

Paper taken out of the Records from the charge of the Referencer.

Miscellaneous No.

Routine

No. 4443, dated 2/6/98

N. A.
2,000--28-10-98.

Marine (1898) Department.

G.O., No. 445-Ma

DATED 3rd June 98

[Despatch Abstract.]

[Despatch Abstract.]

Light House Improvements: Letter from the
Acting Port Officer requesting for a grant from
Provincial Revenue to carry out the Scheme
of ——— Submitting for consideration
the question of levying a light dues on
Shipping, recorded with reference to
No. 316 Dated 29 April 78.

Bud and

5798

Ch 56
1216.

Recorded with
reference to S.O. 316 Marine,
d/29 April 1898.
APK

C.S.

APR
1. 6. 98

From

The Presidency Post Office,
Madras.

No. $\frac{1271}{361} 9$

Dated 7 November 1896.

Received 10. 11. 96

Enclosures

Spare copies

SUBJECT.

Submitting that a grant
from Provincial Revenue
is actually necessary
towards the carrying out
of Mr. Ashpitel's recommendations
for the improvement of
existing, and the construction
of new, Lights.

light service is carried into effect, there will be no funds available to meet the Port Improvements of either Group. I therefore submit that a grant from Provincial Revenues, towards the carrying out of Mr. Ashpitel's recommendations, is actually necessary.

2. In para 5 of G.O., No. 245 Marine, 8th April 1896, exception is taken to the proposal to levy a special light-due on Shipping, but, as expenditure in connection with improvements to lights is not, I believe, usually treated as a charge against Revenue, and the improved lights will be of service to vessels other than Coasters, I beg, respectfully, to submit the question of levying a light-due on Shipping for reconsideration. At present vessels proceeding direct from Bombay to Colombo, and vice versa, are greatly benefited by the lights on the West Coast and pay nothing towards the upkeep of the lights.

I have the honor to be,

Sir,

Your Obedient Servant,

A. A. Theet

Comdr., R. I. M.,

Presidency Port Officer.

Marine
DEPARTMENT.

READ the following:—

The Hon. Mr. Ashpitel
Light house improvements
From the Presidency Port Officer, No. 127/361 G,
dated 7th November 1896. *CN 1216*

FOR ORDERS.

The P.P.O. is in too much of a hurry - nothing can be done until the question is settled of clearing the port funds of debt by paying off the debt due to Madras. I have sent nothing in the F.D. Let this be put over.

AS
17/11/96

Two main questions are raised in this letter:—
(1) A grant from Provincial in aid of Port Funds to carry out the scheme of Light house improvements.
(2) the levy of a special light due on shipping.

It is understood that (1) is under consideration in the Financial Department and that the papers on the subject are now with the Honourable Member, who has also the papers in connection with the proposed enhancement of

Liverman
19/11/96

of port dues up to maximum rates.

L 6 605

FOR ORDERS.

As regards (2) the Government said in para 5 of G.O. No. 245, Marine, dated 8th April 1896, that the proposal to levy a special light-due on shipping is "open to grave objection".

The Presidency Port Officer asks for a reconsideration of this opinion. If the matter is to be reconsidered, the Presidency Port Officer might be asked to ~~report~~ submit definite proposals, mentioning rates, and where and how to be levied, and a forecast of the receipts.

13/11/97

M

Note
Mr. Ashpall is engaged on the question of means & means. State
ments of Port dues balance
have recently been supplied
to him. L.S.
25 Nov 97

Marine (1896) Department.

L 6 607

CURRENT No. 56

Since dispatch of L.S. 25 May 97.

The Hon. Mr. Bliss C.S.E.

Order

Circulated for perusal From,
in continuation of the Presi-
dency Port Officer's previous
letter (C. No. 1216) which is lying
over in accordance with the
Hon. Member's instructions.
Order dated 17/11/96.

The Presidency Port Officer,
Madras

No. 1271/97

Dated 9 January 1897.

Received 13.1.97

Enclosures one.

14/1/97

W Spare copies

The PPO seems incapable of understanding that there are no Port funds available for expenditure on Marine objects.

SUBJECT.

Forwarding for perusal a cutting from the London "Shipping Gazette Weekly summary" on the subject of Light dues

19/1/97

See over pending receipt of the order in amendment of the order the date due to the Hon. Mr. Bliss C.S.E.

20/1/97

4 m. 15/1.8.20/11

BACK PAPERS.

FURTHER PAPERS.

THE MERCANTILE MARINE FUND
AND LIGHT DUES.

The dues levied thus exceeding the expenditure by ...	...	...	...	...	...	£811,130
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These figures show that during the last seven years a profit at the rate of 115,875% per annum, i.e., a profit at the rate of 29 per cent., has been made out of the light-houses.

In 1894 the amount levied exceeded the amount expended by no less than 154,991*l.*, and the profit made was at the rate of 40 per cent.

It is proved by the report, and by the evidence given before the committee, that the light dues were increased in 1888 because the shipping fees were remitted in 1882, and that a large part of the profit made from the light-houses has been applied to make good the loss of revenue occasioned by the remission of these fees.

On this point I would venture to remind you that the fees were remitted under the Act passed in 1882. This Act was introduced by Mr. Chamberlain, the then President of the Board of Trade, and Mr. John Holmes, one of the then Junior Lords of the Treasury. It was accompanied by a memorandum in which it was stated that the arrangements embodied in the Act had been made between the Treasury and the Board of Trade for the purpose of simplifying accounts and improving administration, and it was further stated that the effect of the Act would be to relieve shipping from a charge of 70,000*l.* per annum. In the House of Commons, in answer to the late Mr. Edward Whitley, one of the Liverpool members, Mr. Holmes stated that it was intended to give this relief to shipping.

On the shipping, the crew were paid by both the shipowners and the seamen, were abolished under the Act, but every penny of the remission has, as the evidence given before the committee proves, been made good out of the shipowners' pockets in the shape of light dues. The shipowners have therefore not only received no relief themselves from the remission of the fees but have been charged at the rate of 20,000*l.* per annum (which was the seamen's contribution to the fees) more than they were charged whilst the fees were enforced.

That this is the fact is, I would submit on behalf of the Association, beyond question. The chief accountant of the Board of Trade, when examined before the Departmental Committee, said, "I have had a return got out showing that from the date of their remission we have remitted 913,000*l.* of taxation. About 400,000*l.* of that we have remitted to scamen, and 500,000*l.* to the shipowner. But as the revenue has to be made up out of the light dues the shipowner practically pays the lot."

It would also appear from the evidence given before the Departmental Committee that the Treasury, notwith-

standing the statements made in the House by Mr. Holmes, now question the intention of the House to give relief from the shipping fees. Mr. Ryder in his evidence says, "To my mind it was a question of how the shipping interest should be made to pay for these Mercantile Marine Offices. They used to pay for them in the form of fees. Those fees were abolished and the remaining alternative was to pay for the offices out of light dues," and to a question as to whether the Treasury were informed of how the Board of Trade intended to make good the loss of revenue from the fees Mr. Ryder replied "No, I think the Treasury held that that was a matter for the Board of Trade itself, and not for the Treasury. The Treasury was content with pointing out that they had no responsibility for the abolition of the fees, and that the grant in aid would not be raised in consequence."

Apart from the question of the abolition of the shipping fees the effect of simplifying the accounts as between the Board of Trade and the Treasury has been, as is proved by the Departmental Committee's report, to throw on ship-owners, in 12 years, an additional expenditure amounting in all to 156,317*l.*, or at the rate of 13,025*l.* per annum.

From these figures, which are those given by the official witnesses examined before the committee, it would appear that out of the profit of £5,875, a year made at the expense of the shipowners on the charge for lighting the coast, 70,000*l.* has been used to provide the relief promised by both the Treasury and the Board of Trade to shipping in 1882, and 13,025*l.* has been swallowed up in the process of simplifying the accounts as between the Treasury and the Board of Trade. The balance has then been expended in the process of making the shipowners pay for the cost of the Government inspection of the shipping industry, in every industry other than shipping, in which there is Government inspection the country at large pays for such inspection. It has been thought necessary to place factories, coal mines, railways, and, to a certain extent, agriculture under Government inspection, but those industries have never been called upon to pay the cost, whilst with shipping not only is the surplus profit on the light dues used to pay for the inspection, but in addition large sums are levied in fees.

Apart from these considerations, I would venture in conclusion to draw your attention to the much larger question which lies at the root of the whole subject, but upon which the committee has not reported, namely, the injustice of making the shipowners alone pay for the performance of the national duty of lighting the coasts. The whole trade of the country would be stopped if the coasts were not lighted, and yet the shipowners are the only class in the community upon whom the burden of the coast is placed.

Having regard to the above facts, I would, on behalf of this association, appeal to you to remedy, next Session, the great injustice that has been done to shipowners under the administration of the Act of 1862.

I have the honour to be, Sir,
Your obedient servant,
(Signed) THOS. HUGHES, Chairman.
The Right Honourable C. T. Ritchie, M.P.,
President Board of Trade.

Board of Trade (Finance Department),
7, Whitehall-gardens, London, S.W., Dec. 7. 1896.

Sir,—I am directed by the Board of Trade to acknowledge the receipt of your letter of the 30th ultimo, addressed to the President with reference to the Report of the Committee upon the Mercantile Marine Fund.

I am, Sir, your obedient servant,
(Signed) T. H. W. FLEMING.
Thomas Hughes, Esq., Chairman,
Liverpool Steamship Owners' Association,
10, Water-street, Liverpool.

Marine C. No. 1216/96
56/97

These papers can
lie over till the question
of the amalgamation
of ports into 3 groups
is finally settled.

2/5/97
M

R.S.
2 Mar 97
4 May 97

This matter has since
been settled - vide No. 447.
Marine, 2/14 May 97. but
the question of making
large grants from Government
funds is now ripe for decision.
The P.P.O. has recently
been called on to submit
a complete forecast of
expenditure for the next 10
years. The order on this
forecast when received, will
dispose of the present
C. No.

R.S.
2 June 97 29/6/97

R.S.
Mar. 5/1/97

* draft of marine C. No. 1216/96

No. 1271/96

Presidency Port Office,
Madras, 9 January, 1897.

From

Commander H. A. Street, R.I.M.,
Presidency Port Officer,
Madras,

To

The Secretary to Government,
Marine Department,
Chennai.

Sir,

With reference to para 2 of this office letter
No. 1271/361, G, dated 7th November 1896, I have the honor
to submit herewith for perusal a cutting from the London
"Shipping Gazette Weekly Summary" dated 18th December
1896, containing a letter addressed by the Chairman of
the Liverpool Steamship Co to the President of the Board
of Trade on the subject of light dues, as the remark in
the concluding portion of the letter that "the whole
trade of the country would be stopped if the coasts were
not lighted and yet shipowners are the only class in the
community upon whom the burden of the coast is placed,"
seems equally applicable to the lighting of the coast of
this presidency, the cost of which is met solely from
port funds which are paid by the shipowner.

I have the honor to be,
Sir,

Your Obedient Servant.

H. A. Street

Commander, R.I.M.,
Presidency Port Officer.

M