

MADRAS RECORD OFFICE.

Government of Madras.

Financial

DEPARTMENT.

G.O. No. 778

Press
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Dated 4. 12. 1857

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Not to be folded or roughly handled

No. 2. From WILLIAM HAMILTON CRAKE, Esq., Chairman of the Chamber of Commerce; to the Chief Secretary to Government, dated 24th November 1857.

SIR,

1. I have the honor by desire of the Chamber of Commerce to acknowledge receipt of an Extract from the Minutes of Consultation, Financial Department No. 636, dated 10th Ultima, forwarding copies of paras: 1 to 13 of a letter from the Accountant General to Government, dated 30th September last, on the subject of the Chamber's representation, that the delay in granting Certificates of transfer had deterred parties from subscribing to the open loan; and asking the Chamber to supply the Government with the information they have declined to afford the Accountant General.

2. The Statement furnished by that Official in para: 5 of his said letter, fully bears out the Chamber's assertion, that the Records of his Office would afford him ample information on the subject, and almost renders it superfluous for them to adduce specific instances of delay for the satisfaction of Government. For, of 552 Government Promissory Notes transferred up to the 9th September last, certificates were delivered for rather more than one-third within one day from the date of application, whilst for the remaining two-thirds the delay ranged from 2 to 8 days, with one special exception, to which allusion will be made hereafter. If on so large a proportion as one-third of the whole number of Bonds transferred between the dates specified, the forms of Office could be accomplished in one day, what reason can the Accountant General advance for the delay that occurred in the transfer of the remaining two-thirds? If an undue preference was shown, it seems strange that the machinery which turned out the work with creditable despatch in one-third of the instances, should have so greatly relaxed in its power as to require from 2 to 4 days to perform the second portion, and from 5 to 8 days for the third portion thereof. It must be born in mind that, in the statement of the periods of delivery, the Accountant General omits the days of delivery and receipt of the Notes, and also Sundays. The Chamber would be glad to learn the ratio in which Europeans figure in the first category, and also, whether in a majority of instances the fortunate applicants were not Natives, who personally superintended the transfer of their Bonds. Thus the Chamber submits as proof of unnecessary delay; the comparative rapidity with which one-third of the whole number of transfers have been effected, clearly demonstrating that the Commercial Community, European and Native, are asking no unreasonable increase of despatch in their transactions with the Accountant General's Office.

3. The instance in which a delay of 23 days occurred, was not brought to the notice of the Chamber, until after the receipt of the Extract Minutes of Consultation now under reply, the Accountant General was therefore in error, in supposing it to have led the Chamber to make their representation. The Chamber beg to draw attention to Messrs. Bainbridge and Co's Account of this transaction, appended to this letter, proving as it does, that the cause of the delay rested with the Accountant General, whose duty it clearly was to have looked into the matter himself, and not to have acted upon the "conception" of one of his clerks.

4. The Chamber now submit two lists of transfers, marked A. and B., made by Members of their body, from the 7th August to the 14th October, by which Government will see, that between the first named date and that of the Chamber's representation now under consideration (9th September), the time occupied in making transfers was from 3 to 11 days, and that subsequently it ranged from 3 to 6 days, including the days of delivery and receipt. This shews that the Chamber's representation was not only well founded, but that it has had the desired effect of immediately accelerating the business of the Office.

5. The Accountant General in para: 7 endeavours to show, that the delay in his Office could not influence a party desirous of transferring his Four per Cent Paper to the Five per Cent Loan, as he need not raise money to subscribe an equal amount of cash before he gets his Certificate. In the following para: however, he admits that "if he was obliged to raise the money, when he deposited the Promissory Note in the Accountant General's Office for transfer, it would be another thing;" and that such must be the case, the least consideration would have made evident; for who would be so rash as to commence a transaction, the first step of which is beyond recall, without first securing the means of carrying it out to completion?

6. In para: 12th the Accountant General comments upon the Chamber's assertion that Capitalists who would lend the necessary Funds for a day or two will not do so when they cannot

only upon being repaid for weeks, and expresses his disbelief of any one lending money for "a day or two," because he knows the Madras Bank will not do so, or grant a loan for a shorter period than fifteen days. A more intimate acquaintance with the business of the place would have shown the Accountant General, that such practice is very common with the Europeans, and not unusual with the European Houses of Agency.

7. The main object of the Accountant General in para: 10 and 11 appears to the Chamber to be, to demonstrate the impolicy of the public resorting to the open Loan as a medium of investment. The Accountant General, however, takes a very important view of the fluctuations in the value of money by assuming 10 per cent discount to be the normal value of such Securities, or as he terms it, the ordinary rate of sale. The memo: which he submits in illustration does not appear to the Chamber to furnish any argument in favor of his view of the subject.

8. In his concluding para: the Accountant General states, that it has just occurred to him, that what the Chamber means, though they do not say so, is that some parties have been disappointed and vexed because "the turn of the market" has been against them by reason of the Certificates not having been delivered instantaneously; but admits that his Office which gets the Certificates out of hand as fast as the pressure of other business permits, is not to blame. He is quite right in supposing that the above is the case, though it is not the only cause of "disappointment and vexation" and to show how far the delay has been prejudicial to the party transacting, the Chamber by reference to Column 7 and 8 of Statement A, by which it will be seen that the loss ranged from $\frac{1}{2}$ to $\frac{1}{2}$ per cent.

9. The Chamber made their representation of 10th September in no hostile spirit to the Accountant General, and they confined it to the subject of transfers and subscriptions to the open Loan; in his comments thereon, however, that Official observes at para: 6. "The business is slow, I do not understand how it is that the Chamber have thought proper to make this representation to Government." From which Government may infer that neither in this, nor in any other instance, has there been culpable delay in the disposal of business in the Accountant General's Office. The Accountant General having thus challenged inquiry, the Chamber must Government will not consider them capricious or entering into needless discussion, in bringing to notice some further instances of excessive delay, experienced by Members of their body in their transactions with his Office; viz., in the settlement of interest on Government Securities.

10. I am directed to submit two Statements, marked C and D, showing in different columns, the dates on which Bonds were sent for interest, and those on which they were returned by the Accountant General, in the first, the time consumed was from 6 to 25 days, and in the second from 6 to 43 days. The inconvenience and positive loss to which the Parties concerned were thus subjected, will be immediately manifested, the Chamber will therefore make no comment thereon, but simply affirm that there are not solitary instances, but that the complaint is a general one.

11. Of the statements submitted, one of each set has been furnished by a Bank, the other by a House of Agency. Government may thus be assured the Chamber have acted with every fairness in adducing proof in support of their complaints.

12. The Chamber having now discharged the rather tedious task imposed on them by Government of pointing out specific instances of unnecessary and injurious delay in the public business of the Accountant General's Office, would ask permission to express their dissent from the opinion of the Government that this is the best or the only method of ascertaining whether the complaint of the Chamber was well founded. It is at all times an unpleasant task to make the case in the present instance, to stand out and prefer charges against a public Officer, and the Chamber would submit, with deference, that the object desired by Government would have been more effectually and satisfactorily attained by appointing one of its own Officers, of whom there are many at the Presidency fully qualified for the task, to make the necessary inquiry.

13. It may be readily believed that the Chamber of Commerce would not have gone out of its way to make a complaint of the nature under reference, without probable grounds for dissatisfaction, and they consider that having stated the specific nature of the delays complained of, the Members of the Chamber might have been spared the effort attending the production of specific instances of such delays.

14. The Chamber only state a fact which must speak to the experience of every man of business, and the force of which they are sure the Right Honorable the Governor in Council

will admit, that no public Officer at the head of a large Establishment like the Accountant General's Office, and more especially when such an Establishment is principally made up of natives, can efficiently and satisfactorily discharge the duties of his Office, either towards the Public or to Government without giving his personal attendance, and ensuring that of his Co-ventured Subordinates, in Office during the usual hours of business, and the Chamber cannot but attribute much of the irregularity complained of, to the want of such attendance.

(Signed) Wm. HAMILTON CRAKE, Chairman.

MEMORANDUM.

With reference to para: 5 of the Accountant General's letter alluding to a case of delay in the transfer of some 4 per cent Notes sent in by us, we annex for the information of the Chamber of Commerce copies of the correspondence with the Accountant General by which it will be seen that the delay was occasioned entirely from the Accountant General not looking in to the matter himself, but acting up on the "Clerk's conception" that a Power in our favor was necessary, when it would have been perfectly evident, had the Accountant General or any of his Co-ventured Assistants looked at the Notes, that the receipts being signed by the Proprietor ought to have been considered a sufficient authority for the transfer of the Principal to the 5 per cent Loan; however a Power was asked for, and the Accountant General now disingenuously asserts that the delay was our fault, because we did not immediately produce a document which ought never to have been asked for, and was in fact ultimately dispensed with on our directing the Accountant General's attention (in reply to his letter of the 10th September) to the fact of the receipts for transfer of the Principal bearing the Proprietor's own signature.

The Accountant General appears to think the complaint of the Chamber with regard to delays in the transfer of 4 per cent Notes, is founded upon the above case, but the fact is, until receipt of his own letter the Chamber knew nothing of it.

(Signed) BAINBRIDGE & Co.

A.						Value of the Paper.	
Date of letters for- warding the paper.	Papers sent.	No. of Accountant Gen- eral's Certificates.	Date of Certificates.	Date of Acct. Genl's letter returning Cer- tificates.	No. of days detained.	On the day it was sent.	On the day it was returned.
11th Augt.	4 per cent 54-55.	No. 50	12th Augt.	15th Augt.	4	11th Augt. 8 per cent discount.	15th Augt. 8½ per cent discount.
14th "	" "	" 56	15th "	17th "	3	14th " 8 per cent discount.	17th " 8½ per cent discount.
" "	" 42-43.	" 60	" "	" "	3	14th " 8 per cent discount.	17th " 8½ per cent discount.
22nd "	" 54-55.	" 90	25th "	31st "	9	22nd " 8½ per cent discount.	31st " 9½ per cent discount.
" "	" 28-29 33-36 }	" 81	25th "	27th "	5	22nd " 8½ per cent discount.	27th " 9 per cent discount.
3rd Sept.	" 54-55.	" 131	8th Sept.	11th Sept.	3	3rd Sept. 9½ per cent discount.	11th Sept. 10 per cent discount.
5th "	" "	" 144	10th "	12th "	7	5th " 9½ per cent discount.	12th " 10 per cent discount.
16th "	" 42-43.	" 161	16th "	17th "	1	16th " 12 per cent discount.	17th " 12 per cent discount.
17th "	" "	" 171	19th "	19th "	2	17th " 12 per cent discount.	19th " 11 per cent discount.
23rd "	" 54-55.	" 182	25th "	25th "	2	23rd " 10 per cent discount.	25th " 13 per cent discount.
12th Oct.	" "	" 219	14th Oct.	15th Oct.	2	12th Oct. 10½ per cent discount.	15th Oct. 10 per cent discount.

ORIENTAL BANK CORPORATION,
Madras, 2nd November 1857.

Fort Saint George, Financial Consultation, 8th December 1857.

D.

STATEMENT of Government Paper sent in to Accountant General to have interest paid for payment.

Date when sent for Interest.	Number of Notes.	Date on which the Notes were returned.	Number of days returned.
Decr. 22nd 1856.	695	692 on 15th January 1857. 4 " 25th " " 6 " 25th " " 3 " 25th " "	22 29 32 37
January 5th "	45	45 9 on 29th January 1857. 25 " 25th " " 11 " 25th " "	15 18 20
February 5th "	401	45 390 on 18th February 1857. 104 " 25th " " 4 " 27th " " 2 " 6th March "	7 13 22 29
March 21st "	29	401 4 on 1st April 1857. 24 " 6th " " 1 " 15th " "	11 14 23
" 26th "	442	29 398 on 1st April 1857. 154 " 6th " "	6 11
May 17th "	222	442 207 on 21st May 1857. 17 " 25th " " 4 " 25th " " 24 " 27th " "	7 9 7 12
June 11th "	9	222 5 on 22nd June 1857. 4 " 6th July "	11 23
" 25th "	761	9 140 on 15th July 1857. 150 " 17th " " 211 " 20th " " 68 " 21st " " 134 " 22nd " " 8 " 25th " " 15 " 25th " "	16 18 21 22 23 28 30
August 4th "	539	761 30 on 15th August 1857. 114 " 19th " " 104 " 25th " " 139 " 25th " " 96 " 25th " " 8 " 25th Sept. " 1 " 10th " "	14 17 20 25 27 30 41
		539	

On 15th July
were completed
ing of the day.

Fort Saint George Financial Consultation, 8th December 1857.

No. 10.

ORDER NUMBER, No. 778, dated 6th December 1857.

Resolved that the above letter from the Chairman of the Chamber of Commerce be referred to the Accountant General for any remarks which he may have to make on the various points in it impugning the efficiency of his Office.

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Financial Department

N^o 335

From the Chairman of the Chamber
of Commerce

Dated 24th November 1857

For Order.

Sheweth that the undersigned
has been informed that the
for any remarks - he may
have to make on the various
points in it - by which the
efficiency of his office is improved
Y^{rs} Well, &c. At

24 13 October 1857 No 13416
 Subd in the 1st of 1857
 Thil. L. & 16 J. 67 No 4 of
 1858 Paris 204.

Sub 6 can 5th Sec.
 Financial. 107. Sept
 from the Chairman of the
 Chamber of Commerce.

204
 25/11/57
 1855.
 5th Sec.
 With reference to the
 No 13416 of 10th 1857
 information required to
 be sent relative to the Chamber
 complaint of the delay
 on the part of the ac-
 countant general in
 granting Certificates of
 transfer etc.

204
 25/11/57
 1855.
 5th Sec.
 With reference to the
 No 13416 of 10th 1857
 information required to
 be sent relative to the Chamber
 complaint of the delay
 on the part of the ac-
 countant general in
 granting Certificates of
 transfer etc.

9-10
 With the order