AND INDUSTRY,
Simla.

SIR,—I have the honour to inform you that at a meeting of the Committee of the Punjab Chamber of Commerce on Tuesday last, the question of the import of German manufactures now exposed for sale in the Delhi market was brought up for discussion on a representation from the Hon'ble Mr. James Currie, President of the Chamber.

The Committee, after giving full consideration to the question, considered it probable that the importations referred to were permitted under the regulation which allows His Majesty's Consular officers to admit imported goods as being manufactured in neutral countries and grant certificates of origin in respect of such goods if not more than 25 per cent. of the value of the finished article is due to enemy labour or material.

The Committee deprecate this licence, as, in their opinion, it is quite impossible for Consular Agents to say what percentage of enemy produced value of a given article is present in any goods imported through neutral countries.

I have, etc.,
(Sd.) J. RENTON-DENNING,
Secretary.

Chamber of Commerce, Madras, 31st March, 1916.

TO THE SECRETARY, CHAMBERS OF COMMERCE,
*Karachi, Bengal, Bombay, Delhi, Rangoon, Cocanada,
Cochin, Upper India, Ceylon, Tuticorin, and South India
Chamber of Commerce.*

SIR,—In continuation of my letter of the 12th February, 1916, forwarding copy of correspondence that passed between this Chamber and the Government of Madras on the subject of the import of goods of partly enemy manufacture, I now beg to enclose the Government's reply.

I have, etc.,
T. E. WALBY,
Acting Secretary.

Chamber of Commerce, Madras, 11th April, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
London.

SIR,—I am to forward accompanying correspondence with the Government of Madras on the subject of the admission at British ports of goods of partly enemy origin.

Your Chamber will observe that the Government here justify their procedure on the ground that it is in accord with that of the authorities in the United Kingdom. That being the defence, this Chamber would be much obliged if your Chamber would institute an enquiry into the reasons for the adoption in Great Britain of a policy which appears to be highly objectionable.

To this Chamber it is inconceivable that Germany would permit goods partly German to reach the British Empire if it were not to her advantage, and if it is to her advantage, the policy of admitting them into the Empire stands immediately condemned.

It may possibly be argued that some of those goods, so far as they are of German origin, can be produced only in Germany or can there be produced in better qualities or at lower rates. But if that argument be allowed any weight, how are the efforts of the British and Ally manufacturers to eliminate German competition to achieve success? On the other hand, if those goods to the extent that they are German are not inimitable, there is no sort of excuse for tolerating their introduction into the Empire.

A further consideration is that since imports into Germany must be paid for by exports or with gold, and the preservation of gold is vitally important to German credit, it is most unwise to

mitigate the drain of gold from Germany by allowing one penny-worth of avoidable export business.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Chamber of Commerce, Madras, 20th April, 1916.

TO SIR JOHN REES, K. C. I. E., I. C. S.,

London.

SIR,—I have the honour to forward herewith copy of correspondence with the Madras Government on the subject of the admission at British ports of goods of partly enemy manufacture. As the Government of Madras justify their procedure on the ground that it is in accord with that of the authorities in the United Kingdom, the Chamber will be much obliged if you will take up the matter with the Home Government and ascertain on what principle the admission of such goods is supposed to be justified.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Chamber of Commerce, Madras, 28th April, 1916.

TO LORD SYDENHAM OF COMBE,

London.

MY LORD,—In forwarding herewith copies of correspondence that has passed between this Chamber and the Government of Madras on the subject of the admission at British ports of goods of partly enemy manufacture, I am desired to point out that the Government of India justifies its procedure on the ground that it is in accord with the Home Government's policy, and that it seems idle for the Home Government to demand specific instances as in Lord Islington's reply to Your Lordship when the principle of allowing partly enemy goods to be imported is admitted.

I have, etc.,

GORDON FRASER,

Chairman.

101, Onslow Square, London, S. W., 15th June, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,

Madras.

SIR,—Many thanks for your letter. I have made enquiries, and I find that "goods containing not more than 25 per cent.

of enemy origin may be imported into the United Kingdom, and that this applies equally to goods wherever manufactured." I quote from an official letter.

This astonished me, and I have no idea why this is permitted; but it explains the letter you received from the Madras Government.

I have, etc.,

SYDENHAM.

HOSTILE FOREIGNERS (TRADING) ORDER.

Department of Commerce and Industry, Delhi, 5th Feb., 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,

Madras.

SIR,—I am directed to forward, for information, a copy of the correspondence with the Government of Bengal regarding the applicability of the Hostile Foreigners (Trading) Order to a Company which had a hostile foreigner in its employ for a considerable period after the outbreak of war.

I have, etc.,

S. H. SLATER,

Under-Secretary to the Government of India.

[ENCLOSURES.]

Copy of a letter No. 137-Com., dated Calcutta, the 18th January, 1916, from the Hon'ble Mr. James Donald, M.A., I.C.S., Secretary to the Government of Bengal, Financial Department; to the Secretary to the Government of India, Department of Commerce and Industry, Delhi.

I am directed to refer to the Commerce and Industry Department letter No. 2070-W., dated the 22nd December, 1914, with which was forwarded, among other licences under the Hostile Foreigners (Trading) Order, 1914, an unrestricted licence granted to _____ Company, Limited, whose business came within the scope of the said Order. Messrs. _____ Agents of the _____ Company, have now returned the licence with the intimation that Mr. _____, a German subject who was previously in the employ of the _____ Company and on whose account the licence was granted, quitted the Company's service in September, 1915, and ask that the licence may be cancelled. In the circumstances I am to request that the Government of India may be moved to revoke the licence.

Department of Commerce and Industry, Delhi, 5th February, 1916.
 TO THE SECRETARY, FINANCIAL DEPARTMENT, BENGAL,
Calcutta.

SIR,—In reply to your letter No. 137-Com., dated the 18th January, 1916, I am directed to say that the fact that Mr. _____, a German subject who continued to be in the service of _____ Company, Limited, for a considerable period after the outbreak of war, recently quitted the Company's service does not, in the opinion of the Government of India, place the Company outside the scope of the Hostile Foreigners (Trading) Order. Strictly speaking, the Company continues to be a "hostile firm" within the meaning of Clause 2 (b) of that Order and a licence under Clause 4 thereof is necessary to regularise its business. The Government of India, therefore, regret that they are unable to revoke the unrestricted licence in question, and I am to request that, with the permission of His Excellency the Governor in Council, the Company may be informed accordingly.

I have, etc.,
 (Sd.) S. H. SLATER,
Under-Secretary to the Government of India,

Chamber of Commerce, Madras, 7th March, 1916.
 TO THE SECRETARY, COMMERCE AND INDUSTRY,
Delhi.

SIR,—I have the honour to acknowledge receipt of your letter No. 941-W., dated the 5th February, regarding the applicability of the Hostile Foreigners (Trading) Order to a Company which had a hostile foreigner in its employ for a considerable period after the outbreak of the war, and to state that this Chamber entirely approves of the action taken by the Government of India.

I have, etc.,
 GORDON FRASER,
Chairman.

LIQUIDATION OF HOSTILE FIRMS.

Chamber of Commerce, Madras, 18th March, 1916.
 TO THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

SIR,—I have the honour to enquire under what notifications, etc., the work of the Controller appointed under the Hostile Foreigners (Trading) Order is conducted in Madras.

I have, etc.,
 A. E. LAWSON,
Secretary.

Public Department, Madras, 22nd March, 1916.
 TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter of the 18th instant, I am directed to state that the nature of the information you desire is not very clearly understood. Mr. F. H. Wilson has been appointed to deal with cases to which the Hostile Foreigners (Trading) Order applies, and in each licence which the Government of India have granted to hostile firms in this Presidency under Clause 4 (1) of the Order directions are issued to the licensee to transfer the possession of his assets to Mr. Wilson and to realise his assets and discharge his liabilities under his supervision, Mr. Wilson being also specifically authorised to receive and deal with such assets. The licence also lays down that these transactions shall be conducted subject to any orders which the Government of Madras may from time to time by general or special order direct.

2. In cases in which the Local Government have notified firms under Clause (6) (2) of the Trading Order they have entrusted the winding up of such concerns to Mr. Wilson.

I have, etc.,
 R. H. COURTENAY,
for Chief Secretary.

Public Department, Ootacamund, 15th July, 1916.
 TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to invite your attention to the provisions of the Enemy Trading Ordinance, 1916 (V of 1916), and to the Press communiqué of the Government of India, dated the 27th June, 1916, explaining the objects and reasons for its promulgation, which are both republished in the *Fort St. George Gazette* of the 11th July, 1916.

I have, etc.,
 R. H. COURTENAY,
for Chief Secretary.

[ENCLOSURES.]

LEGISLATIVE DEPARTMENT. NOTIFICATION.

Simla, the 27th June, 1916.

An Ordinance to prohibit or control trading by hostile foreigners and hostile firms and for other purposes.

Whereas an emergency has arisen which makes it necessary to take powers further to prohibit or control trading by hostile foreigners and hostile firms and for other purposes;

Now, therefore, in exercise of the power conferred by Section 72 of the Government of India Act, 1915, the Governor-General is pleased to make and promulgate the following Ordinance.

ORDINANCE NO. V OF 1916.

Short title,
Definitions.

1. This Ordinance may be called the Enemy Trading Ordinance, 1916.
2. In this Ordinance—

“Company” means any company, firm or association, or body of individuals whether incorporated or not;

“Hostile foreigner” means a subject of a State for the time being at war with His Majesty, and includes any company constituted according to the laws of such State, and the ruler or Government of any such State; and

“Hostile firm” means any of the following, namely:—

(a) any hostile foreigner who has, or at any date subsequent to the 3rd day of August, 1914, had an office, agency or place of business in British India;

(b) any company of which any member or officer is a hostile foreigner, or of which a hostile foreigner was a member or officer on the 3rd day of August, 1914, and which has or has had since that date an office, agency or place of business in British India;

(c) any person, or company who or which has, at any time since the 3rd day of August, 1914, carried on business in British India, and whose business is or was in the opinion of the Governor-General in Council, either by reason of its nature or of the persons who carry or carried it on, or for any other cause whatsoever, carried on either under the control whether direct or indirect of any hostile foreigner, or carried on wholly or mainly for the benefit of hostile foreigners generally, or any class of hostile foreigners or any individual hostile foreigner.

3. (1) The Governor-General in Council may, by general or special order, appoint Inspectors for the purpose of determining whether any business is or was carried on by a hostile firm within the meaning of this Ordinance.

(2) The Inspector may summon before him any person whom he believes to be capable of giving information concerning the trade, dealings, affairs or property of such business, and of the antecedents and nationality of those by whom it is or was carried on or controlled.

3) The Inspector may examine such person on oath concerning the same, and may reduce his answers to writing, and require him to sign them.

(4) The Inspector may require such person to produce any documents in his custody or power in any way relating to such business or to the persons by whom it is or was carried on or controlled.

(5) If any person so summoned refuses to come before the Inspector at the time appointed, the Inspector may cause him to be apprehended and brought before him for examination.

(6) If any person refuses to answer any question or to produce any document, which under this section the Inspector is empowered to ask or require production of, such person shall be punishable with imprisonment which may extend to six months, or with fine which may extend to Rs. 1,000 or with both.

Power to prohibit or restrict, or wind up, hostile firms. 4. (1) The Governor-General in Council may make an order either—

(a) prohibiting any hostile firm from carrying on business except for the purposes and subject to the conditions, if any, specified in the order; or

(b) requiring the business of such firm to be wound up; and may in any case, where he has made an order prohibiting or limiting the carrying on of the business, at any time, if he thinks it expedient, substitute for that order an order requiring the business to be wound up.

(2) Every order made under sub-section (1) shall be published by notification in the *Gazette of India*.

(3) If any person contravenes the provisions of any order made under this section, he shall be punishable with imprisonment which may extend to one year, and shall also be liable to fine.

(4) An order made under this section shall continue in force, notwithstanding the termination of the present war, until determined by order of the Governor-General in Council.

5. (1) Where the Governor-General in Council makes an order under this Ordinance requiring a business to be wound up, the order shall, on notification in the *Gazette of India*, have effect as if it were a winding up order made by a Court under the Indian Companies Act, 1913, and the provisions of that Act relating to winding up by the Court and the rules made thereunder subject to such exceptions, restrictions, extensions, modifications and adaptations as the Governor-General in Council may, by general or special order, prescribe, or such other rules as may be prescribed by him, shall apply to the winding up of the business.

Provided that, for the purposes of any winding up order under this Ordinance, all powers exercisable by the Court under the said Act shall be exercisable by the Governor-General in Council or by such other authority as he may appoint either generally or specially in that behalf.

Provided also that the assets of the business and any money resulting from the realisation of any part thereof shall be dealt with in accordance with such rules as the Governor-General in Council may make in that behalf.

(2) Where an order has been made under this Ordinance directing the winding up of the business of a hostile firm, the hostile firm shall not, nor shall any other person, commence or initiate, whilst that order remains in force, any other proceedings of a like nature or calculated in any way to interfere with the carrying out of such order.

6. Where it appears to the Governor-General in Council that a contract entered into before or during the war, or a transfer of property, moveable or immovable, made during the war, with or by a hostile foreigner or a hostile firm is injurious against the public interest.

to the public interest, or was made with the object of evading any provision of the law, the Governor-General in Council may by order cancel or determine such contract, either unconditionally or upon such conditions as he thinks fit, or declare such transfer to be void either in whole or in part, or may impose such conditions on the transferee as he thinks fit.

7. (1) The Governor-General in Council in any case where it appears to him to be expedient to do so may by order

Power of the Governor-General in Council to vest property in Custodian under the Enemy Trading Act, 1915. vest in any Custodian appointed under the Enemy Trading Act, 1915, any property, moveable or immovable, belonging to or managed or held whether in trust or otherwise, for, or on behalf of, a hostile foreigner, a hostile firm, or any person or company residing in, or carrying on business in the dominions of, a State at war with His Majesty, or the right to transfer that property, and may by any such order or any subsequent order confer on the Custodian such powers of selling, managing and otherwise dealing with the property as to the Governor-General in Council may seem proper.

(2) A vesting order under this section shall, notwithstanding the provisions of any other law to the contrary, be sufficient to vest in the Custodian any property or the right to transfer any property as provided by the order without the necessity of any further document.

(3) Where, in the exercise of the powers conferred on him by the Governor-General in Council the Custodian proposes to sell any shares or stock forming part of the capital of any company or any securities issued by the company in respect of which a vesting order under this Ordinance has been made, the company may, with the consent of the Governor-General in Council, purchase the shares, stock or securities, notwithstanding anything to the contrary in any law or in any regulation of the company, and any shares, stock or securities so purchased may, from time to time, be re-issued by the company.

(4) The transfer by the Custodian of any property shall be conclusive evidence in favour of the transferee and of the Custodian that the requirements of this section have been complied with.

(5) All property vested in the Custodian under this section and the proceeds of the sale of, or money arising from, any such property, shall be dealt with by him in accordance with such directions as he may receive from the Governor-General in Council; and no such property or money shall be liable to be attached or otherwise taken in execution.

8. Where a vesting order has been made under this Ordinance as respects any property belonging to, or held or managed for, or on behalf of, a person who appeared to the Governor-General in Council to be a person to whom the provisions of Section 7 were applicable, the order shall not, nor shall any proceedings thereunder or in consequence thereof, be invalidated or affected by reason only of such person having, prior to the date of the order, died or ceased to be a person to whom the said provisions were applicable, or subsequently dying or ceasing to be such a person or by reason of its being subsequently ascertained that he was not such a person, as the case may be.

9. Where the Custodian executes a transfer of any shares, stock or securities which he is empowered to transfer by a vesting order made under this Ordinance, the company in whose books the shares, stock or securities are registered shall, upon the receipt of the transfer so executed by the Custodian, and upon being required by him so to do, register the shares, stock or securities in the name of the Custodian or other transferee, notwithstanding any regulation or stipulation of the company, and notwithstanding that the Custodian is not in possession of the certificate, notwithstanding that the Custodian is not in possession of the shares, stock or securities transferred; but such registration shall be without prejudice to any lien or charge in favour of the company or to any other lien or charge of which the Custodian has express notice.

10. (1) The Governor-General in Council may make rules for all or any of the following purposes, namely:—

(a) Providing for the distribution or disposal of any assets, or any money resulting from the realisation of any part thereof, of any business in respect of which a winding up order has been made under this Ordinance;

(b) prescribing that hostile foreigners and hostile firms or any class of hostile foreigners or hostile firms shall, when required by the Custodian, furnish to him such particulars as he may require of all or any moveable or immovable property in their possession, or under their control whether direct or indirect;

(c) requiring persons in British India to furnish to the Custodian such particulars as he may require of all or any class of debts or other property due by them to any person to whom the provisions of Section 7 are or may be applicable;

(d) prescribing the remuneration payable to the Custodian in respect of his duties under this Ordinance, the fund from which it shall be paid, and the method of collecting the same; and

(e) generally for carrying out the purposes of this Ordinance.

(2) In making any rule under this section, the Governor-General in Council may direct that a breach of it shall be punishable with imprisonment which may extend to a term not exceeding six months, or with fine which may extend to Rs. 1,000 or with both.

11. Every licence for the time being in force granted under the Hostile Foreigners (Trading) Order permitting Certain licensees under the Hostile Foreigners (Trading) Order to be subject to conditions or restrictions shall be deemed to be an order made under Section 4 (1) (a) of this Ordinance, and this Ordinance shall have effect accordingly.

12. (1) The Governor-General in Council may, by notification in the *Gazette of India*, declare that the powers conferred by Section 7 in regard to the property, moveable or immovable, of the persons referred to therein shall extend to the property, moveable or immovable, in British India, of any company specified in such notification of which any member is a hostile foreigner or of which

a hostile foreigner was a member or officer on the 3rd day of August, 1914, notwithstanding that such company is not a company trading in British India.

(2) On the publication of a notification under sub-section (1), the company shall be deemed to be a person referred to in Section 7 of this Ordinance and this Ordinance shall have effect accordingly.

13. Any act done after the 3rd day of August, 1914, by, or under the orders of, any officer of Government in respect of the property, moveable or immovable, of any hostile foreigner or hostile firm which, if this Ordinance had been in force, could have been validly done in the exercise of the powers conferred thereby, or which could have been conferred thereunder, is hereby validated.

I have, etc.,
(Sd.) L. DAVIDSON,
Acting Chief Secretary.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Simla, the 27th June, 1916.

PRESS COMMUNIQUE.

The Government of India have promulgated an Ordinance dealing with the liquidation of hostile firms and the property of hostile persons which brings the legislation in this country into close accord with the present state of the English law. The British Trading with the Enemy Amendment Act of 1916 enables action to be taken in the case of firms whose business, by reason of enemy nationality or association, is carried on wholly or mainly for the benefit of enemy subjects. It also gives power to the Board of Trade to abrogate contracts or transfers, a power which, it is believed, has, for obvious reasons, been very sparingly exercised. It also enables a company containing enemy elements to purge itself thereof with the assistance of the Custodian, who may permit the British shareholders to buy out enemy shareholders depositing the price so paid with the Custodian. The Ordinance follows the English Act closely, with such modifications as local circumstances require. It will enable Government to wind up hostile businesses much on the lines of the Indian Companies and Insolvency Acts, the distribution of assets so realised being subject to special rules. The liquidator will have power to give a good title to purchasers of the good will of hostile businesses and the immovable property held by them. The new procedure represents a considerable advance from that hitherto adopted, in that the initiative for liquidation will come from the liquidator and will not be left, nominally, with the firm itself. It will also enable hostile businesses dealt with to be completely extinguished, thereby preventing any chance of their recovering from a state of suspended animation and resuming business after the conclusion of peace. An additional provision contained in the Ordinance relates to the property of hostile persons or associations not engaged in trade. The Hostile Foreigners (Trading) Order contained no provisions for dealing with non-trading persons or associations.

Chamber of Commerce, Madras, 11th August, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter No. 2623-3, Public, dated the 15th July, 1916, in which you invite the attention of this Chamber to the provisions of the Enemy Trading Ordinance, 1916, and to the Press *communiqué* of the Government of India, dated the 27th June, 1916, explaining the objects and reasons for its promulgation.

In reply, I have the honour to advise you that members of this Chamber welcome the Ordinance, and trust that the Government will, without delay, bring into operation the powers granted therein, in order that all enemy concerns may be finally extinguished. The Chamber trusts that special attention will be paid to the winding up of trades and industries identified with enemy missions.

In reference to your letter under reply, the following resolution was passed at the monthly meeting of the Madras Chamber of Commerce held on the 25th ultimo :—

“Resolved, to address the Government of Madras urging that the powers vested in the Governor-General in Council by the Enemy Trade Ordinance (V of 1916), dated the 27th June, 1916, be brought into immediate operation in this Presidency, and that special attention be paid to trades and industries identified with enemy missions, and that these concerns may be wound up without delay.”

I have, etc.,
GORDON FRASER,
Chairman.

Public Department, Ootacamund, 19th August, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter, dated the 11th August, 1916, regarding the winding-up of hostile concerns in this Presidency under the provisions of the Enemy Trading Ordinance, 1916.

I have, etc.,
L. DAVIDSON,
Acting Chief Secretary.

Chamber of Commerce, Madras, 23rd August, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I beg to invite the attention of Government to the fact that in the recently issued list of hostile firms to be liquidated there is no mention of Henke's Tile Works, a concern, which, in the opinion of this Chamber, should be wound up without further delay. I have to request, therefore, that the Government may be pleased to consider the case of Henke's Tile Works, with a view to the issue of orders for liquidation, and in the alternative to ask for a statement of the reasons which induce the Government to defer action against the Works in question.

I have, etc.,
W. B. HUNTER,
Vice-Chairman.

Public Department, Ootacamund, 28th August, 1916.

TO THE VICE-CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 23rd instant, regarding hostile firms to be liquidated under the provisions of the Enemy Trading Ordinance, 1916, and, in reply, to inform you that the list published with Government of India Commerce and Industry Department Notification No. 7077 W-II, dated the 12th August, 1916, to which you probably refer, is only the first of a series of orders dealing with such concerns in this Presidency. I am to add that the case of Henke's Tile Works has, as a matter of fact, already been considered, that the Government of India have sanctioned the winding up of that business, and that the necessary directions for the conduct of liquidation proceedings will shortly be issued by this Government.

I have etc.,
R. H. COURTENAY,
for Chief Secretary.

REGISTRATION OF ENEMY PROPERTY IN INDIA.

Public Department, Ootacamund, 28th August, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward a copy of the proceedings of this Government No. 1519, dated the 28th August, 1916, regarding the registration of property in British India belonging to enemies and to request that you will be so good as to arrange that the prescribed procedure is brought to the notice of the mercantile community whom your Chamber represents at as early a date as may be convenient.

I have, etc.,
R. H. COURTENAY,
for Acting Chief Secretary.

[ENCLOSURE.]

GOVERNMENT OF MADRAS.

PUBLIC DEPARTMENT.

READ—the following paper :—

G.O., No. 900, Public, dated 10th May, 1916.

ABSTRACT.—Directing publication in the *Fort St. George Gazette* of a notification regarding the scheme for the registration of claims of British and British Indian subjects against enemy subjects and enemy Governments.

ORDER—No. 1519, Public, dated 28th August, 1916.

The following notification issued by the Government of India will be published for general information. In the Madras Presidency and in the Province of Coorg the functions of the office of "Custodian" which is referred to in the rules will be exercised by the Official Trustee, Madras, who has been appointed for those areas as Custodian of Enemy Property under the Enemy Trading Act, 1915 :—

Notification of the Government of India, Department of Commerce and Industry (Commerce and Trade), No. 6803-W. II, dated Simla, the 5th August, 1916.

In exercise of the powers conferred by Section 10 of the Enemy Trading Ordinance, 1916, (V of 1916), the Governor-General in Council is pleased to make the following rules :—

1. These rules may be called the Registration of Enemy Property Rules.
2. (1) In these rules, unless there is anything repugnant in the subject or context,—

Short title.
Definitions.

(*) "Enemy" means any person, or company residing or carrying on business in the dominion of any State at war with His Majesty :

(b) "Enemy Property" means any property, moveable or immovable, belonging to, or managed or held whether in trust or otherwise for or on behalf of an enemy, and includes the right to transfer that property;

(c) "Dividends, interest or share of profits" includes any of the following, namely:—

(i) Any dividends, bonus or interest in respect of any shares, stock, debentures, debenture stock or other obligations of any company.

(ii) Any interest in respect of any loan to a firm or person carrying on business for the purposes of that business, and any profits or share of profits of such a business.

(iii) Where a person is carrying on any business in British India on behalf of an enemy, any money which, had a state of war not existed, would have been transmissible by a person to the enemy by way of profits from that business.

(iv) Any money which, had a state of war not existed, would have been payable or paid in British India to enemies.

(1) in respect of interest on securities of or issued by or on behalf of the Government of India or His Majesty's Government or the Government of any of His Majesty's dominions or any foreign Government or of or issued by or on behalf of any company, or

(2) by way of payment off of any securities which have become repayable on maturity or by being drawn for payment or otherwise, being such securities as aforesaid.

(d) "Custodian" means the officer appointed as Custodian of Enemy Property under the Enemy Trading Act, 1915, for the province in which the person whose duty it is to make the return prescribed in these rules is residing or carrying on business.

(e) "Prescribed period" means three months from the date of this notification.

(2) Words and expressions used in these rules shall, unless the contrary intention appears, have the same respective meanings as in the Enemy Trading Ordinance, 1916.

Classes of returns 3. There shall be six classes of returns of specified.

(1) Returns showing particulars of dividends, interest or share of profits due to enemies.

(2) Returns showing particulars of property of enemies [other than property included in (3) (4) and (6)]

(3) Returns showing particulars of shares, stock, debentures, debenture stock or other obligations or any share of profits or interest belonging to or held whether in trust or otherwise for or on behalf of or by or

(4) Returns showing particulars of property held for safe custody on behalf of enemies.

(5) Returns showing particulars of income received from property already recorded with the Custodian in accordance with these rules and held for or on behalf of or in trust for enemies.

(6) Returns showing particulars of debts, bank deposits and bank balances due to or held for or on behalf of or in trust for enemies.

These returns shall, respectively, be in Form A, Form B, Form C, Form D, Form E, and Form F of the forms given in the Schedule annexed to these rules.

4. Every person, or company residing or carrying on business in British India by whom or which any money, if a state of war had not existed, would have been payable or paid to or for the benefit of an enemy by way of dividends, interest or share of profits shall, within the prescribed period, or if such money becomes payable after the expiry of that period, then within one month after it becomes payable, communicate to the Custodian full particulars of such money in Form A.

5. Save as otherwise provided in these rules, every person or company residing or carrying on business in British India who or which has in his or its possession or control any enemy property shall, within the prescribed period, or if the property comes into his or its possession or control after the expiry of that period, then within one month after the time when it comes thereto, communicate to the Custodian full particulars of such property (i) in Form D in the case of property held for safe custody, and (ii) in Form B in the case of property held otherwise.

6. The provisions of Rule 5 shall also apply to balances and deposits standing to the credit of enemies at any bank, and to debts which are due or which, had a state of war not existed, would have been due to enemies, and such bank or debtor shall be bound to make the communication prescribed by that rule, save that particulars of such balances, deposits or debts shall be communicated in Form F.

7. Every company incorporated in British India and every company which though not incorporated in British India has a share transfer or share registration office in British India shall, within the prescribed period, communicate to the Custodian in Form C full particulars of all shares, stock, debentures, debenture stock, or other obligations of the company which are enemy property, and the partners or partner or manager of every firm, carrying on business in British India one or more partners of which on the commencement of the war became enemies or to which money had been lent for the purposes of the business of the firm by a person who so became an enemy, shall, within the prescribed period, communicate to the Custodian in Form C full particulars as to any share of profits and interest due to such enemies or enemy.

8. Where a return of any enemy property has been made to the Custodian in Form B or Form D, particulars of any income derived from such property during each quarter after the expiry of the prescribed period shall be communicated to the Custodian in Form E within one month of the expiry of that quarter; and if no income has been so derived since the date of the last return, the fact shall be reported to the Custodian in the same form within the period aforesaid.

9. Where a return of any enemy property has been made to the Custodian in Form B, any change in respect of any lien on the property claimed by any person making the return shall also be reported to that officer in the same Form within one month after the change has occurred or has been effected.

10. Every director, manager, secretary or officer of a company, and every partner of a firm to which the provisions of these rules apply shall be responsible for communicating to the Custodian the particulars prescribed.

Explanation.—In the case of payments specified in rule 2 (1) (c) (iv) (1), the duty of making the prescribed return shall rest with the person, firm or company through whom the payments in British India are made.

11. The Custodian shall record in a register or registers all property, returns whereof have been made to him under the foregoing rules, and such register or registers may be inspected by any person who, in the opinion of the Custodian, is interested as a creditor or otherwise.

12. Any person, who, under these rules, is bound to perform any act and who fails to perform such act within such time as may be specified in the rules, shall, in the absence of reasonable excuse the burden of proving which shall lie upon such person, be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees or with both.

(Sd.) C. E. Low,
Secretary to the Government of India.

STOCKS HELD ON ACCOUNT OF ALIEN ENEMIES.

Board of Revenue, Madras, 4th December, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward for your information copies of the correspondence received with the Government endorsement (copy enclosed) and to request that you will be so good as to state whether you are aware of the accumulation of any stocks held in this Presidency on account of alien enemies or otherwise to the prejudice of the national interest, and, if so, whether in your opinion it is desirable that any preventive action should be taken. An early reply is requested.

I have, etc.,
T. RAGHAVIAH,
Secretary.

[ENCLOSURES.]

*Copy of Endorsement No. 1987 B. 16-1 Rev.,
dated the 30th November, 1916.*

Letter from the Government of India, Department of Commerce and Industry, No. 10874-W-II, dated the 4th-13th November, 1916.

I am directed to forward a copy of a despatch from His Majesty's Secretary of State for India No. 81, Revenue, dated the 29th September, 1916, and enclosure on the subject of stocks held on account of alien enemies or otherwise to the prejudice of the national interest.

I am to ask that the Government of India may be informed whether there is any such accumulation of stocks in Madras and, if so, whether in the opinion of His Excellency the Governor in Council it is desirable that any preventive action should be taken.

No. 10875-W-II.

A copy is forwarded to the Director-General of Commercial Intelligence for information.

Revenue No. 81.

India Office, London, 29th September, 1916.

TO HIS EXCELLENCY THE RIGHT HON'BLE THE
GOVERNOR-GENERAL OF INDIA IN COUNCIL

MY LORD,—As it has been alleged that stocks of certain commodities are being accumulated in the United Kingdom either on German account or for export to Germany after the war, the Board of Trade have recently been empowered to call for information for the purpose of ascertaining whether any class of goods is held on account of, or for the future account of, alien enemies or otherwise to the prejudice of the national interest.

If it be ascertained that goods are so held they may be disposed of as the Board may direct. A copy of the Regulations is enclosed for your information.

2. I request to be informed whether Your Excellency's Government have any reason to believe that the accumulation of stocks of the nature described above is taking place in India, and, if so, whether the powers, which you enjoy under the Articles of Commerce Ordinance, 1914, are sufficient.

I have, etc.,
(Sd.) AUSTEN CHAMBERLAIN.

Defence of the Realm Amendment Regulations.

At the Court at Buckingham Palace, the 18th day of August, 1916.

PRESENT.

The King's Most Excellent Majesty in Council.

Whereas by an order in Council, dated twenty-eighth day of November, nineteen hundred and fourteen, His Majesty was pleased to make Regulations [called the "Defence of the Realm (Consolidation) Regulations, 1915"] under the Defence of the Realm Consolidation Act, 1914, for securing the public safety and the defence of the realm.

And whereas the said Act has been amended by the Defence of the Realm (Amendment) Act, 1915, the Defence of the Realm (Amendment) (No. 2) Act, 1915, and the Munitions of War Act, 1915 :

And whereas the said Regulations have been amended by various subsequent orders in Council :

And whereas it is expedient further to amend the said Regulations in manner hereinafter appearing :

Now, therefore, His Majesty is pleased by and with the advice of His Privy Council, to order, and it is hereby ordered, that the following amendments be made in the said Regulations :—

6. After Regulation 15 A, the following Regulation shall be inserted :—

“ 15 B.—(1) For the purpose of ascertaining whether goods of any description are held on account of, or for the future account of, or for the benefit or future benefit, direct or indirect, of any person residing or carrying on business in any country which at the time is at war with His Majesty, or any person of enemy nationality or are held otherwise to the prejudice of national interest, the Board of Trade may by order—

(a) require all persons who are owners of, or who are in possession of, or have control over, any goods, to furnish to any officer of the Board authorised in that behalf any information in their possession which such officer may require—

(i) as to the nature, quantity, use, origin and destination of the goods and the purposes for which they are held ;

(ii) where the goods are not in the possession of the owners as to the actual ownership of the goods and conditions under which the goods are held ;

(iii) in order to establish whether the amount of the goods held is in excess of the normal requirements of the trade of the owner thereof and the reasons for the excess if any ;

(b) authorise any officer of the Board to enter any premises on which he has any reason to suspect that goods of any such description are kept or stored and carry out such inspection and examination of the premises and goods thereon as the officer may consider necessary for obtaining such information as aforesaid ;

(c) authorise any officer of the Board to require the production of and to inspect all books or documents relating to goods of any such description.

2. The Board of Trade may make arrangements with any other Government department for the exercise by that department on behalf of the Board of their powers under the foregoing provisions with respect to goods of any particular description and in such case the department and the officers thereof shall have and exercise the same powers as are by the said provisions conferred on the Board of Trade and their officers.

3. Any order requiring such information as aforesaid shall be published in the London, Edinburgh and Dublin *Gazettes* and in such other manner as the Board think best adopted for informing the persons affected and ensuring publicity.

4. Where the Board of Trade, as the result of such enquiries as aforesaid are of opinion that any goods are held on account of, or for the future account of, or for the benefit or future benefit, direct or indirect, of any persons resident or carrying on business in any country which at the time is at war with His Majesty or any person of enemy nationality or that the continued withholding of the goods from the market is to the prejudice of national interest the Board may, by order sent by registered post to or delivered at the last known place of address in the United Kingdom of the owner of the goods, require him to dispose of the goods in such manner and within such time as may be specified in that order.

5. If the owner of the goods cannot be ascertained or is not resident within the United Kingdom, the order may be addressed to, and may confer powers of sale on, the person in whose possession or under whose control the goods may happen to be.

6. For the purposes of this regulation the expression “ owner ” in relation to any goods includes any person who, as factor or otherwise, has power to sell the goods.

7. If any person—

(a) refuses or neglects to furnish any information or to answer any question put to him in pursuance of any order made under this regulation or knowingly furnishes any false information or makes any false answer to any such question ; or

(b) refuses or neglects to produce any books or documents relating to the goods in question which may be in his possession or under his control ; or

(c) fails to comply with any order made by the Board as to the disposal of goods ordered to be disposed of under this regulation ; or

(d) except as authorised by the Board of Trade discloses or makes use of any information given to him under this regulation ; he shall be guilty of a summary offence against these regulations.

Endorsement No. 1987 B 16-1 at Rev., dated the 30th November, 1916.

Referred to the Board of Revenue for favour of very early report.

(By order)

(Sd.) A. H. A. TODD,

Under-Secretary to Government.

Chamber of Commerce, Madras, 21st December, 1916.

TO THE SECRETARY, BOARD OF REVENUE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter No. 2447, dated the 4th December, 1916, forwarding copies of correspondence from the Government of India on the subject of accumulation of stocks held in this Presidency on account of

alien enemies or to the prejudice of national interest. In reply, the Chamber begs to inform you that it is not aware of any accumulation of stocks here.

I have, etc.,
GORDON FRASER,
Chairman.

PROPOSED DEPUTATION TO RUSSIA.

TELEGRAM.

From the Chief Secretary to the Madras Government; to the Chamber of Commerce, Madras, dated Ootacamund, the 19th April, 1916, No. 108.

Demi-official, reference proposed deputation of an officer to Russia to promote direct commercial relations between exporters in India and Russia. Please wire urgently after consulting Rae or Hunter if necessary what kinds of goods the export trade in which is expected to be specially stimulated by proposed deputation

Chamber of Commerce, Madras, 20th April, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to confirm the following telegram despatched to-day in reply to your telegram, dated the 19th instant, with regard to the proposed deputation of an officer to Russia to promote direct commercial relations between the exporters in India and Russia :—

“Government telegram reference deputation officer to Russia received yesterday Chamber anticipates enquiries would stimulate or create trade in oilseeds especially castors and kernels formerly considerable now lost; also hides, skins, cotton, tea, hemp and fibres, cocoanut produce, pepper, ginger, turmeric, nux vomica, beeswax, coriander seed, sandalwood oil, but impossible say definitely whence need for proposed tour of enquiry.”

In this connection the Chamber begs to point out that one of the main reasons why this Chamber wants an officer to be sent out to Russia is to obtain information on the very question contained in your telegram.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 20th April, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to invite the attention of Government to the trade situation likely to come into existence at the close of the war and to the desirability of endeavouring to stimulate trade between Southern India and the countries in alliance with the British Empire.

There is abundant evidence that the countries so allied are anxious to develop trade with this among other parts of the British Empire, for the ordinary economic reasons and because they desire the elimination of German middlemen. From the point of view of Southern India, close trade relations with those countries, and especially with France and Russia, are not less to be desired in the interests, primarily, of South India and, secondly, in furtherance of the generally accepted policy of ousting German trade from the markets of countries friendly to Great Britain.

The members of this Chamber have considered this subject carefully, and they are strongly of opinion that the first move in this new trade campaign should be the despatch to Russia and France of a Commissioner to report on openings for South Indian produce. He should, we believe, be an official, both because in a matter where political and economic considerations are mingled an official will find it easier to secure guidance and support from the Governments of the countries visited than a mercantile man would, and because an official will be the representative of South India as a whole, whereas a British man of business might be regarded by some Indians as interested only in the advancement of the European mercantile community here. As for his qualifications, this Chamber does not think it necessary or advisable that he should be a technical expert. A broad knowledge of the agricultural and other resources of Southern India, initiative, and the power of interesting people in a country little known to them appear to be the requisite qualifications. He might be assisted by a European non-official colleague possessing Indian mercantile or financial experience.

The functions of the Commissioner, this Chamber thinks, should be to approach the Commercial and Industrial Departments of the foreign Governments in question, to visit the Chambers of Commerce and similar institutions, to interview leading merchants and bankers, and to ascertain from them the needs which Southern India is capable of meeting. It would be of much advantage if he were able to arrange for regular exchange of information

between business organisations in Russia and France and those in Southern India.

This Chamber is prepared to contribute towards the expense of the Commissioner's tour, and those of his colleague, if necessary, and it has no doubt that other Chambers in Southern India would also assist financially. Seeing, however, that the results anticipated would be of benefit to the whole Presidency, it appears proper that the expenses, or the major part of them, should be met from public funds.

I have to request that the Government will take these proposals into very early consideration. Promptitude is of the essence of the matter, for the favourable conditions now existing may suddenly disappear with the end of the war and the beginning of Germany's efforts to recover her lost markets at all costs and by methods which British merchants cannot think of imitating.

I have, etc.,
GORDON FRASER,
Chairman.

Revenue Department, Ootacamund, 25th April, 1916.
TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter, dated the 20th April, 1916, regarding stimulation of trade between Southern India and the countries in alliance with the British Empire, and to state that the matter will receive due attention.

I have, etc.,
V. A. ANANTARAMA IYER,
for Chief Secretary

Separate Revenue Department, Ootacamund, 1st May, 1916.

SIR,—I am directed to inform you that a proposal is now under the consideration of Government to depute Mr. D. T. Chadwick, I. C. S., to conduct enquiries in Russia with a view to the promotion of direct commerce between South India and Russia. It is anticipated that such an investigation might stimulate or create trade in oil-seeds especially castors and kernels (the business in which, though formerly considerable, has now been lost); also hides, skins, cotton tea, hemp, jute and fibres, cocoanut produce including copra, coir and cocoanut oil, pepper, ginger,

turmeric, nux vomica, beeswax, coriander seed and sandalwood oil amongst other products. The scheme has the support of the Madras Chamber of Commerce, which has recently suggested the extension of the scope of the enquiry to France and the association with Mr. Chadwick of a European non-official colleague possessing Indian mercantile or financial experience. The period of the investigation, if sanctioned, will probably cover some six months, and it is desired to ascertain in advance whether your ^{Chamber} Association would be prepared to contribute to the cost in issue and, if so, up to what pecuniary limit. I am to add that a similar communication is being addressed to the other Chambers of Commerce in this Presidency and to the United Planters Association of Southern India and to ask that you will be so good as to favour me with a reply to this reference at your earliest convenience, since in such a matter as this time is of great importance and, in the event of the scheme receiving the sanction of higher authority, it is proposed to make immediate arrangements for the deputation of Mr. Chadwick.

L. DAVIDSON,
Acting Chief Secretary.

Separate Revenue Department, Ootacamund, 1st May, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter of the 20th April, and to say that, as at present advised, the Government are disposed to view with favour the suggestions to extend the scope of Mr. Chadwick's enquiry to France and to associate with him a European non-official colleague possessing Indian mercantile or financial experience. They consider, however, that Russia should be placed in the forefront of the enquiry, as there is already a considerable amount of direct trade with France, which is not such a *terra incognita* as Russia. The initial proposal is now before the Government of India, and, until that authority has intimated its views on the subject, no final decision is possible, but in the meanwhile I am to enclose a copy of communication which has been addressed to other Chambers of Commerce and to the United Planters Association of Southern India and to enquire whether your Chamber is in a position to state the amount of the contribution which it would be prepared to make towards the cost of the enquiry in the event of the scheme being sanctioned.

I have, etc.,
L. DAVIDSON,
Acting Chief Secretary.

Chamber of Commerce, Madras, 2nd May, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to inform you that at a special meeting of the Chamber held on Friday, the 28th April, it was resolved "That the Chamber should offer to contribute Rs. 7,500, say, £500, from its funds towards the cost of the proposed tour of commercial enquiry in Russia. The Chamber should also ascertain from individual firms what they would be prepared to contribute, and should then advise His Excellency what the Madras Chamber and firms were jointly prepared to guarantee towards the expenses of the contemplated tour."

"It was further resolved, on the Chairman's proposal, that Mr. George Black, of the Bank of Madras, be asked whether he would be prepared to act with the officer deputed by Government for the tour of enquiry, Sir Bernard Hunter undertaking to communicate with Mr. Black; but that if Mr. Black be unable to do so, the Chairman suggested that Mr. Ross Munro should be requested to undertake the work."

I have, etc.,
GORDON FRASER,
Chairman.

TELEGRAM.

From the Chief Secretary to the Government of Madras; to the Chamber of Commerce, Madras, dated Ootacamund, the 8th May, 1916, No. 144.

Reference Mr. Gordon Fraser's letter, 2nd May, 1916, commercial enquiry in Russia. Government of India have wired saying their support of proposal is contingent upon adequate contribution from mercantile community. Can you say what the contribution from firms is likely to be. Please wire reply as matter very urgent.

Chamber of Commerce, Madras, 9th May, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to confirm the following telegram despatched to-day in reply to yours of the 8th instant, with regard to the proposed deputation of an officer to Russia:—

"Your telegram reference commercial enquiry in Russia. This Chamber guarantees Rs. 7,500 and individual firms in Madras

have already guaranteed Rs. 5,500. Mercantile delegate's salary is also guaranteed, further subscriptions bringing total to £1,000 may be relied on."

The salary of the mercantile delegate, who accompanies Mr. Chadwick, is also guaranteed; and will not, therefore, be a charge on the amount mentioned above.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Best & Co., Ltd., Madras, 10th May, 1916.

• TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—While at Ootacamund I took the opportunity of speaking to the Hon'ble Mr. Cardew on the question of the commission to Russia. I enclose herewith copy of a letter I addressed to the Hon'ble Mr. Cardew as a result of our interview, and also copy of his acknowledgment, both of which I shall be glad if you will circulate to members of the Chamber.

I have, etc.,
GORDON FRASER.

[ENCLOSURES.]

Ootacamund, 9th May, 1916.

DEAR MR. CARDEW,—With reference to our discussion of yesterday morning regarding the proposed commission to Russia to promote trade between that country and Southern India I can promise that a sum of Rs. 15,000 will be guaranteed if necessary, jointly, by the Madras Chamber of Commerce and Madras merchants. I understand the Government of India have expressed their approval of the proposed commission provided funds are forthcoming from outside sources sufficient to cover two-thirds of the expenses. According to the figures we put down on paper yesterday morning, the cost of the commission should not exceed the roughly approximate figure of Rs. 20,000, consequently the amount mentioned above should more than cover the guarantee called for by the Government of India.

The members of the M. C., whilst offering to contribute, are nevertheless strongly of the opinion that the whole cost of the commission should be borne by Government, as the object aimed at is for the common good of the country as a whole, and is not for the special benefit of the few European merchants in Madras as represented by the Madras Chamber of Commerce.

A number of the firms contributing as members of the Chamber will reap no benefit while other firms are themselves incurring considerable further expenses in exploiting the Russian markets in addition to any contribution they may make towards the cost of the proposed commission, which I again emphasise is for the benefit of the country as a whole and not for the individuals who contribute. I hope the Government will not charge to outside contributions any part of the salary or allowances paid to the Commissioner, but only the actual out-of-pocket travelling expenses.

As it is important that no time should be lost I will guarantee, on behalf of the Madras Chamber of Commerce and of the individual firms in Madras, to contribute two-thirds of the cost of the commission, provided such contribution does not exceed a total sum of Rs. 15,000. I understand the Government of Madras have circularised other Chambers and Associations in Southern India inviting contributions, and that any contributions promised, and also Government's share of the expenses, will be deducted from the total cost before calling up our guarantee. If similar guarantees to ours are made by other bodies, the most equitable method would be to call on all guarantees *pro rata* to make up the amount required.

Yours, etc.,
(Sd.) GORDON FRASER.

“*St. Margarets*,” Ootacamund, 9th May, 1916.

DEAR FRASER,—Many thanks for your letter of this date which have duly received, but too late to acknowledge before you leave Ootacamund, I fear. You may rest assured that the representations which it contains will be given the most careful consideration of the Government.

Yours, etc.,
(Sd.) A. G. CARDEW.

Chamber of Commerce, Madras, 8th June, 1916.

TO GEORGE W. BLACK, ESQ.,
Edinburgh.

SIR,—With reference to your telegram to Sir Bernard Hunter undertaking to act with the officer to be deputed by Government for the tour of enquiry in Russia, I am desired by the Chamber to convey to you its thanks for your kind co-operation.

I have, etc.,
GORDON FRASER,
Chairman.

Commercial Intelligence Department, Calcutta, 1st September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to forward herewith for information copy of a letter which I have addressed to Chambers of Commerce in India, other than the Madras Chamber. I presume that you are in direct communication with Mr. Chadwick on the subject of openings for Madras trade with Russia. If not, however, and indeed in any case, I will be glad to forward to him any suggestions which you may care to make on the lines of the enclosed circular.

I have, etc.,
H. A. F. LINDSAY,
Director-General.

[ENCLOSURE.]

Commercial Intelligence Department, Calcutta, 1st September 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Bengal, Bombay, Punjab, Karachi,
Upper India, Burma.

SIR,—In continuation of my letter No. 410.1-3-4 5 6, dated the 27th January last, on the subject of trade with Russia, I have the honour to inform you that an Indian delegate is now touring in Russia in the interests of Madras trade in the country. I have just heard from Mr. D. T. Chadwick, the delegate, to the effect that he will also take up any enquiries regarding Indian trade in general with Russia and will any enquiries which you would like Mr. Chadwick to make with special reference to business in which the Bengal, Bombay, Punjab, Karachi, Upper India, Burma Chamber is interested, or any general assistance which you would like him to give, will you kindly communicate with me on the subject, and I will at once forward your representation to him.

I have, etc.,
(Sd.) H. A. F. LINDSAY,
Director-General.

GOVERNMENT OF MADRAS.

FINANCIAL (SEPARATE REVENUE) DEPARTMENT,

G. O. No. 783, dated the 19th September, 1916.

ORDER:—

The Madras Chamber of Commerce will be informed that the Secretary of State for India has sanctioned the proposal to associate Mr. G. W. Black with Mr. D. T. Chadwick, I. C. S.,

during the latter's deputation to Russia, it being understood that the salary of Mr. Black during the period of deputation will be borne in full by the Bank of Madras and that only one-third of the expenditure incurred on account of his actual travelling and subsistence allowances on the continent will be a charge against public revenues.

(True Extract.)

R. H. COURTENAY,
for *Chief Secretary*.

GOVERNMENT OF MADRAS.

FINANCIAL (S. R.) DEPARTMENT.

G. O. No. 821, dated the 30th September, 1916.

ORDER:—

The British Chamber of Commerce in Paris has suggested that a commission of business men from India should visit important trade centres in France to promote trade in Indian produce and to examine the extent to which French can replace German goods. The visit should be made not later than October, in order not to lose the present favourable opportunity.

2. The Chambers of Commerce will be informed that it has been arranged that Messrs. D. T. Chadwick and G. W. Black shall visit France on their return from Russia. It will be open to any business men who may desire to do so at their own expense to go to France for the suggested enquiry or to join Mr. Chadwick's deputation.

(True Extract.)

R. S. KERSHAW,
for *Chief Secretary*.

Chamber of Commerce, Madras, 3rd October, 1916.

TO THE DIRECTOR-GENERAL OF COMMERCIAL INTELLIGENCE,
Calcutta.

SIR,—I beg to acknowledge receipt of your letter No. 3986, of the 1st September, 1916, forwarding copy of a letter addressed by you to the other Chambers in India, with the exception of this Chamber. In reply, I beg to inform you that this Chamber trusts that, as Mr. Chadwick's tour to Russia has now assumed the character of a mission on behalf of Indian trade generally, the

Government will reconsider the original arrangement as regards defraying the expenses of the tour. The Chamber in no way withdraws its former undertaking, but merely submits that it would be inequitable to impose on one body, which does not even represent the entire Madras Presidency, so large a share of the charges for a tour in which Mr. Chadwick is to make investigations on behalf of any other Chamber that may address him and to devote attention to the possible openings for products in which the members of this Chamber and growers in this part of India have no interest.

This Chamber would, therefore, suggest either that the Government of India assume a larger share of the financial responsibility or that Chambers utilising Mr. Chadwick's services be requested to contribute proportionately.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 3rd October, 1916.
TO THE CHIEF SECRETARY, FINANCIAL DEPARTMENT,
Ootacamund.

SIR,—I beg to acknowledge receipt of G. O. No. 783, dated the 19th September, 1916.

In view of the fact that Mr. Chadwick's tour has now assumed the character of a mission on behalf of Indian trade generally, this Chamber presumes that there will be some reconsideration of original arrangements for defraying the expenses of the tour. It in no way withdraws its former undertaking, but merely submits that it would be inequitable to impose on one body, which does not even represent the entire Madras Presidency, so large a share of the charges for a tour in which Mr. Chadwick is to make investigations on behalf of any other Chamber that may address him and to devote attention to the possible openings for products in which members of this Chamber and growers in this part of India have no interest.

This Chamber would, therefore, suggest either that the Government of India assume a larger share of the financial responsibility or that Chambers utilising Mr. Chadwick's services be requested to contribute proportionately.

I have, etc.,
W. B. HUNTER,
Vice-Chairman.

Financial Department, Ootacamund, 10th October, 1916.

TO THE VICE-CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter, dated the 3rd October, 1916, on the subject of Mr. Chadwick's mission, which will receive due attention.

I have, etc.,
R. H. COURTENAY,
for Chief Secretary.

Indian Commercial Intelligence Department, Simla, 13th Oct., 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—Your letter of the 3rd instant regarding Mr. Chadwick's tour to Russia has been forwarded to me here. I much regret that I have no information regarding the financing of the tour. I am, however, forwarding a copy of your representation to Government and will reply to your letter as soon as I receive instructions to do so.

I have, etc.,
H. A. F. LINDSAY,
Director-General.

Chamber of Commerce, Madras, 5th December, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

SIR,—I have the honour to enquire whether the Government are in possession of any report or information submitted by Messrs. Chadwick and Black, members of the trade deputation to Russia, and to request that the Chamber may be favoured with such as soon as possible after receipt.

The first trade enquiry resulting from the deputation was received by the Chamber recently, and arrangements are being made to furnish all Russian firms who address us with a tabular

list of exporters and the products in which they are particularly interested, together with bankers' references.

I have, etc.,

T. E. WELBY,
Acting Secretary.

TRADE RELATIONS BETWEEN RUSSIA AND INDIA.

Commercial Intelligence Department, Calcutta, 27th Jan. 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to enclose copy of a letter No. 354, dated the 11th January, 1916, from the Imperial Consul-General for Russia in Calcutta asking me to inform commercial circle in India that the Russian Reciprocal Society of Merchants, Manufacturers, etc., of Moscow, are desirous of extending direct commercial relations with exporters in this country. I shall be obliged if you will be so good as to bring this to the notice of interested members of your Chamber.

I also enclose for ready reference a statement showing the statistics of India's export trade with Russia during the last five years. The statement indicates the general lines on which trade with Russia has been carried on during the past five years, and the fluctuations of quantities and values.

I have, etc.,

E. R. SIM,
for Director-General of Commercial Intelligence.

[ENCLOSURES]

Copy of letter No. 354, dated the 11th January, 1916, from the acting Imperial Consul-General for Russia, Calcutta, to the Director-General of Commercial Intelligence, Calcutta.

I have received an information from Moscow to the effect that the merchants of that place wish to have a direct commercial relation with the exporters of India without the mediation of the German brokers, as before the war. They shall be pleased to have samples, terms and prices of the commodities which the Indian merchants wish to export to Russia. I shall be greatly obliged if you can manage to inform the commercial circle here about the Society in Moscow which on its turn will be glad to furnish all informations regarding the commodities used there, and their prices, etc. The name and address of the Society are "The Administration of the Russian Reciprocal Society of Merchants, Manufacturers, etc., Fourkasovsky 6, Moscow."

RUSSIA, EX.

INDIAN MERCHANDISE.

ARTICLES.	QUANTITY.					VALUE.				
	1910-11	1911-12	1912-13	1913-14	1914-15	1910-11	1911-12	1912-13	1913-14	1914-15
Books Printed and Printed Matters :- Including Maps and Charts...Cwt.	730	288	300	282	60	5,688	1,492	2,733	2,790	433
Coffee and Medicines, including chemicals, and Narcotics...Value	198	69	366	52	...	660	252	1,597	239	...
Dyeing and Tanning Substances :-	...	...	...	...	...	564	295	306	306	314
Indigo...Cwt.	2,312	1,502	544	355	60	17,632	11,680	6,008	4,115	794
Myrabolams...Cwt.	32,324	19,980	10,188	20,731	3,945	9,737	5,710	3,528	6,915	1,341
Turmeric...Cwt.	4,048	8,222	4,232	9,788	2,634	4,350	8,957	4,147	7,900	1,385
Other Sorts...Cwt.	3	...	...	...	...	8	...	...	...	...
Total...Cwt.	38,687	29,704	14,984	30,874	6,639	31,727	26,347	13,773	18,930	3,720
Grain, Pulse and Flour :-	...	10,000	21,972	6,000	...	...	2,000	6,131	1,023	...
Rice in the Husk...Cwt.	...	192,891	78,741	128,556	83,243	...	56,740	32,074	38,462	26,020
Do not in the " " " "	308	373	337	...	148	...	...	...	...	...
Hides and Skins (raw) No.	1,100	2,180	4,750	...	1,270	851	1,303	1,884	...	564
Lac...Cwt.	125	894	1,356	219	1,972	470	2,929	5,080	1,013	5,455
Metal and Ores :-	...	...	...	...	...	...	...	...	...	...
Lead Pig...Cwt.	...	...	...	...	2,023	...	...	...	...	2,000

RUSSIA, EXPORTS—(Continued.)

INDIAN MERCHANDISE.

ARTICLES	QUANTITY.					VALUE.				
	1910-11	1911-12	1912-13	1913-14	1914-15	1910-11	1911-12	1912-13	1913-14	1914-15
Seeds :-	...	...	...	...	...	...	...	...	...	...
Cashew...Cwt.	4,000	...	...	...	9,023	1,933	...	...	...	4,119
Cocunut kernel or Copra...Cwt.	24,856	31,485	43,184	73,047	59,176	29,323	36,373	54,886	98,036	79,295
Ground nuts...Cwt.	...	...	...	6,647	12	...	...	...	2,928	6
Sesamum (til or jinji)...Cwt.	18,131	10,511	3,513	25,070	83,333	10,842	1,350	3,814	20,627	67,639
Other Sorts...Cwt.	31,276	44,950	19,146	55,761	2,430	879	4,989	1,635	1,069	102
Spices...Cwt.	...	...	...	...	...	...	...	...	...	...
Tea Black...Cwt.	30,970,610	26,250,216	33,115,832	33,363,450	19,632,717	987,464	867,271	991,183	1,108,832	606,825
Do Green...Cwt.	150,872	164,094	10,239	34,759	3,370	6,555	6,390	306	1,377	112
Total Tea...Cwt.	31,121,482	26,414,310	33,126,071	33,398,209	19,636,087	994,019	873,670	991,489	1,110,209	606,938
Textiles :-	...	...	...	...	...	...	...	...	...	...
Cotton, Raw...Cwt.	7,559	...	3,544	54,651	4,854	17,355	...	9,240	72,474	140,443
Hemp do...Cwt.	...	...	...	...	490	...	...	...	...	653
Jute do...Cwt.	8,384	6,971	8,776	9,086	4,357	137,240	136,023	195,378	266,500	...
Do Gunny bags...No.	222,000	351,000	350,000	...	146,772	3,931	6,613	6,545	741	...
Do do cloth...Yds.	...	940,000	19,000	59,961	976,000	...	6,075	825	741	6,510
All other articles of Merchandise...Value	...	...	...	...	...	1,378	73	388	638	898
GRAND TOTAL...Value	...	...	...	...	...	1,237,000	1,158,206	1,328,586	1,636,149	1,230,749

Chamber of Commerce, Madras, 29th January, 1916.
 TO THE DIRECTOR-GENERAL OF COMMERCIAL INTELLIGENCE,
Calcutta.

SIR,—I beg to acknowledge receipt of your letter, dated the 27th instant, and to say that it is being circulated among the members of this Chamber for their information, and those interested will, no doubt, address you direct on the subject.

I have, etc.,
 A. E. LAWSON,
Secretary.

Chamber of Commerce, Madras, 8th March, 1916.
 TO THE RUSSIAN RECIPROCAL SOCIETY OF MERCHANTS,
Moscow.

SIR,—I beg to inform you that the Chamber has received from the Director-General of Commercial Intelligence in India a copy of a letter addressed to him by the Imperial Consul-General for Russia in Calcutta, in which the latter stated that your Society is desirous of extending direct commercial relations with exporters in India with a view to the promotion of trade between India and Russia without the mediation of German brokers. With reference to this, I have much pleasure in stating that this Chamber will be glad to do everything in its power to co-operate with your Society in the matter, and will be obliged if you will indicate in what way it can be of assistance in promoting so desirable an object.

I have, etc.,
 GORDON FRASER,
Chairman.

TECHNICAL INFORMATION BUREAU, LONDON.

Department of Commerce and Industry, Simla, 26th January, 1916.
 TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward the accompanying copy of a *Press communiqué*, dated the 26th January, 1916, on the subject

the constitution of a separate Technical Information Bureau in connection with the Imperial Institute, London.

I have, etc.,
 I. D. ELLIOTT,
Officiating Under-Secretary to Government.

[ENCLOSURE.]

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Simla, the 26th January, 1916.

PRESS COMMUNIQUE.

A separate Bureau has recently been constituted in connection with and Imperial Institute, London, for the purpose of collecting technical information, dealing with commercial enquiries which do not involve laboratory investigations, and preparing the results of such investigations for circulation to manufacturers, producers and merchants within the Empire, with a view to promoting the manufacture of Imperial products in the United Kingdom and in His Majesty's overseas dominions. The functions of this Technical Information Bureau will be distinct from those of the Scientific and Technical Department of the Imperial Institute which will continue to be engaged on examination in the laboratory of new or little known raw materials from all parts of the Empire.

Chamber of Commerce, Madras, 31st January, 1916.
 TO THE UNDER-SECRETARY, COMMERCE AND INDUSTRY, to
Simla.

SIR,—I beg to acknowledge receipt of your letter No. 355, dated the 26th January, 1916, forwarding copy of a *Press communiqué* on the subject of the constitution of a separate Technical Information Bureau in connection with the Imperial Institute.

I have, etc.,
 A. E. LAWSON,
Secretary.

CONFERENCE OF THE ALLIES HELD AT PARIS.

Department of Commerce and Industry, Simla, 19th August, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to communicate, for the information of the Madras Chamber, the recommendations made by the Conference of the Allies held at Paris on the 14th to the 17th June, 1916, to discuss certain economic questions arising out of the war.

I have, etc.,

A. H. LEY,

Deputy Secretary to Government.

[ENCLOSURE.]

(Translation.)

from

I.

The representatives of the Allied Governments have met at Paris for the Presidency of M. Clémentel, Minister of Commerce, on the 14th, 15th, 16th and 17th June, 1916, for the purpose of fulfilling the mandate given to them by the Paris Conference of the 28th March, 1916, of giving practical expression to their solidarity of views and interests, and proposing to their respective Governments the appropriate measures realising this solidarity.

II.

They declare that after forcing upon them the military contest in spite of all their efforts to avoid the conflict, the Empires of Central Europe are to-day preparing, in concert with their Allies, for a contest on the economic plane, which will not only survive the re-establishment of peace, but will at that moment attain its full scope and intensity.

III.

They cannot, therefore, conceal from themselves that the agreements which are being prepared for this purpose between their enemies have the obvious object of establishing the domination of the latter over the production and the markets of the whole world and of imposing on other countries an intolerable yoke.

In face of so grave a peril the representatives of the Allied Governments consider that it has become their duty, on grounds of necessary and legitimate defence, to adopt and realise from now onward all the measures requisite on the one hand to secure for themselves and for the whole of the markets of neutral countries full economic independence and respect for sound commercial practice, and on the other hand to facilitate the organisation on a permanent basis of their economic alliance.

C.

Permanent measures of mutual assistance and collaboration among the Allies.

I.

The Allies decide to take the necessary steps without delay to render themselves independent of the enemy countries in so far as regards the raw materials and manufactured articles essential to the normal development of their economic activities.

These steps should be directed to assuring the independence of the Allies not only so far as concerns their sources of supply, but also as regards their financial, commercial and maritime organisation.

The Allies will adopt the methods which seem to them most suitable for the carrying out of this resolution, according to the nature of the commodities and having regard to the principles which govern their economic policy.

They may, for example, have recourse either to enterprises subsidised, directed or controlled by the Governments themselves, or to the grant of financial assistance for the encouragement of scientific and technical research and the development of national industries and resources; to customs duties or prohibitions of a temporary or permanent character; or to a combination of these different methods.

Whatever may be the methods adopted, the object aimed at by the Allies is to increase production within their territories as a whole to a sufficient extent to enable them to maintain and develop their economic position and independence in relation to enemy countries.

II.

In order to permit the interchange of their products, the Allies undertake to adopt measures for facilitating their mutual trade relations both by the establishment of direct and rapid land and sea transport services at low rates, and by the extension and improvement of postal, telegraphic and other communications.

III.

The Allies undertake to convene a meeting of technical delegates to draw up measures for the assimilation, so far as may be possible, of their laws governing patents, indications of origin and trade marks.

In regard to patents, trade marks and literary and artistic copyright which have come into existence during the war in enemy countries, the Allies will adopt, so far as possible, an identical procedure, to be applied as soon as hostilities cease.

This procedure will be elaborated by the technical delegates of the Allies.

D.

Whereas for the purposes of their common defence against the enemy the Allied Powers have agreed to adopt a common economic policy, on the lines laid down in the Resolutions which have been passed, and whereas it is recognised that the effectiveness of this policy depends absolutely upon these Resolutions being put into operation forthwith, the Representatives of the Allied Governments undertake to commend their respective Governments to take without delay all the measures, whether temporary or permanent, requisite for giving full and complete effect to this policy forthwith, and to communicate to each other the decision arrived at to attain that object.

GOVERNMENT CONTROL OF THE TANNED HIDES TRADE.

Madras Tanned Kips.

The figures in the statement show the f. o. b. cost. To obtain the c. i. f. cost, the following charges must be added :—

FREIGHT :—Add about 1.29d. per lb. basis freight at 175s. per ton of 50 cubic ft.

INSURANCE :—*Marine*—Add 5/8%.

War Risk—Add 21s. per £100.

EXCHANGE :—Add to the cost the difference between par exchange of 1/4 and 1/4.7/16. The day's rate being 1/4.7/16 for 3 months sight drafts, documents against payment, on London.

COMMISSION :—Commission payable to shippers' London House.

The prices are based on the assumption that Government take over everything excluding calf. Halves, Off-colours, Limeys to be packed as Fourths. Thins and papers to be packed as Fifths.

The f. o. b. prices in statement do not allow for the commission payable to the London Houses.

PRICES :—Are on the basis of fair average assortment of season. It is generally expected that the assortment of arrivals will be very poor for the next few months, and in the event of the deliveries giving a larger percentage of Fourths and Fifths than in the basis assortment the all round cost would correspondingly advance. For instance, if against 25 bales 20 × 60 × 20 the excess should be 17 bales Fourths and 15 bales Fifths, the price of the 25 bales 20 × 60 × 20, 17 bales Fourths, 15 bales Fifths and 5 bales Heavies would be increased respectively 4 pies per lb. Again, if working on the same reduced assortment of 25 bales Regular Run, 17 bales Fourths, 15 bales Fifths and 5 bales Heavies, the assortment of the Heavies should run 5 bales 20 × 60 × 20 plus 2 bales Fourths, plus 1 bale Fifths, the respective rates of all grades and weights would be increased by 6½ pies per lb.

The above remarks regarding enhanced rates due to difference in assortments could be modified if there should be a relative reduction in bazaar values.

WEIGHTS :—The average weights of parcels to be made up of no hides under 3 lbs. and no hides over 14 lbs. *Heavies* over 14 lbs. and up to 20 lbs.

MADRAS,
12th June, 1916.]

T. E. WEBBY,
Acting Secretary.

such stocks should be taken over by Government on the basis of the prices ruling in London prior to intimations being received in London of Government's intentions. In support of this I would draw your attention to the fact that buying orders were being cabled to Madras by buyers in London at prices considerably higher than the rates ruling for the period ending May 11th, and under the circumstances Madras merchants were legitimately entitled to continue trading to the extent of their normal stocks, replacing stocks by new purchases as the old stocks were sold after sorting and baling. In the majority of cases it is impossible to sell until the assortment of bazaar purchases is known, and it, therefore, follows that in order to work the business satisfactorily Madras firms have to carry what may be called "working stocks." As the assortment is ascertained the goods can be sold to London buyers, and this procedure has been followed by a number of merchants who now find themselves holding stocks at high prices, which under the present intentions of Government will be taken over at prices leaving the firms with a serious loss. The members of the Chamber, therefore, are of opinion that provided such stocks held by the individual firms do not exceed what may be rightly considered normal "working stocks" the same should be taken over by Government without loss to the firms in question.

In regard to the decision of Government to pay for goods purchased subsequent to the 24th June and ready for shipment by July 16th on the basis mentioned above, the members of the Chamber are of opinion that this basis is equitable as a general notice was given by cable, dated London, the 24th June, to the Madras firms interested in the trade to make no purchases over the limits in question. The Chamber would, however, draw the attention of Government to the advisability of substituting August 15th, for July 16th. This extension is necessary to allow tanners to market their raw stocks now in process at the tanneries.

In the above connection members of the Chamber cannot too strongly recommend Government to declare promptly the limits it is intended to bring into force after August 15th, 1915. Unless this is done serious disorganisation to the trade may result, as tanners may fear a further substantial reduction in prices by Government, and acting under this fear they may refrain from purchasing further supplies of raw hides. Tanners cannot be expected to take the risk of making further purchases of raw hides at the present high prices, unless they have some guarantee that Government will take over the tanned hides at prices leaving them a margin on the right side. In the opinion of the Chamber it is advisable that Government declare at once the limits at which Government will take over supplies for the three months subsequent to August 15th. I understand that the primary object of Government is to

obtain as large a supply of hides suitable for Army purposes as possible, and unless action as mentioned above is taken by Government without delay there is a serious possibility of tanneries closing down, and at this period of the year the labour would turn on to agricultural work and valuable time be lost, as it would be impossible to get back the labour for some considerable period.

Certain members of the Chamber have been instructed to have their stocks on hand at 24th June certified both as regards quantities and costs. Up to date no advices have been received from Government on this subject, and if such certificates are necessary it is advisable that Government, without delay, appoint an official in Madras to grant the necessary certificates.

As regards obtaining shipping licences, if these are necessary Government will no doubt take steps in the matter at once by appointing the Collector of Sea Customs, or some other official, to grant the licences. As there are no restrictions on the export of tanned Hides to the United Kingdom, and looking to the fact that the Home Government require further supplies with the least possible delay, it is to be presumed that no shipping licences will be required.

I have, etc.,
GORDON FRASER,
Chairman.

TELEGRAM.

From A. C. McWatters, Esq., dated the 7th July, 1916, in reply to the Chamber's telegram of the 5th instant:—

Am taking Government Madras Orders, on your telegram 5th tanned hides. I have had no previous intimation of Home Government's action.

Chamber of Commerce, Madras, 7th July, 1916.
To MESSRS. GORDON, WOODROFFE & Co.,
London.

SIRS,—A special meeting of members of the Madras Chamber of Commerce interested in the hides trade was held in the Chamber's rooms on Monday, the 3rd instant, to consider and decide what steps to take in view of the recent telegrams received from London firms advising that Government propose to take over control of the Madras hides trade.

After some discussion it was resolved to telegraph the views of the Chamber to the Government of India and to cable a copy

of the message to your good selves asking you to be good enough to communicate the contents of the message to the various Home firms interested.

I have now the pleasure to enclose herewith confirmation of telegram despatched to you on the 7th instant and trust that the action of the Chamber in requesting your good services will not inconvenience you.

I have, etc.,
GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 8th July, 1916.

To A. C. McWATTERS, Esq., I. C. S.,
c/o Government of India,
Simla.

SIR,—In view of the indefinite nature of the communications received from London, especially in regard to the prices at which Government propose to take over unsold stocks of hides held by Madras merchants on the 24th June and the further supplies available for shipment up to the 16th July, a special meeting of members of the Madras Chamber of Commerce was held on Friday, the 7th instant, to consider what steps should be taken to place before Government the Chamber's views regarding the prices ruling for the 6th to the 11th May. After fully discussing the matter and considering the evidence placed before the meeting by various firms, especially in regard to the prices at which business was actually put through in London, the Chamber arrived at the following rates, as being representative of the market during the period in question:—

<i>Best Bangalores—</i>			
Standards	20 60 20	22½d.	c. i. f. London.
4th		18½d.	do.
5th		15d.	do.
Heavies	20 60 20	19½d.	do.
Pure Cocanadas		1d.	per lb. above Best
Greased Mutwadas		1d.	do. do. [Bangalores.
Mixed Madras and Coast		1d.	do. do.
Bellarys	25 50 25	25d.	c. i. f. London.
Prime Hyderabad	25 50 25	25d.	do.

The views of the Chamber have been duly communicated to you by cable, and I enclose herewith copy of the telegram despatched to-day to your good self, c/o the Government of India.

I have, etc.,
GORDON FRASER,
Chairman.

[ENCLOSURE]

TELEGRAM.

From the Chamber of Commerce, Madras, dated the 8th July, 1916; to A. C. McWatters, Esq., c/o Government of India, Simla.

Madras Chamber considers prices ruling May sixth to eleventh including Madras and London Agents commissions were Best Bangalores, Standard twenty-two half fourths eighteen half fifths fifteen heavies nineteen three-quarters pure Cocanadas Greased Mutwadas mixed Madras and Coast penny halfpenny farthing respectively above Best Bangalores. Bellary and Prime Hyderabad Standards twenty-five.

Chamber of Commerce, Madras, 8th July, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,

Ootacamund.

SIR,—I have the honour to enclose herewith copies of telegrams and letters exchanged with the Government of India in connection with the intentions of Government to take over the control of the Madras hides trade.

The Madras Chamber of Commerce is of opinion that the prices at which Government propose to take over the unsold stocks held by Madras merchants entails undue hardships on both merchants and tanners, and hopes that the Madras Government will see its way to support the protest put forward by the Chamber.

I shall be pleased to supply any further information required by the Government on the subject.

I have, etc.,

GORDON FRASER,

Chairman.

Chamber of Commerce, Madras, 8th July, 1916.

TO MESSRS. GORDON, WOODROFFE & Co.,

London.

SIRS,—In continuation of my letter of yesterday's date, I have the pleasure to confirm the despatch to your good selves of a cable, dated the 8th instant, as per copy enclosed.

3. Received by two or three firms only and dated subsequent to the telegram of the 30th June. "Have stocks 24th June certified. Invoice separate. Export receive consideration if costs exceed 11th May prices. Before resuming buying recommend obtain shipping licences."

In placing these telegrams before you I would particularly draw your attention to the fact that whilst certain firms in London appear to have been notified by Government of the position the information was not cabled out to all firms in Madras, and it is the opinion of members that it would have been better had Government communicated directly with Madras on the subject.

From the cables received it is evident that the Home Government have laid down certain rules of procedure, but the instructions received by Madras merchants are too indefinite to act on with safety, and unless a definite course of action is taken promptly by Government on this side it is feared that the trade will be seriously disorganised.

The decision to take over goods on the basis of the prices ruling for the period ending May 6th to 11th, is indefinite, and hardly conducive to a continuance of business by merchants. It is not stated whether Government intends to take over all excesses in addition to standard parcels, and further there is a considerable difference of opinion as to the actual prices ruling during the period in question.

It is also not stated whether the goods taken over by Government will be valued at the Madras godown Rupee prices, the Madras f.o.b. prices, or the c.i.f. London prices.

The second telegram refers to Madras May 6th to 11th prices, and coming from London implies that the rates paid will be based on the London buyer's c.i.f. cost invoices received from Madras by the London firms, these being the only costs recognised by London firms.

It is the opinion of members of the Chamber that the London buyer's c.i.f. cost invoice is the only practicable basis on which to work.

The telegrams advise that Government will take over, on the basis mentioned, all goods purchased by Madras merchants prior to June 24th, and still unsold, and in addition all goods ready for shipment up to July 16th.

This decision is open to objections and is likely to inflict hardship on merchants and tanners. In the case of goods purchased prior to June 24th, as mentioned in the Chamber's telegram to your good self, the members of the Chamber are strongly of opinion that

Chamber of Commerce, Madras, 7th July, 1916.

To A. C. McWATERS, Esq., I.C.S.
c/o Government of India,
Simla.

SIR,—I have the honour to advise you that at a special meeting of members of the Madras Chamber of Commerce interested in the tanned hides trade, held on the 3rd instant, it was resolved to address Government with reference to Government's intention to control the Madras tanned hides trade.

In accordance with the Resolution I have the honour to confirm the despatch to you, addressed to the care of the Government of India, of the following telegram:—

"London cables advise Government taking over at Madras prices ruling week ending May eleventh all tanned hides purchased prior June twenty-fourth also hides ready shipment by July sixteenth. Further cables read have stocks June twenty-fourth certified expect receive consideration if costs exceed May eleventh prices also recommend obtain shipping licence before resuming buying. Chamber protests against proposed limits as entailing hardship on merchants and tanners also limits too indefinite Chamber requests Government state definite prices standard and excesses. Strongly recommend Government take over stocks unsold on June twenty-fourth on basis prices ruling in London prior receipt in London of Government notice. Also recommend extend limits basis May eleventh prices to August fifteenth to allow tanners time dispose of stocks at tanneries. Further recommend Government declare promptly limits in force after August fifteen to induce tanners make purchases raw hides otherwise output will suffer. Telegraph Government instructions regarding issue of shipping licences stock and cost certificates."

The action taken by the members of the Madras Chamber is based on three telegrams received from correspondents in London. With a few exceptions, these telegrams, or similar ones, were received by the European firms of Madras interested in the trade:—

1. Despatched from London June 24th. Received Madras, June 25th. "Make no purchases over prices ruling during week ending May 11th. Competitors cabling same instructions."

2. Despatched from London June 30th. Received Madras, July 1st. "Government take at Madras May 6th to 11th prices all goods purchased prior to June 24th unsold also all goods ready for shipments up to July 16th on this basis continue buying shipping in regular way."

Current Standards & Values of Madras Tanned Kips as Usually Packed in Original Bales—(Contd.)

DESCRIPTION.	TANNAGES.	ALL ROUND COST PER LB.				ASSORTMENT.			Approx. price per lb.		REMARKS.										
		Bazaar Cost.	Consolidated Charges.	Cost F. O. B.	Class	Average weight lbs.	Approx.	Actual price per lb.													
							Quantity Bales.														
Mixed Madras..	Clean Mutwadas, Locals, Vizags, Bimlis, Ranipet, Berhampores, Belgams, Amboors, etc. ...	1	2	3	0	1	3	1	3	6	20% 20% 5th Heavies 20 60 20	7 7 1/2 "	25	Rs. A. P.	Rs. A. P.						
															1	5	9	1	5	8 1/8	
															1	5	9	1	2	8 1/8	
															1	0	15	9	0	15 8 1/8	
Bellarys	Hospet, Royadrag, Gulbarga, Adoni, Ranichur, Gooty ...	1	5	6	0	1	3	1	6	9	25% 25% 4th 5th Heavies 20 60 20	8 8 "	25	1	8	3	1	8	3		
														5	1	5	3	1	5	3	
														5	1	2	3	1	2	3	
														5	1	5	3	1	5	3	
Prime Hyderabad...	Prime Hyderabad ...	1	5	6	0	1	3	1	6	9	25% 25% 4th 5th Heavies 20 60 20	8 8 "	25	1	8	3	1	8	3		
														5	1	5	3	1	5	3	
														5	1	2	3	1	2	3	
														5	1	5	3	1	5	3	
Mutwada	Mutwada greasy cure.	1	3	0	0	1	3	1	4	3	20% 20% 4th 5th Heavies 20 60 20	8 8 1/2 "	25	1	6	3	1	6	4	20	
														10	1	3	3	1	3	4	20
														10	1	0	3	1	0	4	20
														10	1	3	3	1	3	4	20

Current Standards & Values of Madras Tanned Kips as Usually Packed in Original Bales.

DESCRIPTION.	TANNAGES.	ALL ROUND COST PER LB.				ASSORTMENT.			Approx. price per lb.	Actual price per lb.	REMARKS.
		Bazaar Cost.	Consoli- dated Charges.	Cost F. O. B.	Class	Average weight lbs.	Approx.				
							Quantity Bales.				
Prime Bangalores ...	Prime Bangalores and picked Hides ...	1 4 6	0 1 3	1 5 9	25% 50% 25% 4th 5th Heavies 20 60 20	II III IV	8/8½	25	1 7 0	1 7 1 5/4	
Best Bangalores ...	A small percentage of genuine Bangalores the balance similar to Bangalores tanned mostly from dry hides of fairly good growth.	1 2 3	0 1 3	1 3 6	25% 4th 5th Heavies 20 60 20	II III IV	8/8½	25	1 5 9	1 5 8 1/8	
Good Bangalores ...	Good Bangalores, and Imitation Bangalores.	1 1 9	0 1 3	1 3 0	20% 4th 5th Heavies 20 60 20	II III IV	7½/8	25	1 5 3	1 5 2 1/8	
Pure Cocanadas ...	Cocanadas, Bezwadas, Ellores ...	1 2 9	0 1 3	1 4 0	20% 4th 5th Heavies 20 60 20	II III IV	77½	25	1 6 0	1 6 1 20	
								15	1 2 3	1 2 2 1/8	
								10	0 15	3 0 15 2 1/8	
								2	1 2 3	1 2 2 1/8	

The above prices represent the London buyers cost freight and insurance invoices, and are compiled in the same manner as the rates embodied in the Chamber's letter to the Government of India, dated the 8th July, 1916.

(Sd.) T. E. WELBY,

10th July, 1916.

Acting Secretary.

Copy of telegram from the Government of India, Department of Commerce and Industry, Simla, dated the 10th July, 1916.

Your telegram fifth July to Wheat Commissioner we have asked local authorities to ascertain stocks purchased by 24th June and are addressing Secretary of State. We hope to settle outstanding questions as soon as War Office expert arrives.

TELEGRAM.

From Messrs. Gordon, Woodroffe and Co., London; to the Chamber of Commerce, Madras, dated the 12th July, 1916.

Importers submitted your telegrams to War Contracts Department intimating their willingness to discuss details.

Gordon, Woodroffe & Co., London, 13th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

Sirs,—We confirm the telegrams which have passed between us this week as per copies herewith.

On receipt of your two messages which we may say came to hand on the 8th and 10th instant, respectively, we at once sent copies to all interested parties, and we understand that these were brought before a meeting of importers held on Monday. So far as we can make out the Madras Chamber's messages to the Indian Government were approved of, but beyond advising the authorities here of same and offering to discuss any details with them, nothing was or possibly could be done.

We, here, etc.,

Gordon, Woodroffe & Co.

Chamber of Commerce, Madras, 19th July, 1916.

TO MESSRS. GORDON, WOODROFFE & CO., LP.,
Madras.

Sirs,—At a meeting of members of the Madras Chamber of Commerce interested in the tanned hides trade, the question of the payment of freight on hides taken over by Government was discussed.

Government have intimated their intention of controlling the hides business and purchasing from merchants on an f. o. b. basis. Invoices, however, are to be made out at the f. o. b. price for the hides, with actual freight charges added. To comply with these instructions from Government, it will be necessary for shippers to prepay the freight on this side in order to settle the accounts direct with Government. The alternative to this would be for Government to requisition space on the various Liners leaving the question of the amount of freight to be paid to be settled by the War Department and the steamship companies in London. If the former method is adopted, the Government will, I understand, allow freight to be prepaid in Madras by shippers and permit shippers to draw the 10 per cent. rebate from the shipping companies as usual.

I shall be obliged if you will kindly consult with the other steamship companies and advise me whether you agree to the prepayment of freight on all shipments of tanned hides shipped on account of Government.

I have, etc.,

GORDON FRASER,

Chairman.

Copy of the above sent to Messrs. Best and Co., Ltd., and Binny and Co., Ltd., Madras.

Chamber of Commerce, Madras, 20th July, 1916.

To A. C. McWATERS, Esq., I.C.S.,
c/o the Collector of Sea Customs,
Madras.

SIR,—I have the pleasure to enclose herewith copies of the minutes of the special meetings held on the 17th, 18th and 19th instant, to discuss with your good-self and Mr. Henderson the terms and conditions on which Government propose to take over control of the hides trade of Madras.

The Chamber would like to place on record its views on the subject, as, whilst agreeing with you on many points, it is the opinion of the members that you have not given sufficient consideration to the difficulties and hardships likely to be experienced by tanners under the arrangements you have laid down, especially as regards the scale of prices.

As regards goods purchased subsequent to the 24th June, and ready for shipment on the 17th July, I understand that you are cabling the Home Government recommending that the prices as given by the Chamber of Commerce in their letter addressed to you dated the 8th July be accepted.

Although the members of the Chamber are not fully in accord with all the terms and conditions of the Memorandum of Procedure laid down, you may rely on every assistance being given you by the firms interested to work these rules successfully.

The most important questions in the opinion of the Chamber are the level of prices, and the periods for which these prices are in force. The first range of prices has been fixed for the period from the 17th July to the 15th September, and prices reduced by 1d. per lb. all round for the second period of two months ending the 15th November. In the first place, the prices fixed by you are, in the opinion of members of the Chamber, on too low a level, and it is impossible for tanners to conform to same without loss.

The primary object of the control now exercised by Government is, I understand, to increase the output of suitable, and reduce the output of unsuitable, qualities, the secondary object being to restrict prices within reasonable limits.

In fixing the prices for the two periods in question it is the opinion of members that sufficient consideration has not been given to the present difficulties experienced by tanners. The raw hides now on their way to, and going through, the tanneries have been purchased at high prices, and considerable time must elapse before the tanned leather is placed on the market. The cost of all tanning materials, especially bark, has increased enormously during the past three or four months, and a margin for tanning which would have been sufficient five or six months ago is quite inadequate with expenses as at present. I understand that the enhanced price of bark is alone responsible for an increase in the cost of tanning of approximately 2 annas per lb.

The policy now adopted by Government will, in the opinion of the Chamber, result eventually in lower prices as it will probably be possible for tanners to purchase their raw pelts at a reduction on the rates ruling during the past few months. This reduction, however, is not likely to come into force at once, and strong opposition will be made to the reduction by sellers of raw pelts upcountry. To bring about the reduction in prices of raw pelts it will be necessary for buyers to hold out and refrain from buying and by this means compel sellers to reduce their rates. If Government can afford to lose this valuable time then the policy now adopted may prove successful, but the Chamber understands, as mentioned above, that large supplies of suitable leather are urgently required.

If this is the case, then Government should be prepared to pay prices on the basis of the 6th to the 11th May rates, until two to three months after the reduction in the values of raw pelts, by which time the tanners would be in a position to supply the finished articles at correspondingly cheaper rates.

The Chamber is of opinion that sufficient consideration has not been given to the possibility of the feeling arising amongst Indian tanners that they are not being fairly treated by Government, and if this should gain ground it may seriously affect the production. It must be remembered that the upcountry tanners are not as well informed as merchants in Madras, and Government's intentions, although well understood in Madras itself, may be seriously misrepresented upcountry. An impression may arise upcountry that Government propose to commandeer supplies at low prices, and this would seriously interfere with the output. Should the buying of raw pelts be interfered with even temporarily, it might result in the closing of tanneries in which case the labour would drift off to agricultural work and months might elapse before it could be collected again.

Generally speaking, the policy as put forward by Government now is to bring about a drastic reduction in prices, and this, in the opinion of the Chamber, will result in a reduced output, and by so doing, defeat the primary object Government have in view.

The Chamber would respectfully suggest that the objects of Government would be better attained by treating the tanners on a liberal basis for the first three months, deferring the reduction of prices until after that period. The advantages of this method would be that the Indian tanners would be well satisfied with the action taken by Government, confidence would be inspired, and this would result in increased activity at all the tanneries. The Government would by that time have control of the business in their hands, and after liberal treatment at the outset they would have won the co-operation of the tanners and there would then be little difficulty in bringing about the necessary reduction in prices at a later date, without at the same time affecting the output. Ample notice, however, would have to be given regarding the reduction for the subsequent three months. If Government consider this notice too long, committing them as it would for six months ahead, then the Chamber would suggest that at no time should prices be fixed for a less period than four months ahead. The prices might be fixed now for the three months ending the 15th October, and the proposed reduction in prices for the two months ending the 15th December notified immediately. On or before the 15th August Government might then fix the prices for the period ending the 15th January, and so on, but the Chamber would deprecate reductions in prices being made at shorter intervals than two months. In this way there would always be a clear four months for the tanners to purchase their pelts, tan them, and place them on the market, and also sufficient time for shippers to make their purchases in the bazaar, and assort and bale the goods, and have them ready to be taken over by Government.

Any period under four months would, in the opinion of the Chamber, be too short a time to allow.

The members of the Chamber are of opinion that Government would have attained the ends in view more satisfactorily had they taken the trade into their confidence and mutually agreed on fixed prices at home. The prices would have been reflected in the market on this side, and an automatic decline in values would have resulted.

In view of the high prices now ruling for tanning bark and other tanning materials I would suggest that Government make enquiries regarding supplies and do all in their power to assist tanners by increasing supplies and regulating the prices.

I would suggest also that Government prohibit the export of all such tanning materials as are used by the Indian tanners.

It is reported that the tanning industry, both as regards the supplies of raw pelts and tanning material from upcountry, and also the delivery of the tanned article in Madras, is seriously handicapped by the shortage of railway wagons and the congestion on the Railways. In this respect Government could no doubt take steps to assist the tanners.

In placing fully before you the views of the Chamber I do so in no antagonistic spirit, but with a view to assisting Government thoroughly to understand the difficulties which, in the opinion of the members of the Chamber, are likely to arise from the present action of Government. On behalf of the members of the Chamber I can assure Government of their loyal co-operation in endeavouring to obtain the necessary supplies of leather at reasonable prices.

I have, etc.

GORDON FRASER,

Chairman.

P.S.—Since writing the above your letter No. O. R. 5016, dated the 20th instant, is to hand, advising that the period for the first range of prices has been altered to the 15th August to the 15th October, and that from the 15th October an average reduction of 1d. per lb. will be made.

[ENCLOSURE]

Special Meetings held on the 17th, 18th and 19th July, 1916.

A special meeting of the members of the Chamber of Commerce interested in the tanned hides trade was held on the 17th July to meet Mr. McWatters and Mr. Henderson, to discuss the question of Government taking over control of the tanned hides export trade at Madras.

After considerable discussion it was arranged that various firms interested should submit to Mr. Henderson the following statements:—

(1) A statement showing actual sales, with prices, of parcels of tanned hides sold during the period, the 11th May to the 24th June giving the following particulars:—

Date of Sale, Class, Quantity, Assortment, Weight, Price c. i. f. London, Position of Steamer.

(2) Statement of hides baled and ready for shipment on the 17th July.

(3) Statement of loose hides in godown ready for baling.

Mr. McWatters handed to the firms interested a Memorandum of Procedure for firms at Madras giving particulars of the terms and conditions on which Government propose to control the business.

A second special meeting was arranged for 12-30 P.M. next day to discuss the Memorandum after the firms had had an opportunity of studying its conditions.

At the special meeting of the members of the Chamber of Commerce interested in the tanned hides trade held on the 18th instant to discuss further with Mr. McWatters and Mr. Henderson the question of Government taking over control of the Madras hides trade:—

The various paragraphs of the Memorandum of the Procedure of firms at Madras were discussed.

Mr. McWatters stated that Government propose to take over the hides at shipping weights, less 1 per cent.

The question of War Risk Insurance was referred to, and it was left over for decision later whether the war risk would be insured by Government or whether the various firms would have to attend to this themselves. It was suggested that it would simplify the business if Government were to take out cover for the War Risk Insurance on each steamer.

The question as to whether the freight should be prepaid in Madras or in London was discussed. The general opinion favoured the prepayment of freight in Madras, provided the shipping companies would agree to this.

As regards the 10 per cent. rebate on freight, it was suggested to Mr. McWatters that the present system should not be interfered with, but that shippers should be allowed to draw the 10 per cent. rebate from the shipping companies as usual. The return to the shipper would be duly considered by Government when fixing the f. o. b. prices.

The measurement of bales was also referred to, and it was pointed out that firms under the conditions suggested by Government obtained no benefit by the possession of up-to-date packing presses. The freight being paid by Government made it immaterial to shippers whether the bales were tightly pressed or not. This point was submitted to the consideration of Mr. McWatters as in view of the outlay of capital members thought that such firms as had presses were justified in expecting to derive benefit from same.

In the Memorandum Government propose to take over only such hides as weigh 6 lbs. and over, or in the case of Bangalores 7 lbs. and over. Members were of opinion that it would be impossible to work on these lines, as merchants could not afford to take the risk of stocking the light hides, for which there might be no market. It is impossible to purchase without a certain percentage of light hides and a market must be found for these, or the stocking and financing of the same be undertaken by Government.

The carriers on the Home side presumably know what class of kip is most suitable for them to buy in order to supply the requirements of Government, but from indications we have received so far it is to be left to one man here to decide what they are to get, with the result that available supplies will be considerably contracted.

To take only one instance, I argued that some kips of five and six pounds average are equally if not more suitable for boots than many of heavier weight. This was conceded with the reservation that it was necessary to draw the line somewhere. The result will be that the carriers will be unable to obtain certain very suitable kips owing to this hard and fast ruling.

By long association with the tanners many of us have obtained considerable influence over them and in normal times they come to us for advice regarding their operations. In the present extraordinary circumstances, an appeal to their patriotism would, I am convinced, bring forth their whole-hearted efforts to assist Government, and if any particular class of hides is required I have no doubt that we could by degrees induce them to increase their output of such hides.

In the present very unsettled state of affairs I must admit that although my advice has been sought, I am unable to conscientiously give an opinion. Surely after all the years many of us have been connected with the trade we are in a better position to control it than those who have had previously no experience whatever of local conditions.

If Government will leave the whole affair to Madras shippers I am convinced that better results will be obtained than if outside influence is employed.

In order that no time may be lost I suggest that a meeting of those interested be called forthwith to discuss this matter.

I have, etc.,

R. T. MENZIES.

Office of Wheat Commissioner, Madras, 14th August, 1916.

TO THE MADRAS FIRMS,

GENTLEMEN,—I append for your information the text of two telegrams received from the Secretary of State for India on the subject of the 11th May prices of tanned cow hides:—

(1) Dated 5th August:—"Madras tanned hides, War Office accepts Chamber of Commerce, Madras, estimate of 11th May

prices, but say that since different importers ship different qualities under the same marks, it may be necessary in case of kips arriving during the next few weeks for approved consignees, to determine price separately for each mark for each firm. This will be done by inspection of bales in London.....Proposal that War Office should buy all weights from 3 lbs. upwards at prices mentioned is still under consideration....."

(2) *Dated 12th August* :—"My telegram, dated 5th August, in addition to the 11th May prices suggested by Chamber of Commerce, Madras, and accepted by War Office that department now proposes the following (all pence per pound) :—Good Bangalores standard assortment 21½d., Ditto Fourths 17½, Prime Bangalores standard assortment 24, Ditto Fourths 20, Cocanadas Fourths 19½, Ditto Heavies 20½, Bellaries Fourths 21, Ditto Heavies 21, Prime Hyderabad Fourths 21, Ditto Heavies 21, Mixed Coast Fourths 18¾, Bangalore, etc., Ex Heavies 20 lbs. to 25 lbs. standard assortment 16½."

I have, etc.,
A. C. McWATTERS,
Wheat Commissioner for India.

O. R. No. 5457 of 1916.

Madras, 14th August, 1916.

Copy for information to the Secretary to the Chamber of Commerce, Madras.

A. C. McWATTERS,
Wheat Commissioner for India.

TANNED GOAT SKINS.

Custom House, Madras, 31st October, 1916.

MY DEAR SIMSON,—With reference to our conversation this morning I enclose a note on the War Office requirements of tanned goat skins. I shall be much obliged if you will kindly show it to Straker and Chambers and to any one else interested in this trade, and kindly let me have any suggestions which will help to settle this matter.

Yours, etc.,
G. N. BOWER.

[ENCLOSURE.]

Secretary of State wires :—

Begins "War Office state that further enquiry shows that term prime as understood in India would not apply to skins of descriptions and weights in question." Ends.

- (1) War Office require
- | | | | | |
|-----|-------------|---|-----|-----------------------|
| (a) | 198,000 ... | Roughs | ... | |
| (b) | 90,000 ... | Primes | ... | Civil Trade |
| (c) | 113,000 ... | do. | ... | France |
| (d) | 80,000 ... | (It is not stated whether these are to be primes or roughs but quality must be firsts and seconds 11 to 20 lbs. per dozen.) | ... | English Army purposes |

(2) Can this be arranged?

(3) Will it be possible to pack the English Army requirements separately so that all bales of average weight 11-20 lbs. per dozen should contain only skins between those weights.

(4) As regards 1 (d). If the 80,000 skins required by the English Army includes roughs as well as primes I should like to know approximately what percentage of heavy primes, semi-primes and roughs of weights 11-20 lbs. per dozen of first and second quality are likely to be obtainable

- first) under ordinary circumstances and
(second) under special arrangements with tanneries.

Further it would be interesting to have the opinion of the Skins Sub-Committee of the Madras Chamber of Commerce as to the best practical methods of obtaining the War Office requirements.

I have, etc.,
(Sd.) G. N. BOWER

Chamber of Commerce, Madras, 4th November, 1916.

TO THE COLLECTOR OF CUSTOMS,
Madras.

SIR,—The subject matter of your letter, dated the 31st October, addressed to Mr. Simson has been considered by the Skins and Hides Sub-Committee of the Chamber, and the opinion of the Chamber is that until the War Office indicate exactly what is meant by the word "prime" no very definite information can be given.

If the War Office require 80,000 prime skins, firsts and seconds weighing between 11 and 20 lbs. per dozen monthly, they are unobtainable at present either in Madras or in London. The estimated percentage of skins of the weight and grade required in parcels of prime tannages is 3 per cent.

100 EXPORT OF TANNED GOAT AND SHEEP SKINS.

If the War Office will use skins of medium tannages, all the skins they require could be purchased in the public sales in London. The estimated percentage of skins of the required weight and grade in medium tannages is 20 per cent.

In the opinion of the Sub-Committee the cheapest and quickest method of filling requirements is to purchase in the London public sales, as the quantities offered are far more than necessary for all War Office requirements.

I have, etc.,
T. E. WELBY,
Acting Secretary.

EXPORT OF TANNED GOAT AND SHEEP SKINS.

Custom House, Madras, 9th September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to forward herewith a copy of Press communiqué, dated the 2nd September, 1916, from the Government of India on the subject of the export of tanned sheep and goat skins, and to request that you will be good enough to circulate it among the members interested.

I have, etc.,
G. N. BOWER,
Assistant Collector of Customs.

[ENCLOSURE.]

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Simla, the 2nd September, 1916.

PRESS COMMUNIQUE.

It has been found necessary to restrict the export of tanned sheep and goat skins to all destinations except the United Kingdom, France, Russia, Italy, British possessions and British protectorates. Export will, however, be permitted under licence. Further particulars may be had of the Collector of Customs.

EXPORT OF TANNED GOAT AND SHEEP SKINS. 101

The South Indian Export Co., Ltd., Madras, 27th September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I enclose herewith a copy of a letter received by me from Mr. Bower in connection with the export of tanned goat skins. This letter was placed before the Chamber at the meeting on Monday last, and I am sending you a copy for the purpose of records.

I have, etc.
R. S. F. SIMSON,
Managing Director.

[ENCLOSURE.]

Custom House, Madras, 25th September, 1916.

MY DEAR SIMSON,—I have just received the following telegram from the Government of India :—

"Secretary of State now intimates that total requirements goat skins are 200,000 rough and 290,000 prime tanned, and that of latter 80,000 required for War Office must be first and second quality weight 11 to 20 lbs. to dozen. Licences for other destinations should be granted accordingly. War Office further suggest you should arrange for skins to be packed so that all bales of average weight 11 lbs. to 20 lbs. per dozen should contain only skins between those weights. Please arrange and report, etc."

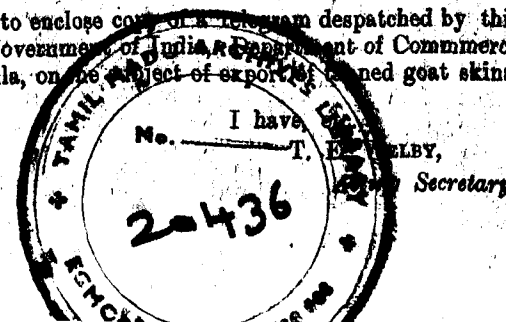
I foresee considerable difficulties in working these distinctions and shall be much obliged if you will discuss this latest development with the other Members of the Sub-Committee of the Chamber of Commerce and let me know how we can work the War Office's requirements most satisfactorily.

Yours, etc.,
(Sd.) G. N. BOWER

Chamber of Commerce, Madras, 27th September, 1916.

TO THE ASSISTANT COLLECTOR OF CUSTOMS,
Madras.

SIR,—I beg to enclose copy of a telegram despatched by this Chamber to the Government of India, Department of Commerce and Industry, Simla, on the subject of export of tanned goat skins.



102 EXPORT OF TANNED GOAT AND SHEEP SKINS.

Chamber of Commerce, Madras, 27th September, 1916.
TO THE SECRETARY, COMMERCE AND INDUSTRY,
Simla.

SIR,—I have the honour to confirm the following telegram despatched to you on the 26th instant on the subject of export of goat skins :—

“Referring to your telegram to Collector of Customs, Madras, regarding export of tanned goat skins. 80,000 firsts seconds quality 11 to 20 pounds per dozen prime tannages unobtainable. Think there must be some misunderstanding regarding definition prime. Weights named only obtainable commoner tannages consisting of all grades usually sold America unsaleable in London. Purchase of first and second qualities separately impossible. Consider only practicable scheme that Government buy in Madras. Suggest delegate McWatters consult Madras Chamber before taking further action definite early decision essential otherwise considerable reduction in quantities tanned will result.”

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 12th October, 1916.
TO THE SECRETARY, COMMERCE AND INDUSTRY,
Simla.

SIR,—I have the honour to confirm the telegram despatched by this Chamber on the subject of the export of tanned sheep and goat skins requesting the permission of the Government to ship in satisfaction of existing contracts and urging the Government to decide their future policy immediately.

“Referring to telegram from Madras Chamber of Commerce, dated the 26th September, Collector of Customs, Madras, will not permit shipment of goat skins to America without further instructions from you. Unless permission to ship skins arriving from tanneries is given congestion very serious large lock up of capital, Freight space limited. Stocks ready for shipment estimated six lakhs skins mostly unsaleable London. Further large supplies expected shortly. Shipments to London September considerably above average. Consider most important Government should permit shipment of existing contracts and decide immediately on future policy.”

I have, etc.,
T. E. WELBY,
Acting Secretary

EXPORT OF TANNED GOAT AND SHEEP SKINS. 103

Chamber of Commerce, Madras, 12th October, 1916.
TO THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—I beg to enclose copy of a telegram despatched by this Chamber on the 11th instant to the Government of India, Department of Commerce and Industry, on the subject of the export of tanned goat and sheep skins requesting the permission of the Government to ship in satisfaction of existing contracts, and urging the Government to decide their future policy immediately.

I have, etc.,
T. E. WELBY,
Acting Secretary.

GOVERNMENT OF INDIA.
DEPARTMENT OF COMMERCE AND INDUSTRY..

Delhi, the 14th December, 1916.
PRESS COMMUNIQUE.

With reference to the Press *communiqué*, issued on the 2nd September, 1916, it is now notified for information that it has been found necessary to prohibit the export of all tanned goat and sheep skins to destinations other than the United Kingdom. Firms having already entered into contracts for sale of skins to the destinations now prohibited should at once furnish the Collector of Customs with a list of such commitments, with all necessary particulars to enable the Government to consider each case on its merits.

Custom House, Madras, 15th December, 1916.
TO ALL SHIPPERS OF TANNED SKINS.

SIRS,—I have the honour to inform you that a notification is being issued prohibiting the export of tanned skins to all destinations except the United Kingdom, and under the instructions by Government to request that you will be good enough to inform me before the 21st December of the quantity of tanned skins (both sheep and goat) which you have at this date sold but not yet shipped to destinations other than the United Kingdom.

I have, etc.,
P. ECCLES,
Officiating Collector of Customs.

Chamber of Commerce, Madras, 18th January, 1917.

TO THE COLLECTOR OF CUSTOMS,
Madras.

SIR,—I beg to acknowledge receipt of your letter No. R. O. C. 4931-16, dated the 15th December, 1916, addressed to all shippers of tanned skins on the subject of the prohibition of export of tanned skins to all destinations except the United Kingdom. In reply, I beg to say that I have circularised your letter among the members of the Chamber, and doubtless you will have heard from some of them the total quantity of tanned skins (both sheep and goat) sold but not shipped to destinations other than the United Kingdom.

I have, etc,
T. E. WELBY,
Acting Secretary.

Custom House, Madras, 2nd February, 1917.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to refer to my letter R. O. C. No. 4931 of 1916, dated the 15th December last, and to inform you that licences will be granted for the shipment of tanned skins to British possessions up to normal quantities.

I have, etc.,
G. N. BOWER,
Assistant Collector of Customs.

RAW AND TANNED COW HIDES.

Chamber of Commerce, Madras, 7th December, 1915.

TO THE SECRETARY, COMMERCE AND INDUSTRY,
Delhi.

SIR,—I have the honour to confirm the following telegram which the Chamber despatched on the 3rd instant :—

“ Referring to correspondence between members of this Chamber and the Director of Industries, Madras, regarding the embargo on the export of tanned hides, also letter from Simson to Sir William Clark, dated the 11th August, Madras Chamber urges that an early decision be taken in this matter for the relief of Madras leather industry.”

At a recent meeting of the Chamber the embargo on the export of tanned hides to countries other than Great Britain, more especially the United States of America, was discussed, and it was unanimously resolved to place the views of the Chamber on the subject before Government and to urge that the removal of the embargo be considered by them at a very early date.

The Chamber desires to draw the attention of Government to the importance of the leather industry to Madras, very large amounts of capital (both Indian and European) being invested in it and many thousands of Indians being dependent upon it. The Chamber also desires to draw the particular attention of Government to the fact that, for all practical purposes, half finished hide leather, as tanned in Madras, is raw material quite as much as dry hides shipped from Calcutta, as in both cases the hides have to be treated in a factory before being put to ordinary uses. Permission to ship dry hides from Calcutta is freely given, subject to the hides being shipped under licence or to approved firms, and the Chamber ventures to suggest that the same regulations might be applied with equally good results to the shipment of tanned hides from Madras.

Of late, while the price of raw hides in Northern India has steadily risen, the price of tanned hides in Madras has steadily fallen, in spite of the fact that the War Office in England has been making anxious enquiries as to how the supply of carried East India tanned hides can be increased.

(The Chamber may here explain that after a Madras half-tanned hide has been treated to various finishing processes in England the hide is termed “ carried.”)

It will be obvious that if the market value of the tanned hides is falling, Indian tanners cannot possibly afford to buy raw hides for tanning when the price of the raw hides has risen to a point approximating in some cases the price of the tanned article; the position means ruin to the tanner if it continues for very long. The situation has been brought about by the fact that currying leather is work involving the use of skilled labour, while the outlet of various trades for different qualities and weights of the finished leather is also necessary. India does not produce the required labour nor offer the market for the finished leather, and it is, therefore, impossible to expand the currying trade in India, at least, at short notice. In England, the demands of the war are removing more and more skilled labour, with the effect that carriers simply cannot handle the leather that is offered them from Madras.

The raw hide trade from other parts of India is unaffected, largely because American buyers are permitted to import hides from India under licence, and seeing that there is a demand from America for Madras half-tanned hides, this Chamber urges that the Government of India should assist the leather trade of Madras by removing the embargo on the export of tanned hides and so permit the surplus production of leather, which cannot be absorbed by English curriers, to be disposed of elsewhere.

In putting forward this suggestion the Chamber has not lost sight of the fact that leather must not reach enemy countries, and it would heartily agree to any restrictions in the form of licences, or in any other form, that Government might see fit to impose, but the Chamber begs to point out that the identical leather produced in Madras can be produced from a raw hide shipped from India and properly treated in America, so that the embargo on tanned hides cannot, in the opinion of the Chamber, effect any valuable assistance to the successful prosecution of the war.

I have, etc.,
GORDON FRASER,
Chairman.

Revenue Secretariat, Fort St. George, the 13th December, 1915.
TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter dated the 7th December, 1915, on the subject of the withdrawal of the embargo on the export of tanned hides to America and to state that the matter is receiving attention.

I have, etc.,
C. S. ANANTARAMA IYER,
for *Chief Secretary.*

TELEGRAMS.

From the Secretary, Madras Chamber of Commerce, dated the 22nd December, 1915; to the Secretary, Government of India, Department of Commerce and Industry, Delhi.

Reference Press *communiqué* issued 20th instant prohibiting export raw cow hides under 8 pounds. Chamber would be much obliged further particulars if available.

From the Secretary, Government of India, Department of Commerce and Industry, Delhi, dated the 25th December, 1915; to the Chamber of Commerce, Madras.

Your telegram twenty-second. Light hides. Please refer to Collector of Customs.

GOVERNMENT OF MADRAS.

SEPARATE REVENUE DEPARTMENT.

G. O. No. Press 1, Sep. Rev., dated the 3rd January, 1916.

READ the following paper:—

Again G. O. No. 633 Sep. Rev., dated the 11th September, 1915.

From the Government of India, Department of Commerce and Industry, Press *Communiqué*, dated the 20th December, 1915.

ORDER:—

Communicated to the Chambers of Commerce.

(True Extract.)

A. BUTTERWORTH,
Chief Secretary.

Forwarded to the Chairman, Chamber of Commerce, Madras.

(By Order.)

V. SEKHARA MENON,
Registrar.

[ENCLOSURE]

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Delhi, the 20th December, 1915.

PRESS COMMUNIQUE.

It is notified for general information that the Government of India have decided to prohibit the export from British India of raw cow hides, drysalted or arsenicated, weighing less than 8 lbs. a piece, to all destinations other than the United Kingdom and British possessions and protectorates.

Commitments entered into before the 19th December, 1915, will be respected as far as possible, unless they are already barred by the existing prohibition against export of raw hides contained in this Department Notification No. 14381-W., dated the 4th September, 1915.

Licences will be granted for the export to Italy of hides of the kind now about to be prohibited, provided that such exports are certified to be on account of the Italian Government. Arrangements are being made for the creation of an agency to furnish such certificates. Until such agency has been created, licences will be granted for export to Italy at the discretion of Collectors of Customs.

GOVERNMENT OF MADRAS.

SEPARATE REVENUE DEPARTMENT.

G. O. No. Press 11, dated the 5th January, 1916.

READ the following papers :—

G. O., No. 633, Separate Revenue, dated the 11th September, 1915.

G. O. No. 1, Separate Revenue, dated the 3rd January, 1916.

Notification from the Government of India, Department of Commerce and Industry, No. 1028-W. (Customs), dated the 19th December, 1915.

ORDER :—

Communicated to the Chambers of Commerce in continuation of G. O., No. 1, Separate Revenue, dated the 3rd January, 1916, with the request that the mercantile community may be informed of the contents of the notification.

(True Extract.)

A. BUTTERWORTH,
Chief Secretary to Government.

Forwarded to the Chairman, Chamber of Commerce, Madras.

(By Order.)

V. SEKHARA MENON,
Registrar.

[ENCLOSURE.]

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Delhi, the 19th December, 1915.

NOTIFICATION.

(Customs.)

In exercise of the powers conferred by Section 19 of the Sea Customs Act, 1878 (VIII of 1878), as amended by Act XII of 1914, and in partial modification of the Notification in this Department, No. 14381-W., dated the 4th September, 1915, the Governor-General in

Council is pleased to prohibit the export from British India of raw cow hides, drysalted or arsenicated, of weight less than 8 lbs. a piece to all destinations other than the United Kingdom and British possessions and protectorates, with effect from the 2nd January, 1916.

C. E. Low,
Secretary to the Government of India.

GOVERNMENT OF MADRAS.

SEPARATE REVENUE DEPARTMENT.

G. O., Mis. No. 28, Sep. Rev., dated the 11th January, 1916.

READ the following papers :—

G. O., Mis. No. 1253, Educational, dated the 20th November, 1915.

From the Chamber of Commerce, Madras, dated the 7th December, 1915.

ORDER :—

With reference to his letter, dated the 7th December, 1915, the Chairman, Chamber of Commerce, Madras, is informed that the Government have already addressed the Government of India in the matter of the withdrawal of the prohibition of the export of tanned hides.

(True Extract.)

A. BUTTERWORTH,
Chief Secretary to Government.

Custom House, Madras, 4th February, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to inform you that the Government of India have ordered with reference to the prohibition on the export of raw cow hides of weight less than 8 lbs. a piece imposed in their Notification in the Commerce and Industry Department, No. 1028-W., dated the 19th December, 1915, that, before licences are granted for shipments of hides to private consignees in neutral countries the shipper should be required to make a declaration to the effect that no hide under 8 lbs. in weight is included in the consignment. I request you to circulate this letter to the members interested.

I have, etc.,
G. N. BOWEN,
for Collector of Customs.

Custom House, Madras, 21st December, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to the Press *communiqué* of the Government of India, dated the 24th ultimo stating that no licences will be granted after the 31st current for the export of cow hides of 6 lbs. to 18 lbs. weight arsenicated and 9 lbs. to 24 lbs. weight dry-salted to any destination other than the United Kingdom and Allied countries, I have the honour to request that you will be good enough to circulate this letter among the members interested, with the request that they will inform me direct at a very early date of their stocks of raw hides of the weights referred to, that are on their hands on the 1st January and not intended for the United Kingdom and Allied countries, together with details of cost price and dates of purchase.

I have, etc.,
G. N. BOWER,
for Officiating Collector of Customs.

[ENCLOSURE.]

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Delhi, the 24th November, 1916.

PRESS COMMUNIQUE.

The Government of India have decided that it will not be possible to grant licences after the 31st of December next for the export of cow hides of 6 to 18 lbs. weight arsenicated and 9 to 24 lbs. weight drysalted to any countries other than the United Kingdom and Allied countries.

GOVERNMENT OF MADRAS.

FINANCIAL, SEPARATE REVENUE DEPARTMENT.

G. O. No. 1092, dated the 22nd December, 1916.

READ the following paper :—

Press *communiqué* from the Government of India, Department of Commerce and Industry, dated 15th December, 1916 :—

With reference to the Press *communiqué* issued on the 24th November it is notified for general information that no licences will be issued after the 31st December, for the export of wet salted

cow hides of 12 to 36 lbs. weight to any countries other than the United Kingdom and British possessions and Allied countries.

ORDER :—

Communicated to the Chamber of Commerce.

(True Extract.)

L. E. KERSHAW,
for Chief Secretary.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Delhi, the 25th December, 1916.

PRESS COMMUNIQUE.

With reference to previous Press *communiqués* on the subject, it is now notified for information that it has been found necessary to prohibit the export of hides (raw) to all destinations save the United Kingdom, British possessions and British protectorates. After the 31st December, 1916, no licences will be issued, except in the case of shipments destined for Allied countries, for export of the following classes of cow hides, viz.,

- (i) 4 to 18 lbs. weight, arsenicated ;
- (ii) 7 to 24 lbs. weight, drysalted ; and
- (iii) 12 to 36 lbs. weight, wetsalted.

As regards all other hides, licences will be granted by the Collectors of Customs at the ports concerned subject to the existing conditions.

Chamber of Commerce, Madras, 24th January, 1917.

TO THE COLLECTOR OF CUSTOMS,
Madras.

SIR,—I beg to acknowledge receipt of your letter No. 391-16, dated the 21st December, 1916, requesting the members of the Chamber interested in raw hides to let you know their stocks of cow hides of 6 to 18 lbs. weight arsenicated and 9 lbs. to 24 lbs. weight drysalted on the 1st January, 1917, not intended for export to the United Kingdom and Allied countries, together with details of cost price and date of purchase. In reply, I beg to state that I have circulated your letter to the members of

the Chamber interested in the skin and hides business, and you will no doubt hear from some of them giving you their stocks with details of price.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Custom House, Madras, 2nd February, 1917.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to state that the War Office intimate that the bulk of raw cow hides to be exported will probably be required for the United Kingdom, and that therefore exporters should be warned that it will be necessary to restrict exports to Allied countries, including Italy. I request that you will be good enough to circulate this letter among the members interested, with the request that they will advise me immediately of any intended shipments to destinations outside the United Kingdom.

I have, etc.,
G. N. BOWER,
Assistant Collector of Customs.

LIGHT KIPS.

Custom House, Madras, 27th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to append below a copy of telegram received from the Government of India on the subject of the export of light kips and to request that you will be good enough to circulate it among the members interested.

I have, etc.,
G. N. BOWER,
Officiating Collector of Customs.

[ENCLOSURE.]

Copy of telegram from the Government of India, Department of Commerce and Industry, Simla, dated the 24th October, 1916, to the Collector of Customs, Madras.

"1033"—W-2 Kips for Italy. Secretary of State wires Begins. War Office state that the agreement hitherto in force under which light kips must first be offered to International Commission is now abandoned. Ends. Present prohibition on export being retained but licenses can be issued subject to restrictions in force for other classes of hides. Please inform all likely to be interested."

RAW HIDES.

Custom House, Madras, 13th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to forward herewith a copy of letter No. 4408, dated the 13th June, 1916, from the Government of India, Department of Commerce and Industry, received through the Government of Madras and to request that you will be good enough to let me know the opinion of your Chamber on the subject by the end of the current month. As the subject is one in which I believe the Madras Presidency is not greatly interested, I hope it will be possible for you to let me have your reply by the end of the current month.

I have, etc.,
C. W. E. COTTON,
Collector of Customs.

[ENCLOSURE.]

Copy of letter No. 4408, dated the 13th June, 1916, from the Under-Secretary to the Government of India, Department of Commerce and Industry, to the Secretary to the Government of Madras, Revenue Department.

I am directed to address you on the subject of the Indian export trade in raw hides, which has been engaging the attention of the Government of India.

2. As you are aware, for several years before the war this lucrative trade had passed, at any rate so far as Calcutta is concerned, almost entirely into German hands. On this side firms consisting of Germans, or of naturalised persons of German origin and with German trade connections, had formed an effective ring, and, although one or two English and other firms had on occasions attempted to enter the trade, they had been unable to break the ring, and had practically in

all cases abandoned the attempt. In the case of an Indian firm, it would appear that before the war a determined and partially successful attempt at boycott was carried out by the German ring of hide exporters. On the other side the raw hides found no appreciable market in the United Kingdom and were exported to Germany in considerable quantities. The Government of India have had under consideration the possibility of breaking, or at any rate weakening, this monopoly. Enquiries were made through the Director-General of Commercial Intelligence and Local Governments, with the results which will be seen

1. Letter from the Director-General of Commercial Intelligence to the Commercial Intelligence Branch of the Board of Trade, No. 4035, dated the 22nd October, 1915, and enclosures.

2. Letter from the Commercial Intelligence Branch of the Board of Trade to the Director-General of Commercial Intelligence, No. 53375, dated the 16th November, 1915.

3. Letter from the Director-General of Commercial Intelligence, to the Commercial Intelligence Branch of the Board of Trade, No. 4811, dated the 21st December, 1915.

4. Letter from the Commercial Intelligence Branch of the Board of Trade to the Director-General of Commercial Intelligence, No. 1464, dated the 28th January, 1916, and enclosures.

Government of India think that these suggestions might usefully be considered at this stage.

3. It will be seen that it is stated in the correspondence forwarded by the Board of Trade that the British tanner is thoroughly expert in his business and can turn out finished products quite equal to those produced by the German tanner and that the majority of the firms consulted are of opinion that a large business could be done with the United Kingdom after the war, if the raw hides could be obtained by eliminating German influence at the source of supply, i.e., in this country. The specific suggestions put forward for the development of the direct trade in raw hides with the United Kingdom are (a) that the export of these hides should only be allowed to such British firms as are free from the control of any ring, and would sell the hides by public auction, and (b) that the Indian carrying trade should be reserved for British vessels and that an export tax should be imposed on shipments to enemy countries. The practicability of these suggestions which is in any case doubtful, depends (a) on the extent to which the United Kingdom are prepared to go after the war in discriminating against firms in that country with German trade connections, (b) on the fiscal policy which may be adopted by the Empire in general, and India in particular, after the war: and need hardly be considered at the present stage. Messrs. Ward and Co., Ltd., of Worcester, make a further proposal relating to an aspect of the question to which the Government of India attach great importance, that, should it not be found possible to divert the raw hides trade wholly from the German firms, it might be possible to give such encouragement to firms owned by Indians, who deal in raw produce, that they would enlarge their sphere of operations and endeavour to trade direct with both English and American firms. They explain that English firms are somewhat shy of dealing direct with Indian owned firms on account of the uncertainty of their financial

standing, and suggest that probably some scheme can be devised by which this can be obviated. They propose that a list of trustworthy firms should be circulated to the various buyers both in the United Kingdom and in America.

4. It has also been suggested in this connection that it would be desirable to induce some of the more important firms of British dealers to send agents to this country to purchase hides here on behalf of their principals and that the agent should take his seat in an Indian Office and carry on business there. The chief advantage of this scheme is said to be that the agent would know exactly what his principals require, and would at the same time learn details of Indian business methods from the firm to which he was accredited, while the producers in this country would be gradually educated in the requirements of the United Kingdom. It has further been suggested that an association should be formed consisting of Indian firms interested in the export of raw hides, and that this Association should be relied upon to exclude German influence and to maintain direct relations with the principal interests at home centred in the Leather Trades Federation. An obvious suggestion which has naturally not been put forward by the English tanning firms consulted, is, whether the extent to which hides are at present tanned in this country cannot be materially increased. This suggestion will no doubt fall within the scope of the enquiries of the Industrial Commission which will shortly be appointed, and I am to ask that the question may be examined and the views of the Government of Madras placed before the Commission.

5. The ultimate solution of the question under consideration must, it is clear, depend to a large extent on the fiscal policy of Great Britain and India after the war. It is clearly desirable, however, that the export trade should be, as far as possible, in the hands of British and Indian firms, and that the German monopoly should be broken; and the Government of India would be glad to be favoured with the views of the Government of Madras as to how this end can best be achieved, and also on the other suggestions mentioned above or put forward in the annexures to this letter.

6. I am to say that it is proposed in this Department to consider in turn other export trades in which German influence has been hitherto considerable with a view to its ultimate replacement.

Chamber of Commerce, Madras, 8th August, 1916.

TO THE COLLECTOR OF CUSTOMS,
Madras.

SIR,—I beg to acknowledge receipt of your letter No. R.O.C. 2435-16 of the 13th July, 1916, and in reply beg to say that the Chamber does not agree with your suggestion that the Madras Presidency is not greatly interested in the export of raw hides. At present, we are not directly interested, but we are very considerably interested indirectly in that any change in local conditions in Calcutta which will enable Madras tanners to purchase a better class of hide than hitherto, will greatly benefit the local tanning industry, and help to expand the export of Indian leather.

It is perhaps desirable to indicate as concisely as possible the conditions which we believe to have brought about the present position of the raw hides trade.

In the past, at one time, the great distributing centre of Indian raw hides was London where the hides were mostly sold by public auction. Gradually the German tanners, being assisted by their Government, ousted the British tanners, and developed the tanning of these hides, producing therefrom Chrome-tanned upper leather suitable for the boot and shoe trade. Eventually the central market for the raw hides was shifted to Hamburg, and the German firms in Calcutta began to obtain complete control of the trade there.

Turning to the finished leather trade, under the protection of high tariff, German tanners purchased Calcutta raw hides, tanned them on an enormous scale and aided by export bounties, favourable rail and steamer freights, dumped huge quantities of upper leather on the English market at prices which completely cut the trade away from English tanners.

By these means the trade in raw hides passed almost entirely into German hands, and in recent years whenever English tanners have endeavoured to purchase Calcutta hides on any scale, the price has promptly been raised against them by the German ring.

3. The above was approximately the position when war broke out, and the chief consideration now is, how can the trade in Calcutta be taken out of German hands.

4. In the first place nothing effectual can be done unless English tanners are prepared to use Indian raw hides.

5. If we assume that English tanners will do this, (and we believe that a number will when their works are released from Government control) then, in the second place, unless a suitable fiscal policy is adopted by the various Allied countries no local measures could, in our opinion, be of lasting use. This is recognised in the letter from the Government of India.

6. Assuming, therefore, that a suitable fiscal policy is decided upon this Chamber is of the opinion that

(a) such legislation should be adopted as would ensure London again being the central distributing market for all raw hides, and that public auctions there again to be encouraged;

(b) an export-duty be imposed on all raw hides shipped from either India or England to countries other than the British Empire, with suitable provisions for allowing a preferential rebate to such countries as impose an export-duty similar to our own, thus preventing re-export;

(c) Germans should be prohibited from entering the raw hides trade until such time as the fiscal policy has been settled.

7. The enclosures mentioned in the Government of India's letter were not sent with the letter from the Collector of Sea Customs, so the information collected is not available for our consideration, but this Chamber believes that the British tanner can produce leather equal in quality to that produced anywhere outside Great Britain. The Chamber is also of the opinion that it might be desirable partially to attain the object mentioned in para 6, Clause (a) by reserving the carrying trade for British vessels, always provided that due provision is taken to prevent the formation of British shipping rings.

8. The Chamber strongly deprecates any action by Government in the way of giving special assistance to Indian firms as opposed to British firms. Any such action could only produce artificial conditions which would eventually injure the trade. No difficulty has been experienced hitherto by English tanners wishing to buy Calcutta hides or desiring to send a representative to Calcutta to buy for them, but they could not afford to pay the price which the Germans could and did pay.

9. The Chamber does not think that an association of Indian firms is practicable, while the desired end could be attained by arranging for the hides to be sold by public auction in London.

10. Dealing with the enquiry as to whether the production of leather in this country can be increased, the fact that the export of such leather has largely increased during the last two years is evidence that, under favourable conditions, a continued increase can be looked for.

I have, etc.,
GORDON FRASER,
Chairman.

SKINS AND HIDES TRADE.

Custom House, Madras, 22nd December, 1915.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I should be greatly obliged if you would inform all members of the Chamber who are interested in hides and skins that the Secretary of State has agreed that the exports of raw hides and skins to the United States of America may now be permitted at the discretion of the Government of India in excess

of the normal, and I am directed to invite suggestions as to the additional allotments under either head for the remainder of the present official year, which should be made to Madras. As the shipments of skins from India (all ports) have already exceeded the normals by 50 per cent., it is not probable that many more of these will be allowed to go. I should be glad to receive a reply before the end of the first week of January if possible.

I have, etc.,
C. W. E. COTTON,
Collector of Customs.

Chamber of Commerce, Madras, 10th January, 1916.
TO THE COLLECTOR OF CUSTOMS,
Madras.

SIR,—With reference to your letter No. R.O.C. 4287-15, dated the 22nd December, 1915, at a meeting of members of this Chamber concerned in the hide and skin trade it was resolved that you should be requested to suggest to the Government of India that a fair basis upon which to allow further shipments of raw skins up to the 1st April, 1916, would be for Government to permit the shipment of the same quantity of raw skins which have been shipped between the 1st January and the 1st April taking an average of the last three years. This Chamber feels that this suggestion is worthy of special consideration in that there is no export of raw hides from Madras, and the whole trade centres in raw skins.

Further, relative to any permission that may be given to ship raw skins between the 1st January and the 1st April, it is suggested that a record of actual contracts be kept and that permission to ship be granted on the basis of such contracts.

The Chamber would also like to know if the Government of India have kept statistics referring to raw hides and raw skins entirely separate, as the two articles are entirely distinct and are put to entirely different uses. As Madras is only interested in raw skins, any amalgamation of the figures concerning the two articles would be very prejudicial to our interests.

I beg also to refer to the Government of India Press *communiqué*, dated the 20th December, 1915, regarding the export of raw cow hides weighing less than 8 lbs. This Chamber telegraphed to the Department of Commerce and Industry at Delhi on the 22nd December last on the subject and has been referred to you. It is not clear to this Chamber why the weight of 8 lbs. has been selected and as drysalted hides, wet-salted hides, or arsenicated

hides, would each produce different weights of leather, if the Government of India can afford any further insight as to the reason of this order or the object which is to be achieved by it the Chamber will be obliged.

I have, etc.,
GORDON FRASER,
Chairman.

Custom House, Madras, 31st January, 1916.
TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter, dated the 10th instant, on the subject of the further export of raw skins to America, I have the honour to inform you that the Government of India have sanctioned an additional allotment of 2½ lakhs of raw skins from Madras for the United States of America and to request that you will be good enough to circulate this letter to the members interested.

I have, etc.,
G. N. BOWER,
for Collector of Customs.

Custom House, Madras, 1st February, 1916.
TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—In continuation of my letter No. R.O.C. 2435-15, dated the 31st ultimo, regarding further exports of raw skins to America, I have the honour to inform you that the additional allotment of 2½ lakhs of raw skins from Madras to the United States of America sanctioned by the Government of India is for the current year ending the 31st March next.

I have, etc.,
G. N. BOWER,
for Collector of Customs.

Custom House, Madras, 17th May, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to refer you to this office letter C. R. No. 872 of 16, dated the 25th February last, and to request that you will be good enough to circulate this letter among the members of your Chamber interested with the request that they will

inform me if possible by the 1st proximo of the approximate amount of raw skins and hides which they would, in the absence of any restrictions, ship to the United States of America during the three months ending September, 1916, to enable me to address the Government of India in time to obtain orders with regard to any excess over the normal which the total applications may disclose.

I have, etc.,

G. N. BOWER,

Officiating Collector of Customs.

Chamber of Commerce, Madras, 23rd May, 1916.

TO THE COLLECTOR OF CUSTOMS,
Madras.

SIR,—I beg to acknowledge receipt of your letter No. R.O.C. 872-16, dated the 17th instant, requesting the members of the Chamber interested in the export of raw skins and hides to inform you of the approximate quantity of the raw skins and hides which they would, in the absence of any restrictions, ship to the United States of America during the three months ending September, 1916. I have circulated it to the members of the Chamber, and those interested will, no doubt, communicate with you direct.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Custom House, Madras, 18th August, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to refer you to this office letter R. O. C. No. 872 of 16, dated the 17th May, 1916, and to request that you will be good enough to circulate this letter among the members of your Chamber interested with the request that they will inform me if possible by the 1st proximo of the approximate amount of raw skins and hides which they would, in the absence of any restrictions, ship to the United States of America during the three months ending December, 1916, to enable me to address the Government of India in time to obtain orders with regard to any excess over the normal which the total applications may disclose.

I have, etc.,

C. W. E. COTTON,

Collector of Customs.

Custom House, Madras, 20th November, 1916;

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to refer you to this office letter R. O. C. No. 391 of 16, dated the 18th August last, and to request that you will be good enough to circulate this letter among the members interested with the request that they will inform me if possible by the 1st proximo of the approximate amount of raw skins and hides which they would, in the absence of any restrictions, ship to the United States of America, during the three months ending March, 1917, to enable me to address the Government of India in time to obtain orders with regard to any excess over the normal which the total applications may disclose.

I have, etc.,

P. ECCLES,

Officiating Collector of Customs.

Chamber of Commerce, Madras, 30th November, 1916.

TO THE COLLECTOR OF CUSTOMS,
Madras.

SIR,—I beg to acknowledge receipt of your letter No. R. O. C. 391-16, dated the 20th November, 1916, requesting the members of the Chamber interested in the export of raw skins and hides to inform you of the approximate quantity of raw skins and hides which they would, in the absence of any restrictions, ship to the United States of America during the three months ending March, 1917. In reply I have to inform you that I have circulated your letter to the members of the Chamber interested in the skins and hides trade and those will, no doubt, communicate with you direct.

I have, etc.,

T. E. WELBY,

Acting Secretary.

LIST OF TANNERS DEALING WITH HIDES.

Office of Wheat Commissioner, Madras, 12th December, 1916.

DEAR FRASER,—I am anxious to get at an early date a list (as complete as possible) of tanners who are dealing with hides. Could you get the Hides Sub-Committee to prepare me a list. I attach

[omitted] a list of some of the larger tanners which may help as a basis to work upon. I should like the list classified so far as possible into (a) hide tanners only, (b) those principally tanning hides, but also skins, (c) those largely tanning skins,

Yours, etc.,

A. C. MCWATERS.

• *Madras, 6th January, 1917.*

DEAR MCWATERS,—Yours of the 12th December, 1916. I enclose [omitted] herewith the list of tanners who are dealing with hides, prepared by the Skins and Hides Sub-Committee of the Chamber, which, I trust, will be of assistance to you.

The list enclosed in your letter is also returned.

Yours, etc.

GORDON FRASER.

SKINS AND HIDES.

Chambers & Co., Madras, 23rd December, 1915.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—We have just received the circular giving copy of letter from the Collector of Customs of yesterday's date. In reply thereto we would respectfully suggest that Government be requested to permit the average normal shipments of raw skins from Madras for the next three months.

We are, etc.,

CHAMBERS & Co.

Custom House, Madras, 23rd December, 1915.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to inform you that, under direction by the Government of India, the existing commitments of raw hides and skins for shipment before the 1st of January, 1916, will be permitted provided they are consigned to the firms on the approved lists sent with this office letters ending with No. R. O. C.-4287-15, dated the 7th December, 1915.

2. In supersession of the lists of approved firms hitherto sent, I forward herewith a list of firms in the United States of America to whom if raw hides and skins are shipped from the 1st January next no Consular guarantee is required before shipment, only the usual bonds for production of proof of arrival at destination being required. It should, however, be understood that the Government of India reserve power to strike out or add names to this list. The consignments should be sent only to New York, Boston, Philadelphia or San Francisco, and the bills of lading should be addressed to the Consuls-General concerned for account of the real consignees.

3. Any applications to ship existing commitments to firms not on the list herewith forwarded or on the supplementary lists which may be sent later are required to be referred to the Government of India for orders.

4. I request you to communicate the substance of this letter to all shippers interested asking them at the same time to let me have as soon as possible their lists of existing commitments for shipment after the 1st January, 1916, to firms not on the list enclosed and supplementary lists to enable me to refer to the Government of India. The probable dates of shipment of such consignments should also be stated.

I have, etc.,

G. N. BOWER,

for Collector of Customs.

Custom House, Madras, 8th January, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—In continuation of this office letter R. O. C. No. 2435, 15, dated the 30th ultimo, I have the honour to forward herewith a supplementary list of firms in the United States of America to whom if raw hides and skins are shipped no Consular guarantee is required before shipment.

2. I would at the same time request you to read "Beng. N. Moore and Sons Company" and "Meyer Hecht and Co., New York" for "N. Moore and Sons Company" and "Meyer Hecht Go Company" in the list of approved firms forwarded with my letter R. O. C. No. 2435-15, dated the 23rd December, 1915.

I have, etc.,

C. W. E. COTTON,

Collector of Customs.

SHIPMENTS OF GOAT SKINS FROM MADRAS.

Messrs. Little and Co., Bombay, 21st June, 1916.
 TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—We send to you a copy of a letter which we have received from Government through the Collector of Customs, Bombay, with reference to shipments of goat skins from Madras.

Our instructions from the Textile Alliance are to assist shippers in every possible way, and we accordingly draw your attention to the facilities for shipment afforded by the Alliance.

Messrs. Fraser and Ross, the Madras representatives, have been fully instructed as to dealing with applications and will give you or to shippers any further information that you may desire on the subject.

Shippers here inform us that shipment under the Textile Alliance Scheme is easier and more convenient than shipment to British Consuls under the Government arrangement particularly in avoiding the Bonds and Guarantees which have to be given to the Collector of Customs here under that arrangement.

I have, etc.,
 LITTLE AND CO.,
Solicitors.

[ENCLOSURE.]

Custom House, Bombay, 20th June, 1916,
 TO MESSRS, LITTLE & CO.,
Bombay.

GENTLEMEN,—I have the honour to refer to your letter No. 6394-16, dated the 31st May, on the subject of the shipment of haired skins from Madras under the Textile Alliance Scheme.

2. I referred the matter to the Government of India who inform me that the Collector of Customs, Madras, was instructed to allow shipment of dry salted goat skins on which there is little hair consigned to the British Consul if they are being exported for the leather; if, however, a shipper wishes to export such skins under the Textile Alliance Regulations there is nothing to prevent his doing so.

I have, etc.,
 (Sd.) P. ECCLES,
Officiating Collector of Customs.

PROHIBITION OF THE EXPORT OF PARTIALLY TANNED COW HIDES FROM BRITISH INDIA.

GOVERNMENT OF MADRAS.

SEPARATE REVENUE DEPARTMENT.

G. O. No. Press 627, dated the 28th July, 1916.

READ the following paper :—

From the Government of India, Department of Commerce and Industry, Endorsement No. 6198-W-II, dated the 21st July, 1916.

ORDER.—Communicated to the Chambers of Commerce, with reference to G. O. No. 3090, Separate Revenue, dated the 28th October, 1914.

2.* The notification will be republished in the *Fort St. George Gazette*.

(True Extract.)

L. DAVIDSON,
Acting Chief Secretary.

[ENCLOSURE.]

Notification No. 5867-W-II., dated the 15th July, 1916.

No. 5867-W-II.

Simla, the 15th July, 1916.

NOTIFICATION.

(Customs.)

In exercise of the powers conferred by Section 3 of the Import and Export of Goods Ordinance, 1916 (IV of 1916), and in modification of Notification No. 25-W., dated the 17th October, 1914, the Governor-General in Council is pleased to prohibit the export of partially tanned cow hides otherwise known as East India tanned kips.

Provided nothing in this Notification shall apply to goods shipped under licence granted by a Chief Customs Officer.

DRY SALTED COW HIDES.

Custom House, Madras, 12th February, 1916.

MY DEAR SIMSON,—I have received the following telegram from the Government of India :—

“No further licenses for export of dry salted cow hides under eight pounds in weight to private consignees in Italy should be granted for the present. Firms should be asked quantities in stock on the 14th instant, that is excluding those for export of which licenses have already been granted and price.”

As this information should be telegraphed to the Government of India on the 15th, I shall be very much obliged if you will advise Bower as to the terms of the reply I should send to this letter sometime on Monday, after consulting other members of the Hides and Skins Sub-Committee. Having had no application for licenses to ship these light hides to Italy so far, may I assume that stocks are nil?

I have, etc.,
C. W. E. COTTON,

Chamber of Commerce, Madras, 16th February, 1916.

TO THE COLLECTOR OF CUSTOMS,
Madras.

SIR,—With reference to your D. O. letter No. R. O. C. 391-16, dated the 12th instant, addressed to Mr. R. S. F. Simson, on the subject of the export of dry salted cow hides, the Hides and Skins Sub-Committee of this Chamber is of the opinion that there are no hides in stock in Madras for shipment to Italy.

I have, etc.,
GORDON FRASER,
Chairman.

TANNING INDUSTRY.

Office of the Director of Industries, Madras, 5th/6th December, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to forward herewith a copy of a letter I have addressed to certain Madras firms interested in the tanning

trade. I understand that the Chamber of Commerce has taken up the matter, and I should be grateful for an expression of their views in the matter.

I have, etc.,
C. A. INNES,
Director of Industries.

[ENCLOSURES.]

Copy of circular G. Cur. No. 32, dated the 28th October, 1916, to Firms.

Partly in connection with an enquiry which is now going on as to the possibility of eliminating the German from the Indian export trade in hides, and partly with reference to the approaching visit of the Industrial Commission, the question has been raised whether the extent to which hides are at present tanned in this country cannot be materially increased, and the Government of Madras have called upon me to submit a report on the possibility of improving and developing the tanning industry in this Presidency. They also desire to be put in possession of the views of firms and gentlemen interested in the tanning trade.

2. I understand that you are interested in the subject, and I should be grateful if you would be good enough to favour me with your views as to the possibility of extending and improving the tanning industry in the Madras Presidency.

3. In its original form, the question thus raised had reference entirely to the tannage of hides for export from the Presidency, and in this connection I append for your confidential information extracts from the report of a Committee of representatives of Indian and British firms interested in the trade which sat recently in London. But you will observe that the terms of the reference from Government are wider and cover also the question of the extension and improvement of the tannage and finishing of leather for Indian use.

The extension of the tanning of the kips in India.

A considerable quantity of the kips produced in India are already tanned there and the leather exported here. The Committee considers that the Indian tanning industry could be largely extended with advantage to India and this country. The total production of kips in India is about 11,000,000 annually; of these about 3,000,000 are tanned in India, and the remaining 8,000,000 have hitherto been exported as raw hides. It is probable that an additional 2,000,000 kips at least could be tanned in India, making a total of 5,000,000 thus dealt with and leaving about 6,000,000 for export annually to be treated by British tanners. Much might be done through Government to encourage the extension and improvement of local tanning in Madras and Bombay. The Committee also understands that certain British firms already established in India would be willing to extend existing tanneries or to provide additional tanneries in India. To some extent the chrome process would no doubt be adopted, but as vegetable tanning would also continue to be used the supply of certain Indian vegetable tanning materials would need to be augmented. At present the supply is insufficient and

not organised, and this important problem would require to be solved. It is one of great interest to India, and the Imperial Institute has for some time given assistance to the Government of India in this matter, which now deserves increased attention.

The extension of the use of tanned Indian kips in the United Kingdom.

The Committee is of opinion that a greatly extended use could be made of tanned Indian kips in this country in the future. It has been already stated that large quantities of these kips have been used since the outbreak of war for making the uppers of army boots and have given very satisfactory results. Fuller information on the subject can readily be procured by the Committee. A particularly favourable opportunity, therefore, presents itself at the present moment for securing a largely increased use of tanned Indian kips in the United Kingdom, as the qualities of the leather are now fully appreciated by tanners and boot makers. If Germany and other foreign countries were virtually obliged to purchase leather in the future instead of the raw hides, a good export market would no doubt exist for any surplus leather produced here.

The necessity of securing for this country in the future an adequate supply of leather, especially for military, naval and other Government purposes, has already been receiving consideration in other quarters, and the Committee understands that a scheme has been suggested by which the support of the British Government is proposed for this purpose so that British tanners may be able to secure from British sources all the raw hides they need to produce the leather required. This scheme would apparently involve the purchase, with Government assistance, of all the raw hides available in British countries, including those of India, and if it were approved and adopted for some years after the end of the war, such a scheme would go a long way to secure the desired object so far as the Indian trade is concerned, since it would no doubt be stipulated by the Government that purchases in India should only be made through approved British firms.

The question of the provision of adequate supplies of hides for use by British tanners at the end of the war is of the greatest importance, as there will be an enormous demand for hides by Germany and Austria to replenish their depleted stocks. There is, moreover, reason to believe that supplies of raw Indian kips are already being accumulated in certain countries for use in Germany after the war.

Chamber of Commerce, Madras, 8th January, 1917.

TO THE DIRECTOR OF INDUSTRIES,
Madras.

SIR,—I beg to acknowledge receipt of your letter No. G. Cur, 32, dated the 5th December, 1916, forwarding copy of a letter addressed by you to the firms interested in the tanning trade on the possibility of improving the tanning industry and eliminating Germans from the Indian export trade in hides. In reply I have to inform you that the Chamber is of opinion that after the war the demand for vegetable tanned kips will not be very greatly in excess of the demand prior to the war. The reason for this is that the civilian demand is largely for semi-chrome or full chrome

leather though there is always a certain demand for purely vegetable tanned leather. For semi-chrome leather, vegetable tanned kips such as are exported from Madras are suitable, but for full chrome, raw hides are required. The demand from boot manufacturers for chrome or semi-chrome leather depends largely upon the comparative price. To encourage vegetable tanning the Chamber would suggest :—

(a) The Government assist in fully exploiting and cheapening the numerous tanning materials available in this country. Nothing much can be taught to the Indian tanner about tanning with the materials he already uses, but there are many tanning agents in India which are not at present used at all.

(b) That Government impose an export tax of not less than 10 per cent. on all raw hides exported, giving a preferential rebate to Great Britain and the Colonies of 5 per cent.

The Chamber, however, believes that even this export duty cannot force manufacturers to buy vegetable tanned leather only. The future lies very largely with the chrome system of tanning and if Government are prepared to foster and develop this, the Chamber thinks that the tanning industry in India could be extended almost indefinitely. Chrome tanning is, however, quite unsuitable for the ordinary India tannery and is only practicable if carried on in factories equipped with adequate machinery and on a large scale.

I have, etc.,

GORDON FRASER,

Chairman.

ADULTERATION IN THE CONSIGNMENT OF TANNED COW-HIDES.

Office of Wheat Commissioner for India, Bombay, 15th Nov., 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to invite your attention to the fact that an increasing proportion of adulterated hides is being found in the consignments of tanned cow-hides presented by shipping firms in Madras for Government purchase. All firms were warned at the commencement of operations that no hides bearing traces of adulteration would be accepted, and we have consistently rejected all such hides which we have detected. The best chance, however, of checking this objectionable practice, by which a large amount of

valuable leather is wasted, would be for the shipping firms to use their influence with tanners to get the practice stamped out and to refuse themselves in any circumstances to purchase adulterated hides. I should be much obliged if you would call the attention of the shipping firms to this matter, which is viewed by Government with considerable concern.

I have, etc.,
A. C. McWATTERS,
Wheat Commissioner for India.

Chamber of Commerce, Madras, 1st December, 1916.
To A. C. McWATTERS, Esq., I.C.S.
Bombay.

SIR,—I have the honour to acknowledge receipt of your letter No. C. O. R. 1219, dated the 15th November, 1916, inviting the attention of the Chamber to the increasing proportion of adulterated hides in the consignments of tanned cow hides presented by shipping firms for Government purchase. In reply I have the honour to inform you that the Chamber will be glad to render you every possible assistance in checking the adulteration.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 3rd March, 1917.
To THE SECRETARY TO GOVERNMENT, COMMERCE & INDUSTRY,
Delhi.

SIR,—The Chamber begs to bring to your notice the increase in adulteration of tanned cow-hides. As a remedial measure the Chamber would suggest that Government make a rule under Section (O) of Act IV of 1915 relating to war compelling all tanners throughout India to stamp all hides tanned by them with distinctive mark and/or number to be registered and approved of by Government. The stamp should be of sufficient size to be easily discernible, and should be placed on the grain side of each hide in the centre beneath the shoulder.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Department of Commerce and Industry, Delhi, 17th March, 1917.

To THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—In acknowledging the receipt of your letter of the 3rd March, 1917, on the subject of the increase in adulteration of tanned cow-hides I am to say that the matter is receiving the consideration of the Government of India.

I have, etc.,
H. F. HOWARD,
Secretary to the Government of India.

No. 1347-C-W-D.

A copy of the correspondence is forwarded to the Wheat Commissioner for India with reference to the correspondence ending with his endorsement C.O.R. No. 801, dated the 10th February, 1917.

INCOME-TAX.

17, Armenian Street, Madras, 14th September, 1916.
To THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to the new Income-Tax Act, we write to draw your attention to a matter that we think should be taken up by the Chamber.

Under Part II of the Second Schedule of the Indian Income-Tax (Amendment) Act V of 1916, a company has to pay one anna in the rupee on its net profits, but any shareholder, whose total income is under Rs. 25,000 is entitled to a refund according to a sliding scale.

It would be reasonable to expect that the individual members of a firm similarly situated would be entitled to the same privilege, but they are not.

The income-tax authorities point out that under Section 3 (7) of the Income-Tax Act "person" includes a firm and a Hindu undivided family" and say that no concession such as that given to shareholders of companies has been granted to partners of firms.

It is obvious that the above will cause considerable hardship as there must be many junior partners in firms who will have to pay at the rate of one anna in the rupee, although their incomes are below Rs. 25,000.

The result is absolutely anomalous.

A company is a corporation, and yet the shareholder is allowed by the income-tax his individual rights.

A partnership is not a corporation but a collection of individuals, and yet the partner loses his rights.

We have, etc.,

FRASER AND ROSS

Chamber of Commerce, Madras, 10th October, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to request that the Government of Madras will be good enough to forward this representation, with such comment as they may think fit to make, to the Government of India.

The attention of the Chamber has been drawn to the hardships inflicted on partners of firms, as compared with shareholders in companies, under the new Income-Tax Act.

Under Part II of the Second Schedule of the Indian Income-Tax Amendment Act V of 1916, a company has to pay one anna in the rupee on its net profits, but any shareholder, whose total income is under Rs. 25,000, is entitled to a refund according to a sliding scale.

It would be reasonable to expect that the individual members of a firm similarly situated would be entitled to the same privilege, but they are not.

The income-tax authorities point out that under Section 3 (7) of the Income-Tax Act "person" includes a firm and a Hindu undivided family" and say that no concession such as that given to shareholders of companies has been granted to partners of firms.

It is obvious that the above will cause considerable hardship, as there must be many junior partners in firms who will have to pay at the rate of one anna in the rupee, although their incomes are much below Rs. 25,000.

The result is absolutely anomalous:—

A company is a corporation, and yet the shareholder is allowed by the income-tax his individual rights.

A partnership is not a corporation but a collection of individuals, and yet the partner loses his rights.

I am to request that the Government will be pleased to consider the desirability of removing this grievance.

I have, etc.,

GORDON FRASER,

Chairman.

Chamber of Commerce, Madras, 10th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Bombay.

SIR,—I beg to enclose copy of a letter which this Chamber has addressed to the Government of India, through the local Government, on the subject of a provision in the Income-Tax, which inflicts hardships on partners of firms, as compared with shareholders in companies, and to invite your co-operation in seeking redress of this grievance.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Chamber of Commerce, Tuticorin, 13th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have to thank you for your letters, dated the 2nd and the 10th instant, and now beg to forward for the information of your Chamber copy of this Chamber's representation to Government on the subject of differential treatment in the matter of income-tax between partners of firms and shareholders of companies.

As for the question of "Income-tax and Depreciation allowed on Plant and Machinery," I am directed to inform you that this Chamber is willing to give every support to any further representation which may be made by your Chamber on this subject, and I am to request that you will be good enough to inform me of any further steps taken by you in the matter.

I have, etc.,

G. ZELLWEGER,

Honorary Secretary.

[ENCLOSURE.]

*Chamber of Commerce, Tuticorin, 13th October, 1916.*TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to inform you that this Chamber has received a copy of the representation, dated the 10th instant, which the Madras Chamber of Commerce has requested the Government of Madras to forward to the Government of India, and in which it was pointed out that under the present Indian Income-Tax Act individual members of a firm are denied certain privileges accorded to shareholders in companies.

As such a discrimination would be distinctly unreasonable and unjust and appears to be more the result of an oversight, since it could never have been contemplated by the framers of the Act, this Chamber would strongly urge that the Act or Regulations be so amended as to remove what cannot be described otherwise than an anomaly.

I have, etc.,
(Sd.) G. ZELLWEGER,
Honorary Secretary.

*Upper India Chamber of Commerce, Cawnpore, 17th October, 1916.*TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to thank you for your letter of the 10th instant, with which you forward copy of a letter addressed to the Government of India, on the subject of a provision in the income-tax which inflicts hardship on partners of firms as compared with shareholders in companies, and to say that the matter is being considered by my Committee.

I have, etc.,
J. G. RYAN,
Secretary.

*Punjab Chamber of Commerce, Delhi, 18th October, 1916.*TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have to acknowledge the receipt of your letter of the 10th instant, with a copy of a letter forwarded to the Chief Secretary to the Government of Madras, in connection with income-tax and am to request that you will kindly favour this Chamber with a copy of the Madras Government's reply to your representation, when such is received.

I have, etc.,
J. R. DENNING,
Secretary.

*Chamber of Commerce, Karachi, 19th October, 1916.*TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to acknowledge receipt of your letter of the 10th instant, enclosing a copy of a letter which your Chamber have addressed to the Government of India, through the Government of Madras, on the subject of a provision in the Income-Tax Act which inflicts hardship on partners of firms, as compared with shareholders in companies, and inviting the co-operation of this Chamber in seeking redress of this grievance.

In reply I am directed to inform you that my Committee have addressed the Government of India supporting your Chamber's representation.

I have, etc.,
E. L. ROGERS,
Secretary.

*Bengal Chamber of Commerce, Calcutta, 19th October, 1916.*TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter, dated the 10th October, I am directed to say that the point that you raise in your representation to the Government of Madras has been already before the Committee of this Chamber. In writing to the firm by whom it was brought to their notice the Committee said :—

"The Committee of the Chamber have considered the matter, and they believe that, under the English law, a partner in a firm can include his share of profit derived therefrom in a general statement of claim which he may put forward for abatement of the tax paid. So far as they are aware there is nothing in the Indian Acts prohibiting the adoption of this course; and it seems to them that such a procedure might be correctly followed under Pt. IV of the new Act. You might perhaps be well advised to send in to the Collector of Income-Tax a test statement of claim on these lines. Should the claim be resisted the Home practice can be brought forward in support of it."

2. This being the position the Committee do not propose to address the Government at the moment in support of your suggested amendment of the law. They think that it is desirable for them in the first place to await the result of any action that may

be taken in the way of presenting a test statement to the Collector of Income-Tax on the lines proposed by them.

I have, etc.,
H. M. HAYWOOD,
Secretary.

Financial Department, Fort St. George, 20th Oct., 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter, dated the 10th October, 1916, on the subject of income-tax refunds to partners of firms and to state that the matter will receive due consideration.

I have, etc.,
R. H. COURTENAY,
for Chief Secretary.

Chamber of Commerce, Bombay, 20th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge receipt of your letter, dated the 10th instant, and its enclosure regarding the payment of income-tax on partners' share of firm's profits, and to inform you in reply that my Committee have addressed Government in support of your representation.

I am to add my Committee will be pleased if you will kindly favour them with a copy of the reply from the Madras Government to your representation.

I have, etc.,
R. E. GREGOR PEARSE,
Secretary.

Ceylon Chamber of Commerce, Colombo, 26th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With further reference to your letter of the 10th instant on the subject of certain amendments it is desired should be made in Indian Income-Tax Amendment Act, I am instructed by my

Committee to state that as the Act in question does not obtain in Ceylon it is regretted that this Chamber is not in a position to afford the desired support.

I have, etc.,
J. M. SIMPSON,
Secretary.

Chamber of Commerce, Madras, 28th October, 1916.

TO MESSRS. FRASER & ROSS,
Madras.

SIRS,—With reference to your letter of the 14th September, 1916, drawing the attention of the Chamber to the hardships inflicted on partners of firms, as compared with shareholders in companies, under the new Income-Tax Act, I beg to inform you that the Chamber has addressed the Government of India, through the local Government, and has sought the co-operation of other Chambers in India in seeking redress to this grievance.

I enclose a copy of a letter received from the Bengal Chamber of Commerce, Calcutta, informing us that they do not propose to address the Government on the subject at the moment and think it desirable to await the result of any action which may be taken in the way of presenting a test statement to the Collector of Income-Tax. Perhaps you would consider the desirability of instituting a test case yourselves.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Cochin, 28th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—Your letter of the 10th instant, together with its enclosure, were placed before members, at a meeting held last morning, and I am directed to inform you that this Chamber fully approves of the representations made by you on the subject of the new Income-Tax Act, and is addressing Government, strongly supporting your Chamber.

I have, etc.,
S. O'M. DEANE,
Honorary Secretary.

LANDING CHARGES.

Madras, 5th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—We, the undersigned landing contractors, beg to inform you that on and after the 15th August next we have decided to impose a surcharge of 25 per cent. on all rates for landing cargo from and shipping cargo to steamers in the Madras Harbour. We regret having to take this step which we have deferred as long as possible.

Since the outbreak of war the number of steamers calling at Madras have very considerably decreased, and the amount of cargo handled by us has in consequence been reduced to an extent never contemplated when the existing schedule of rates was compiled. The cargo landed by us in 1915 was about half that landed in pre-war years which means, of course, that earnings have been reduced by half. We would mention that though the amount of cargo handled has been so greatly diminished, the contractors have had to maintain the same staff of boatmen, beach clerks, etc., as before, as all are required when steamers are working. In addition to the upkeep of the establishments there is also the maintenance of the fleets of barges and lighters. All the craft have, of course, to be kept in good repair, and the prices of everything needed for repairs *i.e.*, metals, timber paint, etc., have all been largely increased since the outbreak of war. Further, claims paid by us for shortages, etc., are also enhanced for the same reason.

The surcharge would be in force until further notice as it is, of course, impossible to say how long after the war it will be before imports and prices of material and labour resume their normal proportions.

As regards the present schedule of rates, there are several items in it, which, our experience has proved, need revision, and we enclose a list of such.

These alterations will also come into force on and from the 15th August.

We have, etc.,
BINNY & Co., LTD.
GORDON, WOODROFFE & Co.
WILSON & Co.
BEST & Co., LTD.

Best & Co. Ltd., Madras, 15th November, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to the letter, dated the 5th July, 1916, addressed to the Chamber of Commerce by the landing contractors of Madras, we have gone carefully through the List of Amendments to the present Schedule of Landing Charges submitted by the contractors, and we regret we cannot recommend the acceptance of same by the Chamber.

The enhanced rates asked are, in our opinion, excessive, and in conjunction with the proposed surcharge of 25 per cent. would be equivalent to an advance in the landing rates for piece-goods and yarns of 40-50 per cent. and in the case of some of the other items of 200 to 300 per cent.

We accept the suggestion of the imposition of a surcharge of 25 per cent. on the landing charges as per the Landing Schedule of 1912, the surcharge to remain in force for a period of one year.

If the landing contractors cannot see their way to accept the above proposal, the undersigned will be glad to meet the representatives of the contractors to discuss the question before again bringing up the matter at the monthly meeting of the Chamber.

We have, etc.,
GORDON FRASER.
W. ALEXANDER.
ARTHUR J. LEECH.

Chamber of Commerce, Madras, 15th November, 1916.

TO MESSRS. BEST & Co., LTD., BINNY & Co., LTD.,
GORDON, WOODROFFE & Co., WILSON & Co.,
Madras.

SIRS,—With reference to the letter, dated the 5th July, 1916, signed by you and other landing contractors of Madras, informing the Chamber that you have decided to impose a surcharge of 25 per cent. on all rates for landing cargo, I beg to inform you that a Special Committee appointed to go into the question has now reported. The report is sent you herewith for your information.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Best & Co., Ltd, Madras, 15th November, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—We have to acknowledge with thanks receipt of your letter of the 15th instant, enclosing report issued by the Special Committee appointed to go into the question of the proposed surcharge of 25 per cent. on all rates for landing cargo.

We have, etc.,
BEST & CO., LTD.

Madras, 20th November, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—We are favoured with your letter of the 15th instant, handing us Report of a Special Committee, appointed to go into above.

We beg to thank you for sending us copy of said Report, but we confess to being unable to understand the reason of its issue.

At the Chamber monthly meeting in July last, to the best of our recollection, the Chamber agreed to accept the surcharge of 25 per cent. and appointed a Committee consisting of Messrs. Gordon Fraser, Alexander and Leech, to confer with the landing contractors touching the items in the Schedule the landing contractors desired to be amended over and above the surcharge. So far this Committee has not asked us to confer with them, but we shall be very pleased to meet them at any time they may ask us to do so.

We have, etc.,
BINNY & CO., LTD.
WILSON & CO.
GORDON, WOODROFFE & CO.
BEST & CO., LTD.

Chamber of Commerce, Madras, 4th December, 1916.

TO MESSRS. BEST & CO., LTD., BINNY & CO., LTD.,
WILSON & CO. AND GORDON, WOODROFFE & CO.
Madras.

SIRS,—With reference to the letter dated the 20th November, 1916, signed by your firm and other landing contractors of Madras, I beg to inform you that the Chamber has accepted, at its last

general monthly meeting held on the 28th November, 1916, the following resolution submitted to it by the Special Committee appointed to go into the question after conferring with the landing contractors:—"Resolved that a surcharge of 35 per cent. be agreed to on landing charges from the 1st December, 1916, to the 31st December, 1917, or for shorter period, should the war terminate before then. Such surcharge to be based on the Schedule of the 1st October, 1912."

I have, etc.,
T. E. WELBY,
Acting Secretary.

STAMP DUTY ON POLICIES OF LIFE INSURANCE.

Separate Revenue Department, Fort St. George, 8th Feb., 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward copy of a memorial addressed to H. E. the Governor-General of India in Council by the Industrial and Prudential Assurance Company, Limited, Bombay, praying for a reduction of the minimum rate of stamp duty chargeable on policies of life insurance and to request that the Government may be favoured with the opinion of your Chamber on the proposal, if possible before the 15th March. I am in this connection to place before you a suggestion made to the Government of India by one of the Local Governments, viz., that the levy of a graduated scale of duties, viz., two annas for policies of Rs. 250 and under, four annas for those of Rs. 500 and under and six annas for those between Rs. 500 and Rs. 1,000, might tend to encourage the growth of industrial life assurance.

I have, etc.
H. A. B. VERNON,
for Chief Secretary to Government.

[ENCLOSURE.]

TO H. E. THE GOVERNOR-GENERAL OF INDIA IN COUNCIL.

The most humble memorial of the
Industrial and Prudential Assurance
Company, Limited, of Bombay.

MOST RESPECTFULLY SHOWETH:—

That this Company was established for the purpose of carrying on in India and abroad life assurance in all its branches, more particularly of granting policies to artisans, factory, docks, railways and other workmen and labourers and small wage-earners of industrial classes on the lines of English Industrial Insurance offices such as the Prudential Office of London,

That this Company is the first Industrial Life Assurance Office in India created to extend the benefits of life assurance to poorer classes and small wage-earners on the basis of English Industrial Life offices.

That the Government has been pleased to grant total exemption of stamp duty in case of policies of life assurance granted by the Director-General of the Post Office of India in accordance with rules for Postal Life Insurance issued under the authority of the Government of India under Article 47 D of the Schedule 1 of the Indian Stamp Act, 1899.

That even in the United Kingdom policies of life assurance for sums not exceeding £10 are chargeable with the stamp duty of one penny only and for sums not exceeding £25 are chargeable with a stamp of three pence.

That this Company has extended its operations of industrial life assurance to most of the mill-hands and menials' co-operative credit societies in the city of Bombay registered by the Government and more than 200 members of these co-operative credit societies are assured with this Company within three months of the Company having begun to do this kind of work and arrangements are being made to assure the lives of members of other co-operative credit societies in other parts of the Presidency.

That the deeds and all instruments of these co-operative credit societies are declared exempt from stamp duty by Government of India Notification No. 683-F., dated the 28th December, 1912.

That the stamp duty prescribed for ordinary life assurance, viz., six annas for a policy of every sum of Rs. 1,000 or part thereof works a great hardship on the industrial classes who are assured for small sums of Rs. 250 and under, and taking into consideration the medical fees to be paid and other incidental charges to be defrayed on such small assurances the assured find it extremely hard to pay the stamp duty prescribed originally for ordinary life assurance of Rs. 1,000.

That Your Excellency's memorialists submit that when the stamp duty was originally fixed at 6 annas on all policies up to Rs. 1,000, small policies as are now being issued by this Company were never contemplated, otherwise some sliding scale of stamp duty would, we venture to submit, have been provided.

That Your Excellency's memorialists, therefore, most humbly and earnestly pray that Your Excellency in Council may be graciously pleased to reduce two annas the stamp duty on the small policies assuming sums of Rs. 250 and below under the authority vested in Your Excellency in Council by Section 9 of the Indian Stamp Act, 1899, for which act of kindness your humble memorialists will ever pray for Your Excellency's welfare and prosperity.

We have, etc.,

B. BROACHA,

Chairman.

FAZULBHOY CURRIMBHOY,

LALUBHAI SAMALDASS,

CHIMANLAL H. SETALVAD,

Directors

JIVANLAL DASTUR AND CO.,

Secretaries and Managers.

Chamber of Commerce, Madras, 7th March, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,

Madras.

SIR,—I have the honour to acknowledge receipt of your letter, No. 272, S.R. 16-2, dated the 8th February, regarding the proposed reduction of the minimum rate of stamp duty chargeable on policies of life insurance, and to inform you in reply that the Chamber approves of the adoption of the sliding scale of rules that has been suggested to the Government of India by one of the local Governments.

I have, etc.,

GORDON FRASER,

Chairman.

INDIA COUNCIL BILL.

Chamber of Commerce, Madras, 19th December, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,

London.

SIR,—I beg to give below for your information copy of a telegram despatched by this Chamber on the 18th instant, to the Government of India, Finance Department, Delhi, on the subject of the restrictions of India Council Bills by the Secretary of State for India :—

"Sudden restrictions of sale of Council Bills causing considerable anxiety and cessation of trade including Government hides. Will Government give any information regarding present position and assurance of assistance to remedy existing dislocation of trade."

I have, etc.,

T. E. WELBY,

Acting Secretary.

Chamber of Commerce, Madras, 19th December, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,

Calcutta, Bombay & Karachi.

SIR,—I beg to confirm the telegram despatched to you on the 18th instant on the subject of restrictions of India Council Bill by the Secretary of State for India as follows :—

"Have telegraphed as follows to Government India Finance Department. Begins. Sudden restriction of sale of Council Bills

causing considerable anxiety and cessation of trade including Government hides. Will Government give any information regarding present position and assurance of assistance to remedy existing dislocation of trade."

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 19th December, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

SIR,—I have the honour to give below copy of a telegram despatched by this Chamber on the 18th instant, to the Government of India, Finance Department, Delhi, on the subject of restriction of sale of India Council Bill by the Secretary of State for India :—

"Sudden restriction of sale of Council Bill causing considerable anxiety and cessation of trade including Government hides. Will Government give any information regarding present position and assurance of assistance to remedy existing dislocation of trade."

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 19th December, 1916.

TO A. C. MCWATERS, ESQ., I. C. S.,
C/o the Collector of Customs,
Madras.

SIR,—At the request of the Hon'ble Mr. Gordon Fraser, I beg to give below for your information copy of a telegram despatched by this Chamber to the Government of India, Finance Department, Delhi, on the subject of the restriction of the sale of India Council Bills by the Secretary of State for India :—

"Sudden restriction of sale of Council Bill causing considerable anxiety and cessation of trade including Government hides. Will Government give any information regarding present position and assurance of assistance to remedy existing dislocation of trade."

I have, etc.,
T. E. WELBY,
Acting Secretary

Chamber of Commerce, Madras, 19th December, 1916.
TO THE SECRETARY TO GOVERNMENT, FINANCE DEPARTMENT,
Delhi.

SIR,—I have the honour to confirm the telegram despatched to you by the Chamber on the 18th December, 1916, on the subject of restriction of sale of India Council Bills by the Secretary of State for India as follows :—

"Sudden restriction of sale of Council Bills causing considerable anxiety and cessation of trade including Government hides. Will Government give any information regarding present position and assurance of assistance to remedy existing dislocation of trade."

I have, etc.,
T. E. WELBY,
Acting Secretary.

TELEGRAMS.

From the Karachi Chamber of Commerce, dated the 19th December, 1916 ; to the Chamber of Commerce, Madras.

My Committee have wired Commerce, Delhi, as follows. Begins. The action of the Secretary of State in refusing to sell special Councils for the present has completely disorganised business. The Exchange banks refuse to buy Sterling Bills or Telegraphic without cover consequently export business has come almost to a standstill. Please inform Chamber if arrangements cannot be made to resume the sale of special Councils or if that is impracticable of very much larger Wednesday weekly allotments otherwise export trade hence will be very seriously restricted. Ends. Please wire what action your Committee propose taking.

From the Bombay Chamber of Commerce, dated the 20th December, 1916 ; to the Chamber of Commerce, Madras.

Bombay Chamber have wired Government of India as follows. Begins. Committee Bombay Chamber Commerce desire to call attention to serious effects arising out of sudden suspension of sales of extra Council Bills. Measure will practically paralyse export trade as banks will be quite unable to negotiate exporters bills. Severe stringency in money market anticipated. Drop in prices has already resulted and bazaar showing signs of uneasiness which may rapidly increase if fears of money difficulties are unallayed. Committee consider it most important that Government should

make very early pronouncement of policy. Committee respectfully suggest free import of bar gold and sovereigns from far east be allowed and that arrangements be made for free issue upcountry of sovereigns in place of rupees for payment of produce to extent of half present holdings in paper currency reserve. Ends.

From the Government of India, Financial Department, Delhi, dated the 22nd December, 1916; to the Chamber of Commerce, Madras.

Your telegram of 18th December regarding restrictions on council drafts received position was explained in general terms in Government announcements of 14th and 18th December. Government fully appreciate inconvenience to trade and as soon as position admits restrictions imposed will be relaxed or removed.

From the Bengal Chamber of Commerce, Calcutta, dated the 22nd December, 1916; to the Chamber of Commerce, Madras.

Exchange question your message, dated 18th December, Committee are closely in touch with the Government and with the banking interest and consider that everything possible is being done the question is engaging their closest attention and they may be able to address you further within a few days.

Chamber of Commerce, Madras, 2nd February, 1917.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Calcutta and Bombay.

SIR,—I beg to forward herewith copy of a Resolution which this Chamber has passed at its general monthly meeting held on the 30th January, 1917, with reference to firms authorised to deal in Council Bills:—

“Resolved that this Chamber is strongly of opinion that the inclusion of private firms in the list is objectionable; unless sales are opened to the general public they should be confined to the banks only, private firms being entirely eliminated.”

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 2nd February, 1917.

TO THE SECRETARY TO GOVERNMENT, FINANCE DEPARTMENT,
Delhi.

SIR,—I have the honour to forward herewith copy of a Resolution passed at the monthly general meeting of the Chamber held on Tuesday, the 30th January, 1917, with reference to firms authorised to deal in Council Bills:—

“Resolved that this Chamber is strongly of opinion that the inclusion of private firms in the list is objectionable; unless sales are opened to the general public they should be confined to banks only, private firms being entirely eliminated.”

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 2nd February, 1917.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

SIR,—I have the honour to forward herewith copy of a Resolution passed at the general monthly meeting of the Chamber held on Tuesday, the 30th January, 1917, with reference to firms authorised to deal in Council Bills:—

“Resolved that this Chamber is strongly of opinion that the inclusion of private firms in the list is objectionable; unless sales are opened to the general public they should be confined to banks only, private firms being entirely eliminated.”

I have, etc.,
T. E. WELBY,
Acting Secretary.

Financial Department, Fort St. George, 6th February, 1917.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to acknowledge receipt of your Secretary's letter, dated the 2nd February, 1917, forwarding copy of a Resolution passed at the general monthly meeting of the Chamber held on the 30th January, 1917, with reference to firms authorised to deal in Council Bills.

I have, etc.,
R. S. KERSHAW,
for Chief Secretary.

Finance Department, Delhi, 12th February, 1917.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter of the 2nd February, 1917, conveying certain remarks by your Chamber on the subject of the Secretary of State's Council drawings.

I have, etc.,

A. V. V. AIYAR,

Assistant Secretary to the Government of India.

Bengal Chamber of Commerce, Calcutta, 12th February, 1917.

TO THE ACTING SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 2nd February, 1917, forwarding a resolution, adopted by your Chamber at its general monthly meeting on the 30th January, in connection with this question.

2. The Committee of this Chamber have read the resolution with interest and attention.

I have, etc.,

H. M. HAYWOOD,

Secretary.

GOVERNMENT PROMISSORY NOTES.

Financial Department, Fort St. George, 12th April, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward a copy of a letter from the Government of India, Finance Department No. 172 A, dated the 18th March, 1916, regarding alteration on the existing practice of the Public Debt office in regard to Government promissory notes held or negotiated by persons who occupy the representative capacities of executors or administrators of the estates of deceased persons and to request that this Government may be favoured with an expression of the opinion of the Chamber of Commerce, Madras, on the points raised in the Government of India letter.

I have, etc.,

R. H. COURTENAY,

for Chief Secretary.

[ENCLOSURE.]

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—the following paper :—

Letter—from the Hon'ble Mr. J. B. BRUNYATE, C.S.I., C.I.E., I.C.S., Secretary to the Government of India, Finance Department.

To—the Chief Secretary to the Government of Madras.

Dated—Simla, the 18th March, 1916.

No.—172-A.

I am directed to address you on a matter affecting the existing practice of the Public Debt office in regard to Government promissory notes held or negotiated by persons who occupy the representative capacities of executors or administrators of the estates of deceased persons.

2. It has always been customary for the Public Debt office to recognise the representative character of persons appointed as executors or holding letters of administration, and to issue Government promissory notes to them by renewal in their names by the description of their capacities as executors or administrators. Recently, however, the Government of India have been advised that the reference to administrators and executors involved in this practice amounts in terms to recognition of a trust and would thus probably contravene the provision of Section 4 of the Indian Securities Act (XIII of 1886). The correct course it is said would be for the Public Debt office to renew the notes in the names *simpliciter* of the individuals who are acting as executors or administrators, and they, so far as the Public Debt office is concerned, would then be regarded as dealing with the notes in their personal capacity.

3. It has further been pointed out to the Government of India that Section 92 of the Probate and Administration Act (V of 1881) lays down that where there are several executors or administrators, the powers of all may, in the absence of any direction to the contrary in the will or grant of letters of administration, be exercised by any one of them who has proved the will or taken out administration. This affords an illustration of the difficulties which may arise from the practice referred to, as should it be held that the recognition of representative character amounts in law, notwithstanding the provision of Section 4 of the Securities Act, to recognition of a trust the Government could not, it would seem, escape from the obligation of examining the will in order to ascertain whether a person applying as an executor for the renewal of a promissory note is the sole executor and, if not, whether he is authorised to act by himself a course which would clearly be in contravention of the provisions of the Indian Securities Act. In such a case the Government, on the assumption last suggested as to the legal position, would be placed in an altogether anomalous position as being subjected as the result of their own practice to the obligation of two statutory provisions in direct conflict with each other. It should here be mentioned that the Government received advice from one of its previous legal advisers that "the effect of Section 4 is that notice of a trust is not receivable by the Government, i.e., that no words which can be used can have the effect of giving notice to Government of a trust." While,

if this is a correct statement of the law, it will preclude any such questions as that last suggested, it definitely establishes the present practice to be irregular not only in form but in substance. The practice (following upon the original recognition of representative capacity) is to recognise, on the death of an original representative, not his representative but the representative of the person as whose executor or administrator he held, which is clearly contrary to the opinion under discussion. It has been pointed out to the Government that, in the present state of the law and in the light of the opinions above referred to, the existing practice cannot be considered free from the risks necessarily attendant upon the recognition of a right to property in persons other than those strictly entitled to it according to law.

4. On the other hand, it has been represented to the Government of India that if the practice of the Public Debt office were to be modified to conform to the view that the recognition of the representative capacity of executors or administrators is not permissible, the change of practice might react unfavourably on the popularity of Government paper. In this connection the following considerations are of importance :—

(a) The existing practice is certainly convenient in that notes held by executors and administrators in their representative capacity can always be distinguished from the private property of those persons.

(b) If the procedure which is said to be required by the law as it now stands were to be followed, then on the death of an executor who has had transferred in his name notes to which he has become entitled in his representative capacity, it will be necessary for the legal representative of the executor to take out representation to the executor's estate before the notes can be transferred to the beneficiaries to whom they really belong. If the heirs of the executors prove obstructive or dilatory in carrying out this procedure, the beneficiaries will be greatly inconvenienced. Further there is the danger in such cases that the heirs of the executors, etc., either through ignorance or with fraudulent intention might attempt to alienate the notes in their own favour.

(c) The fact that a person in whose name notes have been renewed is described as an executor or administrator amounts to a notice to the public that the note is held in a fiduciary capacity and the intending purchaser is therefore set upon an enquiry regarding the power of the executor or administrator to deal with them; and it is suggested that although the beneficiaries have the usual legal means of maintaining their rights against any fraudulent dealings by such persons, it is not improbable that if the general public were asked for an opinion the present practice would be regarded by them as affording a valuable additional protection.

(d) On the other hand, the present practice is open to the criticism that it sometimes gives rise to questions which lead to delay in the recognition of endorsements.

5. The foregoing statement of the case indicates that there are two courses open to the Government, namely (1) to abandon the existing practice of recognising the representative capacity of executors and administrators in connection with transactions in Government promissory notes; and (2) to continue this practice, the law being amended in order to make it clear that such recognition is legal notwithstanding the general prohibition against taking notice of trusts. It may, indeed, be said that legislation is advisable in any case in view of the conflicting

opinions which have been expressed by successive or different legal advisers of Government from time to time.

6. By adopting the second of the two alternative courses mentioned in the preceding paragraph the Government will render themselves liable to certain obligations such as, for example, that of scrutinising a will with reference to Section 92 of the Probate and Administration Act. They recognise that the question is one in which they must be guided to a very large extent by the wishes of those whose convenience is likely to be affected by the particular procedure adopted. I am accordingly directed to request that public opinion may be consulted on the questions stated in this letter; and that in particular the views of the Chambers of Commerce and the Presidency Banks, and perhaps also of individual representative members of the classes which chiefly invest in Government paper, may be obtained and communicated to the Government of India together with the observations of the Local Government.

7. In order to facilitate the consideration of the questions involved a note is appended stating the practice of the Public Debt office in regard to certain cognate matters affecting transactions in Government promissory notes.

[ENCLOSURE.]

NOTE.

(1) When it comes to notice that in letters of administration or probate limited powers have been granted it is the practice to issue a counterpart non-negotiable note on renewal. If the administration is not limited, a note in the ordinary form is issued. Possibly this practice also would have to be discontinued if it should be decided that the representative capacity of executors, etc., must not be recognised.

(2) The position of individuals holding certificates under the Succession Certificate Act (VII of 1889) is not identical in character with that of an executor or administrator, and the Government of India are advised that a Succession Certificate is not indicative of trust. No difficulty arises therefore in such a case and when the powers of certificate holders are not limited to drawal of interest the notes are renewed in the name *simpliciter* of the certificate holders: otherwise a counterpart non-negotiable note is issued.

(3) Guardianship is admittedly a trust and accordingly it is the practice to issue renewed notes in the names of the minor and not in that of the guardian. This practice affords the desired protection to the minors and has not given rise to any difficulty.

(4) Protection is also secured in the case of letters of administration *durante minore astat* which are granted in cases in which administration is limited to minority. In this case for the protection of the Public Debt office and the public it has been arranged that the Public Debt office should stamp notes issued in the name of or endorsed to administrators *durante minore astat* with the words "limited to minority." A person dealing with such an administrator is therefore responsible for satisfying himself that the administrator has the power to deal with the notes. In this case it is no doubt not strictly in accordance with the Indian Securities Act that the Public Debt office should recognise even to this extent the existence of a trust. (On the other hand, the practice is undoubtedly convenient to the public: it does not expose Government to any risk, and it would be possible to maintain this arrangement even if the representative capacity of executors, etc., were not otherwise recognised.)

Chamber of Commerce, Madras, 8th June, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund

SIR,—I have the honour to acknowledge receipt of your letter No. 2204 I, dated the 12th April, 1916, forwarding copy of a letter from the Government of India, Finance Department, on the subject of alteration of the existing practice of the Public Debt office in regard to Government promissory notes held or negotiated by persons who are executors or administrators of the estates of deceased persons. In reply I beg to inform you that the Chamber approves of the alteration contemplated in Section (2) of paragraph 5, namely, the legalisation of the present practice of recognising the representative capacity of executors or administrators.

I have, etc.,
GORDON FRASER,
Chairman.

THE ENHANCEMENT OF CLASSIFICATION OF CERTAIN COMMODITIES TO THE LEVEL OF GENERAL CLASSIFICATION.

M. & S. M. Ry. Co., Ltd., Madras, 1st December, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward for favour of an expression of the views of your Chamber, copies of letter No. 8863-V.-T, dated the 11th/13th October, 1916, from the Agent of this Railway and No. 688-T-16, dated the 13th November, 1916, from the Secretary, Railway Board, Simla, regarding the proposed enhancement on this Railway of the authorised goods classification of a few commodities in which the traffic at class rates is, comparatively speaking, unimportant and which would bear a higher classification without prejudice to the trade.

2. The proposal is made with the object of reducing the number of exceptions to the general classification which still exist. It may interest the Chamber to know that the Madras and Southern Mahratta Railway has already, with this object in view, agreed to adopt a lower classification for 328 commodities since the new general classification was issued, and that in the case of only 38 commodities has the classification been increased. These increases were only adopted after the consent of your Chamber was obtained, *vide* your letter, dated the 7th September, 1915.

3. I attach statements A and B showing the reductions and increases made in the past to obtain uniformity.

4. The present proposal relates to the increase of the classification of the following commodities to the level of the general classification as shown opposite each :—

Description.	Exceptional Classification over M. & S. M. Ry.	General Classification.
Bottles	... 1 R. R.	... 2 R. R. 1 O. R.
Cloves	... 2 "	... 3 " 2 "
Mattings of all kinds.	Matting	... 1 R. R. ... 2 R. R. 1 O. R.
	Bamboo	... 1 "
	Dates	... 1 "
Machinery	Country	... 1 " W-81 ... 2 R. R. 1 O. R.
	... 1 "	... 2 " 1 "
Potatoes	... 1 "	... 2 " 2 "
Spices N.O.C.	... 2 "	... 3 " 2 "
Aluminium	... 2 "	... 3 " 2 "
Bamboos W 200 B. G.	... 1 "	... 2 "
Do. W 100 M. G.		 1 O. R.

5. It will be seen that in all the above cases except in the case of bamboos, the difference is only in risk condition, and the existing exceptional rates could still be availed of by a risk note being signed.

6. It is, no doubt, known to the Chamber that where two rates are quoted, one at Railway risk and another at owner's risk, the owner's risk rate is ordinarily used, and the trade is not therefore likely to suffer by the adoption of the general classification, especially in view of the fact that risk note form B is not a protection to the Railway when a complete package is lost.

7. In the case of bamboos, it may be pointed out that bamboos are generally carried in wagon loads, when they are charged 1st class at O. R. according to the General Classification, and this Railway has also a schedule rate for the same which is lower than 1st class. There is no need, therefore, to retain the exceptional classification of 1st class at R. R. for small quantities.

8. I trust the Chamber will be pleased to support the attempt of this Railway towards greater uniformity and simplification of the goods tariff.

9. The favour of an early reply is requested.

I have, etc.,
T. E. CRICHTON,
for General Traffic Manager.

[ENCLOSURES]

Copy of letter No. 8863-V.T., dated the 11th/13th October, 1916, from the Agent, M. and S. M. Railway, to the Secretary, Railway Board, (Ordinary Branch), Simla.

Further to para. 2 (e) of my letter No. 6614-T. of the 25th September, 1916, in reply to your No. 280-T.-16 of the 31st May, 1916, I have the honour to inform the Railway Board that the Secretary, Indian Railway Conference Association, has written to say that any further representation to the Railway Board should be made direct by me.

2. I desire to explain that of the commodities mentioned in your letter No. 280-T.-16, dated the 11th March last, to the Secretary, Indian Railway Conference Association, only three appear in our exceptional list, viz., bottles, cloves and matting of all kinds, and the following are the particulars of their classification and of the traffic carried during the three months in which the traffic was heaviest:—

Description.	General Classification.	Exceptional Classification over M. and S. M. Railway.	Quantity carried for 3 months in which traffic was heaviest.	
			MDS.	RS.
Bottles	2 R. R. 1 O. R.	1 R. R.	4,179	1,362
Cloves	3 " 2 "	2 "	1,403	904
Matting of all kinds.	2 " 1 "	1 R. R.	5,634	1,239
		Matting bamboo	1 " 1 "	6,261
		" dates	1 " 1 "	1,444
		" country	1 " 1 "	

In these cases the higher classification is for Railway risk only, and if the general classification is adopted, the traffic would still be carried at the existing rates, on a risk note being signed.

3. In regard to the following commodities the enhancement of the exceptional classification to the level of the general classification was also suggested by our General Traffic Manager to the Secretary, Indian Railway Conference Association, but that officer did not include them in his proposals to the Railway Board (Annexure B to Appendix B of the proceedings of the Goods Classification Committee Meeting No. 17) for the reason that the traffic in these commodities was considerable and that it was intended to apply the enhancement only to cases where the traffic was insignificant.

Description.	General Classification.	Exceptional Classification over M. and S. M. Railway.	Quantity carried for 3 months.	
			MDS.	RS.
Machinery	2 R.R. 1 O.R.	1 R.R. W-81.	10,602	3,236
Potatoes	2 " 1 "	1 " "	66,216	12,567
Spices N.O.C.	3 " 2 "	2 " "	1,896	903
Aluminium	3 " 2 "	2 " "	1,629	928

The traffic in these commodities is no doubt somewhat large, but the difference in rates is only in risk conditions, and the existing exceptional rates could still be availed of by a risk note being signed. It is the experience of this Railway that where two rates are quoted, one

at railway risk and another at owner's risk, the owner's risk rate is ordinarily used, and the trade is not, therefore, likely to suffer by the adoption of the general classification, especially in view of the fact that the risk note form B is no protection to the Railway when a complete package is lost.

(a) With regard to potatoes, Schedule O rate is applicable when consigned at owner's risk over this Railway, and it is lower than the 1st class rate, when booked for distances over 200 miles. For 200 miles and less, the Schedule O and the 1st class rate are equal, and this accounts for the somewhat large quantity, i.e., 66,216 maunds being carried at 1 R. R. Perishables are not ordinarily carried at Railway risk, and the removal of the exceptional classification will not, therefore, affect the trade.

4. It was also represented to the Secretary, Indian Railway Conference Association, that bamboos should be removed from the exceptional list. The general classification for bamboos is 2 R. R. and our exceptional classification is 1 R. R. The quantity carried at 1st class rate during three months in which the traffic was heaviest was 4,981 maunds. Bamboos are generally carried in wagon loads, and this Railway has a schedule rate for the same, lower than 1st class. There is no need, therefore, for retaining the exceptional classification of 1st class for small quantities.

5. In the circumstances explained above, I request the sanction of the Railway Board to the enhancement of the rates over this Railway to the level of the general classification for the following commodities:—

Bottles, cloves, matting of all kinds.
Machinery, potatoes, spices N.O.C.
Aluminium and bamboos.

Letter No. 688, T.-16, dated the 13th November, 1916, from the Secretary, Railway Board, Simla, to the Agent, M. and S. M. Railway.

With reference to your letter No. 8863-V.T., dated the 11th/13th October, 1916, asking for Railway Board's sanction to the enhancement over the Madras and Southern Mahratta Railway of the classification of certain commodities to the level of the general classification, I am directed to say that the Railway Board will be glad to know whether the Chambers of Commerce and other commercial bodies interested in the articles concerned have been consulted in connection with the proposed enhancements and to be favoured with their views on the subject.

Chamber of Commerce, Madras, 21st December, 1916.

TO THE GENERAL TRAFFIC MANAGER, M. & S. M. RY. CO., LD.
Madras.

SIR,—I beg to acknowledge receipt of your letter No. R. G. 138 05, dated the 1st December, 1916, forwarding copies of correspondence with the Railway Board, Calcutta, on the subject of the enhancement of the classification of certain commodities to

the level of general classification. In reply the Chamber supports the proposal submitted by you to the Railway Board with a view to securing greater uniformity and simplification of goods tariff.

I have, etc.,
T. E. WELBY,
Acting Secretary.

M. & S. M. R. Co., Ltd., Madras, 26th January, 1917.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to thank you for your letter, dated the 21st December, 1916.

I have, etc.,
T. E. CRICHTON,
for General Traffic Manager.

SCARCITY OF WAGONS.

Chamber of Commerce, Madras, 5th September, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to enclose copy of a letter which this Chamber has addressed to the Railway Board, Simla, on the subject of "wagon shortage." This Chamber hopes that the Government will see their way to support the application of the Railway for financial means of carrying out the programme next year.

I have, etc.,
GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 5th September, 1916.

TO THE SECRETARY, RAILWAY BOARD,
Simla.

SIR,—I have the honour to state that this Chamber has received a large number of complaints of "wagon shortage" on the Madras and Southern Mahratta line, more especially from the northern part of the east coast of this Presidency. Enquiry has

shown that it is less a question of shortage of rolling stock than of traffic facilities. The Chamber is satisfied that the authorities of the Railway are using their best endeavours to overcome the very serious difficulties, and with a considerable measure of success of late, but it is also convinced that it is only by the early adoption of the programme of works contemplated by the Madras and Southern Mahratta Railway that those obstacles can be fully surmounted. Every week that that programme, which provides for a number of new crossing stations and for better loading or unloading facilities, is delayed means substantial loss and inconvenience to traders in the north-east coast region.

I am to request, therefore, that early and favourable consideration may be given to the application of the Railway for the financial means of carrying out the programme next year.

I have, etc.,
GORDON FRASER,
Chairman.

Railway Board, Simla, 26th September, 1916

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 5th September, 1916, in which you request that favourable consideration may be given to the application of the Madras and Southern Mahratta Railway for the financial means of carrying out their programme of works next year, and in reply to say that the Railway Board propose to discuss next month with the Agent, Madras and Southern Mahratta Railway, the question of provision of funds for capital outlay on the line and that the views expressed by the Chamber will be borne in mind.

I have, etc.,
S. TOMKINS,
for Secretary.

Public Works Department, Madras, 16th October, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter, dated the 5th September, 1916, addressed to the Chief Secretary to the Government of Madras on the subject of wagon shortage on the north-east line of the Madras and Southern Mahratta Railway, I am directed

to inform you that the Government understand that the works required at present to relieve the congestion of traffic on the line are already being taken in hand and the Railway Board has allotted funds for those works.

I have, etc.,
W. G. MOLESWORTH,
for Joint Secretary to Government.

CONGESTION OF TRAFFIC ON RAILWAYS.

Public Works Department, Madras, 18th July, 1916.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward herewith a copy of a letter from the Railway Board No. 374 T., dated the 28th June, 1916, regarding the remedies proposed to be adopted for removing congestion of traffic during the busy season and to request that this Government may be favoured with the views of the Chamber on the proposals made therein. I am to request that the reply to this reference may be sent not later than the 10th August, 1916.

I have, etc.,
W. G. MOLESWORTH,
for Joint Secretary to Government.

[ENCLOSURE.]

Copy of letter from the Secretary, Railway Board, Simla, No. 374 T., dated the 28th June, 1916.

I am directed to state, for the information of H. E. the Governor in Council that, in view of the serious congestion of Railway traffic that arose last year and is likely to be repeated in a more intense form during the coming busy traffic season, it has been decided to hold a Conference between the representatives of the commercial interests principally affected and the Government of India to discuss the remedies which may most suitably be applied. The subjects for discussion which have been suggested are the following :—

(1) The possibility of increasing consignments of coal and manganese and perhaps other commodities during the slack season and of building up stocks against the time when there might be a great pressure of traffic. Railways have already arranged to take this action in respect of their stocks of coal, but private consumers if asked to follow the

example of the Railways, will no doubt raise questions regarding the output of mines during the monsoon and possible deterioration of stocks.

(2) The possibility of Railways encouraging traffic during the slack season by concessions in rates by way of rebate or otherwise. This is a question on which the views of Railway administrations will carry the greatest weight and their views are being obtained and will, it is hoped, be to hand before the Conference meets.

2. The two foregoing suggestions are matters on which, in the opinion of the Government of India, it is not necessary specifically to invite the opinion or suggestions of the Government of Madras but are merely mentioned, in order to explain the general trend of the action proposed and the scope of the Conference. A third suggestion relates to the possibility, should the necessity arise, of giving preference to certain classes of goods during the period of pressure. The Government of India would be glad to receive the views of the Government of Madras on this suggestion. It is necessary to ascertain in the first place what commodities can be carried during the slack season without a degree of loss or inconvenience to the interests concerned greater than the circumstances warrant. There are certain articles such as stone, timber, ores, etc., which can equally well be carried at any time. Coal, on the other hand, is liable to deterioration, but consignees may reasonably be called upon to submit to this in view of the necessities of the case. There are, it is true, many commodities, such as cotton, jute, seeds, etc., which must be mostly carried, in the busy season. It is, however, possible that they might be handled in the slack season to a greater extent than at present, for instance, it is not uncommon to see a considerable portion of the stocks of one year held during the intervening slack season and moved with the opening of the next busy season.

3. Although the Government of India do not expect that it will prove possible to effect a general classification of all classes of goods in degrees of relative urgency, they think that certain classes of goods may be found capable of being dealt with in the slack season. It could then be laid down that in case serious congestion should arise, preference will be given to commodities which must be carried in the busy season; and that consignees who fail to offer for despatch other commodities in the slack season run a serious risk of their consignments being hung up during the ensuing busy season.

4. I am to request that, with the permission of H. E. the Governor in Council, the matter may be discussed with the local interests chiefly concerned and the Government of India favoured, at an early date, with the views of Madras Government on the subject. I am to explain that a preliminary discussion will be held in July at which the Hon'ble Member in charge of the Department of Commerce and Industry will preside, between a representative of the Railway Board and commercial representatives from Calcutta and elsewhere, at which, it is hoped, it may be possible to arrive at some decision in respect of the first two points noted above and to obtain the approval of commercial representatives to the principle of the third proposal. There will, however, be no necessity to bring it into practical operation before the ensuing busy season, and it is at present intended to discuss the matter, should any further consultation with commercial interests prove necessary, during the ensuing Legislative session in September next at Simla. I am to request, therefore, that the views of the Government of Madras may be communicated to the Government of India by the 1st of September, 1916.

Chamber of Commerce, Madras, 2nd August, 1916.

TO THE SECRETARY TO GOVERNMENT, P. W. D.,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter No. 668, dated the 18th July, 1916, forwarding copy of a letter from the Railway Board, dated the 28th June, 1916, with reference to the remedies proposed to be adopted for removing congestion on traffic during the busy season. In reply I beg to inform you that a representative of the Chamber is attending the Railway Conference now being held at Calcutta and that all firms interested will do their best to get through as much traffic in imperishable articles during the slack season as possible.

It is not easy to suggest to which particular classes of goods preference should be given, as in times of pressure all are urgently required (such as coal, cotton, stores, produce of all kinds, etc.). It is difficult to point to any particular traffic which might without loss be held up.

I have, etc.,
GORDON FRASER,
Chairman.

Board of Revenue, Madras, 4th August, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward for your information copy of letter from the Government of India, Railway Department, No. 374-T., dated the 28th June, 1916, received with the Government endorsement No. 583 A-16-1, Revenue, dated the 27th July, 1916, and to request that with reference to paragraph 2 thereof, you will be so good as to favour the Board with the views of your Chamber on the possibility of giving preference in the matter of Railway traffic to certain classes of goods of rail borne trade during the period of pressure. The Board will be glad to receive your Chamber's opinion not later than the 15th August.

I have, etc.,
T. RAGHAVIAH,
Secretary.

Chamber of Commerce, Madras, 23rd August, 1916.

TO THE SECRETARY, BOARD OF REVENUE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter No. 1623, dated the 19th August, requesting that the Board may

be favoured with an expression of the Chamber's opinion on the question of giving preference in the matter of railway traffic to certain classes of goods of rail-borne trade during the period of pressure. In reply I beg to enclose a copy of this Chamber's letter to the Secretary to the Government of Madras, Public Works Department, on the above subject.

The Chamber regrets that your letter No. 1455 of the 1st instant with enclosures remained unanswered which was due to the belief that the reference came from the same department of the Government of Madras.

I have, etc.,
T. E. WELBY,
Acting Secretary.

CONFERENCE OF THE RAILWAY BOARD.

Railway Board, Simla, 6th May, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward herewith a copy of a *communiqué* which the Railway Board have recently issued to the Press on the subject of the congestion of traffic on Indian railways. You will notice that the Railway Board have drawn attention to the desirability of conveying as large a volume of coal and other mineral traffic as possible during the months June to October, and that they have also suggested the advisability of convening a Conference to discuss the best means of effecting this result by the co-operation of all concerned and the further question of the machinery, which may best be introduced, should it prove necessary during the course of next winter to give preference to any particular classes of traffic owing to the inability of railways to carry all that is offered.

I am to say that the Railway Board trust that in the meanwhile members of the Chamber will individually use their endeavours to tender for transit as large a volume of traffic as possible during the slack season. I am also to say that the Railway Board would value an expression of opinion from your Chamber on the desirability of holding the proposed Conference, and if the Chamber so desire, on the matters which it is proposed that the Conference should discuss.

I have, etc.,
A. T. STOWELL,
Assistant Secretary.

[ENCLOSURE.]

GOVERNMENT OF INDIA,

RAILWAY DEPARTMENT.

Press Communiqué.

During the past four months Indian railways have suffered from congestion owing to the transfer of traffic from sea to railway. They have been called upon to handle an unprecedented volume of traffic, particularly of long distance coal traffic, and have done so if not to the satisfaction of all concerned, at any rate with such a measure of success as has prevented any serious breakdown of business through failure to supply coal to mills, workshops and industries generally. The monsoon period is now in sight which may be expected to prove, as is usual, a period of comparative slackness, and an immediate improvement in the position may, therefore, be anticipated.

It must be recognised, however, that in the winter of 1916-17, if the war should last so long or if the difficulty of obtaining shipping for coastwise trade persists after the restoration of peace, there is a serious possibility that the handling of a still greater volume of business may present a still more difficult problem to Railway administrations. Everything possible is being done by providing additional facilities to increase the capacity of railways on the routes affected, but it must be remembered that the restrictions imposed by the practical impossibility of obtaining manufactured material from abroad prevent any hope of any considerable relief in the immediate future. In these circumstances the Railway Board have been considering the advisability of convening a Conference at which all commercial interests should be represented to consider what means can be devised in advance for dealing with such a situation.

In a letter which the Agent, East Indian Railway, has addressed to the Chambers of Commerce, it has been suggested that the better distribution of traffic over the year would bring about a considerable alleviation of the difficulty of dealing with the cold weather traffic. The seasonal variation of traffic over the railways principally affected, i.e., the East Indian, Bengal Nappur and Great Indian Peninsula Railways, is shown by the following figures of monthly total goods earnings for the previous three years:—

For the month of	1913.	1914.	1915.
	Rs. (in lakhs.)	Rs. (in lakhs.)	Rs. (in lakhs.)
January	154.54	160.89	154.14
February	138.96	145.01	155.11
March	146.03	165.26	159.57
April	152.56	155.20	153.04
May	146.33	145.48	155.03
June	112.52	123.66	115.47
July	112.46	106.89	111.27
August	101.32	97.09	109.98
September	120.65	93.00	124.00
October	123.78	108.00	127.71
November	133.61	122.07	138.90
December	151.36	138.85	168.81

It will be seen that the months of June to October are months of comparatively low traffic. The greater, therefore, the volume of coal and other minerals which can be carried during these months the greater will be the relief in the busy winter season. The best means of effecting this result by the co-operation of all concerned is a matter which might well be discussed at the proposed Conference.

It may prove, however, that whatever has been done in this direction has been inadequate to prevent congestion in the busy months, and the increased volume of traffic to be dealt with next winter may render it essential for the railway administrations to decide to what traffic preference is to be given if the minimum of economic loss is to result. If adequate arrangements are to be made in advance for considering and deciding upon this question of preference, it seems most desirable to concert them now in order that when the time comes, if it comes at all, the machinery for dealing with the situation may be available. The consideration of the matter at a Conference such as is proposed appears to offer the best means of reaching a decision which will be in the best interests of the Empire while taking account of all the individual interests concerned.

Chamber of Commerce, Madras, 8th June, 1916.

TO THE ASSISTANT SECRETARY, RAILWAY BOARD,

Simla.

SIR,—I have the honour to acknowledge receipt of your letter No. 374 T-16, dated the 6th May, 1916, forwarding Press communiqué issued by the Railway Department of the Government of India, with reference to the congestion of traffic on railways, and am directed by the Chamber to inform you that it considers the holding of the Conference desirable and will send a delegate to represent the Chamber at the sitting of the Conference.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Railway Board, Simla, 8th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,

Madras.

SIR,—With reference to your reply to Railway Board's letter No. 374 T-16, dated the 6th May, 1916, I am directed to say that the Government of India have now decided to invite representatives of your Chamber to a Conference to be held in Calcutta at 11 o'clock on the 26th of this month to discuss what measures should be taken in order, if possible, to avoid congestion on railways during the forthcoming cold weather or, if this proves impossible, to minimise the inconveniences caused thereby.

2. I am to add that the place of meeting will be intimated to you as soon as it has been decided and that a copy of the agenda will be forwarded for the information of the representatives whom your Chamber may decide to send. I am also to enquire how many representatives of your Chamber are likely to attend the proposed Conference.

I have, etc.,

R. D. YOUNG,
for Secretary.

Railway Board, Simla, 13th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—In continuation of Railway Board's letter No. 374 T-16, dated the 8th July, 1916, I am directed to forward for information a copy of the agenda of the Conference on congestion to be held at Calcutta on the 26th July, 1916.

2. I am to request that if it should appear to your Chamber desirable that any addition should be made to the agenda the proposed addition may be communicated to the Railway Board at Simla, up to the 19th or to the President, Railway Board, Bengal Club, Calcutta, thereafter.

I have, etc.,

A. T. STOWELL,
Assistant Secretary.

[ENCLOSURE.]

Agenda of Conference on congestion to be held at Calcutta at 11 A. M. on the 26th July, 1916.

I.—Methods of avoiding congestion.

1. What measures can be adopted in order to prevent the occurrence of congestion during the next busy season? Endeavours are already being made to increase the quantity of coal transported during the slack season, that is during the period up to the end of November next. In this connection—

(a) What quantity of coal are railways in a position to carry during the slack season?

(b) What quantity of coal are collieries in a position to tender for transport during the slack season?

2. Having decided what quantity of coal it is possible to transport as limited by (a) or (b) the question arises whether the demand for coal during the slack season is likely to exceed the available supply at different centres. If so, is it necessary to make any arrangements for according preference to particular consumers, and what should these

arrangements be? If the demand falls short of the quantity available as limited by (a) and (b), is it possible to increase the demand, and how?

3. It has been suggested that the arrangements made for increasing deliveries of coal during the slack season may profitably be applied in the case of other commodities of a non-perishable nature carried by railways in considerable quantities. To what commodities should the arrangements be extended, and what machinery, if any, is desirable in this connection?

4. A proposal has been made that, in order to encourage the increase of traffic during the slack season, railways should make some reduction in the ordinary rates or defer payment of freight charges during this period. Is this necessary and, if so, in respect of what commodities and to what extent?

II—Methods of dealing with congestion if it arises.

During the congestion which occurred in the first-half of the current year, preference was given to war requirements and to coal for the public. The former must continue to be recognised as of first importance. As regards the latter and other commodities for the public, is it possible to devise machinery, say, by the formation of local committees at important centres to assist and advise railways in deciding on a measure of preference? If so, is it desirable to lay down any general principles for the guidance of such committees? For example, is it possible to classify certain kinds of traffic as—

(a) of Imperial importance,

(b) of local importance,

and to accord preference accordingly?

Chamber of Commerce, Madras, 20th July, 1916.

TO THE PRESIDENT, RAILWAY BOARD, BENGAL CLUB,
Calcutta.

SIR,—I beg to acknowledge receipt of your letter No. 374 T-16 of the 8th instant, inviting the Chamber to send its representative to a Conference at Calcutta on the 26th idem, and in reply, I beg to inform you that Mr. H. P. M. Rae has been elected to represent the Chamber if he can arrange to get away.

I have, etc.,

GORDON FRASER,

Chairman.

Chamber of Commerce, Madras, 20th July, 1916.

TO H. P. M. RAE, Esq.,

Madras.

SIR,—I beg to inform you that the Chamber has nominated you as its representative to attend the Railway Conference on congestion to be held at Calcutta, on the 26th instant, and hopes

you will be so good as to accept the position if business circumstances permit of your doing so. I enclose a copy of the agenda of the Conference.

I have, etc.,

T. E. WELBY,

Acting Secretary.

MANAGEMENT OF RAILWAYS

Railway Board, Simla, 27th June, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,

Mulras.

SIR,—You are, no doubt, aware that the question of the comparative advantages of the management of railways in India by companies and directly by the State has recently attracted much attention. It has twice in the last two years been discussed in the Imperial Legislative Council, and it has frequently been considered in the public Press. In the second debate in the Legislative Council the Hon'ble Member in charge of the Railway Department said that the Railway Board were carrying out a departmental investigation of the question. This investigation has been completed. It has been mainly directed to an examination into the value of statistics, but, owing to the widely divergent conditions which prevail on the different systems of railways in this country, the Railway Board have been forced to the conclusion that it is impossible to base any definite finding upon statistical results. They have decided, therefore, to pursue the matter by an enquiry into the practical side of railway working founded upon everyday experience of those commercially interested in railways in order to determine whether State or Company-managed lines have rendered the better service to the public, and they will be glad to be favoured with replies by your Chamber Association to the following questions:—

(1) What particular railway or railways do your members most frequently have dealings with?

(2) If with both State and Company-managed lines, does the experience of your Chamber Association lead to the belief that the public are better served by one than by the other in—

- (a) promptitude of despatch and delivery,
- (b) in rates,
- (c) in the manner of dealing with complaints,
- (d) in the care and handling of goods,
- (e) in the matter of passenger traffic?

(3) If dealings are with one system of railway only, have you complaints to make under any of the sub-heads to the question (2)?

2. I am at the same time to enclose a short note in which the Railway Board have attempted to bring together the main arguments which have been put forward on the general question. It is thought well that you should have a statement of this kind before you, but it is not the intention that you should necessarily discuss it in your reply. Your Chamber Association may prefer to confine their observations to those aspects of the case of which they have direct experience or special knowledge. The Board desire, therefore, to make it plain that they do not ask for more than replies to the specific questions set out at the end of the first paragraph of this letter, but they will, of course, welcome any remarks your Chamber Association may wish to make on the more general considerations involved in the case.

3. I am to add that this question of general policy with regard to the management of railways is of immediate interest in connection with the East Indian Railway contract which is terminable in the near future (if you think* that any special considerations apply to this case I am to ask you to state them) and, since the time that is left before the expiry of the contract is not too long for a settlement of the numerous points that will arise, the Board will be greatly obliged if they are favoured with an early reply to this reference.

I have, etc.,

T. RYAN,

Secretary, Railway Board.

[ENCLOSURE.]

Enclosure to Railway Board's letter No. 188—F. 16, dated the 27th June, 1916.

NOTE.

The case for State-management, or, in countries where railways are at present private property, for nationalisation, may briefly be stated as follows. It is represented that the results of railway history all over the world are in favour of the State taking a larger share in the administration of railways. It is, perhaps, alleged, though this does not appear to be a point on which stress is laid, that State-management is more efficient or economical than management by private companies. And it is certainly urged that State-management achieves objects which it is not reasonable to expect from private enterprise.

2. The criticisms that have been brought against this view are, first, as regards the appeal to experience that, as a matter of fact, by much the greater part of the railway mileage of the world is still held by companies, and further that the existence of State-management or ownership in other countries could be relied on as an argument only if it had been adopted as justified on its merits, whereas the fact is that the adoption of a State system has seldom been the result of a definite policy; precisely as happened in India so in the great majority of cases elsewhere the system has been largely moulded by financial necessities. Secondly, as regards efficiency, it is said that this necessarily varies, and good and bad examples of working can be quoted under both systems but that a general survey affords no ground for holding that a State system has the advantage. It is added as a definite disadvantage of a State system that its working is liable to be affected in many ways by political influence, and experience shows that the consequences may be very serious.

3. The main point, however, is one of principle—what should be the objects of railway administrations and how are these best attained. The opposing views on this point are, first, that railway should be administered as part of the machinery for the general development of a country whether this is remunerative from the point of view of the railway account or not, that this task clearly cannot be demanded from private enterprise which must have an eye to profits and that consequently railways fall of necessity within the domain of State industries. On the other hand, it is urged against this view that it is based on the assumption that railway profits are vicious and are secured only at the expense of the general public; that this assumption is incorrect and that there is not in fact an antagonism between the commercial principle of railway working and the general interests of a country; that, however, frequently it may be overlooked the fact remains that there is a definite and strong community of interest between railways and trade, neither of which can prosper without the other; that consequently railways will do what they can to foster trade by all means which, either immediately or in their ultimate result, they can make remunerative to themselves; that concessions in rates which will not even in the long run prove remunerative amount to a subsidy; that subventions in this form are open to obvious objections, and that they are certain to affect very seriously the revenue from railways. Doubts are expressed further whether in the working of rates for the development of its country State would be as efficient as private companies and experience is said to show that State control invariably produces a rigidity in the rate system which interferes with the attainment of the maximum economic advantage to be derived from the interchange of commodities and prevents the full development of trade which is secured by the freer and more elastic treatment of rates by independent railway administrations.

4. In India the system which has grown up is a composite one; the great majority of the railways are owned by the State, but all except three of these State lines are managed by companies, who have a small share—about a tenth—in the properties they administer. In the railway history of India there are three main periods. To begin with, as was natural, since they were the creation of an English Government, private enterprise was favoured for the construction and administration of railways. It was found, however, that private enterprise stood in need of Government assistance and this led to the formation of guaranteed companies. The particular system adopted was found to be defective, and for a time State agency exclusively was favoured; this was the

second stage. The transition to the third stage was a slow one; it occupied the years from 1879 to 1892 during which two committees of the House of Commons, in 1879 and 1884, considered the subject and a very large volume of correspondence passed between the Secretary of State and the Government of India. The final conclusion, however, was that there is room both for State agency and for companies, and generally, though there have been examples both of companies' lines being taken over by Government and of State lines being leased to companies, and each case has been treated on its merits and with due regard to the circumstances of the time, the preference has been for company-management. The Mackay Committee said in 1907, "the consistent policy of the Government of India for many years has been to arrange for the railways in India, while remaining State property, to be leased to companies which work them on behalf of Government on a profit-sharing basis. There is no disposition on the part of Government to depart from this policy which has worked satisfactorily", and the Government of India at that time accepted their views. The question now is whether a change of policy is desirable.

5. The company system as it exists in India has been criticised from two points of view. On the one hand, it is said that the companies have so limited an interest both in respect of the amount of their capital and of the period for which the railways are entrusted to them, that the real benefits of private enterprise are not obtained from their employment in railway administration. This argument, however, is defective, since if there is an advantage in private enterprise the remedy would be not to abolish the companies but to increase their stake in the business, and it is seldom advanced.

6. The more common criticism is that the control of Government over the companies in spite of its preponderating share in the property is inadequate, and that this defect is accentuated by the fact that the Boards of these companies are in London.

7. The reply of those who support the company system is first that some misapprehension appears to exist on the subject of Government control, the provisions for which as contained in the various contracts with companies appear to them ample. (An extract from the Railway Board's Administration Report for 1914-15 summarising these provisions is attached for reference.) Secondly, they say, it does not follow that because Government own by far the larger share, they should retain in their own hands the direct management of railways. There appears, it is added, to be no opposition to branch line companies in this country, though these are private concerns, owning and in some cases managing railways, and the objection taken to the administration by companies of the trunk lines of the country may be due, therefore, not so much to a dislike of the principle of private enterprise as to their English domicile. If so, however, the opposition to main line companies seems to exalt into a governing factor what is a secondary, though, no doubt, a very important, consideration. Finally, the feature of the existing system to which objection is taken may prove to be temporary. In the past, that is to say, the Boards of companies have necessarily been located in London because practically the whole of the capital of these companies was held in England, but it is urged by those who favour company management that a change in these conditions will gradually be brought about through a greater proportion of capital being held in this country. If so, the objection will be met by a natural process in the course of time, and it would be a mistake, if private enterprise is on other grounds to be preferred, to bring all lines under the direct management of the State in order to remove it.

8. In addition upholders of the existing system claim that it has positive advantages. They say that the present allocation of different parts of the Indian system of railways to semi-independent administrations produces a healthy competition and spirit of emulation which would be lost if all were brought under State-management. They claim that the financial burden of maintaining and extending the whole railway system of India is clearly too great for the Government to bear alone; that the main line companies can give material financial assistance, and that if Government were to buy them out, it would not change the proportion of State and private contributions to the railway property of the country; the State, while increasing its holding in the main lines, would have less to invest in extensions, and the result would be merely to shift the field of private enterprise.

9. Finally, they say that very much the same considerations apply in the matter of administration as of finance. A policy of State-management for all the railways in India would inevitably tend to centralisation; in this respect again the Government would be overburdened, and it would be well advised according to this view to be content as at present with a general control and for the direct management of railway affairs to retain the services of the companies.

*Extract from the Administration Report on the Railways in India
for the year 1914-1915.*

The administrative control exercised by the Government over the companies is as follows:—

The Company is bound to keep the line in good repair, in good working condition, and fully supplied with rolling-stock, plant, and machinery; to keep the rolling-stock in good repair and in good working condition; and to maintain a sufficient staff for the purposes of the line;—all to the satisfaction of the Secretary of State.

The Secretary of State may require the Company to carry out any alteration or improvement in the line, or in the working, that he may think necessary for the safety of the public or for the effectual working of the line.

The Secretary of State may require the Company to enter into agreements, on reasonable terms and conditions, with the administrations of adjoining railways for the exercise of running powers, for the supply to one another of surplus rolling-stock, for the interchange of traffic and rolling-stock and the settlement of through rates, and for additions and alterations to or the redistribution of existing accommodation in junctions or other stations in view to their convenient mutual use.

The train service is to be such as the Secretary of State may require.

In order to secure a general control over the rates quoted by companies the Secretary of State has retained power to settle the classification of goods and to authorise maximum and minimum rates within which the companies shall be entitled to charge the public for the conveyance of passengers and goods of each class.

The Company has to keep such accounts as the Secretary of State may require, and these are subject to audit by the Secretary of State.

In all other matters relating to the line, the Company is made subject to the supervision and control of the Secretary of State, who may appoint such persons as he may think proper for the purpose of inspecting the line, auditing the accounts, or otherwise exercising the power of supervision and control reserved to him. In particular the Secretary of State has the right to appoint a Government Director to the Board of the Company, with a power of veto on all proceedings of the Board. All the moneys received by the Company in respect of the undertaking, whether on capital or revenue account, have to be paid over to the Secretary of State.

All expenditure by the Company has to be stated and submitted for the sanction of the Secretary of State.

Chamber of Commerce, Madras, 11th August, 1916.

TO THE SECRETARY, RAILWAY BOARD,
Simla.

SIR,—I have the honour to acknowledge receipt of your letter of the 27th June on the subject of the relative merits of State or Company management for railways in India, and to inform you that your letter was duly considered at a meeting of the Chamber held on the 25th ultimo.

In your letter you placed before us various questions to which we reply as follows:—

1. The railways that the members of the Chamber most frequently have dealings with are the Madras and Southern Mahratta Railway and the South Indian Railway.

2. Both railways are Company-managed lines.

You further ask whether in the case of our dealings being with one system of railways only, are any complaints forthcoming under the following sub-heads:—

- A. Promptitude of despatch and delivery.
- B. In rates.
- C. In the manner of dealing with complaints.
- D. In the care and handling of goods.
- E. In the matter of passenger traffic.

Complaints are certainly made under these five heads, but such complaints are general to most railways in India. Considering the facilities at their disposal the Chamber is of opinion that the companies responsible for the management of the two lines mentioned above do the best they can under the circumstances. It would be idle, however, to contend that in this Presidency we

are satisfied with the present railway arrangements, and the Chamber would advocate a broader and more liberal policy on the part of the Government of India in regard to same.

The enquiry you put before us, however, concerns mainly the relative merits of management by State or Company, and in regard to this the following resolution was adopted by the Chamber:—

“Resolved that this Chamber is of opinion that a strong case can be made out for both systems of management, but that on the whole the Chamber would prefer Company management provided that measures were taken to bring into more effective operations the powers of administrative control possessed by the Government.”

I have, etc.
GORDON FRASER,
Chairman.

Railway Board, Simla, 18th August, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 11th August, 1916, communicating the views of the Chamber on the question of State *versus* Company management of Indian railways which will be fully considered in due course.

I have, etc.,
W. KING,
for Secretary.

HALL MARKING OF GOLD AND SILVER PLATES IN INDIA.

Financial Department, Madras, 11th November, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter of the 5th December, 1914, on the subject of the introduction of a system of hall-marking of gold and silver plate in India, I am directed to inform you that the Government of India, after careful examination of the views expressed in the matter, find that it is almost unanimously admitted that a compulsory system of hall-marking could not be established, while there is a large amount of opposition to the

introduction even of a voluntary system. They are of opinion that the establishment of a hall-marking system should be left to unofficial initiative and that the more considerable firms of goldsmiths or silver-smiths are themselves in a position to protect their wares by their own marks and to establish them in popular confidence by the superior quality of their materials. The Government of India, therefore, are unable to accept the proposals made by the Bombay Presidency Trades Association, and they have decided not to proceed further in the matter.

I have, etc.,
L. E. KERSHAW,
Assistant Secretary.

THE EXPORT OF JAGGERY FROM MADRAS PRESIDENCY TO CEYLON.

Madras, 21st November, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—We enclose herewith copy of a letter we have addressed to the Government of India on the subject of the export of jaggery from this Presidency to Ceylon.

The matter is of considerable importance to the sugar industry of Southern India, and we, therefore, request the Chamber will be good enough to address the Government of India in support of our application.

We have, etc.,
PARRY & Co.,
Managing Agents.
E. I. D. and S. F. and D. S. and A. Co., Ltd.

[ENCLOSURE.]

Madras, 20th November, 1916.

TO THE SECRETARY TO GOVERNMENT, COMMERCE AND INDUSTRY,
Delhi.

THROUGH THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

SIR,—We have the honour to request that Government will be good enough to take steps to prevent the exportation of jaggery from the Madras Presidency to Ceylon.

The companies we represent are largely interested in refining jaggery and for this purpose have erected three well-equipped and up-to-date sugar refineries in this Presidency.

With the exception of some two or three months, during which sugarcane is crushed at the principal factory, all three refineries are dependent for their raw material upon supplies of jaggery.

These supplies are quite inadequate to keep the three factories fully occupied, and nearly every year the two smaller stand idle for about six months.

Whenever possible supplies of local raw material are supplemented by purchases of raw sugars from Java, Mauritius and Manila, but the point we wish to emphasise particularly is that the available supplies of local jaggery are quite inadequate for the needs of the refineries already in existence.

That such is the case is further emphasised by the very large imports of foreign sugar into the Presidency, which, during the past three years ending the 31st March, have been approximately as follows :—

1913-14	...	...	...	tons	28,132
1914-15	...	...	...	"	19,968
1915-16	...	...	...	"	18,659

A large company has recently been started in Ceylon ostensibly with the intention of manufacturing sugar from the juice and jaggery of the local palmyrah and cocoanut trees. Supplies of such material having apparently been considerably over-estimated, attention has been turned to the jaggery markets of Southern India, and purchases of over 5,000 tons were made last season for export to Ceylon.

The result to the sugar industry in Southern India is two-fold, as not only has it been deprived of this large quantity of local material but owing to competition, prices of jaggery have risen to an alarming extent.

That purchases of Indian jaggery by Ceylon are possible is accounted for by the high import duty on sugar into Ceylon of Rs. 3 per cwt. The Ceylon refiner is thus protected to this extent against competition and can, therefore, afford to pay more for jaggery than can his competitors in India.

From a refining point of view the relative value of jaggery to sugar is approximately 60 to 100 and, after paying the import duty into Ceylon of As. 12 per cwt., the extra price the Ceylon refiner is able to pay for jaggery is, therefore, about Re. 1-1 per cwt., or say Rs. 21-4 per ton.

The following figures illustrate the position :—

The duty into Ceylon on 60 cwts. of sugar (the produce of 100 cwts. of jaggery) is Rs. 180.

If, however, the jaggery is imported and refined in Ceylon, the duty amounts to only Rs. 75 (100 candies of jaggery at As. 12 per cwt.)

It cannot, we submit, be the intention of Government that one part of the Empire should enjoy preferential treatment at the expense of another, and we, therefore, request that early steps may be taken to protect the sugar industry of Southern India from the unfair competition detailed above, either by the imposition of a suitable export duty on jaggery or otherwise as Government may think fit.

We have, etc.,
 PARRY & Co.,
Managing Agents,
E. I. D. and S. F. and D. S. and A. Co., Ltd.

Chamber of Commerce, Madras, 8th December, 1916.

TO THE SECRETARY TO GOVT., COMMERCE AND INDUSTRY,
Delhi.

SIR,—It has been brought to the notice of this Chamber that, owing to the high import duty in force in Ceylon on sugar, the Ceylon sugar refiner is able to pay a higher price for his raw material than can his competitor in India, with the result that large quantities of jaggery have been diverted from India to Ceylon.

The Chamber is given to understand that the supply of jaggery available in the Madras Presidency is, at all times, insufficient to meet the requirements of the local sugar refiners, who, in addition to this, now find themselves called upon to face unfair competition for their natural supplies.

This Chamber is strongly of opinion that the above mentioned conditions constitute an injustice to the sugar refining industry of Southern India, and trust that Government will take such steps as may be necessary to place matters on a fair basis.

With this end in view this Chamber suggests such export tax as will place the Ceylon refiner on a level with his competitor in India.

I have, etc.,
 GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 8th December, 1916.

TO THE SECRETARY TO GOVERNMENT,
Madras.

SIR,—I have the honour to enclose herewith a letter to the Government of India, Department of Commerce and Industry, on the subject of the export of jaggery to Ceylon and to request you will be good enough to forward it to the Government of India with such remarks as the Government of Madras may deem fit to make.

I have, etc.,
 GORDON FRASER,
Chairman.

176 ADVERTISEMENTS BY ADMINISTRATOR-GENERAL.

Financial Department (Sep. Rev.), Madras, 11th December, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter, dated the 8th December, 1916, on the subject of the export of jaggery to Ceylon which will receive due attention.

I have, etc.,
R. H. COURTENAY,
for *Chief Secretary.*

ADVERTISEMENTS PUBLISHED BY THE
ADMINISTRATOR-GENERAL.

Administrator-General's Office, High Court, Madras, 22nd Dec., 1915.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—It has been the practice of this office hitherto to publish notices calling upon all persons having claims against an estate under my administration as creditors, next of kin, legatees or in any other manner to prefer their claims to me on or before a certain specified date, in one of the local newspapers in addition to the advertisement of such notices in the *Fort St George Gazette*. The rules framed by Government for the office of the Administrator-General of Madras under the Administrator-General's Act (III of 1913) require me to publish these notices in the official *Gazette* only. In order, therefore, to avoid the expenses of unnecessary advertisements to the estates in my charge, I have decided to discontinue the practice referred to above with effect from the 1st January, 1916. Notices to creditors, next of kin, legatees and others will from that date appear in the *Fort St. George Gazette* only.

I should be grateful if you would give as wide a publicity as possible to this information.

I have, etc.,
C. E. ODGERS,
Administrator-General of Madras.

ADVERTISEMENTS BY ADMINISTRATOR-GENERAL. 177

Chamber of Commerce, Madras, 28th January, 1916.

TO THE ADMINISTRATOR-GENERAL,
Madras.

SIR,—I beg to acknowledge receipt of your letter No. D. 2518, dated the 22nd December, 1915, and to inform you that the Chamber regrets that you have decided to advertise notices to creditors, next of kin, etc., from the 1st January, 1916, only in the *Fort St. George Gazette*, and not in one of the local newspapers as well, and to express the hope that you will reconsider your decision. Few people read the *Gazette*, and the Chamber considers that there must be very few estates which cannot afford to pay for the publication of the notices, etc., in one of the newspapers and so secure a much wider publicity.

I have, etc.,
A. E. LAWSON,
Secretary.

Administrator-General's Office, High Court, Madras, 31st Jan., 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am in receipt of your letter, dated the 28th instant. I am no longer authorised to incur expense in advertising in other publications than the official *Gazette*. You should, therefore, refer the matter to Government.

I have, etc.,
C. E. ODGERS,
Administrator-General of Madras.

Chamber of Commerce, Madras, 8th March, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Madras.

SIR,—I have the honour to enclose copies of correspondence that has passed between this Chamber and the Administrator-General of Madras on the subject of the cessation of the publication in one of the local newspapers, as well as in the *Fort St. George Gazette*, of notices calling upon all persons having claims against an estate under his administration as creditors, etc., to prefer claims to him. As the Chamber states, the *Gazette* is not widely read, and there must be few estates which cannot afford to pay for the publication of the notices in one of the newspapers.

The Chamber, therefore, requests that Government will order the resumption of the publication of such advertisements as hitherto.

I have, etc.,
GORDON FRASER,
Chairman.

Judicial Department, Fort St. George, 3rd April, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter, dated the 8th instant, on the subject of the publication in one of the newspapers of notices regarding estates under administration by the Administrator-General, I am directed to inform you that under the existing practice the application of the Administrator-General to the High Court for Probate or Letters of Administration is published in at least one of the local newspapers, and if the deceased is an Indian, in his vernacular as well as in English. In these circumstances the Government do not think that there is any danger of persons interested in an estate being kept ignorant of what is going on; and when a creditor or other person interested knows that application has been made for Probate or Letters of Administration, he is fairly certain to keep himself informed of what goes on afterwards. It also appears to the Government that publication in one newspaper is not likely to be of much use and to publish in several would involve an undue expenditure, especially in the case of small estates. The Government do not consider that any alteration in the existing procedure is necessary.

I have, etc.,
R. H. COURTENAY,
for Secretary.

JUTE AGREEMENT.

Chamber of Commerce, Madras, 5th September, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to enclose a letter to be forwarded to the Government of India with such remarks as the Government of Madras may be pleased to make.

I have, etc.,
GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 5th September, 1916.

TO THE SECRETARY TO GOVT., COMMERCE AND INDUSTRY,
Simla.

SIR,—I have the honour to inform you that, at the general monthly meeting of the Chamber held on the 29th August, 1916, it was resolved "that this Chamber most strongly protests against the action of His Majesty's Government whereby Messrs. Ralli Brothers are appointed on behalf of His Majesty's Government sole buyers of jute for the Dundee Mills to the extent of the orders placed by Government for sandbags and cloth. The Chamber views with dismay the action of His Majesty's Government in giving preference to a firm of alien origin, and in constitution wholly alien although a few members may be naturalised British subjects, and staffed largely by aliens, to the detriment of British firms staffed entirely by British subjects."

"In the opinion of the Chamber the appointment of a few single British firms would have been a serious injustice to other firms interested in the trade, but the appointment of a firm of such alien constitution as Messrs. Ralli Brothers is inexplicable."

"This Chamber supports most strongly the protest put forward by the Baled Jute Shippers Association and trusts that on re-consideration His Majesty's Government will see its way to cancel the monopoly granted to the firm in question."

"This Chamber is confident that the Government of India will sympathise with the injustice done to British firms in India interested in the Dundee jute trade, and trusts that when forwarding the Chamber's Resolution to the Secretary of State for India, the Government of India will strongly support the just claims of the British mercantile community."

I have, etc.,
GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 6th September, 1916.

TO THE SECRETARY, BENGAL CHAMBER OF COMMERCE,
Calcutta.

SIR,—I beg to enclose copy of a Resolution which this Chamber has passed at its general monthly meeting held on the

29th August, protesting against the action of His Majesty's Government appointing Messrs. Ralli Brothers, as Government sole buyers of jute required for the Dundee Mills,

I have, etc.,

T. E. WELBY,

Acting Secretary.

From Baled Jute Shippers Association, Calcutta, dated the 7th September, 1916; to the Secretary, Chamber of Commerce, Madras.

Members of Baled Jute Shippers Association, Calcutta, assembled in general meeting to-day unanimously expressed their high appreciation of the patriotic and loyal support which the Madras Chamber of Commerce have given to the protests lodged by the jute trade against the agreement between His Majesty's Government and Messrs. Ralli Brothers.

Financial Department, Ootacamund, 8th September, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to acknowledge receipt of your letter, dated the 5th September, 1916, regarding the appointment of Messrs. Ralli Brothers as sole buyers of jute for the Dundee Mills, which will receive due attention.

I have, etc.,

R. H. COURTENAY,

for Chief Secretary.

PRESIDENCY BANK ACT XI, OF 1876.

Finance Department, Simla, 13th September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward a copy of a letter No. 709-A., dated the 13th September, 1916, addressed to Local Governments and Administrations, regarding a proposal to amend the Presidency

Banks Act, XI of 1876, so as to enable the Presidency Banks to deal in shares or debentures of railways the dividend or interest on which is guaranteed by District Boards. I am to request that the Government of India may be furnished through the Local Government with the views of the Chamber on the proposal.

I have, etc.,

A. A. L. PARSONS,

Under Secretary to the Government of India.

[ENCLOSURE.]

Finance Department, Simla, 13th September, 1916.

TO ALL LOCAL GOVERNMENTS AND ADMINISTRATIONS OF
CENTRAL PROVINCES AND ASSAM,

SIR,—It has been represented to the Government of India that it is desirable to amend the Presidency Banks Act, XI of 1876, so as to enable the Presidency Banks to deal in stocks, shares, and debentures of railways, the dividend or interest on which is guaranteed by District Boards. Clauses (a) (4) and (d) of Section 36 of the Act empower Presidency Banks to invest in or advance money on debentures or other securities issued by or on behalf of District Boards, but they do not authorise operations in securities issued by railway companies, in which the participation of District Boards is confined to a guarantee of interest or dividend.

2. The Government of India are disposed to consider that an amendment of the Act in this direction may suitably be made. But it has been suggested to them that it would be advisable to confine the securities in which Presidency Banks would thus be permitted to transact business to those of which the interest is guaranteed by Boards empowered to levy a special cess for the development of local light railways and tramways; and the question also arises whether any special restriction should be imposed on dealings by Presidency Banks in shares of railway companies, the interest on which is only guaranteed by District Boards for a stated period, and not in perpetuity. Before coming to a final decision they would be glad to receive the views of His Excellency the Governor in Council

your views
these points, and on the proposal generally; and I am to request that in replying to this letter you will give a list of the securities in Bombay, etc., to which the proposed legislation would apply.

3. A copy of this letter has been forwarded to the Presidency Banks, to the Chambers of Commerce at Calcutta, Madras, Bombay, Rangoon and Karachi, and to the Upper India Chamber of Commerce,

with the request that they will forward their opinion on the proposal through the Local Government concerned.

I have, etc.,
A. A. L. PARSONS,
Under-Secretary to the Government of India.

Chamber of Commerce, Madras, 3rd October, 1916.

TO THE SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to enclose a letter to the Government of India, Finance Department, on the subject of the proposed amendment of the Presidency Banks Act with a request that you will forward the same to them.

I have, etc.,
W. B. HUNTER,
Vice-Chairman.

Chamber of Commerce, Madras, 3rd October, 1916.

TO THE SECRETARY TO GOVT., FINANCE DEPARTMENT,
Simla.

SIR,—I have the honour to acknowledge receipt of your letter No. 710 A. of the 13th September, 1916, forwarding copy of a letter No. 709-A. of the 13th idem, addressed to Local Governments and Administrations with reference to a proposal to amend the Presidency Banks Act, XI of 1876, so as to enable the Presidency Banks to deal in shares or debentures of railways, the dividend or interest on which is guaranteed by District Boards. In reply I beg to inform you that the Chamber approves of the amendment of the Act, except that it would limit the investment to stock, etc., of railways prescribed by the Governor-General in Council under Section 36 (a) 3 of the Presidency Banks Act or the interest on which has been guaranteed in perpetuity by District Boards. If the project is not good enough for Government to prescribe or for District Boards to guarantee in perpetuity, it is not good enough for the Presidency Bank to take up.

I have, etc.,
W. B. HUNTER,
Vice-Chairman.

INCOME-TAX AND DEPRECIATION ALLOWED ON PLANT AND MACHINERY.

GOVERNMENT OF MADRAS.

FINANCIAL (SEPARATE REVENUE) DEPARTMENT.

G. O. No. 759, dated the 9th September, 1916.

READ the following papers :—

G. O. No. 2033, Revenue, dated the 9th July, 1913.

G. O. No. 3630, Revenue, dated the 12th December, 1914.

II

From the Madras Chamber of Commerce, dated the 7th December, 1915.

III

From the Madras Chamber of Commerce, dated the 31st January, 1916.

ORDER :—

The Chamber of Commerce, Madras, will be informed that the annual depreciation of 6 per cent. on the original value of machinery and plant allowed as a deduction from profits for income-tax purposes was intended to cover both the cost of renewals and the cost of repairs and maintenance. The Government have again carefully examined the question in the light of the practice obtaining in the United Kingdom and in the other Provinces of India but regret that they are unable to modify the orders already passed.

2. The Government accept the suggestion of the Chamber that, in the case of companies registered out of British India, the time allowed for presenting a revision petition under Section 27 of the Income-Tax Act may be extended to three months. The Board of Revenue will be requested to issue the necessary instructions to income-tax officers.

(True Extract)

L. DAVIDSON,
Acting Chief Secretary.

Forwarded to the Chamber of Commerce, Madras.

(By Order)

K. SRIKANTA AIYAR,
Supdt. in-Charge, Chief Secretariat.

Chamber of Commerce, Madras, 2nd October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
*Bombay, Calcutta, Karachi,
Cawnpore, Delhi, Tuticorin, Rangoon.*

SIR,—I beg to draw your attention to the correspondence between this Chamber and the Government of Madras on the subject of income-tax and depreciation allowed on plant and machinery (*vide* this Chamber's Annual Report 1915, pages 108—117) and to invite your co-operation in securing relief from a demand which this Chamber considers inequitable. This Chamber's case is fully stated in the Report.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Upper India Chamber of Commerce, Cawnpore, 11th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to thank you for your letter of the 2nd instant, on the above subject, and to say that the matter is being considered by my Committee.

I have, etc.,
J. G. RYAN,
Secretary.

Chamber of Commerce, Tuticorin, 13th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—As for the question of income-tax and depreciation allowed on plant and machinery, I am directed to inform you that this Chamber is willing to give every support to any further representation which may be made by your Chamber on this subject, and I am to request that you will be good enough to inform me of any further steps taken by you in the matter.

I have, etc.,
G. ZELLWEGER,
Secretary.

Chamber of Commerce, Bombay, 13th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter of the 2nd instant, I beg to inform you that the question of the deductions allowed for depreciation of mill machinery and buildings, before income-tax is assessed, has not so far been taken up by this Chamber as it is a matter that more directly concerns the Bombay Mill-owners Association. Copies of the correspondence that has passed between the latter Association and the local Government on the question will be found in the reports of the Association for the years 1909, page 18, 1911, pages 25 and 116, and 1912, pages 13 and 49.

I understand that these reports have been sent to you regularly.

I have, etc.,
R. E. GREGOR PEARSE,
Secretary.

Chamber of Commerce, Madras, 16th October, 1916.

TO THE SECRETARY, MILL-OWNERS ASSOCIATION,
Bombay.

SIR,—As this Chamber understands that your Association had addressed the Government of Bombay on the question of income-tax and depreciation allowed on plant and machinery, I shall be glad if you will forward us your reports for the years 1909, 1911 and 1912, as these reports were not filed in our library for want of accommodation. I enclose copies of correspondence on the above subject between this Chamber and the Madras Government (*vide* Annual Report for 1915, pages 108—117 sent under separate cover) and invite your co-operation in securing relief from a demand which this Chamber considers inequitable.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Karachi, 19th October, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to acknowledge receipt of your letter of the 2nd instant inviting attention to correspondence between your Chamber and the Government of Madras on the subject of income-tax

and depreciation allowed on plant and machinery, and asking this Chamber's co-operation in securing relief from a demand which your Chamber considers inequitable.

In reply I am directed to inform you that my Committee are of opinion that the cost of repairs and maintenance should be debited to revenue and 6 per cent. allowed for depreciation and renewals. This Chamber is prepared to support on these lines any representation your Chamber may make to the Government of India.

I have, etc.,
E. L. ROGERS,
Secretary.

Bengal Chamber of Commerce, Calcutta, 25th October, 1916.

TO THE ACTING SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 2nd October, 1916, with reference to the correspondence between your Chamber and the Government of Madras, on the subject of income-tax allowance for depreciation of plant and machinery.

2. The Committee of the Chamber have read the corre-

spondence, and they understand that the position in Madras is somewhat as follows. The income-tax rules

provide that 6 per cent. may be written off the original cost of plant and machinery for depreciation. Your Chamber expressed the opinion "that the cost of the up-keep of the machinery necessary to enable it to attain the life for which depreciation is provided should be debited to revenue, and that repairs and maintenance should be treated as distinct from the 6 per cent. allowed under the Act to cover depreciation." The Government of Madras have declined to accept this view, and have stated "that the annual depreciation of 6 per cent. on the original value of machinery and plant allowed as a deduction from profits for income-tax purposes was intended to cover both the cost of renewals and the cost of repairs and maintenance."

3. The Committee have carefully considered your request that they should co-operate with your Chamber in approaching Government in this matter. They are in sympathy with the object that you have in view, but as the point does not seem to have

arisen here, no complaints having been made by members of the Chamber, they feel that they cannot very well take action.

I have, etc.,
H. M. HAYWOOD,
Secretary.

Punjab Chamber of Commerce, Delhi, 22nd November, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have to acknowledge the receipt of your letter, dated Madras, the 2nd ultimo, in which you invite the attention of this Chamber to the correspondence between yourself and the Government of Madras on the subject of income-tax and depreciation allowed on plant and machinery, and invite this Chamber's co-operation in securing relief from a demand which the Madras Chamber considers inequitable. Your application was considered by the Committee of this Chamber yesterday, and, in reply, I am directed to say that the Committee are prepared to support a representation to the Government in connection with the matter set forth in the terms of the procedure adopted at home, as stated in the communication from the Madras Electric Tramways, Limited, in their letter, dated Madras, the 10th January, 1916, and embodied in the Annual Report of the proceedings of your Chamber for the year 1915, page 113, from the words—"the practice" down to "expended on the machinery."

I have, etc.,
J. RENTON-DENNING,
Secretary.

Chamber of Commerce, Madras, 1st December, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Karachi.

SIR,—With reference to your letter of the 19th October, 1916, in reply to the Chamber's letter of the 2nd idem on the subject of income-tax and depreciation allowed on plant and machinery, I should be obliged if you could inform me what the precise position is in your province and whether the Act is applied there in the manner described in our above-mentioned letter of the 2nd October.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 1st December, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Tuticorin.

SIR,—With reference to your letter of the 13th October, in reply to the Chamber's letter of the 2nd idem on the subject of income-tax and depreciation allowed on plant and machinery, I should be obliged if you could inform me what the precise position is in your province and whether the Act is applied there in the same manner described in our above-mentioned letter of the 2nd October.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Madras, 1st December, 1916.

TO THE SECRETARY, PUNJAB CHAMBER OF COMMERCE,
Delhi.

SIR,—With reference to your letter, dated the 22nd November, 1916, in reply to this Chamber's letter of the 2nd October on the subject of income-tax and depreciation allowed on plant and machinery, I should be obliged if you could inform what the precise position is in your province and whether the Act is applied there in the manner described in our above-mentioned letter of the 2nd October.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Chamber of Commerce, Tuticorin, 13th December, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter of the 1st instant on the subject of income-tax and depreciation allowed on plant and machinery, I beg to inform you that the custom adopted here by the authorities is that for the purposes of repairs and depreciation, 6 per cent. on the original cost of machinery and plant is alone permissible as a reduction in income-tax returns.

I have, etc.,
G. ZELLWEGER,
Honorary Secretary.

Upper India Chamber of Commerce, Cawnpore, 23rd Dec., 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to refer to your letter of the 2nd October, on the subject of income-tax and depreciation allowed on plant and machinery.

My Committee note that the Madras Government will not permit as a deduction from profits for income-tax purposes both annual depreciation in value and the actual cost expended in renewals, repairs and maintenance. This decision of the Madras Government appears to be distinctly perverse, since annual depreciation in value of plant and machinery is, of course, perfectly distinct from repairs and renewals necessary to keep the plant in working order or the cost of maintaining the plant in such order.

In claiming income-tax on this expenditure the Madras Government would appear to be acting without precedent, and it would seem that a reference of the case to the Government of India ought to prove successful in removing so obvious a hardship.

I have, etc.,
J. G. RYAN,
Secretary.

Chamber of Commerce, Karachi, 24th January, 1917.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter of the 1st December last on the subject of income-tax and depreciation allowed on plant and machinery, I beg to inform you that the procedure in force in this Presidency appears to be as follows :—

- (1) To add together the amounts allowed for depreciation of plant and machinery during the last twenty years.
- (2) Deduct this from book value.
- (3) Surveyor will allow 5 per cent. depreciation on balance.
- (4) No separate deductions for repairs and renewals of plant and machinery are to be allowed.

The Custom and Revenue Act, 1878, however, states :—

"Notwithstanding any provision to the contrary contained in any Act relating to income-tax, the Commissioners for general or special purposes shall, in assessing the profits or gains of any

trade, manufacture, adventure, or concern, in the nature of trade chargeable under Schedule (D) or the profits of any concern chargeable by reference to the rules of that Schedule, allow such deduction as they may think just and reasonable, as representing the diminished value by reason of wear and tear during the year of any machinery and plant used for the purposes of the concern and belonging to the person or company by whom the concern is carried on."

I have, etc.,
E. L. ROGERS,
Secretary.

Chamber of Commerce, Madras, 2nd February, 1917.
TO SIR GEORGE BARNES, COMMERCE AND INDUSTRY,
Delhi.

SIR,—The Chamber invites your attention to the question of income-tax and depreciation allowed on plant and machinery discussed with you during your visit to Madras. You were good enough to promise to enquire from other Chambers regarding the system in force in the various provinces and to endeavour to secure us treatment on the terms found more favourable. The Chamber will be obliged if the enquiry can be expedited.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Dept. of Commerce and Industry, Delhi, 10th February, 1917.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letter of the 2nd February, 1917, to the Hon'ble Sir George Barnes, I am desired to say that the Government of India made a reference to the Government of Bengal enquiring the rates allowed at present for depreciation of machinery in Calcutta in connection with the assessment of income-tax. I will address you further as soon as a reply is received.

I have, etc.,
A. H. LEY,
Deputy Secretary to the Government of India.

Dept. of Commerce and Industry, Delhi, 21st February, 1917.
TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—In continuation of my letter No. 568-I. D., dated the 10th February, 1917, I am directed to forward a list showing the rates at present allowed for depreciation in respect of various industries in Calcutta for purposes of assessment of net profits under the Income-tax Act. Depreciation is calculated on the value of the block as it stood on the last day of the preceding year. I am to suggest that any representation which your Chamber wishes to make on the subject should be addressed to the Local Government.

I have, etc.,
A. H. LEY,
Deputy Secretary to the Government of India.

[ENCLOSURE.]

List showing the rates allowed for depreciation for various kinds of industries in Calcutta.

1. Collieries	...	10 per cent.
2. River steam companies (10 per cent. for light draughts and canal steamers, 7½ per cent. for large and country inland steamers, 4 per cent. for flats and barges).	4 to 10	"
3. Jute and cotton mills	...	5 "
4. Tramways	...	5 "
5. Hydraulic presses	...	2½ "
6. Paper mills	...	7½ "
7. Bone-crushing mill	...	2½ "
8. Ice-making factories	...	7½ "
9. Oil mills	...	5 "
10. Silk mills	...	5 "
11. Flour mills	...	2½ "
12. Glass manufactories	...	10 "
13. Steam printing presses	...	5 "
14. Iron foundries	...	10 "
15. Railways	...	5 "
16. Timber-trading companies	...	10 "
17. Motor cars used solely for the purpose of business	...	10 "
18. Motor-taxis	...	15 "
19. Electric installations	...	7½ "
20. Electrical tramways	...	5 "
21. Surgical and dental instruments	...	10 "
22. Petroleum and kerosine oil companies (include tins, drums, tanks, etc.)	...	20 "
23. Patent stone companies	...	10 "
24. Chemical and pharmaceutical works	...	10 "
25. Distilleries	...	10 "

26. Cigarette and tobacco companies	...	5 per cent.
27. Crockery, cutlery and glassware (in hotels and boarding-houses)	...	20 "
28. Gramophone companies	...	10 "
29. Mineral water manufacturing companies (including bottles)	...	15 "
30. Brick manufacture and brick fields, when the land excavated is not filled up naturally by tidal silt from river	...	10 "
31. Sellac factories	...	5 "
32. Type-writing machines	...	15 "
33. Lime companies	...	10 "
34. Paint works	...	7½ "

LAYING IN STOCKS OF COAL.

East Indian Railway Company, Calcutta, 6th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to advise you that we are now meeting all indents for wagons for loading coal freely, and I shall be obliged if you will kindly advise all concerned to take the opportunity of getting in as much coal as possible while this state of affairs continues. It is, therefore, not necessary to grant special supplies of wagons for loading coal for the purpose of laying in stocks as it is not anticipated that there will be much difficulty in meeting indents freely even if they are enhanced as a result of the suggested procedure.

I have, etc.,
R. M. COWLEY,
Acting General Traffic Manager.

Indian Mining Association, Calcutta, 20th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed by the Committee to hand you herewith for your information, a copy of their circulars No. 72-R of the 14th July, and No. 75-R. of the 19th July, containing correspondence which has passed between the Association and the East Indian Railway on the above subject.

I have, etc.,
D. K. CUNNISON,
Assistant Secretary.

[ENCLOSURES.]

Circular No. 72—R.

Indian Mining Association, Calcutta, 14th July, 1916.

TO ALL MEMBERS OF THE ASSOCIATION.

MEMO.—The subjoined copies of correspondence which has passed between the Committee and the General Traffic Manager, East Indian Railway, in the above connection, are published for the information of all members.

D. K. CUNNISON,
Assistant Secretary.

Letter No. M. W., 402-92, dated the 6th July, 1916.

FROM—The General Traffic Manager, East Indian Railway.

TO—The Secretary, Indian Mining Association.

I beg to advise you that we are now meeting all indents for wagons for loading coal freely, and I shall be obliged if you will kindly advise all concerned to take the opportunity of getting in as much coal as possible while this state of affairs continues. It is, therefore, not necessary to grant special supplies of wagons for loading coal for the purpose of laying in stocks as it is not anticipated that there will be much difficulty in meeting indents freely even if they are enhanced as a result of the suggested procedure.

Letter No. 573 R., dated the 11th July, 1916.

FROM—The Secretary, Indian Mining Association.

TO—The General Traffic Manager, East Indian Railway.

I am directed by the Committee to acknowledge receipt of your letter No. M. W., 402-92, of the 6th July, 1916, in which you suggest that all concerned should be advised to lay in adequate stocks of coal while the present state of wagon supply lasts.

The Committee propose to issue your letter to all members with the recommendation that your suggestion be given effect to as far as possible, but before doing so, they desire to be informed whether indents for Madras and Bombay are being met in full, and on this point perhaps you will be good enough to advise me.

Letter No. M.W., 402-92, dated the 11th July, 1916.

FROM—The General Traffic Manager, East Indian Railway.

TO—The Secretary, Indian Mining Association.

With reference to your letter No. 573-R. of the 11th instant, I beg to remark as follows:—

As regards indents for wagons for loading coal to Madras, these are being met in full on the Asansol District. As far as the indents on the Jherriah District are concerned we are compelled to call upon the B. N. Railway to supply wagons for this traffic via one or more of the exchange points. The reason for this is that the B. N. Railway can only take over a limited number of wagons via Asansol and via Gomoh.

and if the E. I. Railway supplies wagons on the Jherriah District for loading coal to Madras they have to be booked *via* Asansol or Gomoh loading to these junctions becoming congested and booking having to be suspended from time to time.

If the B. N. Railway supply their wagons through one or more of the exchange points, the wagons are sent back loaded *via* the exchange points, and no congestion occurs at either Asansol or Gomoh.

As regards the supply of wagons for loading to Bombay I beg to say that only on the 1st, 3rd, 6th and 8th instant, was it not possible to supply wagons for loading ordinary public coal to Bombay in addition to the large quantity of Loco, R.I.M., and special supplies. It is hoped, however, that a failure in this direction will be infrequent.

Letter No. 596-R., dated the 14th July, 1916.

FROM—The Secretary, Indian Mining Association.

TO—The General Traffic Manager, East Indian Railway.

I am directed by the Committee to acknowledge receipt of your letter No. M. W. 402-92, dated the 11th July, 1916, in which you reply to their reference of the same date regarding indents for Madras and Bombay.

The advices in your letter under reply have been noted carefully, and I have been directed to enquire whether in view of the urgency of getting stocks to Madras in the slack season, your Railway cannot arrange for the Bengal-Nagpur Railway to supply their own wagons and to make them over at the exchange points in order to avoid congestion at Gomoh and Asansol.

An early reply on this point will be much appreciated.

Circular No. 75—R.

Indian Mining Association, Calcutta, 19th July, 1916.

TO ALL MEMBERS OF THE ASSOCIATION.

MEMO.—The subjoined letter of the 15th July, 1916, from the General Traffic Manager, East Indian Railway, on the above subject, is now published for the information of members, in continuation of the correspondence embodied in this office circular No. 72-R of the 14th July, 1916.

D. K. CUNNISON,
Assistant Secretary.

Letter No. M. W., 402-92, dated the 15th July, 1916.

FROM—The General Traffic Manager, East Indian Railway.

TO—The Secretary, Indian Mining Association.

With reference to your letter No. 596 R. of the 14th instant, I beg to say that I have discussed this matter with the Superintendent, Transportation, B. N. Railway.

There is no difficulty in regard to the B. N. Railway making over all the wagons which may be required through one or more of the exchange points for back loading *via* one or more of the exchange points.

The Superintendent, Transportation, however, points out that the difficulty is that the M. & S. M. Railway have imposed a restriction of a total of 150 wagons daily *via* Waltair, all told. Of this number 105 wagons daily is taken up by M. & S. M. and S. I. Railway Loco. coal and 30 wagons daily by special supplies, leaving a balance of only 15 wagons for any balance of coal and other traffic.

East Indian Railway Company, Calcutta, 19th September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—The loading of up-country coal has again become very heavy, and although there is no scarcity of wagons it is not possible to meet all indents for wagons for loading coal up-country in full; this means if all indents were met in full more wagons would be loaded daily than the Railway can reasonably be expected to handle.

Under the circumstances, it is necessary to restrict the number of wagons loaded with coal up-country daily to a figure which can be despatched and carried without any difficulty, and we must be prepared, therefore, for the resumption of the special supply system.

All requests for special supplies must, as heretofore, be made on the authorised special indent forms and submitted through the same responsible authority as previously.

It is to be presumed that advantage has been taken of the period during which all indents for wagons for loading coal up-country were met in full to lay in stocks, and such being the case it will be necessary carefully to verify the amount of coal shown in the special indents as being on hand, as it is not proposed to give special supplies of wagons for loading coal to parties who have good stocks of coal on hand.

I have, etc.,

F. C. LEGGE,

Coal Manager.

Chamber of Commerce, Madras, 29th September, 1916.

TO THE COAL MANAGER, EAST INDIAN RAILWAY CO.,
Calcutta.

SIR,—I beg to acknowledge receipt of your letter No. 1 of the 19th September, 1916, informing the Chamber that all requests for the supply of wagons to load coal should be made on

the authorised special indent forms, stating the amount of coal on hand owing to the necessity of restricting the supply of wagons. In reply I beg to inform you that the Chamber desires to have a copy of the special indent form and also to be informed who the responsible authority is.

I have, etc.,
T. E. WELBY,
Acting Secretary.

East Indian Railway Co., Calcutta, 3rd October, 1916.

TO THE ACTING SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter of the 29th ultimo, I beg to send you herewith 50 copies of the special indent forms. These should be submitted to me with an expression of opinion by your Chamber as to whether the special supplies asked for are actually necessary or not. This is done in each case by the Sub-Committee of the Bombay Chamber of Commerce.

I have, etc.,
F. C. LEGGE,
Coal Manager.

BRITISH IMPERIAL COUNCIL OF COMMERCE.

British Imperial Council of Commerce, London, 8th March, 1916.

ANNUAL REPORT.

SIR,—I have pleasure in handing you herewith the Annual Report of the Council for 1915, which will be submitted at the annual meeting to be held at these offices, in accordance with Rule 13, on Wednesday, the 7th June, 1916, at 2-30 P.M.

BUSINESS CONFERENCE, 6TH JUNE, 1916.

The Executive Committee are completing the arrangements for the Business Conference to be opened in London, on the 6th June next, the provisional programme of which was communicated to you in the last circular letter, dated the 30th December, and which, together with two additions, I am instructed to confirm as follows:—

(1) *Fiscal Questions.*

(a) The adoption of a system of preferential tariffs within the Empire.

(b) The question of preferential trade relations between the British Empire and Allied nations.

(c) The measures which should be taken within the Empire against enemy countries in respect of manufactured goods and shipping.

(d) Measures against the dumping of enemy goods within the British Empire.

(2) *Legislative Questions.*

(a) Amendment of the laws relating to nationalisation.

(b) Compulsory registration of aliens throughout the Empire.

(c) The question of licences to trade and other regulation affecting foreign firms and companies.

(d) The prohibition of contracts with aliens which may have the effect of restraining Imperial trade.

(e) Reform of Patents and Designs and Trade Marks law, with the object of establishing a uniform basis throughout the Empire.

(f) The application of the principle of Imperial preference in taxation and the adjustment of the present system by which double income-tax is charged within the Empire.

(g) The assimilation of Commercial Law throughout the Empire.

(3) *Voluntary action by Chambers of Commerce and Boards of Trade.*

(a) Limitation of membership of Chambers of Commerce, etc., to British-born subjects.

(b) Appointment of additional Trade Commissioners by the respective Governments of the Empire.

(c) Encouragement of inter-Imperial trade exhibitions.

(d) The promotion of closer trade and social relations within the Empire and in relation to Allied countries.

(e) The organisation of increased banking facilities.

The Committee are still open to receive suggestions as to further aspects of the whole question which might be considered. It has also been decided that, to facilitate the proceedings, affiliated Chambers, or their representatives, shall be invited to submit memoranda on any of these subjects, which memoranda will be distributed in advance of the actual meetings. The Committee consider that these memoranda should be limited to, say, 1,000 words on each subject or group of subjects.

Affiliated Chambers and Boards are reminded that in the event of their nominees on the Council being unable to attend, they are entitled to appoint deputies, and that, further, it is proposed to permit, within limits, the nomination of additional representatives in order that the Conference may be in position to carry out its functions thoroughly. It is essential that notice should be sent to the Secretary of any appointments under this head, and in the case of Chambers situated at a great distance from London, addresses should be given where notices will reach their special representatives.

RECIPROCAL TRADE WITHIN THE EMPIRE.

The Council have been asked by the Association of Chambers of Commerce of Australia to circulate the following resolution adopted by that body, in order that it may come to the notice of all concerned :—

“That the present is an opportune time to consider the best methods of bringing British manufacturers into closer touch with Australian markets and generally diverting to Great Britain and her Dominions trade hitherto done with manufacturers outside of the Empire by means of preferential tariffs and/or by impressing upon British traders the greater necessity of adapting themselves to Australian requirements, and giving to Australian importers at least equal advantages in the matter of freight and finance as have been hitherto afforded to them by foreign manufacturers.”

MEMBERSHIP OF THE COUNCIL.

Secretaries are reminded that all Chambers and Boards associated with the Council have been invited to insert on their letter headings, etc., a notice of affiliation, and that blocks for this purpose will be forwarded free of charge.

ANNUAL SUBSCRIPTIONS.

Annual subscriptions of associated bodies for 1916 became due on the 1st January last, and I should be glad to hear on the matter from those who have not yet remitted.

I have, etc.,
CHARLES E. MUSGRAVE,
Secretary.

Chamber of Commerce, Madras, 2nd May, 1916.

TO SIR HUGH FRASER,

SIR,—I am desired to inform you that the Chamber has elected you as its representative in connection with the Business Conference to be held in June by the British Imperial Council of

Commerce, London, and trust that, in the interests of this Chamber, you will be able to attend the Conference.

Mr. A. J. Yorke is the regular representative on the Council of the Madras Chamber and, if in London, will no doubt attend the Conference.

The Chamber is advising the Secretary of the British Imperial Council of Commerce by this mail that you will attend the Conference in June as a representative of the Madras Chamber of Commerce.

The following papers are enclosed for your information.

I have, etc.,
GORDON FRASER,
Chairman.

Chamber of Commerce, Madras, 2nd May, 1916.

TO THE SECRETARY, BRITISH IMPERIAL
COUNCIL OF COMMERCE,
London.

SIR,—I beg to inform you that this Chamber has nominated Sir Hugh Fraser as an additional representative to attend the Conference to be held in June.

I enclose a memorandum giving briefly this Chamber's views on the subjects mentioned in the provisional programme for discussion at the Conference.

I have, etc.,
GORDON FRASER,
Chairman.

[ENCLOSURE.]

MEMORANDUM.

1. There has been some laxity or inefficiency in dealing with German firms in India since war broke out, and the practice of continuing their operations under official supervision, and thus accumulating profits, which will presumably be made over to the German owners when peace is declared, is highly reprehensible. Closure should be immediate.

2. The introduction of some measure of protection is essential. In the opinion of the large majority of the members of this Chamber, the system required is one establishing (a) preference within the Empire and (b) preferential terms as between the Empire and the Allies. Alternatively—but this would be inadequate in the opinion of most members—discrimination in favour of the Allies would be operative only so far that they (and neutrals) would receive better terms than Germany and Austria-Hungary.

3. The countries at present at war with Great Britain, and especially Germany and Austria-Hungary, should be compelled, when peace comes, to pay special dues on any shipping using British ports, and if any country subsidises its shipping or imposes special charges on British shipping, retaliatory measures should be taken to equalise matters. Precautions should be taken to prevent Germans and other late enemy owners masquerading as neutrals, and favourable treatment should be denied to any neutral country which tolerates such disguise through the laxity of its shipping laws. There should be efficient checks on shipping combines detrimental to British trade, especially if the combine includes any line in which late enemy owners are interested.

4. Aliens trading within the Empire should be required to take out licences, and such of them as are subjects of Germany or Austria-Hungary should be obliged to pay heavier licence fees and should receive narrower privileges under the licence than neutral traders. In the case of aliens belonging to neutral countries the licence should be a mere formality and the fees nominal, and the privilege accorded by the licence should be extensive. It would probably be desirable to prohibit ownership of land by Germans and Austro-Hungarians and to deny them, and firms in which they are interested, mining and other concessions.

Banking and money lending by aliens should be prohibited except under licence; and in the case of aliens of German and Austro-Hungarian nationality should not be permitted under any consideration. This ruling should apply to Missions throughout India, whose influence might be detrimental to the interests of Government and the welfare of the country. Trading and the ownership of land by alien Missions should also be prohibited.

5. Naturalisation laws should be considerably more strict; the naturalisation of Germans and Austro-Hungarians should be suspended for at least a generation; and naturalised persons, of whatever previous nationality, should be debarred from holding positions of trust in the Government.

6. Contracts with aliens which are found to be, or are intended to be, detrimental to the interests of the British Empire or of countries in politico-economic alliance with that Empire should *ipso facto* be unenforceable in a Court of Law. Further, if such contracts relate to any material essential in war, and appear to be part of any scheme to give an alien country a local or general monopoly of the material in question, they should be punishable.

7. Double income-tax should be abolished.

8. Only British-born subjects representing British firms should be eligible for Membership of Chambers of Commerce. Aliens, other than Germans or Austro-Hungarians, should be admissible as Honorary Members without power to elect officers of Chambers or to vote on questions of general policy.

The Chamber is also of opinion that the resumption of trade, under no matter what restrictions, with Germany and Austria-Hungary should be prohibited for, say, one year from the signing of peace terms, in order (a) to allow of the resumption of former work by British factories diverted to munition making, (b) to permit of the gradual recovery of labour taken away from industry to the battlefield, and (c) to nullify any sudden move by the late enemy in the new commercial and industrial war.

British Imperial Council of Commerce, London, 4th August, 1916.

BUSINESS CONFERENCE, 1916.

SIR,—I have pleasure in handing you herewith —

(1) Report of the proceedings of the Business Conference on the 6th, 7th and 8th June last.

(2) Report of a visit paid by the Conference Delegates to the Imperial College of Science and Technology, London, W.

(3) Second Report of the London Chamber of Commerce on "Trade During and After the War."

The last mentioned is included in view of the fact that several speakers at the Conference referred thereto, and their remarks, accordingly, might be somewhat obscure without the possibility of reference.

As it is thought that Chambers may wish to assist in giving greater publicity to the work of the Imperial College of Science and Technology, arrangements have been made for supplying additional copies of (2) where desired.

I may add that particulars of the action taken by the Executive Committee with the object of giving effect to the various Resolutions of the Conference will be issued in due course.

I have, etc.,
CHARLES E. MUSGRAVE,
Secretary.

INDIAN CONSOLIDATION ACT OF 1915.

Burma Chamber of Commerce, Rangoon, 18th May, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to confirm my telegram of date as follows:—

"Please refer Reuter's telegram, 8th instant, regarding Bill in House Lords supplementing India Consolidation Act. Object of amending Section 84 (d) is to overrule decision Privy Council in case *Secretary State vs. Moment*, *vide* Lower Burma Rulings, Volume 7, page 10, thus giving Government arbitrary powers against the public and depriving them of their rights settle private disputes as to their interests in property alleged be Government land. Action of Local Government here this connection has often

created public anxiety. This Bill has been introduced without any notice to non-official community of India or Burma, who are very seriously affected, and despite official promises that legislation of controversial nature is barred during war. Actual meaning of amended Bill is that if any Revenue Officer happened be opinion any time that Government should claim certain rights against any private individual such as rights over land, no redress could be sought against Government in civil courts. In Moment case Lord Moulton said that 'to shut out Civil Courts altogether will be insufferable' and would mean reading into Act 'provided Governor-General in Council may deprive every subject of his suits remedies and proceedings.' But this is exactly what Bill before House Lords proposes to do. As matter is urgent I am directed to invite you telegraph strong protest to Secretary State Government India Members Parliament and newspapers urging that Bill be dropped. Legal opinions setting forth serious consequences of proposed legislation being forwarded you by post.—Burma Chamber."

Reuter's telegram referred to reads as under :—

"The House of Lords to-day passed the first reading of the Bill supplementing the India Consolidation Act of 1915. The most important provisions are the following :—Clause 2 provides for insertion in Section 84 of last year's Act after the words "Governor-General in Legislative Council," the words "or a local legislature," and at the end of the section the words "or (d) in case of any law because it bars the right to sue the Secretary of State in Council in particular cases or classes of cases." Clause 3 provides that the Viceroy with the approval of the Secretary of State may declare eligible for appointment to any civil or military office to which a native of British India may be appointed the ruler or subjects of any State in India, subjects of any State in territory adjacent to India, or members of any independent race or tribe in territory adjacent to India. Clause 4 provides that admission to the Indian Civil Service of British subjects who, or whose parents, were not born in His Majesty's dominions shall be subject to such restrictions as the Secretary of State with the advice of the Civil Service Commissioners may prescribe."

Below you will find the legal opinions indicated in my telegram :—

Opinion, dated the 13th May, 1916, by B. Lentaigne, Esqr., Barrister-at-Law.

In the *Rangoon Gazette* of the 19th May there is a paragraph stating that on the 8th May the House of Lords had passed the first reading of the Bill supplementing the India Consolidation

Act of 1915 and stating that one of the important amendments was the insertion at the end of Section 84 of the words :—

"or (d) in case of any law because it bars the right to sue the Secretary of State in Council in particular cases or classes of cases."

Section 84 of the principal Act so being amended runs as follows :—

"84. A law made by any authority in British India shall not be deemed invalid solely on account of any one or more of the following reasons :—

(a) In the case of a law made by the Governor-General in Legislative Council, because it affects the prerogative of the Crown; or

(b) in the case of any law, because the requisite proportion of members not holding office under the Crown in India was not complete at the date of its introduction into the Council or its enactment; or

(c) in the case of a law made by a local legislature, because it confers on magistrates, being justices of the peace, the same jurisdiction over European British subjects as that legislature, by Acts duly made, could lawfully confer on magistrates in the exercise of authority over other British subjects in the like cases."

The effect of the above amendment is to overrule the decision of the Privy Council in the case of the Secretary of State for India in Council *vs.* J. Moment reported in *Lower Burma Rulings*, Volume 7 at page 10.

The Chamber in 1908 submitted a memorial to Government objecting to the various local enactments barring the jurisdiction of Civil Courts in suits against Government and also in suits as between private individuals in respect of Government land, and pointing out the anomalous position which had arisen and also the fact that such provisions had enabled Government to arbitrarily close a public navigable waterway leading to Munshi Morad Bux's Saw Mill and then plead the bar with the result that for many years both the Civil and Revenue Courts refused to hear his claim though the Government action in effect rendered his mill useless. The case in question had become a public scandal and a gross case of Government oppression, whilst the law reports also contain numerous cases where private individuals were prevented from settling their private disputes as to their interests in property alleged to be Government land, notwithstanding the fact that Government was most probably annually forcing them to pay the revenue of such land. The memorial in question is the first one on the file returned herewith.

Subsequently the point was raised that these provisions were all illegal and the Full Bench of the Chief Court decided to that effect. Government then appealed to the Privy Council and the Chamber considered that the matter was so important that it provided the funds for contesting the appeal with the result that the Chief Court decision was upheld and the enactments in question were held to be illegal.

Notwithstanding the fact that Government has openly proclaimed that no contentious legislation is to be taken up during the war, it has now seized the opportunity to propose this Bill when everybody's mind is occupied with the war, and this gross breach of faith has possibly escaped attention in India. Burma, however, has probably had worse incidents under the enactments in question than India where public criticism is usually much stronger, and it is also possible that the dangers are not fully realised in India.

If the Chamber proposes to object to the proposed legislation, it will be necessary to send a strong cablegram protesting against it to the Secretary of State and requesting that the matter be at once dropped and postponed until after the war. A similar communication might also be sent to the *Times* and to the other Chambers of Commerce in India.

Opinion, dated the 15th May, 1916, by T. F. R. McDonnell, Esq., Barrister-at-Law :—

I think I might add something to Lentaigne's note to you. I have read through the file of the Chamber relating to the Lower Burma Towns & Village Lands Act. I desire to call your attention more especially to certain documents therein which I have flagged :—

(1) The printed memorial of the Burma Chamber, dated the 3rd August, 1908 ;

(2) the printed memorial of the Liverpool Chamber of Commerce forwarded to Rangoon for approval on the 31st March, 1909, pages 1, 6 to 26, 36 to 56 ;

(3) Messrs. J. W. Darwood & Company's letter to the Secretary to the Burma Chamber, dated the 16th March, 1913 ; and

(4) the printed report of the arguments at the hearing before the Privy Council of the case of the Secretary of State *vs.* Moment.

Reuter's telegram of the 8th May, 1916, sets out that at the end of Section 84 of the India Consolidation Act, 1915, the following should be added :—“or (d) in case of any law because it bars the right to sue the Secretary of State in Council in particular cases or classes of cases.”

Section 84 is as follows :—

“A law made by any authority in British India shall not be deemed invalid solely on account of any one or more of the following reasons :—

(a) In the case of a law made by the Governor-General in Legislative Council, because it affects the prerogative of the Crown ; or

(b) in the case of any law, because the requisite proportion of members not holding office under the Crown in India was not complete at the date of its introduction into the Council or its enactments ; or

(c) in the case of a law made by a local legislature, because it confers on magistrates, being justices of the peace, the same jurisdiction over European British subjects as that legislature, by Acts duly made, could lawfully confer on magistrates in the exercise of authority over other British subjects in the like cases.”

Now it has always been held as wrong and immoral by politicians in England to introduce in a Consolidation Act some item of legislation which involves a novel principle, or which is likely to affect some far-reaching change. The fact, that, before the decision of the Privy Council, Section 41 of the Lower Burma Towns and Village Lands Act was held to be *intra vires* does not absolve the Imperial Legislature from introducing a novel principle in a Consolidation Act affecting the Governance of India ; and this, you will understand, is done in war time when the Imperial Government, the Government of India, and the Governments of all local dependencies have declared that it is objectionable to introduce any legislation which is of a controversial nature. The proposed Act has been introduced in spite of repeated representations from this province and without any notice to the non-official community of Burma or India who are very seriously affected. It means that if any Revenue Officer were to be of the opinion at any time that Government should claim certain rights against any private individual, such as rights over land, and were to execute powers granted to him under any act of a local provincial legislature no redress could be sought against Government provided there is a provision in such local act as is included in Section 41 of the Lower Burma Towns and Village Lands Act.

This Section reads as follows :—

“41. No Civil Court shall have jurisdiction to determine—

(a) any matter which, under this Act, is to be determined by the Revenue Officer ;

(b) any claim to any right over land as against the Government.”

The objection of the public, as indicated by the names of the subscribers to the costs of the Appeal to the Privy Council in Moment's case (these names are at the end of the Chamber's file) is due to the fact that experience has taught us in Burma to mistrust a Revenue Officer who is bound by no rules of law such as control the decisions of a Civil Court, who is not bound by the rules of evidence such as obtain in Civil Courts, and who frequently (from my experience in this country) gives decisions which in his private capacity he would be the last to approve of. An appeal from such a Revenue Officer lies to another Revenue Officer who is just as much unfettered by rules of law or evidence. It is the fashion nowadays with some people to ridicule the procedure of the Civil Courts in India, and at Home but I venture to say that our rule in India based as it is on doing justice between man and man, and man and Government has been built up, as has the judicial system of England, on the experience of years. The persons who deride the Civil Courts do not realise that their rules of evidence and procedure are the product of many years of experience in England and elsewhere, and I think it will be a bad day for the mercantile community if some of their interests are at the mercy of revenue officers whose discretion may not be commensurate with their power. Let us assume that the Bill is passed by the Parliament it means that any Revenue Officer may take it into his head to claim rights over any land on behalf of Government as to which at present the holders are under the belief they have an indisputable title. Their title will be decided by the very person who assails it, and his superior officer will decide the appeal. The case of Munshi Morad Bux which is referred to in the Chamber's Memorial of the 3rd August, 1908, was only one of many instances which we have seen in Burma of high-handed action on the part of the Executive. As is pointed out in paragraph 6 of the Chamber's Memorial even in England the Crown can be sued in such cases, and I might mention that the tendency of the Indian Legislation to exclude the jurisdiction of the Courts, and to leave an aggrieved non-official to seek such remedy as the Executive may be willing to grant, is a growing one. In the Burma Tenancy Bill and in the Burma Land Alienation Bill, two items of legislation which we were fortunately spared, stringent provisions were to be found laying down that no person deprived of his land by executive order under those bills could seek any remedy from the courts. In England if you or I are assessed to income-tax on a wrong principle the Judges of the Supreme Court may be moved by us. In India we must appeal from the Assessor of Income-Tax to the Collector of Income-Tax and from him to the Commissioner of Income-Tax. Although the decision of the Privy Council was directed at Section 41 of the Lower Burma Towns and Village Lands Act you will see that

there are other Burma Acts as are mentioned in the Liverpool Chamber of Commerce Memorial which contain equally pernicious provisions.

I would like to refer you to the following passages on page 5 of the proof of the report of arguments in Moment's case:—

Lord Moulton:—"Before the Act a man could bring a suit for his land. Do you say that now he can't?"

Sir John Edge:—"What remedy has he now?"

Mr. Dunne (For the Secretary of State):—"It is only to towns and village this Act applies. Government say they take all the land for themselves and that they shall determine who shall occupy it."

Sir John Edge:—"But what remedy has he?"

Mr. Dunne:—"He has none legally but he can go to the Revenue Officer and represent matters."

And later on page 6 of the proof

Lord Moulton:—"To shut out the Civil Courts altogether would be insufferable."

And later on the same page

Sir John Edge:—"Are you asking us to read into the Section some such words as these:—'Provided the Governor-General of India in Council may deprive every subject of all his suits remedies and proceedings'."

Mr. Dunne:—"My answer is that the Act never intended to deal with these things at all, it merely prevents the subject from having to apply by petition of right."

Lord Atkinson:—"I have been looking through the Act, and I cannot see that it provides any other tribunal to which the subject can resort. What I want you to tell me is what suit remedy or proceeding has Moment got?"

Mr. Dunne:—"He has none. I say he has no legal right or remedy at all."

Lord Atkinson:—"Where is he to go to get redress?"

Mr. Dunne:—"I am not prepared to tell you that."

Let me now put a concrete case. Suppose Government were to make a claim to the whole of Block A which, I believe, is the

valuable block in which the Bombay Burma Trading Corporation, Grahams, the Strand Hotel and Darwood's land is situated. In a Civil Court such a claim would be unsustainable; the Limitation Act apart from anything else would be pleaded. Such a plea might or might not be accepted by a Revenue Officer. There is nothing which compels a Revenue Officer to abide by the laws of limitation any more than by the laws of evidence. If I may make the suggestion I think immediate action should be taken in this matter, a telegram sent to the Secretary of State and the Local Government and a meeting of the subscribers to the costs in the Moment case might be called.

I have, etc.,
C. A. CUTTRESS,
Secretary.

Telegram from Burma Chamber of Commerce, Rangoon, dated the 19th May, 1916; to the Secretary, Chamber of Commerce, Madras.

Please refer Reuter's telegram, 8th instant, regarding Bill in House Lords supplementing India Consolidation Act. Object of amending Section 84 (d) is to overrule decision Privy Council in case Secretary State vs. Moment, *vide* Lower Burma Rulings, Volume 7, page 10, thus giving Government arbitrary powers against the public and depriving them of their rights settle private disputes as to their interests in property alleged be Government land. Action of Local Government here this connection has often created public anxiety. This Bill has been introduced without any notice to non-official community of India or Burma who are very seriously affected and despite official promises that legislation of controversial nature is barred during war. Actual meaning of amended Bill is that if any Revenue Officer happened be opinion any time that Government should claim certain rights against any private individual such as rights over land no redress could be sought against Government in Civil Courts. In Moment case Lord Moulton said that to shut out Civil Courts altogether would be insufferable and would mean reading into Act the words provided Governor-General in Council may deprive every subject of his suits remedies and proceedings. But this is exactly what Bill before House Lords proposes to do. As matter is urgent, I am directed to invite you telegraph strong protest to Secretary State Government India Members Parliament and newspapers urging that Bill be dropped. Legal opinions setting forth serious consequences of proposed legislation being forwarded you by post.

Burma Chamber of Commerce, Rangoon, 29th May, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to enclose a copy of a further legal opinion on this Act, and to suggest that it would be an advantage if you could induce Native Associations to oppose the passage of the amending Bill now in the House of Lords.

I have, etc.,
C. A. CUTTRESS,
Secretary.

Telegram from Burma Chamber of Commerce, Rangoon, dated the 30th May, 1916, to the Secretary, Chamber of Commerce, Madras.

We have despatched following cablegram to London Charger and invite you act similarly. Begins. Consolidation Act before Parliament affords Government extremely arbitrary powers and deprives people their rights in Civil Courts. We invite you to strongly oppose it. Suggest interviewing E. U. Eddis, Barrister-at-Law. Ends. Eddis appeared in Moment case and knows all the facts.

Madras, 31st May, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—We have now had an opportunity of going through the papers received by you from the Burma Chamber of Commerce relative to the above matter, and beg to advise as follows:—

Having in view not only the protest formulated by the Burma Chamber of Commerce, but also the opinions on the proposed amendment to Section 84 expressed in most of the leading papers in British India, as also the published views of leading lawyers, it is, to a certain extent, unnecessary for us to further impress upon your Chamber the necessity of most strongly opposing the proposed amendment in every way possible, and we do not, therefore, propose to deal with the matter as fully as we should otherwise have done.

At first sight it may appear that, whether or no the proposed amendment receives the sanction of the House of Lords, it is a matter of little importance to Southern India, but we think

that a more careful reading of the new clause will refute any such idea.

Should the amendment become law the new position which will arise is this; "A law made by any authority in British India shall not be deemed invalid solely because it bars the right to sue the Secretary of State for India in Council in particular cases or classes of cases."

We would call the attention of the Chamber most particularly to the words "in particular cases or classes of cases," from which it will be observed that no specific cases are given, and so far as we can see there is nothing to prevent this new law being made applicable to any future legislation that may be placed on the Statute book, or, for the matter of that, to any existing law merely by the addition of an amending clause stating that Section 84 of the Indian Consolidation Act of 1915 shall be applicable to such law.

From the various newspaper articles to which we have previously referred, the Chamber will have observed that the proposed amendment goes to the very root of the rights of the subject against the Crown, a right which has existed from the days when the Sovereign took over the Government of India from the East India Company, and moreover a right which was at that time specifically recognised and retained, namely that the subject should have a right of suit against the Government.

Since that time various enactments have been passed by the Government of India making the subject's right of suit more difficult of attainment, as, for instance, the formalities necessary under the Code of Civil Procedure prior to suit against Government, and the provisions of the Limitation Act.

It may or may not be within the knowledge of the Chamber that as in the case reported from Burma, encroachments on private property by Government are of frequent occurrence in Madras. We have on our office records an instance where valuable property situate at the western end of Broadway, Georgetown, Madras, has been in the possession of a certain caste for many years prior to 1811, the title from 1811 being clear, in which year the then Collector of Madras, after an investigation of the title, granted a certificate of the land. Some years ago it was accidentally ascertained by the owners that a considerable portion of this land had been by some means or another registered as Government property, and in 1911 the matter was brought to the notice of the Government of Madras. The Government have, however, so far done nothing in the matter, and the Municipality are actually at the present moment engaged in building on such land.

Another instance relates to a piece of land situate at Perambur. The land was purchased in December, 1909, and duly registered in the name of the new owner. In less than four years this property had by some means or other got on to the Register as Government land, a fact which was discovered quite accidentally by the owner, and, on a protest being lodged, Government withdrew their claim.

It is in cases such as these that the proposed amendment to the Consolidation Act will cause the grossest injustice to private individuals.

Having now set out shortly the reasons why on the grounds of justice the Chamber should protest against the proposed amendment we will add that the Chamber should in our view most emphatically protest against the means by which it has been sought to obtain the force of law to the Indian Consolidation Act of 1915.

The proposed amendment to Section 84 alone is a matter of extreme controversy, and one on which the European and native community of India are entitled to an expression of opinion.

We understand also, though on this point we speak from report only, the Act contains sundry other clauses to which the force of law should not be given without some attempt being made to ascertain the views of the country thereon. So far, however, from any attempt having been made to ascertain such views, Government have taken extreme measures not only to prevent such views receiving publicity, but even to prevent criticism, in that they have not yet made public the text of the Bill, a course so far as we have been able to ascertain without precedent. The Chamber should also protest most strongly against legislation of this nature being brought into force during the existence of the present war.

To sum the matter up, we consider that the Chamber should as strongly as possible protest against the proposed Act (1) by means of a cablegram to the Secretary of State, (2) by obtaining the assistance of some member of the House of Lords to voice such protest, and (3) if necessary by a letter to one of the leading English newspapers.

We return the enclosures sent to us with your letter of the 29th instant, receipt of which kindly acknowledge.

We have, etc.,
KING AND PARTRIDGE.

INDIAN CONSOLIDATION ACT OF 1915.

Chamber of Commerce, Madras, 8th June, 1916.

TO THE RIGHT HON'BLE HIS MAJESTY'S
SECRETARY OF STATE FOR INDIA,
London.

SIR,—I have the honour to confirm the following cablegram despatched to-day by this Chamber :—

"Madras Chamber Commerce in view of controversy aroused about Consolidation Bill respectfully requests postponement of Bill till considered non-official opinions based on statement of reasons and full information can be expressed."

I have, etc.,

T. E. WELBY,

Acting Secretary.

Telegram from Burma Chamber of Commerce, Rangoon, dated the 18th July, 1916; to the Secretary, Chamber of Commerce, Madras.

Have telegraphed London Chamber as follows. Begins. With regard to Secretary State's announcement India Consolidation Act consider it altogether unsatisfactory make suggestion your circularising every Member of Parliament advocating withdrawal of Clause No. 2 we should be willing to join sharing expense. Ends Suggest your sending similar cable to London.

Chamber of Commerce, Madras, 27th July, 1916.

TO THE SECRETARY, BURMA CHAMBER OF COMMERCE,
Rangoon.

SIR,—In reply to your telegram of the 18th instant, forwarding the text of a cablegram which your Chamber has sent to the Chamber of Commerce, London, asking it to circularise it amongst the Members of Parliament advocating the withdrawal of Clause No. 2 of the Indian Consolidation Act and suggesting that this Chamber take similar action with regard to the above, I beg to inform you that this Chamber has already protested and that, pending further information, it proposes to leave matters at that.

I have, etc.,

T. E. WELBY,

Acting Secretary.

MADRAS PORT TRUST (SUPER DUES).

Port Trust, Madras, 10th March, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—In accordance with the terms of the subjoined Resolution of the Port Trust Board, No. 320, dated the 3rd March, 1916, I have the honour to invite the consideration of your Chamber of the proposal made therein for the imposition, because of war conditions, of "super dues" on goods and on shipping using this port.

2. I ought to explain that the Port Trust is still some Rs. 18 or Rs. 20 lakhs short of the money it needs for the improvements which it now has in view and that it is very desirable that it should be in a position to borrow this money so as to get the works in question completed in time, if possible, for the resumption throughout the world of normal conditions.

3. The favour of a very early reply is requested.

I have, etc.,

FRANCIS J. E. SPRING,

Chairman.

[ENCLOSURE.]

Extract of proceedings of the Trustees of the Port of Madras, dated the 3rd March, 1916.

320. Read a note by the Chairman, dated the 20th February, 1916, proposing super dues, because of war conditions, of 25 per cent. over the current dues on imports and dues on exports and 50 per cent. on port dues.

Resolved, unanimously, that the suggested super dues are necessary, but that before submitting the proposal to Government under Section 45 of the Madras Port Trust Act (II of 1915) and Sections 33 and 34 of the Indian Ports Act (XV of 1908) a copy of this Resolution as well as of the Chairman's note, be sent to the Madras and the Southern India Chambers of Commerce and the Madras Trades Association for expressions of opinion, and to Government for information pending consideration by the Trust of the views of the above mercantile bodies.

Chamber of Commerce, Madras, 29th March, 1916.

TO THE CHAIRMAN, PORT TRUST,
Madras.

SIR,—In continuation of my letter of the 10th instant, I beg to inform you that the subject of the imposition of "super dues" was

discussed at the meeting of the Chamber held yesterday, and the Chamber now expresses its approval of the increased tax on goods and on shipping using this port on account of war conditions.

I have, etc.,
GORDON FRASER,
Chairman.

MADRAS PORT TRUST (CUSTODY OF EXPORTS.)

Chamber of Commerce, Madras, 2nd August, 1916.

TO THE SECRETARY TO GOVERNMENT, MARINE DEPARTMENT,
Ootacamund.

SIR,—With reference to G. O. No. 197 of the 29th June, 1916, approving the proposal of the Port Trust to levy an extra charge of As. 8 per ton on exports definitely tendered into its custody and directing the necessary addition to the statement of services attached to the Port Trust's schedule of Harbour dues and services, I have the honour to inform you that the Chamber suggests to the Government an alteration of the proposed charge to one anna per ton, the proposed charge being excessive for the services rendered. The Chamber also wishes to draw the attention of the Government to the desirability of obtaining the views of the commercial community before sanctioning proposals such as the one in question.

I have, etc.,
GORDON FRASER,
Chairman.

Public Department, Ootacamund, 10th August, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 2nd August, 1916, regarding the extra charge on exports definitely tendered into the Madras Port Trust Board's custody and to state that the matter is receiving attention.

I have, etc.,
R. H. COURTENAY,
for Chief Secretary.

GOVERNMENT OF MADRAS.

PUBLIC (MARINE) DEPARTMENT.

G. O. No. 272, dated the 6th October, 1916.

READ the following papers :—

G. O. No. 197, Marine, dated the 29th June, 1916.

II

From the Chamber of Commerce, Madras, dated the 2nd August, 1916.

III

Endt. to the Chairman, Madras Port Trust, No. 1117-1, dated the 10th August, 1916.

IV

Letter to the Chairman, Chamber of Commerce, No. 1117-2, dated the 10th August, 1916.

V

From the Chairman, Madras Port Trust, No. 1126, dated the 21st September, 1916.

ORDER :—

The letter from the Chairman, Madras Port Trust, No. G.-1126, dated the 21st September, 1916, will be communicated to the Chairman, Chamber of Commerce, Madras, with reference to his letter, dated the 2nd August, 1916.

(True Extract.)

L. DAVIDSON,
Acting Chief Secretary.

[ENCLOSURES]

From the Chairman, Madras Port Trust, No. G.-1126, dated the 21st September, 1916.

In reply to your Public (Marine) Endorsement No. 1117-1 of the 10th August, 1916, I have the honour to say that in the last five years there has only been one consignment of export goods definitely tendered into our custody. The Chamber of Commerce have given no reason for considering the rate excessive and in view of the very limited advantages that has hitherto been taken of Clause 40 (1) of the Port Trust Act the Trustees consider that the 8-anna rate, which represents one thousandth part of the average value of a ton of export goods, is justified.

2. Should it be found hereafter that greater advantage is taken of this clause, and that the revenue from the 8 anna rate is exceeding the amount that has to be paid in satisfaction of claims on this account, the Trustees will be prepared to revise the charge.

3. A copy of the Board's Resolution on the subject is enclosed.

Extract from the proceedings of the Trustees of the Port of Madras at a meeting held at the offices of the Board on Friday, the 15th day of September, 1916.

169. Read Public Department Endorsement No. 1117-1, dated the 10th August, 1916, referring for remarks letter from the Chamber of Commerce raising the question of what amount should be charged on export goods definitely handed into the Trust's custody under Sections 40 and 41 of the Madras Port Trust Act.

Read also draft reply by the Acting Chairman to the Chief Secretary to Government.

Resolved that the draft reply be adopted.

Chamber of Commerce, Madras, 4th November, 1916.

TO THE CHIEF SECRETARY TO GOVERNMENT, PUBLIC
(MARINE) DEPARTMENT,
Madras.

SIR,—With reference to G. O. No. 272, Marine, dated the 6th October, 1916, forwarding a copy of letter No. G.-1126, dated the 21st September, 1916, from the Chairman, Port Trust, Madras, I have the honour to inform you that the Chamber has resolved, at its last monthly meeting, to agree to the charge of 2½ annas per ton on goods handed over to the custody of the Port Trust for which a receipt is given by the Port Trust.

I have, etc.,
GORDON FRASER,
Chairman.

INDIAN RIVERCRAFT BOARD.

Indian Rivercraft Board, Calcutta, 26th September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—A very large number of rivercraft of all sorts is being sent out from England for service in Mesopotamia with the Expeditionary Force. These are coming out some in sections, some in plates and angles, some with hulls complete and some will steam out. It has been decided to deal with those needing re-erection at Karachi and Bombay, whence they will be towed up to Basra. The work to be done is very large and to deal with the situation and with all questions relating to the assistance to be rendered by India regarding rivercraft for Mesopotamia, the Government of India have called into being an Indian Rivercraft Board. A copy of the letter of authority establishing the Indian Rivercraft Board is enclosed.

2. The Indian Rivercraft Board are now taking steps to develop the resources of Bombay, and especially Karachi, to deal with re-erection work in large quantities. Karachi is eminently suitable in every way for establishing a large shipyard, and the bulk of the work will be done there. It will probably be necessary to send large drafts of labour, principally riveters to Karachi and in this respect the Indian Rivercraft Board wish to enlist your help if necessary. They are aware that certain authorities in India have been in communication with certain authorities and firms in Madras on the subject, but all such arrangements are now merged under the authority of the Indian Rivercraft Board.

3. In order that there may be a recognised channel of communication between the Indian Rivercraft Board and firms in your town, they suggest that a Madras Rivercraft Committee consisting of a Chairman and two members with a Secretary be called into being. The Indian Rivercraft Board will then send this Committee a letter authorising them to take such steps as they consider necessary to carry out any requests made to them. It is anticipated that these will principally be in the direction of the supply of foremen, workmen and plant for Karachi, but it is, of course, impossible to forecast too closely. The Indian Rivercraft Board feel sure that the Madras Rivercraft Committee would do everything in their power to meet demands made upon them for assistance.

4. Details of number and type of craft for re-erection have not yet been communicated to us, and until that is done it is inadvisable to draft labour to Karachi where it would remain idle. The Indian Rivercraft Board think, however, that a good deal could be done to select suitable foremen and native staff willing to go to Karachi so as to be ready whenever it is necessary to approach you with a definite request.

5. Local Committees on the above lines are already in being at Karachi and Bombay and are in process of formation at Madras, Singapore and Colombo.

I have, etc.,
H. M. HAYWOOD,
Secretary.

Chamber of Commerce, Madras, 1st November, 1916.

TO THE SECRETARY, INDIAN RIVERCRAFT BOARD.
Calcutta.

SIR,—I beg to acknowledge receipt of your letter No. 147 R.C.P. of the 26th September, 1916, suggesting that a Committee of the Rivercraft Board consisting of a Chairman and two members

with a Secretary be formed in Madras, which would be authorised to take such steps as are necessary to supply foremen, etc., who will be employed in re-erection work of rivercraft for service, and also your letter to the Secretary, Rivercraft Committees, seeking its co-operation in finding four suitable men as foreman, engineers, etc.

In reply I beg to inform you that the Chamber considers that there is no need of a Committee in Madras as the Port authorities are both competent and willing to deal with the matters under reference, and it suggests that the Board as need arises should address the Presidency Port Officer, who will take action in consultation with the Chairman of the Madras Port Trust. The Chamber will, however, be glad to render the Board any assistance which is in its power.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Indian Rivercraft Board, Calcutta, 6th November, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed by the Indian Rivercraft Board to acknowledge, with thanks, the receipt of your letter of the 2nd instant, the contents of which they have duly noted. They will be pleased to refer to the Port authorities of Madras should occasion arise in which assistance from Madras is required.

I have, etc.,
H. M. HAYWOOD,
Secretary.

M. & S. M. Ry. Co., Ltd., Madras, 30th November, 1916.

TO THE PRESIDENT, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to send you a copy of an advertisement which I am having published in the papers. As you probably know the Government of India have been calling upon the Railway Administrations to send men of every grade of service to Mesopotamia and East Africa and the M. & S. M. Railway have done their part and have sent a very fair number; but the lists hereto appended, of the classes of labour which are not confined to purely railway

work, will give some idea of the very large number of men we have been called upon to recruit, and it is impossible to get them all from Railway.

The members of the Chamber who employ labour will, I am sure, desire to assist in the recruitment of these men on whom the success of our overseas expedition will largely depend, and I beg to invoke their co-operation and ask them to make it known to those of their employees who are willing to enlist, that information can be obtained from Mr. L. E. Taylor in the office of the Chief Engineer, Railway Office, Royapuram, who will also make arrangements for journey to Bombay.

I have etc.,
R. TODD,
Acting Agent.

Chamber of Commerce, Madras, 18th December, 1916.

TO THE CHAIRMAN, PORT TRUST,
Madras.

SIR,—With reference to your letter of the 24th November, 1916, forwarding copy of a telegram received by you from the Indian Rivercraft Board, Calcutta, requesting you to send skilled workmen for service at Basra, I beg to inform you that the Chamber regrets its inability to secure suitable men but suggests that you communicate with the Engineering firms of Madras who may be able to assist you in finding suitable skilled workmen.

I have, etc.,
T. E. WELBY,
Acting Secretary.

Port Trust, Madras, 19th December, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to one of the items of business at this evening's meeting I beg to hand you a copy of my letter to the Secretary, Rivercraft Board, Calcutta, No. G. 1734, dated the 19th December, 1916.

I have, etc.,
FRANCIS J. E. SPRING,
Chairman.

[ENCLOSURE.]

Copy of letter No. G.-1734, dated the 19th December, 1916, from the Chairman, Madras Port Trust, to the Secretary, Indian Rivercraft Board, Calcutta.

Your telegram, dated the 22nd November, was circulated duly to the Madras Trades Association and the Madras Chamber of Commerce. The former have replied to the effect that they have circulated your telegram amongst their members who would be likely to be able to assist requesting them to communicate with you direct. The Chamber of Commerce regrets its inability to secure suitable men and suggests my communicating with firms in Madras who are likely to have them.

2. The Madras Port Trust, through its Engineer-Chairman, has always assisted in every possible way when asked to do so by the Presidency Port Officer here who is in charge of all war matters of the sort. But we are not in a position to look up recruits outside our own yard. All we can do is to put up a notice, and this I am doing, in our own yard stating that men are wanted. But I would suggest that this is likely to be of very little use if when they come to enquire as to their prospects nobody here is able to tell them anything definite.

3. So I would suggest that you either enter into an arrangement with somebody in Madras—e. g., the local representative of Messrs. Burn & Co. of Howrah and Calcutta—or else that you arrange with the Garrison Engineer for the enlistment of such men as can be picked up here—very few at any time I fear, at all events of skilled men.

PASSPORTS FOR PASSENGERS LEAVING MADRAS.

Chamber of Commerce, Madras, 29th May, 1915.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honour to inform you that the Chamber understands that a good deal of inconvenience is being caused to passengers from India to England *via* Marseilles by the fact that the passports which they have to take out have to be issued and signed by the Secretary to Government, Judicial Department, whose office is now at Ootacamund. Passengers have at times to leave Madras at short notice, with little time to make arrangements, and are much inconvenienced by the delay that occurs under the present system of issuing passports. The Chamber begs, therefore, to enquire whether, at all events, while Government are at Ootacamund, it would not be possible for passports to be issued by the Collector of Madras, or some other high official who is permanently resident in Madras city, and by the Collectors of Districts in the mofussil.

I have, etc.,
GORDON FRASER,
Chairman.

Public Department, Ootacamund, 7th June, 1915.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter, dated the 29th May, 1915, I am desired to inform you that arrangements have very recently been sanctioned for passports being issued and signed by the Commissioner of Police, Madras, in respect of the residents in Madras city, and by the District Magistrates, the Resident in Travancore and Cochin and the Political Agents for Pudukkottai, Banganapalle and Sandur in respect of persons residing within their respective jurisdictions.

I have, etc.,
F. L. BRIGSTOCKE,
for Secretary to Government.

Chamber of Commerce, Madras, 4th May, 1916.

TO THE SECRETARY TO GOVERNMENT, PUBLIC DEPARTMENT,
Ootacamund.

SIR,—With reference to correspondence ending the 7th June, 1915, on the subject of passports for passengers leaving Madras and calling at Marseilles, the Chamber begs to draw the attention of Government to the difficulties existing at present, in spite of the assurance given that arrangements were being made by the Government with the Commissioner of Police to issue and sign passports, and suggests to Government the appointment of a responsible officer in Madras to sign passports for the period during which the Government are at Ootacamund.

I have, etc.,
W. B. HUNTER,
Vice-Chairman.

Public Department, Ootacamund, 5th June, 1916.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter, dated the 4th May, 1916, suggesting that an officer may be appointed at Madras to sign and issue passports for the period during which the Government have their headquarters at Ootacamund, I am directed to say that, under the orders of the Government of India which were issued subsequently to the correspondence of June, 1915, passports granted in this Presidency cannot be signed by an officer lower in

rank than a Secretary to Government. The delay thus involved should not, however, exceed two or three days, and it is hoped that this will not involve material difficulty to persons desirous of obtaining passports.

I have, etc.,
E. A. HARVEY,
for Secretary.

Chamber of Commerce, Madras, 30th June, 1916.

TO THE SECRETARY TO GOVT., PUBLIC DEPARTMENT,
Ootacamund.

SIR,—I have the honour to address you again with regard to the inconvenience caused to persons in Madras city, and in the mofussil who may desire to obtain passports on short notice by the necessity of reference to Ootacamund, during the months when that is the seat of Government, and to request that you will be good enough to transmit this letter to the Government of India.

This Chamber is still unable to understand why officers remaining in Madras during that part of the year, such as the Collector of Madras, the Commissioner of Police or the Chief Presidency Magistrate, should not be empowered to grant passports, at least in cases where the applicant is personally known to them and can show that reference to Ootacamund would cause him appreciable inconvenience. The delay at present experienced is at least three or four days, and cases are not infrequent where, owing to business reasons or unsettled dates of steamer sailings, such delay causes hardship.

I have, etc.,
GORDON FRASER,
Chairman.

GOVERNMENT OF MADRAS.

HOME DEPARTMENT.

(Miscellaneous)

PRESS COMMUNIQUE.

Fort St. George, the 2nd December, 1916.

With a view to affording wider facilities to the travelling public to obtain passports, the Government of India have empowered the Collector of Madras, in addition to the Secretary to the Government of Madras, Home Department, to grant and sign

passports in the name of the Viceroy and Governor-General of India, during the location of the headquarters of the Government at Ootacamund. British subjects, Indian or European, and subjects of Native States in subordinate alliance with the British Government, intending to travel to places outside the Indian Empire, may apply for passports either to the Collector of Madras or to the Secretary to the Government, Home Department, through the Commissioner of Police, Madras, or through a District Magistrate, or through the Resident in Travancore and Cochin, as the case may be.

P. RAJAGOPALA ACHARIYAR,
Secretary to Government.

PASSPORTS FOR WOMEN AND CHILDREN.

Judicial Department, Fort St. George, 23rd December, 1915.

TO THE CHAIRMAN, CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward for your information a copy of a Press Note, dated the 13th December, 1915, issued by this Government regarding the passport requirements of British subjects entering or leaving the United Kingdom.

I have, etc.,
R. H. COURTENAY,
for Chief Secretary.

[ENCLOSURE.]

PRESS NOTE.

Information has been received that Clause 1 of the Aliens Restriction (Amendment) Order, 1915, an extract of which was published with notification No. 485, Judicial, dated the 26th June, 1915, at page 590 of Part I of the *Fort St. George Gazette*, dated the 6th July, 1915, has now been extended by an Order in Council of the 30th November, 1915, to all British subjects entering into or leaving the United Kingdom. As a consequence British subjects wishing to enter or leave the United Kingdom must produce a passport or some other document satisfactorily establishing nationality and identity and to this passport or document must be attached a photograph of the person to whom it relates.

GOVERNMENT OF MADRAS.

PUBLIC DEPARTMENT.

PRESS COMMUNIQUE.

Dated Fort St. George, the 14th February, 1917.

It is notified for general information that under instructions from the Secretary of State for India passports and permits to travel through any danger zone or to the United Kingdom will not be granted to women or children unless travelling for very urgent reasons, *e.g.*, taking up work as nurses or other work in connection with the war, or unless exceptionally urgent business or domestic reasons or exceptionally urgent reasons of health can be shown. This is applicable to all whether travelling at their own expense or at Government expense under Civil and Military rules, and includes passages round the Cape.

2. All passports issued or viséd for return voyage before the 10th February, 1917, for women and children will be considered invalid unless accompanied by a subsequent special authorisation to embark from the authority issuing or viséing such passports. This authorisation should be endorsed on the passport but in the case of persons who have left the place where the passport was issued or viséd it may be applied for, and will be granted by telegram if there are sufficient reasons. Such telegrams should be attached to the passport for presentation to the embarkation authorities.

3. The orders relating to the grant of passports explained in paragraph 1 above will be worked strictly with a view to preventing women embarking except for really urgent reasons. For instance wives merely anxious to accompany their husbands ordered to Europe will not be granted passports while in the case of a wife wishing to accompany her husband who has been seriously invalidated home a passport will be granted.

J. P. BEDFORD,
Acting Chief Secretary.

THE PROHIBITION OF EXPORT OF GOODS OF JUTE MANUFACTURE.

Custom House, Madras, 17th July, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to forward herewith a copy of the telegram received from the Government of India, Department of

Commerce and Industry, and to request you to kindly let me know the opinion of your Chamber at a very early date as a telegraphic reply has to be sent to the Government of India on the subject.

I have, etc.,
C. W. E. COTTON,
Collector of Customs.

[ENCLOSURE.]

Copy of telegram from the Government of India, Commerce and Industry Department, to Customs, Madras, dated the 17th July, 1916.

"5892—W-II following from Secretary of State. Begins. In case of exports of goods packed in jute from United Kingdom to European countries other than France, Russia, Italy and Switzerland guarantees are now required from consignees to ensure that jute coverings of all goods free and prohibited shall not reach enemy destination. This only applies to quantities over 100 bags. Foreign Office propose that similar should be introduced in India. As regards goods on prohibited list there would be apparently no objection or difficulty as before advising that licences could be granted war trade department will obtain these additional guarantees when necessary. If system were extended to free goods it would be necessary to add jute coverings to prohibited list thus necessitating reference here of applications for licences to ship free goods so packed to enable me to deal with Foreign Office proposal. Ends. Please telegraph your views after consulting trade."

True Copy)
G. N. BOWER,
Assistant Collector of Customs.

Chamber of Commerce, Madras, 28th July, 1916.

TO THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—With reference to your letter No. R. O. C. 1578—16 of the 17th July, 1916, forwarding copy of a telegram received by you from the Government of India, Department of Commerce and Industry, on the subject of the prohibition of export of goods of jute manufacture, I beg to inform you that the Chamber approves of the proposed prohibition.

I have, etc.,
T. E. WELBY,
Acting Secretary.

GOVERNMENT OF INDIA.

DEPARTMENT OF COMMERCE AND INDUSTRY.

Simla, the 8th September, 1916.

PRESS COMMUNIQUE.

Under instructions from His Majesty's Secretary of State for India, it has been found necessary in the case of goods packed in jute coverings and intended for countries in Europe other than France, Italy, Russia and Switzerland, to require a guarantee from the consignees that such coverings will not reach an enemy destination. For the present this decision is only to apply to quantities over 100 bags or bales. The guarantee will, it is understood, be taken by His Majesty's Consular officers in the countries concerned, and firms in India should, therefore, give Collectors of Customs timely notice of intention to ship goods packed in jute coverings in order to facilitate the observance of the necessary formalities.

Custom House, Madras, 11th September, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to the copy of the telegram from the Government of India regarding the guarantees proposed to be enforced on jute coverings forwarded to you with my letter R. O. C. No. 1578 of 16, dated the 17th July last, I have the honour to inform you that the Government of India have decided to accept the arrangements of the Foreign Office proposed therein.

2. It will, therefore, be necessary in future in cases of exports of goods packed with jute coverings to European countries other than France, Russia, Italy and Switzerland, to furnish guarantees from consignees to ensure that the jute coverings shall not reach enemy destination.

I have, etc.,
G. N. BOWER,
Assistant Collector of Customs.

Custom House, Madras, 22nd January, 1917.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to my letter R.O.C. No. 1578 of 1916, dated the 11th September last, I have the honour to inform you that intimation has been received from the Government of India

that a notification has issued prohibiting the export of goods to Norway, Greece and Morocco (except French Morocco) in any textile coverings whatever. Shipment will, however, be allowed in certain cases for which the intending importers should adopt the following procedure :—

“Applications for export should originate with the importers at the other end. They can obtain the necessary guarantee forms from the local British Consular officers. Forms when complete will be forwarded to the India Office who will communicate the same to the Government of India.”

The above procedure applies also to goods exported to Spain and Portugal in jute coverings. Guarantees are not required in the case of other countries.

I request that you will be good enough to circulate this letter among the members interested.

I have, etc.,
S. R. BEESON,
for Officiating Collector of Customs.

Custom House, Madras, 9th March, 1917.

TO THE CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honour to refer you to this office letter R. O. C. No. 1578 of 1916, dated the 23rd January last, and to inform you that the requirements as to textile coverings described therein for exports to Spain, Portugal and Morocco need no longer be observed. The existing requirements as to jute coverings for cotton shipped to Spain continue as also those affecting textile coverings of goods shipped to Norway and Greece. Copies of the forms of guarantee required can be obtained on reference to this office.

I request that you will be good enough to circulate this letter among the members interested.

I have, etc.,
P. ECCLES,
Officiating Collector of Customs.

**PROPOSED HOSPITAL ACCOMMODATION FOR PERSONS
SUFFERING FROM INFECTIOUS DISEASES.**

Trades Association, Madras, 20th March, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I am instructed by my Committee to forward you copy of a letter addressed by this Association to the President, Corporation of Madras, urging the necessity that a hospital for infectious diseases with accommodation for Europeans be provided by the Corporation, with a request that you will support us in this matter.

This letter sets forth this Association's views pretty clearly, but in order to facilitate reference I beg to enclose copy of correspondence with Government on the subject and also copy of the G. O. No. 909, dated the 11th May, 1905.

From the Minute Book of this Association of 1905 I observe that your Chamber, at that time, did not support the Association's views, for reasons contained in your letter of the 8th May, 1905. Unfortunately I cannot trace this letter and do not, therefore, know the reasons then given.

Will you kindly put the matter before your Chamber for consideration and favour me with a reply in due course.

I have, etc.,

T. KLEIN,
Secretary.

[ENCLOSURE.]

Trades Association, Madras, 20th March, 1916.

TO THE PRESIDENT, CORPORATION OF MADRAS,
Madras.

SIR,—I have the honour to address you on the matter of the provision of a suitable hospital for the treatment of cases of infectious diseases in this city and more especially as regards accommodation for Europeans. On the 13th April, 1905, this Association addressed the Local Government on this matter, who issued an order No. 909 M., dated the 11th May, 1905, in which they stated that

"They now consider that action should be no longer deferred, as the supply of an hospital for treatment of infectious diseases constitutes one of the most pressing wants of the City of Madras and cannot be indefinitely postponed."

Copies of this correspondence are enclosed herewith for your reference.

As a result of these representations some temporary arrangements were made by the Municipality, which have since lapsed, and the present outbreak of small-pox has found the city without any suitable accommodation or arrangements for the treatment of European patients, with the consequence that most serious inconveniences have arisen over certain cases within the knowledge of this Association, specific details of which can be forwarded if desired.

This Association considers it little short of a scandal that a city of the size and standing of Madras is not provided with such a building or even suitable accommodation. It is understood that a site was acquired in 1914 (nine years after the Government Order quoted above was issued) and apparently nothing further has been done in the matter.

This Association would be glad to learn that the work of building and equipment will be begun and carried on without further delay in view of the urgent need of such an hospital and that suitable temporary arrangements will be made at once for the accommodation and treatment of European patients pending its completion.

I have, etc.,

J. H. THONGER,
Chairman.

*From Government to the Association, dated the 11th May, 1905,
No. 909 M.*

READ the following papers :—

From Messrs. P. Orr & Sons, Mount Road, to the Chief Secretary to Government, dated Madras, the 4th April, 1905.

We have the honour to invite the attention of Government to the fact that the Municipality of Madras provides no accommodation for European patients suffering from infectious diseases.

2. An European living on our premises was declared to be suffering from small-pox on Saturday, the 1st instant, at 11 A. M. The authorities of the General Hospital refused to receive him although they had accommodation, and wrote telling us to apply to a Surgeon-in-charge of the isolation sheds at Royapuram. The reply received on Sunday morning was to the effect that no accommodation for European patients was available as the sheds were intended for natives only, and it was not till Sunday evening, that is, nearly 30 hours after the Health Officer had been notified, that accommodation was provided in a bare shed at Kistnampet; some iron cots and one chair were in the shed, but no sanitary appliances and no nursing staff.

3. It is well-known that every little hamlet at Home is obliged to provide a ward for infectious cases, and it is scandalous that in the City of Madras the Municipality has been allowed so long to evade its duties in this direction.

4. We trust that Government will now be pleased to impress on the Municipal Commissioners the necessity of immediately providing this accommodation, and we would also urge the need of a suitable ambulance which is now lacking.

*From Secretary, Madras Trades Association, dated Madras,
the 13th April, 1905.*

In reference to the complaint made by Messrs. P. Orr & Sons, in their letter to the Chief Secretary to Government of the 4th instant of the want of accommodation in the city for European patients suffering from infectious diseases, I am directed by the Committee of the Madras Trades Association to say that they strongly support the request therein made that the Government will impress on the Corporation the necessity of immediately providing the required accommodation as well as a competent nursing staff and suitable ambulance.

2. Since Messrs. P. Orr & Sons addressed Government on this subject, the Municipal Corporation has budgetted for Rs. 1,000 for two ambulances and Rs. 1,500 for furniture, but has shelved for the present the more important questions of providing a suitable building and a permanent nursing staff.

3. The Committee desire to invite the attention of Government to the provisions of Section 362 of the Municipal Act, 1904, in which it is provided that, when required by Government, the Corporation shall construct and maintain hospitals with proper establishments in the city for the treatment of infectious diseases. They request that early orders may issue to this effect, and if the Corporation cannot afford to keep a permanent nursing staff it is suggested that it should at least have a lien on the staff at the General Hospital to which it contributes Rs. 20,000 per annum.

Order—11th May, 1905, No. 909 M.

In G.O. No. 1833 M., dated the 27th October, 1898, a Committee consisting of—

President:

The President of the Corporation of Madras

Members:

The Senior Medical Officer of the General Hospital

The Sanitary Commissioner

The Consulting Architect

Secretary:

The Health Officer, Madras Municipality was appointed to consider the lines on which hospitals for the treatment of infectious and contagious diseases in Madras should be started and worked and the accommodation which should be provided in them and to furnish plans and estimates. In April, 1899, the Committee submitted the recommendations that the question of the construction of the hospital might be deferred owing to the financial difficulty under which the Municipality has been labouring on account of plague expenditure, and that when Madras was declared free from danger of plague, the existing plague hospitals and camps might be easily and economically adapted for the purpose of the hospital.

2. The Government accepted the recommendation and refrained from taking immediate action in the matter. They now consider that action should be no longer deferred, as the supply of a hospital for treatment of infectious diseases constitutes one of the most pressing wants of the City of Madras, and cannot be indefinitely postponed.

3. The Committee appointed in 1898 is, therefore, requested to re-assemble, to submit practical proposal in regard to the site and construction of the hospital for the consideration of which it was originally appointed, and to draw up the necessary plans and estimates.

Chamber of Commerce, Madras, 21st March, 1916.

TO THE SECRETARY, TRADES ASSOCIATION,
Madras.

SIR,—I beg to acknowledge receipt of your letter of the 20th instant, enclosing copy of a letter addressed by your Association to the Corporation of Madras, urging the necessity for a hospital for infectious diseases with accommodations for Europeans and asking the Chamber to support your representations.

I enclose copy of this Chamber letter dated 8th May, 1905, to your Association.

I have, etc.,

A. E. LAWSON,

Secretary.

[ENCLOSURE.]

Chamber of Commerce, Madras, 8th May, 1905.

TO THE SECRETARY, TRADES ASSOCIATION,
Madras.

SIR,—In reply to your letter of the 27th ultimo regarding the want of accommodation in Madras for Europeans suffering from infectious diseases, I beg to say that as the Chamber learns that a suitable building approved by Colonel Browning, I.M.S., has now been provided for such patients and that steps have been taken by the Municipality to provide the necessary ambulance, the Chamber sees no present necessity to support your representation to Government.

I have, etc.,

(Sd.) A. J. YORKE,

Chairman.

Trades Association, Madras, 29th March, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I thank you for your letter of the 21st instant enclosing copy of your letter to this Association, dated the 8th May, 1905, on the subject of accommodation and ambulance for Europeans suffering from infectious diseases.

I have, etc.,

T. KLEIN,

Secretary.

Chamber of Commerce, Madras, 11th April, 1916.

TO THE SECRETARY, TRADES ASSOCIATION,
Madras.

SIR,—In continuation of my letter of the 21st March, 1916, I beg to enclose copy of letter which this Chamber has addressed to the Government of Madras, supporting your representations to the Corporation of Madras, urging the necessity of providing a hospital for infectious diseases with accommodation for Europeans.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Chamber of Commerce, Madras, 11th April, 1916.

TO THE SECRETARY TO GOVT., LOCAL & MUNICIPAL DEPT.,
Madras.

SIR,—I am to draw the attention of the Government to the need for hospital accommodation in Madras for Europeans suffering from infectious diseases.

Representations on the subject, this Chamber understands, were made by the Trades Association in 1905, but though the Government then considered such hospital accommodation "one of the most pressing wants of the City of Madras" (No. 909 M. of 11th May, 1905), there is still no adequate provision to meet the need.

The Chamber trusts that the Government will be pleased to give this representation early and favourable consideration.

I have, etc.,

T. E. WELBY,

Acting Secretary.

Trades Association, Madras, 14th April, 1916.

TO THE SECRETARY, CHAMBER OF COMMERCE,
Madras.

SIR,—I beg to acknowledge your letter of the 11th instant enclosing copy of your letter of even date addressed to the Government of Madras, regarding hospital and accommodation for infectious diseases for Europeans, and thank you for the support given by your Chamber in this matter.

I have, etc.,

T. KLEIN,

Secretary.

GOVERNMENT OF MADRAS.

LOCAL AND MUNICIPAL DEPARTMENT.

G. O. No. 2198 M. Mis., dated the 23rd December, 1916.

READ the following paper :—

From the Secretary to the Chamber of Commerce, Madras, dated the 11th April, 1916.

From the Surgeon-General, No. 100/307, dated the 24th August, 1916.

ORDER :—

The correspondence read above relates to the provision of hospital accommodation for persons suffering from infectious diseases in the City of Madras.

2. The question of constructing a central infectious diseases hospital has engaged the attention of the Corporation and the Government for many years past, and various schemes have been put forward from time to time. Lastly, in May, 1914, the Corporation forwarded plans and estimates for the construction of an isolation hospital in Aminjikkarai village at a cost of Rs. 3,19,000, but the Government were of opinion that in consideration of the state of its finances, the Corporation would be well advised to consider whether it would not be sufficient to construct only the really essential portions of the very expensive building contemplated. The President of the Corporation in November, 1915, reported that the scheme must be deferred for want of funds and that the Corporation had put in hand the execution of certain repairs to the old barracks at Royapuram for the purpose of accommodating patients suffering from infectious diseases. The Government approved of this arrangement.

3. It has now been suggested to Government that the site at Aminjikkarai is unsuitable in itself and that a hospital at this place would be so far removed from the populous parts of the town that it would be difficult to induce patients to go there. A further suggestion made is that the Fiji Emigration Depôt, which has recently been acquired by the Corporation, might be utilised for the purpose of the hospital and the Government agree that the proposal deserves consideration though they are not convinced that the site would, in all respects, be better than that of the existing hospital at Krishnampet. The President of the Corporation is requested to report after consulting the Surgeon-General and the Sanitary Commissioner (1) whether the Fiji Emigration Depôt is suitable for an insolation hospital and is to be preferred

to the Krishnampet site, (2) whether if the Fiji depôt site is found preferable, it is desirable and possible to maintain the Krishnampet hospital for the convenience of the southern half of the city or it should be abandoned, and (3) as to the cost of construction of a suitable hospital there in comparison with the cost of improving (or reconstructing) the Krishnampet hospital. If one or the other of these sites is accepted, the President will also decide in consultation with the Surgeon-General and the Sanitary Commissioner the general design of buildings and alterations to existing structures that would be necessary. The question whether provision can be made in this scheme for a small camp and stegomyia proof hospital should also be considered. The total outlay on the scheme should not exceed Rs. 1.50 lakhs.

4. The President is requested to submit along with his report, plans and approximate estimates showing the detailed arrangements proposed and the cost of the scheme.

5. Pending a decision as to the buildings of a new hospital either at the Fiji Emigration Depôt or at Krishnampet it is necessary that the existing hospitals at Royapuram and Krishnampet should be put in a more satisfactory condition. The hospital at Krishnampet is defective in equipment and staff and should be improved, especially in the following respects :—

(1) There is no telephonic communication, which is absolutely essential in a hospital where sick patients often require urgent attention or treatment. A telephone should be installed at once.

(2) The cement floors of some of the temporary sheds are much cracked and require relaying.

(3) The wards are unnecessarily dark and might well be opened out.

(4) The compound wall requires to be made rat-proof.

(5) There are no proper arrangements for disinfection of clothing. A proper steam disinfecting apparatus should be provided.

It is also noticed that, although there are quarters for the Medical Officer in charge, who is an Assistant Surgeon, he does not reside there. It is essential that he should be required to reside on the premises; at present he only attends between 8 and 10 A.M., and 4 and 5 P.M. An addition to the nursing staff is also essential. At present there is a single ayah drawing Rs. 8 a month and a matron on Rs. 50. For patients requiring day and night attendance, this is totally inadequate.

The Corporation will be requested to make in communication with the Surgeon-General early arrangements for remedying the above defects, and the President is requested to submit a report to Government in due course as to the action taken in the matter.

(True Extract.)

R. A. GRAHAM,
Acting Secretary to Government.

Forwarded to the Secretary, Chamber of Commerce, Madras.

(By Order)

N. CHENGAL RAO,
Registrar.

VISIT OF SIR THOMAS HOLLAND.

Sir Thomas Holland, accompanied by Mr. Bell and Mr. M. E. Couchman, had an informal conference on the 2nd August, 1916, at the rooms of the Madras Chamber of Commerce, when the following members of the Chamber were present :—The Hon'ble Mr. Gordon Fraser, Sir Bernard Hunter, Mr. A. J. Leech, Mr. F. E. L. Worke, Mr. F. B. Wathen, Mr. John Black, Mr. A. F. Buchanan, Mr. G. A. Chambers, Mr. H. H. Chettle, Mr. R. T. Menzies, Mr. J. F. Simpson, Mr. R. S. F. Simson, Mr. H. M. Spencer, Mr. C. H. Straker and Mr. W. A. Turner.

MR. GORDON FRASER.

The Hon'ble Mr. Gordon Fraser, in welcoming Sir Thomas Holland, said :—

GENTLEMEN,—The meeting this afternoon is to discuss with Sir Thomas Holland the question of the promotion of Indian industries, and I would first like to express our pleasure at having the opportunity of meeting Sir Thomas Holland and of assuring him that he can rely on our co-operation and assistance in carrying out the enquiries that he is engaged upon. I think the appointment of the Commission is a very sound idea on the part of the Government of India, and much good ought to result. The Commission may be able to settle a number of controversial points as to the reasons why the industries of our Presidency have not developed more rapidly, and, perhaps, may fix the blame in the right quarter, whether due to the timidity of capitalists, inefficient labour, or perhaps the lack of interest taken in the question of industries by the Government. For my own part I think there

are many openings in the Madras Presidency, for capital and labour especially in connection with agriculture and the improvement of crops, and I would suggest to the Commission that they give more attention to these than to the promotion of a number of smaller keenly competitive foreign industries, of which so much is said at the present day. If other countries can supply us with necessities at prices below what it would pay us to work at, I would say buy from the other countries and devote our attention to the many more profitable ventures waiting to be taken up. Capital and labour have not taken advantage of the many opportunities of initiating industries which offer fair prospects of success, and until these are all in full swing, I do not see much use in introducing highly competitive foreign industries which will require much nursing and heavy protection to enable them to pay.

In agriculture there are a hundred and one different ways in which improvements could be made. Again, in the marketing of crops there are dozens of ways in which improvements could be brought about by starting small industries. Then there are various processes through which our crops could be put before they are placed on the foreign markets. I may mention a few of the industries which I would suggest as deserving of consideration—indigo decortication of kernels, pumping plants throughout the Presidency, fibre production, treatment of cotton, bamboos, paper-making, oil-pressing which has a good future before it, manufacture of cattle food from oil cakes, manufacture of manures, chemicals, soap-making, fishing industry and its bye-products, tanning extraction, and many others; I might add tile making. It has always struck me as curious that tiles should be coming from Europe when we have all the facilities in Southern India for making them. In the case of mining leases, for mica, magnesite, manganese, etc., I think more assistance might be given by Government to capitalists than has been done in the past.

Expert and Government assistance are desirable in many industries, but in many cases, especially in connection with the crops of the Presidency, improvements and industries ought to be initiated by the people themselves; the openings are there, and promise a very fair measure of success without expert or Government assistance. I think a good deal of Indian money is probably locked up in land, and does not go into industries. Indian business men rarely have the necessary cash balances available for investment in industries. The planting industry, tea and rubber, is one of the few which has made satisfactory progress in recent years.

According to the letter of advice we have received I gather the present visit of Sir Thomas Holland is to make preliminary enquiries with a view to settle the lines on which the Indian

Industrial Commission should work. This being so, I think we had, perhaps, better ask Sir Thomas Holland to inform us more definitely on what lines he proposes to work, in what way we can help, and the nature of the information that he is desirous of obtaining from us. I fancy a good number of members of the Chamber hold views of sorts on the subject of the promotion of industries; some have been learned by experience, and others are very much of a nebulous nature. From a conversation I had with our guest the other day, I gathered that he is not enamoured of gentlemen with views, but he wants the actual results of experience and good evidence in the nature of hard facts and figures. I shall, therefore, ask Sir Thomas Holland to address the meeting and tell us what information he would like to elicit from the Chamber by putting questions to us.

SIR THOMAS HOLLAND.

Sir Thomas Holland, in the course of his remarks, said that he had not come there to give them a formal address, and certainly had not come to explain to them what probably would be the findings of the Commission; he had not even come to tell them what he thought the Government policy would be; but he would tell them some of the ideas that he had picked up already, with the hope that they would excite in their minds other suggestions, so that at the end of this preliminary tour he might be able to draw up a more complete syllabus on which questions could be framed to be sent out to suitable witnesses. During this preliminary tour he took the opportunity of getting information by visits to works and from private conversation with those he met in regard to what the feeling in the country was as to the present phase of industrial development. He hoped that the information so collected would be of great service afterwards in putting questions to witnesses which would bring out their ideas. He hoped to pick up in that way ideas and opinions which he could not get in any other way. That was why he was not in the least anxious to know the views of those who had only theoretical views. The Commission wanted to get facts and figures and the experience of those who had succeeded in business and industries as well as of those who had failed. He knew what was working in the minds of some of the members present there through private conversation. Everybody who had anything like a flourishing trade or industry wanted to be left alone, and naturally looked with suspicion on any interference on the part of the Government. But they would agree with him that it was important to make each British country more self-contained, and not dependent on other countries for articles of vital importance. The Hon'ble Mr. Gordon Fraser had told them that it was not of much use to encourage the manufacture of small articles which could be obtained more cheaply by being imported.

Most of them would agree with him in that view, so long as they paid special attention to the manufacture of those articles which are of vital importance to the country.

A certain amount of money was lying idle in this country, and ought to be made fluid for the development of the natural resources, thereby adding to the total wealth of the country. The development of industries might alter the character, but would not decrease the amount of external trade. More production meant more wealth and more purchasing power. Government had at present no settled policy as far as he could make out in regard to the industrial development of India. They had made various experiments; grants had been made from time to time; concessions of land; guaranteed purchases and other forms of assistance had been tried; but they should all be regarded as experiments. As a result of those experiments Government appear to feel that they could now formulate something like a definite policy, which, he hoped, would be framed with due regard to opinions and advice of all people in the country whose interests were affected. Sir Thomas Holland took it for granted that the Commission was in no sense a movement for the benefit of Indians as opposed to Europeans, or *vice versa*. It was intended to find out exactly in what direction there was scope for industrial development, regardless as to whether a European or an Indian undertook the work. There was no doubt that practically all concerns which had assisted in the industrial development of the country had been initiated by Europeans, and for many years to come they might say that European firms—either those that already existed in the country or that might be encouraged to come out to initiate further industries, would have to play an important part in this matter. He could not see any immediate hope of obtaining anything like a substantial industrial development with the help of Indians only. There is no doubt that there was greater willingness on the part of European firms to engage in commercial enterprises and less willingness on the part of Indians to devote their money to industrial development. They wanted to change all that; but any change must be introduced sufficiently slowly to adapt itself to the changed economic conditions. Sudden changes in response to a purely artificial stimulus were calculated to do more harm than good. Mr. Gordon Fraser had suggested agriculture, forestry and mining as subjects for enquiry by the Commission. Sir Thomas Holland said that the Commission would be devoting less attention to those matters than to other things, not because the Commission did not realise their importance, but because the Government had already initiated a wise policy for their encouragement. Government had introduced a large number of scientific and technical experts who had already greatly assisted in the improvement of both agriculture and forestry. He had not the slightest doubt that the experiments so far made

showed that the Government could wisely employ more money in the development of agriculture.

In the case of mining, the rules had been revised and made a little more generous, especially in one point which was appreciated by business men, *viz.*, in the matter of promptness. The rules, on the whole, were more generous than any rules he knew of elsewhere, but as in the case of all rules they could be spoiled in the working, and the Commission would be prepared to receive evidence regarding both the rules and the way they are now worked. The Forest Department had, during recent years, increased its scientific staff, and they were doing such good work that it was justifiable to urge Government to spend more money on these industries that were calculated to produce wealth in the country. Manufacturing industries would probably occupy a good deal of the attention of the Commission, simply because they were, except in the matter of a few, really in a backward state. It was only in time of war they were able to realise to what a large extent India had to look to outside countries for many of her necessities. There were capital and raw material in the country, and there was a large artisan population that might be utilised if properly trained. The question was what form of Government help might be required. Sir Thomas Holland then briefly reviewed the various proposals already made, and included in the preliminary note issued to the press.

Before the next cold weather, after the preliminary information had been collected, either by Government special officers or by the formation of provincial committees, the Commission would send out in advance a series of questions. On arrival in a province like Madras, the Commission would examine a certain number of witnesses and take the opportunity of visiting some typical works. If there was such a thing as a provincial representative committee, there was no reason why the Commission and the Committee should not have an informal conference, as a result of which they would be able to suggest a certain number of recommendations which might be given effect to at once, instead of waiting for the Commission's final report. In that matter, he hoped the Chamber would co-operate loyally with the Government to make it a success, because so far as he could judge, the Indian population here did not seem to contain a sufficient number of people who had had actual experience of industrial and commercial enterprise to give the Commission the advice that it would like to have. One of the problems was the creation of Central Technical Departments which would enable Government to carry on where the Commission would leave off; for instance, it had been suggested that, instead of each local Government having its own experts of various kinds, limited in number and even more limited in qualifications, it might be

possible for the Government of India to maintain a larger department of experts and to lend them to the provinces. Without committing the Commission to anything definite, he was of opinion that a scheme might well provide the Government of India with a large body, for example, of chemists, chemists of all kinds, tinctorial, pharmaceutical, metallurgical and agricultural. If they had a central reservoir of chemists in that way, they would be able to maintain a well-equipped laboratory and create a chemical atmosphere which would keep every official up to the mark. But there were many administrative difficulties in the way of such a scheme, and the value of these would have to be examined.

Sir Thomas Holland recommended the members to study the preliminary statement issued to the press, and to communicate with Mr. Bell, the Secretary, any suggestions they might have to make. He expressed his appreciation of the generous hospitality and the kindly welcome given to him during his visit to Madras.

The members of the Chamber then discussed with Sir Thomas Holland suggestions for an Act to prevent adulteration, the question of registration of partnership, etc.

The Hon'ble Mr. Gordon Fraser, in conclusion, said the general scheme as put forward by Sir Thomas Holland was a most excellent one, and if the Commission found it practicable to work on the lines suggested by Sir Thomas Holland, he certainly thought that much good would result to the industrial world. The institution of Government certificates of purity, Mr. Fraser thought, would be very sound indeed. To pass an Adulteration Act would be going one better, and he hoped that Sir Thomas Holland would press for it. A Central Research Institute for chemistry would be a great help, and chemistry came in so many industries. As regarded agricultural industries although they were not coming in the forefront of the enquiry, he hoped some attention would be given to them. Sir Thomas Holland had mentioned that industries in connection with agriculture were not sick, but Mr. Fraser was of opinion that they were very sick indeed, but fortunately with a complaint that they hoped had been diagnosed and that they were now under correct treatment. The Agricultural Department had certainly been doing most excellent work for the last two years, and improvements made had been very considerable indeed. The Forest Department, he knew from experience, was also ready to assist any one who sent in to them any enquiries, and the officer of the Economic Forestry at Dehra Dun answered every enquiry put before him in a manner worthy of the best business firms. (Laughter.) As regards the improvement of labour, there was plenty of room for this. The educated classes did not take kindly to manual labour. He had seen a letter from an educated Indian who had worked one week in a mill and then

promptly retired, and in it he wrote that he looked back "with horror and dismay to the time he had worked as a cooly." In conclusion, Mr. Fraser thanked Sir Thomas Holland on behalf of the Chamber for the clear exposition he had given of the lines on which the Commission proposed to work. The statement made by him was a clear and business-like one, and if the Commission would work on the lines Sir Thomas Holland had laid down, he was sure they would have very satisfactory results.

The members of the Chamber then dispersed.

VISIT OF SIR GEORGE BARNES.

On Tuesday, the 9th January, 1917, at 5-30 P.M., the Hon'ble Sir George Barnes, Member of the Government of India for Commerce and Industry, had a conference with the members of the Madras Chamber of Commerce, at their office premises in the North Beach Road. There was a full attendance of the members of the Chamber, the Hon'ble Mr. Gordon Fraser, the Chairman, presiding.

MR. GORDON FRASER.

In welcoming the Hon'ble Sir George Barnes, the Hon'ble Mr. Gordon Fraser said :—

GENTLEMEN,—In the first place, I would like to extend to the Hon'ble Sir George Barnes, on behalf of the members of our Chamber, a hearty welcome on this his first visit to Madras. I hope this will be the forerunner of many more visits to us from him and that his Department and this Chamber will come into more frequent touch with each other. The first question that we have to bring to Sir George Barnes' notice, causing serious difficulties common to all India, is the present shortage of facilities for financing trade, due to the restriction of the sale of Council Bills, and it is not necessary to enlarge on the inconvenience caused to trade. Perhaps, Sir George Barnes can give us some information as to the reasons of the restriction, and advise us as to when we may expect relief. The report of the meeting the other day between Sir William Meyer and the Exchange Banks in Calcutta does not deal fully with the question. We feel that preference must be given to necessities and such commodities as are required for war purposes. In the meantime, business is suffering, especially industries using local raw material and dependent on export for the sale of their production. It will be a matter of interest to us if Sir George Barnes can tell us the names of the firms to whom the Government propose to restrict the sale of Council Bills.

Another point that I wish to refer to is the tanned hides business. Our guest has already, no doubt, discussed this matter with Mr. McWatters. On the whole, very little friction has been caused. But I am afraid the Government are not achieving the main object they had in view, namely, the increase of supplies. The trouble appears to be that tanners are not making money. The prohibition on the export of raw hides, except to the United Kingdom, and the efforts of Government to control the sale of bark ought to do good. With Mr. McWatters here, ready to consider any suggestions put forward, it is unnecessary for me to discuss this matter at length now.

Tanned skin is another subject before us. Government have recently prohibited the export of tanned skins to America; but it appears to me that this will do little good, unless the export from London is prohibited also. If tanned skins are to be shipped to London and then re-exported to America, we might just as well continue to export direct to America. I leave this question for members interested to ask questions of Sir George Barnes, as I am not conversant personally with the skins trade.

Then comes the question of the adulteration of Indian produce. This subject has come before us on many occasions. We all realise the very great difficulty that would attend legislation on this subject, but we hope that Sir George Barnes will enlighten us with regard to the Government's views on the subject. The adulteration of Indian produce has brought for it a bad name in foreign markets, and there is no legislation to improve matters. I think some action by Government is called for, to stop this adulteration. Otherwise, efforts to popularise Indian products in foreign markets is hopeless. A suggestion has been made that certificates of purity may be issued by Government, and this seems to be practicable and sound.

Then comes the question of ground-nuts, which the Government of Madras have taken up. The first consideration is whether ground-nuts can be considered necessities or not. I understand that the oil is used largely by French and Italian troops as a food-stuff, but whether the necessity is sufficient for the British Government to requisition tonnage I cannot say. Though a large crop is ready for harvesting, there is no freight available.

Next comes the question of the sugar industries of South India. The Chamber recently addressed the Department of Commerce and Industry regarding the disadvantages under which the sugar industry of South India is placed in competition with Ceylon. Ceylon sugar refiners are actively competing for our jaggery, which is being imported free of duty into Ceylon, whereas

the Ceylon sugar market is closed to South Indian refiners by the imposition of a heavy duty. This is not equitable, especially as the supply of raw material is limited, and we trust that Sir George Barnes will take up this matter in order to grant relief to local refiners.

The Government of Madras at present allow 6 per cent. of original cost for depreciation and the cost of repairs and maintenance. We consider that the two latter items should be treated separately, and that the 6 per cent. should be allowed entirely for depreciation, due to age, as is the case at home. The inland revenue allow the actual cost of repairs and maintenance and in addition about 5 per cent. to cover depreciation. The allowance for depreciation is immaterial, however, as, on the plant being scrapped the difference between the book value and the price realised is also allowed. This is equitable, as it means the entire value of the machine is allowed, in addition to repairs. The Madras Government appear to think 6 per cent. sufficient to cover depreciation, repairs and maintenance, under present conditions. It is not sufficient, because modern machinery is of lighter construction and is run at a higher speed, and its life is considerably shortened.

Sir George Barnes:—The procedure in this matter is that all the various Presidencies make their own rules in regard to these things. Your local Government have made a rule which is distasteful to you. I will make enquiries. But I do not know how far we have got the power to move in the matter.

Mr. Gordon Fraser:—Next is the question of coal supplies. There have been difficulties during the past year, and the position ahead is even worse. We are threatened with stoppage or short supplies, and unless some relief is given, local industries will come to a standstill. Will Sir George Barnes say if Government contemplate further action and if there is any hope of improvement?

Referring to the question of the deputation to Russia of Messrs. Chadwick and Black, in view of the recent development and the fact that the mission is now on behalf of all India, I hope Sir George Barnes will see his way to induce the Government of India to bear the whole cost, or at least distribute the cost more equitably.

On the question of trade after the war, we have already put on paper an expression of our general views on the subject. We hoped these questions would have been threshed out before this by a conference of the different Chambers in India. Several dates were proposed for the conference, and eventually it was postponed indefinitely, on account of the pending reference by the Government of India. We have to deal with this reference, and this

evening we will request Sir George Barnes to give us a general idea of the attitude of the Government of India on this subject.

Lastly comes the question of the Madras Harbour. We can only hope that Sir George Barnes will support us in our efforts to get the Government of India to find funds to repair the damage done to the harbour by the recent cyclone in Madras. The expenditure will be heavy, but these repairs are urgent and must be taken in hand at once, to prevent further damage.

Another question relates to the extension of the tramway undertakings in our city. The Tramway Company has been for years trying to obtain sanction to run their tramways through wider thoroughfares, such as the Mount Road. The question, however, has only just been put before the Chamber, and has not yet been considered by members, and under the circumstances, although I am in favour of the proposal and personally support the Tramway Company in their proposal, I cannot see how we, as a Chamber, can ask Sir George Barnes to move in the matter until we ourselves have gone to the Madras Government. We ought to approach the Madras Government first, and later on, if necessary, we hope Sir George Barnes will give us any assistance he can. The matter will, I expect, be considered at our next meeting.

SIR GEORGE BARNES.

The Hon'ble Sir George Barnes thanked the Chamber very much for the kindly welcome it had extended to him. He would try to deal with all the subjects brought to his notice, but he had to tell them that he heard those subjects only the previous day and had not got with him all the papers which he would like to have in order to deal with them properly and thoroughly. But he would do his best under the circumstances. He would take the question of tramways first, which was mentioned last by their Chairman. Sir George Barnes did not quite know how the Government of India came in in the matter, as naturally they could not have anything to do with tramways in Madras, as they were not an appellate body in that matter over the Government of Madras. But if they wanted any help which the Government of India could legitimately give, they would give it. That was all he could say in regard to the question of tramways.

COUNCIL BILLS.

As regards the question of limiting the sale of Council Bills, probably that was one question which affected and interested them most. He had seen Sir William Meyer just before he left Calcutta, and he thought that the *communiqué* which he issued to the press giving an account of the meeting which he had with the Exchange Banks would really give all the information which was necessary.

Sir George Barnes was willing to try and give them more information if he could, but he did not know what more information they wanted. Perhaps they wanted to know first what was the cause for the restriction. That was a big question. Then they wanted to know how long it was going to continue. The first was comparatively easy to answer, but the second was a difficult question. He concluded by saying that they must all go slow for the time being.

TRADE AFTER THE WAR.

The next point he dealt with was trade after the war. The papers that he had sent them on the subject, he was afraid, were rather bulky. There was a covering letter drawing attention to the various points in the papers with attached to them a number of appendices giving statistical information about the various trades. What the Government of India wanted was that those who were experienced in any particular trade should examine what would be the effect of a tariff, either export or import, on the trade in which they were concerned. The Government also wanted the questions to be examined by those who were not concerned in the particular trade, because they wanted to know what would be the full effect. It was easy enough to see whether the tariff would benefit a particular individual, but it might hurt somebody else. Thus the advantage and disadvantage had naturally to be weighed against each other. That was where the Government expected great help from the Chambers of Commerce. They wanted general views and also views in great detail.

COAL SUPPLIES.

The subject of coal supplies had been mentioned, and the President had expressed a gloomy view that things were likely to get worse. When some little time ago a shortage of coal first began to show itself at Calcutta he telegraphed to various centres to send representatives to discuss the whole question. They knew that the great bulk of Indian coal came from the Raniganj and Jherriah coal-fields. These fields had had a very great strain put upon them, by reason of the enormous demand, which had been greatly increased by the fact of the coal strike in Australia during the later part of the past year. The demand had been heavier than usual, partly owing to the Admiralty requirements and partly owing to the fact that they had had to bunker ships going to Australia for the return voyage, owing to the strike of coal-miners there. The supply unfortunately had been falling off. The Indian labourer is first a cultivator, and this year the bumper crops made him disinclined to undertake mining work. The rain which had given him the bumper crops unfortunately brought about malaria over the Jherriah and Raniganj coal-fields. Sir George Barnes had

asked the Governments of Bengal and Behar and Orissa to take every step they could towards increasing the labour supply, by sending special officials to try and get in fresh workers, and the last report Sir George Barnes had from Mr. Church, who was in charge of the coal arrangements, a few days ago, had been to the effect that the supply had been considerably increased and the position was satisfactory. At the same time, there had been some relief of pressure by the strike in Australia having ended a couple of months ago. The Admiralty demand, however, continued, but he did not think the future was gloomy. He would tell them that this year there was a tendency for the price to rise at the coal-fields, and coal-owners might like to take ready price instead of fulfilling past contracts. The Government had set up small committees of coal-owners and coal-miners at the coal-fields, the committees being invested with powers to control the supply, and wagons would be supplied to enable coal-owners and coal-consumers to fulfil their existing contracts. So much for coal.

ADULTERATION.

With regard to adulteration, Sir George Barnes had not known whether it meant adulteration of imported or exported articles. He now understood that the reference in the Chamber's letter was to the adulteration of Indian export articles, by which they had got a bad name. He asked the Chamber what remedy they had to suggest in the matter. The Chamber suggested certificates of quality from some Government official. Sir George Barnes suggested the appointment of a small committee of the Chamber to consider what was practicable in the matter. Nothing, however, was practicable at present which involved large expenditure.

Mr. Gordon Fraser suggested that Sir George Barnes might issue a circular from his Department to all Chambers of Commerce asking for their views and suggestions in regard to remedying matters.

Sir George Barnes said he did not see why that could not be done.

GROUND-NUTS.

On the subject of ground-nuts he did not know what the Government could do for them. They knew as well as he the shortage of freight, which was world-wide, in consequence of the war. Last month H. E. the Governor of Madras telegraphed to him that a very large amount of ground-nuts had been awaiting shipment, for which no tonnage was available. Owing to the enormous amount of tonnage taken up in consequence of the war for Admiralty purposes, this difficulty was created. When he had left England no less than 7 million tons of mercantile tonnage was being used for war

purposes. He sent His Excellency's telegram to the Secretary of State, urging that, if possible, some ships might be diverted to Madras. He could not promise them that tonnage would be available for all their ground-nuts. But they might rest assured that he would do all that he could to press the claims of Madras in that respect. He would ask them to remember that about 50 ships had now to do the work of 100.

HIDES AND TANNED SKINS.

As regarded hides and tanned skins, Sir George Barnes really hesitated to say anything about the matter, as he thought they would be better off if they went direct to Mr. McWatters.

Mr. Gordon Fraser agreed with Sir George Barnes in that suggestion, and said that Sir George Barnes might leave it in that way.

DEPRECIATION FOR INCOME-TAX PURPOSES.

In the matter of depreciation for income-tax purposes Sir George Barnes did not know that he could add much. Each Province, he said, had adopted its own method of dealing with depreciation for income-tax purposes. Madras had deliberately adopted one system, and Bengal, he understood, deliberately adopted another. He thought it was probable that by obtaining more knowledge on the matter, he could help the Chamber to deal with the question.

SUGAR.

As regards sugar, Sir George had not seen the letter which their President had referred to until that morning. He promised that he would look into that matter when he got back and see what could be done.

THE MISSION TO RUSSIA.

He thought there was nothing else left for him to touch upon then, except the deputation to Russia of Messrs. Chadwick and Black. He had not the papers relating to them then, and he hoped they would forgive him for not being better equipped, but he would see what could be done with regard to their representations in the matter.

THE MADRAS HARBOUR.

On the subject of the Madras Harbour, Sir Francis Spring explained how the Government had hitherto financed harbour development.

Sir George Barnes thought that they had a strong case to go before the Government of India. If they put the matter

through the Commerce Department, he would give any support he could to their application.

IMPORT OF MOTOR CARS.

In reply to Mr. J. Black on the subject of the import of motor cars and motor cycles, Sir George Barnes explained that he knew that the prohibition of the import of motor cars and motor cycles had been a severe blow to those engaged in the motor car trade. He would like to explain why that step had been taken by the Government of India. He need hardly say that the step was a war measure. The Government's object was first to check the rapidly increasing consumption of petrol in this country, because the petrol which they could send home was urgently needed there; secondly, to check unnecessary imports from the United States, having regard to the fact that they increased the difficulties of the Home Government in relation to exchange. The third was the question of tonnage. There was a very serious shortage of tonnage throughout the world, and anything the Government of India could do in the direction of limiting the shipments of unnecessary goods would give some relief. They would have noticed that the import of parts of motor cars and motor cycles would be allowed for purposes of repair, but the import of parts for the purpose of assembling a new car or a motor cycle would not be permitted. As a general proposition every one there would agree that all trade restrictions were in themselves a blow, and were only to be adopted when it was certain that they were going to do some good.

VOTE OF THANKS.

The Hon'ble Mr. Gordon Fraser, in concluding the proceedings, said:—I should like to thank Sir George Barnes, and say how deeply we are indebted to him for meeting us this evening. He has given us interesting information in connection with coal, and has certainly thrown a ray of hope on the matter. As regards adulteration we have interested Sir George Barnes in this, and we hope that good will result. As regards depreciation for income-tax purposes we will again press the matter with the Government of Madras and as the present procedure is an injustice to industries, I feel sure we will eventually get the relief we ask for. As for the terms of the deputation to Russia, I am quite content to leave the matter entirely in Sir George Barnes' hands. I ask you all to join me in a vote of thanks to Sir George Barnes for the very great care with which he has gone into these questions; and we are all much indebted to him.

Sir George Barnes suitably acknowledged the vote of thanks and the meeting then dispersed.

6. That the executive duties of the Chamber shall be conducted by the Chairman with the assistance of the Committee, and that all matters of importance be referred for the decision of the general body of subscribers, who shall be called together as often as is necessary by the Chairman, but not less frequently than once a month. Five to form a quorum.

7. That the Chairman shall on all occasions have a casting vote in addition to his own vote as a Member of the Chamber.

8. That every Member on election shall pay an entrance fee of Rs. 100, provided that Banks, Corporate Bodies and Mercantile Firms may be represented on the Chamber by one or more Members, and shall be liable for an entrance fee of Rs. 100 once in ten years for each.

9. That the subscription shall not exceed Rs. 160 per annum, payable quarterly in advance, subject to reduction from time to time in accordance with the state of the Chamber's finances. Absentees in Europe to pay no subscription. Members temporarily absent from Madras to pay Re. 1 per month.

10. That the price of all publications issued by the Chamber shall be doubled to those persons who are not represented on the Chamber, or who are not subscribing Members, provided that firms whose representatives on the Chamber are all out of India may secure the continuance of its privileges by a subscription of Re. 1 per month.

11. That if any Member allow his subscription to fall into arrear for more than one quarter without sufficient reason his name shall be expunged from the list of Members. Members who have retired may rejoin the Chamber without ballot or entrance fee.

12. That the funds be paid as realised into the Bank of Madras, and shall be available by cheques signed by the Chairman or, in his absence, by the acting Chairman for the time being. The accounts shall be audited annually.

13. That the ordinary expenditure be at the discretion of the Chairman, and that extraordinary expenditure be made by him with the sanction of the Committee.

14. A Secretary shall be appointed by a majority of Members in such way as the Committee for the time being may direct; and it shall be the duty of such Secretary to keep the records and accounts of the Chamber, to collect subscriptions, to conduct correspondence, and to act generally under the directions of the Committee.

15. That an Annual General Meeting, at which representatives of the Press may be present, be held during the second week

of December, or as near thereto as convenient, at which the Chairman for the following year shall be elected, the retiring Chairman becoming Vice-Chairman. In case of the Chairman's re-election, a new Vice-Chairman shall be elected. That votes recorded for Members as Chairman shall count for the Vice-Chairmanship, and votes recorded for Members as Chairman or Vice-Chairman shall count for the Committee should such Members not be elected as Chairman or Vice-Chairman. The Vice-Chairman shall conduct the duties of Chairman during the absence of the latter.

16. That at the Annual General Meeting a Committee of not less than five Members, the Chairman and Vice-Chairman being *ex-officio* Members, shall be elected to assist the Chairman in the disposal of the business of the Chamber. The representative of the Chamber in the Legislative Council of the Governor of Madras shall also be *ex-officio* Member of Committee during his term of office. Not more than one Member of a firm may serve on, or be voted for by the same voter for, the Committee. Any Member of the Committee who may leave India, except for Ceylon, shall be considered to have vacated his appointment.

17. That at the Annual General Meeting an Imports Sub-Committee and a Skins and Hides Sub-Committee be elected, the Sub-Committees each to consist of not less than three Members and not more than one Member of a firm to serve on, or be voted for by the same voter for, the same Sub-Committee. Any Member of the Sub-Committees who may leave India, except for Ceylon, shall be considered to have vacated his appointment, and an election to fill the vacancy so caused shall be conducted according to the Bye-Laws.

18. That Special General Meetings may be convened on the requisition of the Chairman or of any three Members of the Chamber, not being Members of the same firm, notice of the subject of discussion to be given in the requisition calling the Meeting.

19. That a minimum fee of Rs. 5 shall accompany all references to the Chamber.

20. That in the event of any Member of the Chamber taking the benefit of the Act for the Relief of Insolvent Debtors he shall thereby cease to be a Member of the Chamber, but will be eligible for re-election without the re-payment of the entrance donation.

21. That persons of distinguished position, Members of other Chambers of Commerce and kindred Associations, and Government and other officials interested in the General Trade, Commerce, or Manufactures of Madras, after being duly proposed and seconded, may be elected Honorary Members of the Chamber without payment of entrance donation, or subscription

on election. Notice of same shall be entered in the Ballot Book and circulated among the Members, and the election shall be made by ballot at the first General Meeting of the Chamber held subsequent to the circulation of such notice, or at a Special General Meeting convened for the purpose, a majority of two-thirds of those voting at the Meeting being necessary to secure admission. Honorary Members elected under this Rule are not entitled to vote and exercise the privileges of Ordinary Members. They shall, however, be entitled to attend and speak, but not to vote, at any Ordinary Meeting of the Chamber and, on the invitation of the Chairman, or Vice-Chairman, may attend under like conditions any Special Meeting of the Chamber, or Ordinary or Special Meeting of the Committee.

BYE-LAWS.

For the Election of the Chairman, Vice-Chairman, Committee, Representatives of the Chamber on the Harbour Trust, and of the Chamber's Representative on the Legislative Council.

1. The election shall be by ballot on such day as the Committee of the Chamber for the time being shall appoint.

2. The Secretary of the Chamber shall circulate among the Members the names of all the gentlemen who are eligible for election seven clear days before the election takes place.

3. Those Members eligible for election shall be partners in Firms, Agents or Managers of Banks, and other Corporate Bodies, and those who are Members in their own right.

4. The voting shall be by ballot, the voting papers being placed in the ballot-box, which shall be placed in the Chamber's room from 10 A. M. to 5 P. M. of the appointed day; but the time for voting shall, on days when Meetings of the Chamber are held, be extended to such period of the Meeting as shall be determined by the Chairman thereof.

5. The ballot-box shall be opened by the Chairman or, in his absence, by the Vice-Chairman, and the Secretary on the evening of the appointed day, or as soon after as possible, and the result of the ballot declared forthwith.

6. The gentleman who has received the largest number of votes shall be declared duly elected, but in the event of an equality of votes for two or more Members, the names of those Members shall be disclosed and a fresh ballot be held to decide election as between them.

7. In the event of a casual vacancy, the above course shall be followed in electing a Member to fill the vacancy.

RULES FOR ELECTION TO THE CORPORATION.

Rules regulating the manner in which the appointments of Commissioners of the Corporation of the City of Madras shall be made by the Madras Chamber of Commerce.

1. The three Commissioners to be appointed by the Chamber of Commerce under Clause (a) of Sub-Section (2) of Section 5 of the Madras City Municipal Act, 1904, shall be elected by the votes of the Members of the said Chamber of Commerce under the following Rules:—

2. The election shall be held on such day before the date on which the Governor in Council notifies that the appointments must be reported to the Government as the Committee of the Chamber for the time being shall appoint, but not less than seven clear days' notice of the date of the election shall be given.

3. The voting shall be by ballot, and the ballot-box shall be placed from 10 A. M. to 5 P. M. of the appointed day in the room in which the Meetings of the Chamber are usually held; but if the appointed day is a day on which a Meeting of the Chamber is held, the time for voting may be extended to such period of the Meeting as the Chairman thereof shall determine.

4. The ballot-box shall be opened by the Chairman, or, in his absence, the Vice-Chairman, and the Secretary on the evening of the appointed day, or as soon after as possible, and the result of the ballot declared forthwith.

5. Each Member of the Chamber shall be entitled to vote for as many candidates as there are vacancies to be filled, but no Member shall be at liberty to give more than one vote to the same candidate. Any ballot paper on which votes are given for more candidates than there are persons to be appointed or on which more than one vote is given to the same person shall be invalid.

6. The candidates who have received the largest number of votes shall be declared duly elected; but in the event of there being an equality of votes in favour of more candidates than there are vacancies to be filled, a fresh ballot shall be taken between the said candidates for whom equal votes have been cast. If, on the second ballot, a tie is again declared, the Chairman shall have a casting or deciding vote.

7. The names of the candidates declared duly elected shall be forthwith reported to the Government in view of the publication of the appointments, if otherwise valid, in the *Port St. George Gazette*.

8. In the event of a casual vacancy, the above procedure shall be followed in electing a Member to fill the vacancy.

RULES FOR THE REGISTRATION OF TRADE MARKS.

(As amended in January, 1912.)

The following Rules for the registration of trade marks, tickets, etc., in its Trade Mark Register have been adopted by the Madras Chamber of Commerce:—

- (1) That each firm represented on the Chamber shall pay an entrance fee of Rs. 10, and be entitled to register an unlimited number of tickets or marks.
- (2) That non-members of the Chamber shall pay a fee of Rs. 10 for each application for registration, and that in the event of a ticket or mark not being accepted for registration the sum of Rs. 5 shall be refunded.
- (3) That before any ticket or mark is registered it shall be circulated to all Members of the Chamber resident in Madras, and no registration shall be effected if any objection is raised. If required, the applicant for registration shall be advised of the name of the objector.
- (4) That no trade mark or ticket shall be registered on behalf of an Indian firm trading under a European name.
- (5) That registration is merely evidence of the date of registration by the Chamber and cannot secure any right which the parties registering have not at law.
- (6) That the Register shall be open to the inspection of any person not a Member of the Chamber on payment of a fee of Re. 1.

DATE OF SHIPMENT.

The Chamber considered the question of what evidence should be accepted as to date of shipment, and at the General Meeting held on the 27th June, 1911, it was resolved that the following Clause—which had been recommended by the Manchester Chamber of Commerce for adoption by the Bombay Native Piece-Goods Merchants Association—should be recommended to members of this Chamber for incorporation in their contracts:—

Either Bill of Lading date, or the date of Manchester Ship Canal Co.'s Certificate, or (in the case of goods to be shipped from any Port other than Manchester) the date of Dock, Railway or Shipowners' Certificate of receipt for shipment, shall be conclusive evidence as to the date of shipment.

RULES FOR SURVEY REPORTS

ON

PIECE-GOODS AND YARNS.

(As revised in August, 1910.)

Whereas it has been represented to the Madras Chamber of Commerce (hereinafter called "the Chamber") that it is desirable to give Arbitration Awards and Survey Reports on piece-goods and yarns an official character, the following Rules have been passed by the Chamber for the attainment of that end :—

Rule I.—Certain gentlemen, who have been nominated and unanimously elected by an annual ballot held in January by the Committee of the Chamber, shall be appointed Arbitrators and/or Surveyors to the Chamber, but the Chamber reserves the right of cancelling the first and all future appointments by a majority of votes of the Committee of the Chamber by ballot.

ARBITRATIONS.

Rule II.—In every case where a dispute has arisen in relation to a contract which provides for a decision thereon by the Chamber or in relation to a contract in respect of which both parties thereto shall have subsequently agreed in writing to submit to such a decision, either party to such a contract may apply to the Secretary of the Chamber for the appointment of Arbitrators to adjudicate the dispute.

On receipt of such application, two Arbitrators shall be appointed in accordance with the following provisions.

Rule III.—The Imports Sub-Committee shall select the Arbitrators from the authorised list, and if the Arbitrators are unable to come to an unanimous decision the Imports Sub-Committee shall select an Umpire, either from the authorised list or otherwise, provided that no Arbitrator or Umpire shall be selected or shall adjudicate on a matter in which he or his employers are interested, and not more than one person from the same firm shall be appointed an Arbitrator or Umpire. If any Arbitrator or Umpire declines or fails to act, or if he dies or becomes incapable of acting, the Imports Sub-Committee may appoint a new Arbitrator or Umpire in his stead in like manner.

Rule IV.—The names of the Arbitrators or the Umpire shall not be made known to any persons whatever except as provided in Rules IX and XXI, but the Secretary's record of the Arbitrations shall be available for inspection by the Imports Sub-Committee and by the Chairman of the Chamber or in his absence from Madras by the Vice-Chairman.

Rule V.—The approved list of Arbitrators under these Rules shall be circulated annually, or whenever asked for, to all members of the Chamber and shall be supplied to any party applying for the same.

Rule VI.—Before any Arbitration shall be entertained a sum of Rs. 16 for each Arbitrator, Rs. 16 for an Umpire, and Rs. 16 for the Chamber for each contract in dispute and a sum of Rs. 5 to cover the stamp on the award under the Indian Stamp Act shall be paid to the Secretary. Fees not expended will be returned to the depositor.

In cases where neither of the parties to the application is a member of the Chamber an additional fee of Rs. 25 shall be paid to the Secretary for the Chamber.

Rule VII.—The Arbitrators shall, through the Secretary, appoint a time for the hearing of the reference and within seven days of notice in that behalf the parties shall sign and submit to the Secretary a joint written statement or separate written statements in the form annexed hereto or as near thereto as circumstances will permit.

If separate statements are put in, the Imports Sub-Committee may at its discretion cause a copy of each statement, with or without accompanying enclosures or extracts therefrom, to be submitted to the opposing party for information, and remark if desired, before being placed before the Arbitrator or Arbitrators.

Rule VIII.—At the time appointed for the reference, the parties shall have ready at the rooms of the Chamber, or elsewhere as directed by the Secretary, the sale samples duly attested, and, if required, sample pieces or complete bales. Samples or bales so sent will be at sender's risk and must be accompanied by a peon in charge and by a cooper to open the packages.

Rule IX.—The Arbitrators or the Umpire shall have general authority to require from either of the parties such further written or verbal statements and explanations and other information, evidence and materials as they or he may deem expedient for determining the matter in difference but shall not have the right to take the opinion or engage the assistance of Counsel, Attorneys or Vakils.

Rule X.—The Arbitrators or the Umpire shall proceed with the reference in the absence of any party who shall, after due notice

refuse or neglect to attend, or who shall have refused or neglected to sign and submit the written statement referred to in Rule VII without having previously satisfied the Arbitrators or Umpire that reasonable and sufficient excuse exists for such neglect or refusal.

Rule XI.—The Arbitrators or the Umpire in dealing with the reference shall have power to cancel the contract or direct the performance of the contract subject to an allowance, or grant such other relief as they or he may think fit, and shall direct by which party the costs of the Arbitration shall be paid, and shall as far as possible support their or his award by a statement of the reasons upon which the same may be founded.

Rule XII.—The insertion of a clause is recommended in all contracts made with dealers to the effect that, in the event of any dispute, the parties to the contract agree to abide by the decision of the Arbitrators or Umpire appointed by the Imports Sub-Committee of the Chamber under and in terms of its Rules for Arbitrations and Surveys as revised in 1909.

Rule XIII.—Neither party shall bring or prosecute any suit or proceeding whatever against the Arbitrators or Umpire for or in respect of the matters in dispute or any of them nor any suit or proceeding, save for the enforcement of the award against the other party.

Rule XIV.—The provisions of the Indian Arbitration Act and of the first Schedule thereto shall, in so far as the same are not inconsistent with these Rules, apply to all references hereunder provided always that in the third provision to the said first Schedule for the words "three months" shall be substituted the words "fourteen days" and in the fifth provision for the words "one month" shall be substituted the words "one week."

SURVEYS.

Rule XV.—Any person may apply to the Secretary of the Chamber for a Survey, and if the Imports Sub-Committee be of opinion that the application is one which should be entertained by the Chamber, it shall, subject to the proviso to Rule III appoint a Surveyor or Surveyors from the authorised list. In the event of no special number of Surveyors being asked for, only one shall be appointed.

Rule XVI.—The applicant for a Survey shall in his application clearly state the purpose for which the Survey is required.

Rule XVII.—Before any Survey shall be entertained, the applicant, if a member of the Chamber, shall pay to the Secretary a fee of Rs. 16 for each Surveyor and Rs. 16 for the Chamber and if not a member an additional fee of Rs. 25 for the Chamber.

GENERAL.

Rule XVIII.—All decisions shall be submitted in writing to the Secretary, who shall then, without disclosing the names of the Arbitrators, Umpire or Surveyors, communicate the result to the party or parties concerned.

Rule XIX.—A record of all Arbitrations and Surveys shall be kept in the office of the Chamber.

Rule XX.—The parties to an Arbitration, or either of them or if either of them should be dead their respective personal representatives requiring the same, or the applicant for a Survey, shall, on application, be entitled to receive from the Secretary of the Chamber a certified copy of the Award or Survey Report under his signature. For each copy of such certificate a fee of Rs. 3-8 shall be payable to the Chamber.

Rule XXI.—Should parties to an Arbitration or the applicant for a Survey require the attendance of Arbitrators, Umpire or Surveyors in a suit or other legal proceeding in which an Award or Survey Report of the Chamber is to be produced in evidence, the Secretary of the Chamber is authorised to give the names of such Arbitrators, Umpire or Surveyors upon receipt of a requisition by either party stating that it is for that purpose only that the information is desired.

GENERAL ARBITRATION.

AND

SURVEY RULES

(As approved in 1910.)

Whereas it is desirable to receive references from, to arbitrate between, or to hold Surveys for, parties willing to abide by the judgment and decision of the Chamber of Commerce, it has been decided by the Committee of the Chamber, and the decision has been approved and made operative by a General Meeting of the Members, that the subjoined shall be the Rules to be observed and followed in all cases of disputes when the assistance of the Chamber shall be invoked, except such as relate to Piece-goods and Yarns which have been separately provided for.

1. For the purpose of giving effect to the above the Committee of the Chamber of Commerce shall either appoint such

Arbitrator or Arbitrators, Surveyor or Surveyors, as they shall think fit, or appoint a Sub-Committee of three persons, one of whom at least shall be a member of the Committee of the Chamber, to consider and decide the reference.

If two Arbitrators or Surveyors are appointed and disagree, the Committee of the Chamber of Commerce shall appoint an Umpire, whose decision shall be final.

2. The questions to be referred to the Committee of the Chamber of Commerce under these Rules shall be such as relate to mercantile transactions generally, excluding those connected with Piece-goods and Yarns, as noted in the preamble.

3. In case of applications to the Committee of the Chamber of Commerce for a decision in any dispute, the Committee shall select gentlemen to deal with and decide the reference.

4. Every application shall state that the parties concerned will accept and abide by the decision of the Chamber.

5. When a gentleman who may be appointed an Arbitrator, or Surveyor, is directly or indirectly interested in any matter referred to him by the Chamber he shall notify his inability to act, and in such case a fresh appointment shall be made forthwith.

6. In case of Arbitration, the Arbitrator shall, through the Secretary, appoint a time for the hearing of the reference and within seven days of notice in that behalf the parties shall sign and submit to the Secretary a joint written statement or separate written statements in the form annexed hereto or as near thereto as circumstances will permit.

If separate statements are put in, the Committee may at its discretion cause a copy of each statement, with or without accompanying enclosures or extracts therefrom, to be submitted to the opposing party for information, and remark if desired, before being placed before the Arbitrator.

7. The decision of the Umpire shall be the decision of the Arbitration or Survey; such decision need not necessarily coincide with the opinion of either of the Arbitrators or Surveyors.

8. All decisions by Arbitrators, or Surveyors, under these Rules shall be submitted in writing to the Committee of the Chamber of Commerce, which shall cause the same to be communicated to the parties concerned.

Each decision, so far as may be possible, shall be supported by a statement of the reasons upon which it is based.

9. Arbitrators or Surveyors shall have the right to call for such evidence as they may deem necessary, but shall not have the right to take the opinion or assistance of Attorneys or Counsel.

10. When a matter shall have been referred to a Sub-Committee, the decision of the majority of such Sub-Committee shall be final.

Such Sub-Committee shall, for the purpose of the reference made to it, be deemed to represent the Committee of the Chamber of Commerce, and to exercise, for such purpose only, the full authority of such Committee.

11. All decisions of Sub-Committees shall be in writing; shall, so far as may be possible, recapitulate the reasons on which they are founded; shall be signed by the Chairman of such Sub-Committee, and shall, under the direction of the Sub-Committee, be communicated to the parties by the Secretary to the Chamber of Commerce, who, under these Rules, shall act as Secretary to all Sub-Committees.

12. Sub-Committees shall have the right to take such evidence as they may deem necessary, and shall also have power to call for the opinion or assistance of Attorneys or Counsel, provided that the disputants have previously agreed to this course being followed, and have further agreed to bear the expense thereof.

13. Before any application for Arbitration or Survey shall be entertained, both parties shall make such deposit with the Secretary as may be directed by the Committee of the Chamber of Commerce.

The Committee of the Chamber of Commerce shall fix the fees for each Arbitration or Survey.

14. The Arbitrators or Surveyors shall state in their Report by whom and in what proportion, if any, the fees and expenses shall be paid.

Deposits not affected by this Rule will be returned.

15. In cases where neither of the parties to the reference is a Member of the Chamber of Commerce, the fees payable shall be double those payable by Members of the Chamber, and such enhanced fees shall be divided equally between the Arbitrators, Surveyors, or Umpire, and the Chamber of Commerce.

16. A record of all Arbitrations and Surveys and all decisions by Sub-Committees shall be kept at the office of the Chamber of Commerce.

17. Arbitrators, Surveyors and Sub-Committees shall, at all times, before giving their decision, be at liberty to take the opinion of the Committee of the Chamber of Commerce on any point or points which may arise.

MADRAS TONNAGE SCHEDULE.

SANCTIONED BY THE MADRAS CHAMBER OF COMMERCE.

ARTICLES.	To the Ton.	ARTICLES.	To the Ton.
Aloes in bags ...	20 cwt.	Dates, wet ...	20 cwt.
Do. in boxes ...	20 "	Do. dry ...	16 "
Alum ...	20 "	Dholl ...	20 "
Aniseed ...	8 "	Elephants' Teeth, in bulk. 16 "	
Arrowroot, in cases ...	50 feet.	Do. in cases. 50 "	
Asafoetida, in bags ...	20 cwt.	Fenugreek Seeds... 16 "	
Do. in boxes ...	20 "	Furniture ...	50 feet.
Apparel ...	50 feet.	Garlic and Onions ...	12 cwt.
Bark, in bags ...	8 cwt.	Ginger, in bags or bales... 12 "	
Barilla ...	20 "	Do. in cases ...	50 feet.
Bees' Wax ...	20 "	Gingelly Seed ...	17 cwt.
Betel-nut ...	18 "	Gram ...	20 "
Books ...	50 feet.	Ground Nuts, in shell ...	12 "
Borax or Tincal ...	20 cwt.	Do. shelled... 16 "	
Do. in cases ...	50 feet.	Gums, cas., not enumerated 50 feet.	
Brimstone ...	20 cwt.	Gunny Bags ...	50 "
Bullion ...	At per cent.	Do. Cloth ...	50 "
Cake Lac, in bags ...	16 cwt.	Gunjah ...	50 "
Camphor, in cases ...	50 feet.	Hemp, in bales ...	50 "
Cardamoms, in robbins ...	8 cwt.	Hides ...	50 "
Do. in boxes ...	50 feet.	Hoofs, Horn Shavings, and Tips ...	20 cwt.
Do. in bags ...	10 cwt.	Horns, Cow and Buffalo... 20 "	
Cassia, all sorts ...	50 feet.	Do. Deer ...	16 "
Castor Seed ...	15 cwt.	Indigo ...	50 feet.
Chillies, in bags ...	12 "	Jute, in bales ...	50 "
Do. in robbins ...	14 "	Lac Dye ...	50 "
Chinaroot, in bags ...	11 "	Lard ...	50 "
Do. in boxes ...	50 feet.	Linseed ...	50 "
Chiretta ...	50 "	Mace, in cases ...	18 cwt.
Cigars ...	50 "	Machinery ...	50 feet.
Cloves, in bags ...	8 cwt.	Metals ...	20 cwt.
Do. in chests ...	50 feet.	Myrabolams ...	20 "
Coals ...	20 cwt.	Molasses ...	20 "
Cochineal ...	50 feet.	Mother o'pearl, in bags... 20 "	
Coffee, in bags ...	18 cwt.	Do. in chests. 20 "	
Do. in robbins & casks 16 "		Munjeet ...	50 feet.
Do. in cases ...	17 "	Mustard Seed ...	18 cwt.
Coir, Y. & Fibre, screwed bds. 50 feet.		Niger Seed... 17 "	
Do. in bds. & dhls. ...	10 cwt.	Nutmegs, in chests ...	50 feet.
Copra, in bags ...	12 "	NuxVomica, in bags or cas. 16 cwt.	
Coriander Seed ...	12 "	Oats ...	12 "
Cotton, in bales ...	50 feet.	Oil, in cases ...	20 "
Do. Piece-goods ...	50 "	Do. in casks ...	210 Imp. gals.
Cowries ...	20 cwt.	Olibanum ...	18 cwt.
Cutch, in bags ...	17 "		

ARTICLES.	To the Ton.	ARTICLES.	To the Ton.
Paddy, in bags ...	15 cwt.	Seed Lac, in bags ...	16 cwt.
Peas ...	20 "	Senna, in bales ...	50 feet.
Pepper, in bags ...	16 "	Sarsaparilla ...	50 "
Planks and Deals... 50 feet.		Shells, rough, in bags ...	50 cwt.
Poonac ...	20 cwt.	Shell Lac, in cases ...	50 feet.
Poppy Seeds ...	15 "	Do. in bags... 16 cwt.	
Rutchuck ...	10 "	Silk Piece-Goods ...	50 feet.
Rape Seed ...	18 "	Skins ...	50 "
Raw Silk, in bales ...	10 "	Soap, country, in cases ...	50 "
Pattans ...	20 "	Do. in bags ...	15 cwt.
Redwood (for Dunnage) ...	20 "	Do. in bars ...	20 "
Rhea, in bales ...	50 feet.	Stick Lac, in cases ...	50 feet.
Rice, in bags ...	20 cwt.	Do. in bags ...	16 cwt.
Roping, in coils ...	50 feet.	Sugar, including Jaggery, in bags ...	20 "
Do. lines and twines, in bundles ...	14 cwt.	Tallow, cases or casks ...	20 "
Do. Coir, in coils ...	10 "	Talc ...	20 "
Rum, in casks ...	210 Imp. gals.	Tamarind, in cas. or casks 20 "	
Safflower, in bales ...	50 feet.	Tapioca ...	50 feet.
Sago, in cases ...	50 "	Tea, in chests ...	50 "
Sal Ammoniac, in bags ...	15 cwt.	Timber ...	50 "
Do. in cases ...	50 feet.	Tobacco, in bales ...	50 "
Saltpetre ...	20 cwt.	Tortoise-shell, in chests ...	50 "
Salt ...	20 "	Turmeric, in bags... 14 cwt.	
Sapan Wood ...	20 "	Wheat ...	20 "
Sharks' Fins ...	16 "	Wool, in bales ...	50 feet.
Sealing Wax, in cases ...	50 feet.	All other articles not enumerated, in bales or cases 50 "	
Seed Lac, in cases... 50 "			

Rule.—The articles mentioned in the margin are to be measured before shipment, at the Press, Godown, or on the Beach, at the option of the shipper, and the measurement is to be entered on the face of the Bill of Lading. In measuring, the callipers are to take in the rope, or iron hoop, on the one side of the bale, and leave it out on the other. Half inches are to be given and taken alternately. Ten bales per cent., as a maximum, are to be measured, moiety to be chosen by the shipper and moiety by the ship; and, in the event of any dispute arising, the bales are to be measured by a Surveyor to be appointed by the Chamber of Commerce. The Surveyor's decision to be final, and his fee to be Rs. 5, one-half to be borne by each party. All other goods to be measured at the port of discharge.

SUNDAYS AND CHARTER-PARTY HOLIDAYS IN RELATION TO MERCANTILE CONTRACTS.

The following Ruling was adopted at a General Meeting of the Madras Chamber of Commerce held on the 29th April, 1902:—

Goods falling due for delivery on a Sunday, or on a Charter-Party and Shipping Holiday, must be delivered on the day previous to the Sunday or the Charter-Party and Shipping Holiday, as the case may be.

RATES OF AGENCY AND COMMISSION.

(As revised by the Chamber of Commerce, and recommended for general approval and adoption.)

Per cent.

On the total amount of payments and receipts of an account, excepting sums on which a higher Commission has been previously charged, and sums paid for Bills of Exchange on England drawn by the Agent	Half.
On purchasing and selling Bills of Exchange	One.
On Subscription to Government loans, purchasing, selling, transferring, or exchanging public Securities and Bank Shares	Quarter.
On obtaining enfacement of Government Promissory Notes	One-Eighth.
On delivering up Public Securities or lodging them in any of the Public Offices	Quarter.
On negotiating or renewing loan or cash credit at the Bank of Madras, or elsewhere	Half.
On receiving and delivering Private Commissions of Goods and Merchandise	Two & a Half.
On charge of House Property and collection of Rents	Five.
On letters of credit granted	One.
On the management of Estates for Executors or Administrators, or on becoming Security for Administrators	Two & a Half.
On debts, when process of Law or Arbitration is necessary	do
If recovered by such means	Five.
On Bills of Exchange, Notes, &c., dishonoured	One.
On overdue debts collected	Two & a Half.
On all sales or purchases of Goods	Five.
With the following exceptions:—	
On Houses, Lands, and Ships	Two & a Half.
On Diamonds, Pearls, and Jewellery	do
On Treasure and Bullion	One.

On all Goods and Merchandise withdrawn, shipped or delivered to order.	} Half Commission.
On all other descriptions of property for sale, if withdrawn or otherwise disposed of by the owners.	
On goods transferred to Auction or Commission Salesmen.	

On investing Proceeds of Sales in goods	Two & a Half.
On guaranteeing Sales, Bills, Bonds, Contracts for goods, or other engagements	do
On Ship's disbursements	do
On Ship's disbursements when no outward Commission on Freight or Passage Money is earned	Five.
On Chartering Ships or engaging Tonnage for other Parties	Two & a Half.
On the amount of Freight or Passage Money earned by Ships, by charter or otherwise, whether the same shall pass through the Agent's hand or not	Five.
When the Commission of 2½ per cent. on the Inward Freight paid, at Home or in Madras, does not in the case of Steamers <i>via</i> the Suez Canal exceed Rs. 100, then that sum shall be charged.	
On effecting Insurance, whether on lives or property	Half.
On settling Insurance claims, losses and averages of all class, whether on lives or property and on recoveries of returns of premium	Two & a Half.
On negotiating Bottomry or Respondentia Bond	do
On attending the delivery of Contract Goods	Two.
On receiving Passage Money by Ships entered inwards	One.
On realising Freights	Two & a Half.
On arranging and superintending the transshipment of Cargo, on the Amount of Freight so re-engaged	Five.
On the management of Vessels chartered elsewhere for the conveyance of Coolies or Troops, on account of Passage Money	Two & a Half.
For acting in the capacity of Trustee, on the income of the Trust Fund	do

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 ... Two & a Half.
That brokerage at the rate of $\frac{1}{2}$ (half) per cent. be an accepted charge on all freight.

[Additions on the 1st January, 1877.]

When the freight is payable in sterling the Commission shall be calculated on the sterling amount at the following rates for Bank Bills, viz., at the rate for six months' sight Bank Bills, when the freight is by Sailing Ships, and at the rate for three months' sight Bank Bills, when by Steamer.

On Ships leaving the Port in ballast, which have been consigned inward, upon the English net registered tonnage, 6 annas per ton.

On Steamers leaving the Port in ballast, which have been consigned inward, upon the English net registered tonnage, 8 annas per ton.

On Ships leaving the Port in ballast, which have been consigned inward and outward, upon the English net registered tonnage, 12 annas per ton.

On Steamers leaving the Port in ballast, which have been consigned inward and outward, upon the English net registered tonnage, Rupee 1 per ton.

When the amount on which Commission is payable is stated in Rupees, the Commission shall be calculated in that currency, and when in sterling, at the rate provided for under the Rule which fixes the rate "on procuring freight."

With respect to a Steamer or Sailing Vessel partially discharged which does not return to this port for cargo on her homeward voyage, the rate shall be 8 annas a ton on every ton discharged, provided the total amount exceeds Rs. 100, failing which Rs. 100 shall be charged.

The conversion into Indian currency of sterling freight payable in Madras shall, unless otherwise stipulated, be made at the rate for Bank Bills on London payable on demand; and the rate ruling at the close of a Mail shall be the rate applicable to such purpose during the subsequent week.

[Addition on the 1st January, 1881.]

Brokerage on a forward contract shall be payable on the completion of the transaction.

NON WEATHER-WORKING LAY DAYS IN MADRAS.

The following Rule defining non weather-working lay days in Madras was adopted at the General Monthly Meeting of the Madras Chamber of Commerce held on the 26th July, 1910:—

"During inclement weather, the Committee of the Madras Chamber of Commerce, in consultation with the Port Officer, will decide as to what may or may not be considered a weather-working day.

N.B.—The procedure under this Rule is to be as follows:—

When the parties interested cannot agree as to whether a day is a weather-working day or not, the matter shall be represented on the same day to the Committee of the Chamber of Commerce, and if the Committee and the Port Officer agree that, by reason of inclement weather, the day should be declared a non weather-working day, the Committee shall forthwith declare it to be so, and place it on record for further reference if necessary."



PROCEEDINGS

OF THE

MADRAS

Chamber of Commerce.

January - December, 1916.

