

GOVERNMENT OF MADRAS.

MARINE DEPARTMENT.

READ—the following paper :—

From J. C. SHAW, Esq., Chairman, Chamber of Commerce, to the Chief Secretary to Government, dated Madras, 9th October 1884.

The Chamber has instructed me to address you once again on the subject of the Harbour dues. In its order of the 2nd ultimo, on the Chamber's letter of the 8th August, the Government expresses its doubt of the expediency of taking action in a direction "which will materially reduce the income of the Trust just on the eve of transfer." The Government has, therefore, resolved to refrain from giving effect to the reductions proposed alike by the Harbour Committee and the Chamber, and to leave the matter to the Trustees "when they have had time to estimate the exact financial position of the Trust to make such reductions in the rate of tolls as may seem to them practicable and expedient."

2. More than a month has passed since the order under reference was passed, and no public intimation has yet been given that the Port Trust will occupy at an early date the attention of the Legislative Council. Meanwhile a serious injustice is being done to the trade of the port. The Secretary of State has taken into the most liberal consideration the Imperial character of the harbour; and, on the 18th instant, it will be one year since he was pleased to authorize the reduction of the charges to such a point as would suffice to yield interest at the rate of 4 per cent. per annum on a sum of 15 lakhs of rupees, to be eventually supplemented by interest on all expenditure required for the completion of the work. The Secretary of State did not leave the matter open for further discussion, but he promptly took action in the matter with the result, as stated in a return to Parliament, of the "Total Net Expenditure upon all sorts of Public Works in India from 1875-76 to 1884-85," dated India Office, 22nd May 1884, that £533,100 on account of the Madras Harbour Works, charged in former years as capital outlay on "Productive Public Works," was transferred in 1883-84 to "Ordinary Works." In the Financial Statement of the Government of India for 1884-85, it is remarked "in 1883-84, the whole expenditure on Madras Harbour Works to date was transferred from Productive Public Works to Civil Buildings, Roads and Services."

3. The Secretary of State's despatch was forwarded last January, by the Supreme Government, for an early expression of opinion, and the Madras Government, in its reply of the 20th March, asked the Supreme Government to allow the constitution of a formal Port Trust "to lie over for the present." In the seven months that have since elapsed, the total yield of Harbour dues need not have exceeded Rs. 5,000 per mensem, or Rs. 35,000 in all; whereas it appears from the published statements of the Master Attendant of actual collections from 1st April 1884 to 31st August 1884 that dues to the extent of Rs. 1,69,675 have been collected, or say, at the rate of Rs. 34,000 per mensem. A large reserve fund has, therefore, been formed on which the Government could draw should any loss result from the reduction of rates.

4. The "change in the management" cannot affect the right of the port to the full and immediate benefit of the advantages bestowed upon it by the Secretary of State. The "exact financial position" of the Port may not be known at the moment,

though the Chamber is reluctant to suppose that the Accountant-General could not soon satisfy the Government on this point; but the exact financial responsibility of shippers, in regard to dues, has been clearly defined. The Government admits that the net revenue obtained from the Harbour is already "more than sufficient to meet the interest charge on the probable capital outlay during the next two or three years," but it is indisposed to order the immediate reduction of dues that are obviously far beyond the legitimate current liabilities of the port. The Government says "that it was never intended that the maximum rates should continue to be levied if experience showed that the income was likely to be in excess of requirements." But whatever the original intention may have been, previous to the issue of the Secretary of State's decision on the subject, revenue very greatly in excess of requirements does continue to be levied, and no date is fixed for the termination of this anomaly.

5. The Harbour Committee has pointed out, in its letter to the Government of the 20th August, that there "is no necessity, under existing circumstances, for a levy of the present onerous rate of tolls which has been imposed by the Government." In this opinion the Chamber concurs, and I am, therefore, to solicit the Government to be pleased to state definitely when the Port Trust will be formed, and to sanction, as a tentative measure, the immediate reduction of Pier and Beach charges which has been recommended by the Harbour Committee.

ORDER—dated 10th November 1884, No. 495, Marine.

It will be seen from the proceedings of the Legislative Council which assembled at Ootacamund on the 22nd ultimo that the earliest opportunity was taken for bringing the Harbour Trust Bill again before the Council in view to its being passed into law with as little delay as possible. It is anticipated that the Act will be brought into operation and arrangements completed for transferring the administration of the Harbour to Trustees at the close of the official year.

2. His Excellency in Council adheres to the opinion recorded in G.O., dated 2nd September 1884, No. 389, Marine, that in view of the impending change it would be inexpedient to sanction any measure affecting the income at present derived from Harbour dues. Although their attention was directed to it in the Government order quoted, the Chamber of Commerce seem to ignore the fact that no inconsiderable expenditure, irrespective of the interest on capital outlay for construction, will have to be provided for by the Trustees out of Harbour revenue.

(True Extract.)

E. F. WEBSTER,
Chief Secretary.

To the Chairman, Chamber of Commerce.

Copy to the Harbour Committee.

" " Public Works department.

Ed. J. Wright,

Blk 28715 7/17/14/84
Govt. of (1884) Madras.

MARINE.

Recorded

Sd/ J.S.S

15/11/84

Issued

Recd.

Encl.

G.O., 10th November 1884, No. 495.

NOVEMBER.

Harbour Dues.

Passing orders on letter from the Chamber of Commerce, Madras, requesting Government to state definitely when the Port Trust will be formed, and to sanction, as a tentative measure, the immediate reduction of Pier and Beach charges recommended by the Harbour Committee.

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