

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 2778	Press Mis.
422.427	
Dated 23 - 11 - 191867	

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
23rd November 1867.*

Read the following :—

No. 422. Proceedings of the Board of Revenue, dated 10th March 1866, No. 1,866.

Read the following letter from the Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 7th March 1866, No. 274.

1. I have the honor to state that I purpose, if the Board has no objection, to make some changes, with regard to certain classes of imported goods now stored in the Custom House, and which in future should not, in my opinion, be brought into it at all.

2. At Calcutta and Bombay iron is never stored in the Custom House, except under Sections 52 to 55 of Act VI. of 1863. It is taken direct to the consignees' godowns by themselves when landed, and duty charged on the invoice weight. Great inconvenience and trouble are caused by its being brought into the yard here. It occupies a large space, and the time of several Clerks, who have other duties to perform, is taken up in sorting, weighing, and delivering to consignees—duties which the Custom House is in no way bound to perform.

3. Metals of all sorts, such as corrugated iron sheeting, pigs of lead, sheet tin copper, and yellow metal, are also objectionable for the same reasons, and duties can be collected on them without any difficulty.

4. Crates of crockery are a great nuisance. They are very large, and lumber the yard to a great extent.

5. Machinery of all sorts, most of which is free, and large empty iron cases, are not required for examination, and can be passed direct.

6. I am aware that these proposals will, probably, meet with considerable opposition on the part of the trade of Madras, as, if they are sanctioned, the Trade will be obliged to provide their own machinery and establishment, for storing,

* *Vide* Advocate General's opinion, dated 17th February 1866. sorting, weighing, and delivering the goods referred to. As, however, Government is answerable for damage* occur-

ring to goods in the Custom House, there is no valid reason why goods should be stored in it, which are only brought in for the convenience of the trade. There is also no reason why Government should provide shelter, &c., for goods *here*, and not at Calcutta and Bombay.

7. I have proposed that, at present, only certain classes of goods should not be stored in the Custom House; but I have little doubt that, on trial, it will be discovered that other goods may be placed in the same list. Only ten per cent. of exported dutiable goods are brought in for examination; and it is quite possible that in many cases the same per-centage of imported goods also would be sufficient for the purposes of check and examination.

8. I would suggest that the new rule be introduced on May 1st. This will give ample time for the Trade to make arrangements for removing the aforesaid goods when landed in the same manner as all goods from free ports, coal, &c., which are now taken direct from the Beach and Pier.

Communicated to the Chamber of Commerce, with the intimation that the Board are ready to consider any remarks the members may wish to offer on the proposal, which it is requested may be forwarded at an early date.

*Proceedings of the Madras Government, Revenue Department,
23rd November 1867.*

No. 423. Proceedings of the Board of Revenue, dated 20th April 1866, No. 2,778.

Read again letter from the Collector of Sea Customs, dated 7th March 1866, recorded in Board's Proceedings, 10th March 1866, No. 1,655.

Read also the following letter from the Chairman of the Chamber of Commerce, to the Secretary to the Board of Revenue, dated Madras, 28th March 1866.

1. I have the honor to acknowledge receipt of the Proceedings Board of Revenue, 10th instant, No. 1,655, communicating copy of a letter to the Board from the Collector of Sea Customs, proposing certain changes with regard to certain classes of imported goods now stored in the Custom House.

2. The Chamber appreciates the attention which this matter has received at the hands of the Collector, and recognizes in his proposals every desire to save inconvenience and trouble to his department, and to place the connection of importers with the Custom House on a reasonable footing; but, under existing circumstances, the Chamber is of opinion that the changes, as regards the immediate removal of certain goods from the beach, without being brought into the Custom House godowns, cannot be introduced without much inconvenience to the trade of Madras.

3. It is so obvious to the interest of consignees of goods to obtain immediate possession, and to shorten the period of landing and delivery into their own godowns, that there need be little apprehension of the Custom House godowns being unduly occupied. The heavy rent levied by Government acts as an additional inducement to the speedy removal of the goods, while it remunerates Government for the expenses incurred in taking charge of them.

4. The accommodation at the Custom House is ample for present purposes, and while no other means exist of storing goods landed from vessels in the roads, until they can be examined so as to admit of their final removal to private godowns, the Chamber is of opinion that it would be exposing traders to unnecessary inconvenience were the Government to shut the Custom House godowns against them.

5. At Bombay and Calcutta the facilities for landing and storing goods are very different from those which exist at Madras, and though the Chamber would gladly see accommodation, independent of the Custom House, for goods which are in process of importation, they trust that until the accommodation at present afforded by the Custom House godowns can be dispensed with, Government will not, by any new arrangements, increase the inconvenience attending the landing of goods at a port so situated as Madras. The Chamber is not aware that the business of the Madras Custom House is carried on at any undue expense, and while this is the case, the Chamber is sure that Government will not refuse to bear its fair proportion of the trouble and inconvenience arising from the natural disadvantages of the port. It is impossible that these disadvantages can be overcome, so as to place importers on the same footing as those in Bombay and Calcutta in regard to the landing of goods, without many changes which it will take years to complete, and in the meantime the Chamber trusts that Government will not decrease the facilities which it has hitherto granted.

1. In view of the objections urged by the Chamber, the Board resolve to postpone the further consideration of the Collector's proposal.

*Proceedings of the Madras Government, Revenue Department,
23rd November 1867.*

2. They deem it, however, highly desirable that the Mercantile Community should adopt measures for rendering themselves independent of the Customs House accommodation in respect of the articles alluded to by the Collector.

No. 424. Proceedings of the Board of Revenue, dated 8th April 1867, No. 2,195. Read the following letter from the Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 8th March 1867, No. 225.

1. A year has elapsed since I *Letter to Board, No. 274, dated 7th March 1866. addressed* the Board on the subject of iron being passed through the Custom House.

2. The Board, after consulting the †Board's Proceedings, dated 20th April 1866, Chamber of Commerce, postponed † No. 2,778. consideration of my proposal, but suggested that the Trade should adopt measures to render itself independent of the Custom House.

3. No measures have, as far as I am aware, been adopted, or even thought of.

4. While at Calcutta on the Tariff Committee, I made inquiries about the mode of passing iron, metals, and other heavy goods, and found that the information received by me previously was correct. Iron is sorted, weighed, and delivered by the Ship, or Ship's Agents, and duty is charged on the invoiced quantity and weight, the correctness thereof being checked by the Manifest, and the number of pieces landed, which is shewn by the Boat Notes.

5. I need not repeat here what †Letter to Board, dated 7th March 1866, No. 274. has been stated in my former letter,† but wish to shew the fallacy of some of the arguments adduced by the Chamber of Commerce in their letter of March 28th, 1866. Board's Proceedings, dated 20th April 1866. No. 2,778.

Paragraph 3. Consignees do not in practice remove iron quickly; but even if they did, my objection was to its being brought into the Custom House at all, not its remaining there.

Paragraph 4. Why should Government provide a place for examination. Government does not require to examine iron.

Paragraph 5. Goods are landed at Bombay and Calcutta in boats from ships in exactly the same manner as here. At Bombay and Calcutta, merchants store their own iron, why should Government provide stores at Madras.

6. I would propose at present to introduce the change only in the cases of iron and other metals, such as corrugated iron, lead, tin, copper, and yellow metal, also machinery which is now all free, *Vide* telegram of March 6th, 1867, from Calcutta. and would suggest that the Board should fix some time in the course of a few months, on which the system should be introduced.

The Collector is requested to submit, for the Board's approval, a Notification, to the effect that after 30th of September next, no machinery, iron, or other metals

*Proceedings of the Madras Government, Revenue Department,
23rd November 1867.*

will be brought into the Custom House, duty being charged where leviable on the invoice weight.

No. 425. Proceedings of the Board of Revenue, dated 26th April 1867, No. 2,587. Read the following letter from the Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 13th April 1867, No. 385.

1. Board's Proceedings, No. 2,195, dated 8th instant. I have the honor to submit, for the Board's approval, a Notification to the effect that, after 30th September 1867, no machinery or iron will be brought into the Custom House.

2. As other metals pay $7\frac{1}{2}$ per cent. duty, on re-consideration I think it advisable that they should not be entered in the present Notification.

The Board approve of the proposed Notification, which should be forthwith published in the Gazette. The Board have altered the date of the new rule coming into force to the 1st January 1868.

NOTIFICATION.

Notice is hereby given that from and after the 31st December 1867, bulky Machinery and Iron will not be allowed to be brought into the Custom House. Ships' Agents and Consignees must, therefore, make arrangements to pass such goods direct from the beach.

SEA CUSTOM HOUSE,
MADRAS,
13th April 1867.

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

No. 426. Proceedings of the Board of Revenue, dated 13th November 1867, No. 7,390.

Read the following letter from the Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 7th November 1867, No. 1,173.

1. In forwarding copy of a letter from the Chairman of the Chamber of Commerce, dated the 5th instant, I have the honor to request you will be good enough to obtain the Board's recommendation that the expense of building a wall round an enclosure for the reception of iron on the beach may receive the sanction of Government, and the work be carried out *at once*. Unless this is done, the rule passed by the Board "that iron is not to be received into the Custom House after 1st of January next" cannot be carried out, which is a matter of considerable importance.

2. After consultation with the Master Attendant, and the President of the Municipal Commission, I have selected a suitable spot of ground north of the Pier.

3. As the mercantile community anticipate that some difficulty will be experienced in making native merchants remove their iron expeditiously, I have consented to levy, and collect godown rent in the same manner as is now done in the Custom house, with the express proviso that Government does not thereby become liable for safe custody of, or damage to, any articles in the enclosure.

4. No extra establishment will be required, and the expense of building the wall round the enclosure, will be probably recovered from godown rent collected.

*Proceedings of the Madras Government, Revenue Department,
23rd November 1867.*

5. The Chamber have consented to build a weighing shed in the enclosure, and to provide weighing machines; also to take charge of, sort, weigh, and deliver iron, &c., on condition that a Custom House officer passes all articles through the delivery gate.

From the Chairman of the Chamber of Commerce, to the Collector of Sea Customs, dated Madras, 5th November 1867.

1. With reference to past correspondence on the subject of the landing and storing of iron imported here, I am directed by the Chamber to inform you that they have every desire to meet your views.

2. They propose for your consideration that a sufficiently large space be appropriated for receiving iron as it is brought on shore, at a convenient spot on the beach, and that the Peons on the beach compel all iron landed without a direct pass to be taken into this place; the place to be enclosed at the expense of the Custom House, and godown rent to be levied by the Custom House as at present, on all iron kept beyond the period allowed for free stowage. The object of this is to prevent the enclosure being availed of by importers to an undue extent, and to the inconvenience of the public.

3. It is understood that iron will not be allowed to be removed from the enclosure without a Custom House pass.

1. Resolved that the foregoing letter be submitted to Government, with the Board's recommendation that the immediate outlay necessary to carry out the proposals of the Collector of Sea Customs be sanctioned.

2. In March 1866, the Collector brought to the Board's notice that great inconvenience and trouble was caused by permitting iron, metal, machinery, &c., to be brought into the Custom House yard. He stated that in Calcutta and Bombay these articles were taken direct to the consignees' godowns, and the duty charged on the invoice weight; and he proposed to adopt the same course at Madras, as he saw no reason why the Government of Madras should provide storage room for these goods, and allow the time of its Custom House officials to be taken up in sorting, weighing, and delivering them.

3. The Board communicated the Collector's letter to the Chamber of Commerce,* and intimated to the Members that the Board were prepared to take into consideration any remarks which they might desire to offer on the Collector's proposals.

4. In reply to the Board's Proceedings, the Chairman of the Chamber of Commerce stated that the proposed change of practice could not be introduced without much inconvenience to the trade of Madras, and he alluded to the natural anxiety which every trader must feel to obtain an early delivery of his goods, and to the high rates of whareage charged at the Custom House, as being effectual guarantees against any abuse of the existing system to the inconvenience of Government. In conclusion, he contrasted the facilities for landing and storing goods at Calcutta and Bombay with those of Madras, and expressed a hope that the Government would not sanction any change of practice calculated to increase the inconvenience occasioned by the natural disadvantages of the port.

* Board's Proceedings, dated 10th March 1866, No. 1,655.

*Proceedings of the Madras Government, Revenue Department,
23rd November 1867*

5. The Board were of opinion* that there was some force in the objections raised by the Chamber of Commerce to the Collector's proposal, and resolved to defer the further consideration of it for the time; but they pointed out to the Chamber that it was, in the Board's opinion, highly desirable that the Chamber should adopt measures for rendering themselves independent of the Custom House accommodation in regard to the articles alluded to by the Collector.

6. Nearly a year after these Proceedings were passed, the Collector again brought the subject under consideration, pointing out that no measures had been taken by the Trade in accordance with the Board's suggestion, and reiterating the arguments in favor of his original proposal, which had been adduced by him in his first letter on the subject. The Board accordingly authorized him to issue a Notification to the effect that bulky machinery and iron would not be admitted into the Custom House after the 1st of January 1868, within which period it was hoped that the Trade would have made their own arrangements to permit of these articles being passed direct from the beach.

7. From the Collector's letter recorded above, it would appear that the Chamber of Commerce are still averse to adopting the Calcutta and Bombay practice, and they suggest that an enclosure be built, without the Custom House, for the reception of the goods under consideration, and their proposal is supported by the Collector.

8. The Board are of opinion that the charge of godown rent by the Customs authorities is, under the circumstances, somewhat objectionable, and they would have preferred that the proposed enclosure should be erected by the Trade, and be treated like a Bonded Warehouse in every respect, the cost of erection being in the first instance paid by Government, and recovered from the persons using the enclosure; nevertheless, they are willing to waive their objections to the scheme in view to meeting the convenience of the mercantile community.

No. 427. ORDER THEREON, 23rd November 1867, No. 2,778.

Miscellaneous.

1. The railing in the space in question for the purpose stated is sanctioned.

2. The necessary orders will be issued in the Department Public Works.

(True Extract.)

(Signed) W. HUDLESTON,

Secretary to Government.

To the Board of Revenue.
,, the Public Works Department.
,, the Accountant General.

Exd F. R. Dantleman.

No. 2778
G. H. H. H.
The space in question for
the purpose stated is sanctioned
The necessary
orders will be issued
in the P. W. D.

28th Nov/67

14 Copies to the P. W. D. Dept.
21 - to the P. W. D. Dept.
6 - to the P. W. D. Dept.