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MADRAS RECORD OFFICE

Government of Madras

Public Works

DEPARTMENT

G.O. No.	211	Press	<i>Original</i>
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Dated	25-1-	1875-195-	

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Public Works Department,
25th January 1875.*

No. 436. Read the following endorsement of the Private Secretary to the Right Honorable the Governor, dated 5th January 1875 :—

From P. MACFADYEN, Esq., Chairman of the Chamber of Commerce, to Captain A. AWDRY, Private Secretary to the Right Honorable the Governor, Fort St. George, dated Madras, 31st December 1874.

THE warm personal interest that His Excellency Lord Hobart is known to take in the Madras Harbour scheme encourages the Chamber to request you to inform him that they have been advised by their late Chairman, who is now in England, that, appreciating justly the great importance of giving an impartial hearing to any proposal for removing the reproach attaching to the present exposed state of the whole Eastern Coast of India, the Secretary of State has taken the matter in hand himself in such a manner as to justify the Chamber's hope of his eventually deciding in favor of Mr. Parkes' project. But the Chamber regret to learn that that project has excited opposition not only in Calcutta but also in London, chiefly in connection with the apprehended necessity of requiring shipping to bear the bulk of the charge for interest on the proposed work. The powerful shipping interest of London especially has been alarmed at the alleged probability of having to choose between paying the greater part of the cost of the harbour and of giving this port a wide berth.

2. The Chamber can sympathise with the anxiety of ship-owners without shutting their eyes to the justice of the argument that ships frequenting this port may be most fairly called upon to bear a portion at least of the expense entailed by the provision of the protection of the harbour ; nor would the ship-owners themselves pretend to say that, in event of Mr. Parkes' scheme being carried out, the advantages accruing from it would not be worth paying for. The question is what proportion of the anticipated expenditure for interest and maintenance the shipping can be reasonably called upon to pay. Ship-owners in England are not as ready as the Chamber could wish to give the subject the attentive consideration it deserves at their hands ; but this is hardly surprising, since Madras is only one among a large number of ports with which they have commercial relations, and they may very fairly expect each port to accomplish its own improvement without external assistance. All they contend for is that any improvement which imposes a crushing burthen on their ships justifies *prima facie* their opposition. Even the Suez Canal was projected, commenced, and carried to a triumphant completion without the British ship-owners, to whom it was destined to be of paramount importance, manifesting any sustained interest in the scheme ; yet immediately the canal was opened they vied with one another to reap its full advantages. The Chamber are satisfied that such ship-owners as have been familiarized by costly or anxious experience with the perils of our anchorage at certain seasons of the year would congratulate themselves on obtaining immunity from the risks that their ships at present run ; but pending that desirable consummation they are incredulous of the possibility of the scheme being carried out, and they cannot afford the time requisite to master the details with the view of arriving at an unbiassed judgment. Meanwhile, they are keenly alive to the importance of protecting themselves against being called upon to defray the chief portion

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of the cost of advantages in which others will largely participate. It would be fruitless, therefore, to expect ship-owners to take any trouble about the Madras Harbour project. While therefore, on the one hand, the active support of the shipping interest cannot be safely expected, the powerful opposition of that interest must, on the other hand, be guarded against; and this can only be done by removing the cause for alarm. Whatever diversity of opinion may exist about the feasibility of the project, there is unanimity among ship-owners in their views of a tax on shipping. My predecessor has assured some of the principal ship-owners that the Madras merchants would disapprove of any tax calculated to discourage ships from visiting this port; and a few of the owners have frankly admitted that since the port charges of Madras are low, a small additional charge for the benefit resulting from a really efficient harbour could not be justly resisted. The Chamber are quite of his opinion that there will be no necessity for a heavy tax on shipping, as the funds required, in addition to the contribution of ships, should be easily raised from other sources.

3. The Chamber do not forget that the Government are indisposed to concur with their opinion that some larger contribution than ordinary port dues should be made by the State towards the cost of a great public work that cannot be regarded as of only local importance. A harbour that would materially facilitate the protection of this coast from invasion may be regarded as an outwork of strategical importance from a military point of view; and the whole Presidency is interested in the additional defence of the public buildings of the capital.

4. It was justly observed by the Acting Collector of Sea Customs in his letter of the 3rd March last, that "as there seems to be no doubt as to the financial success of the harbour, the question of the best method of collecting a revenue is one that does not appear to press for an early decision." All that seems at present desirable is to authoritatively disabuse the minds of ship-owners of the idea that a heavy tax will be imposed upon shipping. My predecessor considers that no objection is likely to be raised to an increase of 1 to 2 annas per ton on present port dues. If the latter figure is partly adopted the revenue derivable from the shipping may be estimated as follows, reference being had to Mr. McC. Webster's statistics of the 24th January last:—

	Tons.	Present Port Dues.	Proposed Dues.
Foreign steamers	...	At 3 As. Rs. 24,512	At 5 As. Rs. 69,873
Coasting do.	2,23,596	" 4 " " 850	" 4 " " 15,637
Ships	62,548	At 3 & 1½ As. " 18,870	" 5 " " 33,324
Native Craft	1,06,638	At 1½ As. " 4,308	" 4 " " 13,431
	53,726		
		Rs. 45,542	Rs. 1,32,265

5. This would leave Rupees 2,30,000 to be raised by dues from other sources, and the Chamber have no doubt about the ability of the commerce of the port to meet a charge as large as this without any detriment. The existence of the harbour would necessarily diminish the cost of boat hire, and furnish merchants at

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once with a set-off against the new tax. They do not think, however, that the time is ripe for definitely deciding in what way the impost should be made, whether in the shape of a small percentage on the value of imports and exports, or of a scale of charge per package, or a rate per boat load. The tax on the boat load, as the Acting Collector of Sea Customs showed in his letter of the 30th March, has the merit of simplicity and economy in collection. Mr. Webster calculates that a tax of 12 annas a ton on the actual boat tonnage would yield Rupees 1,65,045. So Rupee 1 per ton would yield Rupees 2,20,000, which with the above-mentioned Rupees 1,30,000 and passenger tolls should more than meet the £36,000 that is required for interest and sinking fund. The Chamber would, however, prefer that the determination of the mode of raising the sum due in addition to the dues from shipping should not be determined hastily. When the ship-owners are satisfied that the chief burthen will not fall on their ships they will waive the opposition that now imperils the whole project.

TRANSFERRED to the Secretary to Government, Public Works Department.

By order,

(Signed) A. AWDRY,
Private Secretary.

No. 437

ORDER THEREON, 25th January 1875, No. 211.

CIVIL WORKS, No. 30.

His Excellency the Governor in Council has given his best attention to the letter from the Chamber of Commerce, and fully appreciates the value of the considerations which the Chamber has brought to his notice. When the time arrives for the final apportionment of the dues, the subject will be carefully reconsidered with a view to adjust them in such a manner as not to press unduly upon shipping.

(True Extract.)

Colonel, R.E.,
Secretary to Government.

To the Chairman of the Chamber of Commerce.
" Marine Department.

Exd. S. T. Austin.

Spare Copies

P. W. 1875 Dept.
 No: 94

From

The Chairman,
 The Chamber of Commerce,
 Thos. The Private Secretary.
 Dated 31 Decr. 1874
 Recd 7 Jan. 1875

Drawing
 attention to the
 anticipated require-
 ment of shipping
 to clear the bulk
 of the cargo for
 interest on outlay
 on the proposed
 Harbour for Malacca.

Ob 436

Ob. no: 211. 25-1-75.

Recd 16-1-75 D. 12 Jan 1875
 Sir 3-1-75 R 15-1-75

For orders.

Read the following

Letter from the Chairman of
 the Chamber of Commerce to
 the Private Secretary to the
 Rt. Hon. the Governor —

(H.C. no - d/31 Decr. 1874)

Subject

Calling attention to the
 anticipated opposition of
 Ship owners to the proposed
 Harbour Project and pointing
 out how their apprehensions
 in respect to the chief brethren
 falling on their ships may
 be quieted —

Circulated

Greatly doubt the expediency for orders with all papers
 or utility of raising this question having reference to the
 at present. It is too late I financial aspect
 to hope & ~~secure~~ secure part of the question
 the Sec: of State's consideration
 when dealing with the preliminaries

I think that the charges
 are fairly divided between
 the shipping & local trade
 and I think that we might
 tell the A. of Com. that we
 are prepared to ourselves the
 matter for this point of
 the work to be done

C. M. M. L. O. K. B.
 Secy to Govt.
 P. H. D.

Sept 21-25-1-75

Sept 21-25-1-75

From
The Chairman of the Chamber
of Commerce

(No. 10 - dated 31 Dec 1874)

211

His Excellency the
Governor in Council has
given ~~the~~ ^{his} best attention
to the letter from the
Chamber of Commerce
and fully appreciates
the value of the con-
siderations which the
Chamber has brought
to ^{his} notice. When the time
arrives for the final
apportionment of the
dues, the subject will
be carefully reconsidered
with a view to adjust
them in such a manner
as not to press ^{unduly} ~~unduly~~
on the ~~interests~~ ^{interests} of the ~~city~~ ^{city}.

md
18/11

To The Chairman of the
Chamber of Commerce.
Marine Dept.
Sept 26/1/75

94

Govt. of Madras
PUBLIC WORKS.



The Chairman,
Chambers of Commerce
Trist
18-1-75

Date

Recd.

Encl.

G.O. 25 June 1975, No. 211

For 456-457.

Madras Harbour

Passing orders on letter
from the Chairman of the
Chambers of Commerce
calling attention to the
herpete de opposition
Ship owners to the
proposed Harbour Project
and urging that their
concerns in respect to
chiefly the matter falling
on ships may be