

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1292

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110-113

Dated 7—6—1867.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
7th June 1867.*

Read the following papers:—

No. 110. From the Secretary to the Government of India, Financial Department, to the Chief Secretary to the Government of Fort Saint George, dated Fort William, the 13th February 1867, No. 713.

I am directed to forward the accompanying copy of Revenue Despatch from the Right Honourable the Secretary of State for India, dated 15th December 1866, No. 78, and of its enclosure, relating to an application for the admission, duty free, into the ports of Madras, Bombay, and Calcutta, of all timber coming from ports and places within the territories of His Highness the Maharajah of Johore, and to request that this department may be favoured with the views of the Government of Madras on the subject.

Despatch from the Right Honourable the Secretary of State for India, (Revenue,) to His Excellency the Right Honourable the Governor General of India in Council, dated India Office, London, 15th December 1866, No. 78.

1. I have had under my consideration in Council the accompanying copy of a letter from Mr. H. M. Simons, of the Firm of Paterson, Simons and Co., at Singapore, in which he complains of the duties levied at Calcutta, Madras, and Bombay, on the importation of timber from the territories of His Highness the Maharajah of Johore, and requests me to bring the question before your Excellency in Council, with a view to the admission, free of duty, into those ports of all timber coming from ports and places within the territories of His Highness the Maharajah of Johore.

2. I desire, therefore, that your Excellency in Council will consider Mr. Simons' application, and report to me thereon, as soon as you conveniently can do so.

From H. M. SIMONS, Esq., to the Right Honourable the Secretary of State for India, dated London, No. 101, Cannon Street, 27th November 1866.

1. The object with which I have now the honour of addressing you, is to call your Lordship's attention to the existing Import duties on timber at the ports of Calcutta, Madras, and Bombay, so far as the same affect the trade in that commodity from the territories of His Highness the Maharajah of Johore.

2. The Import duties in question, except in specific cases of exemption, consist of an *ad-valorem* Customs duty of five per cent., with a further town duty of two and a half per cent., making altogether seven and a half per cent.

3. The Government of India allow a total exemption from duty to *Teak timber* imported from Moulmein and Rangoon, and I am informed that the same exemption extends to all timber coming from Native States, into which British goods are admitted free of duty; the Native State of Travancore being an example of this system of reciprocity.

4. Within the territories of His Highness the Maharajah of Johore, no duty whatever is charged on the importation of British goods of any description, while his Government allows every facility to the operations of commerce, and, under these circumstances, I would respectfully submit to your Lordship's consideration, that timber imported from the Johore territories has just claims for admission free of duty into the chief ports of the Indian Presidencies.

5. The firm in Singapore, to which I belong, Messrs. Paterson, Simons and Co., is largely interested in certain steam-driven saw-mills, set up in the Johore territory, which have of late been chiefly employed in cutting sleepers for the Indian Railways, and the Import duties in question cannot fail to prove a serious obstacle to the extension of similar operations, as will be more obvious to your Lordship when you take into consideration the heavy freight to which timber is liable, and so disproportionate to its market value, being seldom less than twenty-five per cent. of its cost.

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It is notorious that timber has long been very scarce and proportionately high-priced throughout India, particularly in Bengal, so that a report of the Chief Engineer of the East India Railway Company, dated so far back as 8th August 1859, contains the following passage:—

“The demand for timber in India for Railway purposes, more particularly for sleepers in addition to the ordinary requirements of the country, and for Barracks and Public Works, at present very far exceeds the supply, and prices have risen accordingly, and much difficulty is just now experienced in supplying our wants.” And there can be no doubt whatever that, since then, the difficulty of procuring adequate supplies of timber has very greatly increased.

6. Much might perhaps be urged against the protection afforded to teak imported from Moulmein and Rangoon, as well as against the general policy of a heavy Import duty at the chief Indian ports, on an article in such unusual request as timber, and which is avowedly so scarce throughout India, but I here wish to confine myself to the claims for admission, free of duty, into these ports of timber exported from Johore, founded on the system of reciprocity adopted in respect of the Native State of Travancore, and others similarly circumstanced.

7. And I accordingly request that your Lordship will be pleased to take such steps as you may consider fit and proper, to bring the question before the Government of India, with a view to the admission, free of duty, into the ports of Calcutta, Madras, and Bombay, of all timber coming from ports and places within the territories of His Highness the Maharajah of Johore.

No. 853, Home Department, the 28th January 1867.

Transferred, with enclosure, to the Financial Department, for disposal.

(True Copies.)

(Signed) J. E. COOKE,

Assistant Secretary to the Government of India.

Referred to the Board of Revenue for their remarks.

(Signed) W. HUDLESTON,

Secretary to Government.

27th February 1867.

No. 111. Proceedings of the Board of Revenue, dated 21st March 1867, No. 1,759.

Read the following letter from the Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 11th March 1867, No. 238.

1. Board's Proceedings of March 5th, 1867, No. 1,559.
2. With reference to Mr. Simon's letter to the Right Honourable the Secretary of State for India, I have to state as follows:—

3. No timber has ever been imported here from Johore.
4. If imported, the Custom duty is seven and a half per cent. *ad-valorem*, and there is no town duty.

5. Teak is exported from British India duty free, but no other timber.

6. Everything imported from Moulmein and Rangoon is free, as they are British Indian Ports, but timber and all dutiable articles from Singapore, Penang, and Ceylon, British Colonies, pay duty when imported into India.

7. The reciprocity system is in force as regards British India, and the Native States of Travancore and Cochin; but that is no argument in favour of British India reciprocating with Johore, (a foreign State,) when the system is not in force

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7th June 1867.*

as regards British Colonies, and the reciprocity would be, as far as I can judge, entirely one-sided.

1. The Collector of Sea Customs is requested to report what the value of the Import trade in timber has been at the port of Madras in each of last four and in the present official year.

2. Mr. Blair, in making his final remark, has apparently overlooked Mr. Simons' statement, that all British goods (including, it is presumed, British Indian goods) are allowed into the Johore territories duty free.

No. 112. Proceedings of the Board of Revenue, dated 23rd May 1867, No. 3,215. Read again letter from the Collector of Sea Customs, dated 11th March 1867, No. 238, recorded in Board's Proceedings, dated 21st idem, No. 1,759.

Read also the following letter from the Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 27th March 1867, No. 310.

1. Board's Proceedings, No. 1,759, of the 21st instant. I have the honour to enclose the return of timber called for.

2. I did not overlook Mr. Simons' statement that all British goods are allowed into the Johore territories duty free. I considered the reciprocity would be entirely one-sided, because Johore sends goods to India, while India sends none to Johore.

Statement shewing value of timber imported into Fort Saint George for the last five official years.

	1862-63.	1863-64.	1864-65.	1865-66.	1866-67.
	RS.	RS.	RS.	RS.	RS.
United Kingdom Duty	1,918	538	5,074	1,933	1,158
America do.	12,156	1,221	7,808	7,599	2,659
Ceylon do.	60,703	26,275	52,582	41,748	16,987
Penang, Singapore, and Malacca do.	57	56	.....	3,113	2,647
Sumatra do.	.....	.....	240	50	.....
Chittagong Free	4,613	.....	.....	978	800
Calcutta do.	.....	.....	.....	478	.....
Moulmein do.	6,35,442	5,75,370	7,20,173	14,62,059	5,42,035
Rangoon do.	57,388	1,30,498	1,16,302	93,846	1,54,966
Travancore do.	18,052	36,948	33,291	51,332	39,407
Bassein do.	.....	298	.....	.....	.....
Indian French Ports... .. do.	.....	3,190	774	.....	110

(Signed) J. H. BLAIR,
Collector of Sea Customs.

MADRAS,
27th March 1867.

1. With their Endorsement, dated 27th February 1867, the Government referred, for the Board's remarks, a proposal for the abolition of duty on timber imported from Johore, on the ground that no duty is charged on British goods imported into Johore, and the practice which prevails regarding Travancore, &c., (namely reciprocal free trade) was also quoted as a precedent.

*Proceedings of the Madras Government, Revenue Department,
7th June 1867.*

2. The Board, however, observe that there is a difference between British goods and *British Indian* products, and there is no analogy between the cases of Travancore and Johore. Duty is charged on timber imported from *foreign* countries, under which category are included England, Ceylon, Australia, Singapore, and all countries beyond British India.

3. Moulmein and Rangoon are part of Her Majesty's British Indian Territories, and Travancore, though a native State, is part of British India, and pays a subsidy to the British Government. Whether British Indian products are admitted duty free into Johore or not, the Board are not aware; they are, however, of opinion that it would be well that all timber be admitted duty free, not from Johore only or in Madras only, but that the trade in this article of import might be altogether free. Timber is both scarce and dear in this Presidency, and is becoming more so, insomuch that Government are obliged to plant at great expense. The Customs revenue in 1866-67 on imported timber was only about 1,600 Rupees, and it appears to the Board desirable that our forests should be relieved of the drain on them by every possible means.

No. 113.

ORDER THEREON, 7th June 1867, No. 1,292.

Separate Revenue, No. 10.

Customs.

1. The Government concur in opinion with the Board that no special reason exists for exceptional arrangements in regard to Johore; but that it is highly desirable to free the Import timber trade from all burdens, so as to reduce the drain on our own forests.

2. The Government of India will be informed accordingly.

(True Extract.)

(Signed) W. HUDLESTON,

Secretary to Government.

To the Board of Revenue.

Exd. S. T. Augustin.

REVENUE DEPARTMENT.
FORT SAINT GEORGE,
7th June 1867.

No. 1,293.

No. 114.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA.

SIR,

1. With reference to your letter dated 13th February 1867, No. 713, I am directed to forward herewith copies of the papers noted in the margin, containing the remarks of the Board of Revenue on the proposal to admit duty-free into the ports of Madras as well as

Proceedings Board of Revenue, dated 21st March 1867, No. 1,759.
Do. do. 23rd May 1867, No. 3,215.

of Bombay and Calcutta, all timber brought from ports and places within the territories of His Highness the Maharajah of Johore.

2. I am to add that the Government concur in opinion with the Board that no special reason exists for exceptional arrangements in regard to Johore, but that it is highly desirable to free the import timber trade from all burdens so as to reduce the drain on our own forests.

I have the honour to be,

Sir,

Your most obedient servant,

(Signed) W. HUDLESTON,
Secretary to Government.

Exd. S. T. Augustin.

W-1202.

I have the honor to inform
you that the Board of Directors
has decided in regard
to the proposed arrangement
for the import of timber from
all countries. It is the
policy of the Board to
secure the same on our own terms.

The Board of Directors will
be in session accordingly
H.

Wm. D. Dineen

114 Capes Court, New York

7 Copies Dec 1867

Revenue Department
7th June 1867.

To
No. 1293.
The Secretary to the Government
of India

Sir,

With reference to your
letter dated 13th February 1867,
No. 713, I am directed to
forward herewith copies of
the papers noted in the margin
containing the remarks of the
Board of Revenue on the propo-
-sals to admit duty-free into
the Ports of Madras as well
as of Bombay and Calcutta,
~~of~~ all timber brought from
ports and places within
the territories of His Highness
the Maharajah of Johore.

2. I am to add that the
Government concurs in opinion
with the Board that no
special reason exists for
exceptional

Pro: Board of Revenue dated 25th
March 1867 No. 1759.
Do Do 23rd May -- " 3215.

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Wm

Revenue 1867 Defaut
Pro: of Govt for June

N: 1293

To the Secretary to the
Govt of India
21 June 1867-

According observations
on the subject of admit-
ting timber from Johore
free of duty into the
Port of Calcutta, Bombay
& Calcutta.

N. 114

exceptional arrangements
in regard to Johore, but that
it is highly desirable to
free the import Timber trade
from all burdens so as to
reduce the drain on our
own forests.

L.B.

L.B.

Ed. Pittell