



here a translation of the replies of the latter to the questions which I prepared.

25 March 1830.

John Crawford,
Esq.

3713a. Will you have the goodness to read them.

[The witness read the same, as follows.]

“What kinds of tea are imported from China to Kiachta?—None but of the first qualities, whether black or green; but the great importations consist of black, the green being but of slender consumption in Russia.

“What are the prices at Kiachta of low, middling, and first qualities?—As the inferior qualities are not imported into Russia, as has been already seen, the prices cannot consequently be annexed. The consumption has a determination towards the first qualities, on account of the duty being the same for all kinds, without distinction of colour or quality. Thus, a pound of very inferior tea pays exactly the same custom-house duty as the most select which is imported. As to the price of the first qualities, it is difficult to determine it exactly, because the tea is always taken in barter against Russian and other productions, principally however Russian. This barter, which is entirely in the hands of the Russian merchants, is an obstacle to obtaining, unless very imperfectly, the real price of teas at Kiachta. This matter, in fact, is made a secret with the merchants. However, according to the information which I have obtained, the price of black or green tea may be commonly estimated at about three paper rubles the Russian lb.

“What are the prices of tea at St. Petersburg?—The answer made to the first question is equally applicable here, as far as relates to the inferior qualities, of which the price is not known at St. Petersburg. On the other hand, as in Russia black teas are in more request than green, they bear the same price at Petersburg and Moscow, where the trade is principally conducted; both kinds are commonly sold wholesale at from eight to nine paper rubles the Russian pound. The importation duty of three paper rubles, charges and profits included.

“Are the teas imported at Kiachta the produce of the provinces of Kiannan and Fokien?—No; they come from the centre of China.

“Are the teas consumed in Russia equal, in point of taste and flavour, to those used in England, France, and Germany?—They are in all respects superior to those consumed in these last countries. In the first place, as has been already said, the higher qualities only are consumed in Russia. In the next, they undergo no sea-voyage—a voyage which causes them to lose much of their strength, freshness, and flavour. To make a comparison, I would say that the black is of a superior quality to the tea known by us under the name of pekoe; and that the green is better than that which passes under the name of imperial. In use, the difference between the teas coming sea-wise and those coming by land through Kiachta, is so remarkable, that it is no exaggeration to say that a pound of the last goes as far as two pounds of the first. The tea which goes under the name of Caravan tea, sells in Germany and France at the rate of 10 or 12 florins the half Netherlands pound. But the importation of this tea into the latter countries is very trifling, and consequently it is difficult to get it genuine.

“What is the quantity of tea annually brought to the fair of Kiachta?—The importations of tea at Kiachta, and at two other places which have the privilege of carrying on the trade, amount yearly to 700,000 pounds, or 28,000,000 of pounds.

“What class is it that consumes tea in Russia?—The great mass of the nation uses it, from the lord to the peasant or serf, all who possess a little means.

“What



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"What is the yearly value of the exportations and importations at Kiachta?—The value is estimated at 150,000,000 of paper rubles.

"Can any Russian merchant establish himself at Kiachta?—The merchants carrying on the trade are for the most part Muscovites; but any Russian may engage in it, paying the corporation tax (*droits des guildes*).

"What are the principal articles disposed of by the Russians to the Chinese?—Among other articles, broad-cloths, velvets, *polemites*, furs, Italian coral, leather, (jaffs, &c.)

"Is there any published work in Russia on the subject of the trade carried on at Kiachta?—The Russian government has a statistical work on the subject, but it is not published."

3714a. What is the value of the paper ruble?—About 10½*d.* or thereabouts.

3715a. Can you state generally the course of the Russian trade with China, and the mode in which the tea is brought to Europe?—I understand that it is a very tedious affair; that when the goods are conveyed by water it takes three years from Kiachta to the eastern frontier of European Russia, and when it comes by land it takes one year. By three years is meant three short summers. For eight or nine months of the year the rivers are frozen up and impassable. I have always thought that this branch of trade much resembled in character the over-land commerce that was carried on before the discovery of the Cape of Good Hope, and that if tea brought sea-wise could be imported into Russia, scarcely a pound of the tea now used would be consumed, fine as it is. The direct commerce between Russia and China would then probably be confined to that part of the Russian empire which is the immediate neighbourhood of China.

3716a. Do you understand that the Russians experience any difficulty from being in immediate contact with the Chinese?—I do not understand that they do. I have read that they have even convicts upon the very frontiers. It is stated that there are always from 1,000 to 1,500 of these, and that when they escape they are immediately taken up by the Chinese government, and sent back again, with a request that they should receive a little additional punishment for polluting the Chinese territory, beyond what they had a right to receive for their flight.

3717a. How long did you reside at Singapore?—About three years.

3718a. What is the population of Singapore?—I think between 8,000 and 9,000, when I went there in 1823.

3719a. Were you the Resident there?—I was the Resident at Singapore, acting under the Governor-general of Bengal.

3720a. When was the settlement first made at Singapore?—In 1819.

3721a. Was it not then in a very rude state?—There were only 200 or 300 Malay inhabitants.

3722a. In



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3722a. In what year did you leave it?—In 1825.

25 March 1830.

3723a. What was the amount of the population then?—I have prepared a statement upon that subject, which I will deliver in.

John Crawford,
Esq.

[The witness delivered in the same, which was read, as follows :]

POPULATION of Singapore for the Five Years ending 1828.

	1824.	1825.	1826.	1827.	1828.	—
Europeans.....	74	84	111	87	108	Troops, 561
Native Christians.....	74	132	206	188	193	Convicts 388
Armenians.....	16	9	18	19	25	
Arabs.....	15	10	17	18	17	
Natives of Coroman- del and Malabar ... }	390	690	605	777	1,095	
Natives of Bengal and other parts of Hindustan..... }	366	226	384	244	294	
Siamese.....	—	—	—	7	—	
Bugis.....	1,851	1,704	1,442	1,242	1,252	
Malays	4,580	5,130	5,697	4,790	5,336	
Javanese	—	38	146	267	355	
Chinese	3,317	3,828	4,279	6,088	6,210	
African Negroes.....	—	—	2	5	—	
Total.....	10,683	11,851	12,905	13,732	14,885	

Increase in five years near 40 per cent.

3724a. Is that number you have stated the entire number of persons on the island, or only of fixed settlers?—I understand those to be the fixed settlers.

3725a. Did you find a mixed population of that nature difficult to manage?—By no means; quite the contrary.

3726a. What is the nature of the harbour of Singapore?—It is an open road; it is not a harbour. But this is a matter of no consequence in those latitudes; there is never a storm there; I have never know even a squall continue more than half an hour or three-quarters of an hour, and such squalls are of no great violence.



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3727a. Is it entirely a free port?—Entirely. The Americans are excluded from it; but that is in virtue of a treaty we have with the Americans, by which, in consequence of enjoying certain privileges beyond others, at these, they are confined to four principal settlements. Singapore having become a British possession since the treaty, of course they are not allowed to trade to it.

3728a. Are there any duties at Singapore?—No; nor any port-charges whatever.

3729a. Do you attribute the increase of the settlement to that circumstance?—No doubt, and to its convenient situation.

3730a. Can you give the amount of exports and imports to Singapore?—I have a statement of the imports and exports of Singapore for the years 1826-7 and 1827-8, which appeared in the Singapore Chronicle of the 11th and 25th September 1828.

[The witness delivered in the same, which was read, as follows :]

IMPORTS.

The following is a Comparative Statement of the amount of the Imports of this Settlement for the Years 1826-7, and 1827-8.

Names of Places.	1826-7.	1827-8.	Increase.	Decrease.
	Sicca Rupees.	Sicca Rupees.	Sicca Rupees.	Sicca Rupees.
From Calcutta	19,53,120½	23,16,466½	3,63,346	—
Madras	4,03,001½	4,14,697½	11,696½	—
Bombay	2,55,700½	3,76,889½	1,21,189	—
England	28,35,477	19,20,126½	—	9,15,350½
Foreign Europe	—	5,41,673	5,41,673	—
America	3,69,959	—	—	3,69,959
China	15,13,555	17,92,674½	2,79,119½	—
Prince of Wales's Island .	6,72,523	8,83,015½	2,10,192½	—
Malacca	3,06,438½	2,78,627½	—	27,811½
Java	11,78,675½	22,84,637½	11,05,962	—
Isle of France.....	82,122½	1,55,951	73,828½	—
Ceylon	10,525	19,355½	8,830½	—
Siam	4,61,006½	2,75,819½	—	1,85,186½
Cochin China	3,22,790½	1,08,449½	—	2,14,341
Acheen	1,00,932½	2,896½	—	98,036½
Other Native Ports	31,53,958½	35,14,720½	3,60,761½	—
	1,36,19,786	1,48,85,999½	30,76,898½	18,10,685½

Total Increase of Imports.....1,266,213½ Sa. Rs.

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EXPORTS.

25 March 1830.

The following is a Comparative Statement of the Amount of the Exports of this Settlement for the Years 1826-7, and 1827-8.

John Crawford,
Esq.

Names of Places.	1826-7.	1827-8.	Increase.	Decrease.
	Sicca Rupees.	Sicca Rupees.	Sicca Rupees.	Sicca Rupees.
To Calcutta	20,39,761½	16,31,349½	—	4,08,412
Madras	2,78,928½	11,38,099	8,59,170½	—
Bombay	5,26,188¼	1,88,012	—	3,38,176¼
England	21,15,118	27,89,513½	6,74,395½	—
Foreign Europe	5,74,457½	2,72,230¾	—	3,02,226¾
China	24,64,815	15,19,897	—	9,44,918
Malacca	4,38,356¾	4,80,556	42,199¼	—
Penang	3,69,777¼	6,46,122¾	2,76,345½	—
Jaya... ..	8,26,965¾	10,26,379	1,99,413¼	—
Mauritius, &c.....	59,900¼	1,19,122¾	59,222¾	—
Siam	3,41,333¼	4,57,713¼	1,16,380	—
Cochin China	2,89,856½	85,576	—	2,04,280½
Acheen	26,219¾	—	—	26,219¾
Other Native Ports	35,31,384	35,17,438½	—	13,945½
	1,38,83,062	1,38,72,010	22,27,126½	22,38,178½

Total Decrease of Exports.....11,052 Sa. Rs.

3731a. Have you got an account of the tea imported into Singapore?—I have an account of the tea exported, but none of the tea imported. It is however, given in a manner that is not very distinct, and I am not able to give the quantities as they ought to be given. In 1826-7 it was 2,462 boxes, and 103 peculs, three chests and 275 packages. In 1827-8, 267 peculs, 10 catties, 1,572 chests, and 80 packages.

3732a. Can you give the Committee any notion of the quantity of tea consumed by the Chinese in Singapore?—I have an extract of a letter which I received from Singapore about a month ago, dated the 31st of July 1829. I put the question to one of the principal merchants in Singapore, and this is the answer I received to it:—"I have not been able to get the information about the tea-trade in the way that I would wish. The Chinese here say a family of six persons will consume about 30 catties (40lbs.) annually of good tea, costing 30 to 40 dollars the pecul (11½d. to 15½d. per pound); labourers fully twice that quantity, at about 10 dollars the pecul, (3½d. per pound.)

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There can be little doubt that both tea and raw silk could be brought here by the junks to any extent, were there any inducement for them to do so. I will, however, endeavour to get detailed information to some extent, and write you more fully hereafter."

3733a. Have you formed any calculation of the consumption of tea in China, deduced from that datum?—The consumption here given for the lower orders is double the consumption for the better classes; it amounts to 70 pounds weight per annum, at an average, for the lower classes for a family of six persons. But the labouring classes in Singapore are, in all probability, in far more easy circumstances than the labouring classes in China, and though the tea be cheaper here, it is not likely that the lower orders there should be able to consume an equal quantity. Supposing they consumed only one-half of it, and that the population be taken at 141 millions, exclusive of Tartary, there would be about 280 millions of pounds of tea consumed, or about twenty-eight times the consumption of this country.

3734a. You have been on a mission to Siam and Cochin China?—I have.

3735a. Did you find any difficulty in conducting the objects of that mission, as arising from your not being clothed with authority from the King of this country?—I certainly did; and in the Burman mission also.

3736a. If you had been considered as deputed from the King of England, do you conceive that you would have had greater facilities in accomplishing the objects of the mission?—I do not know with respect to mere commercial objects that I should have had more facility, but I should have had a more gracious reception. They were offended at receiving a mission from a governor or viceroy. Had my powers been derived from the Crown, I should have been received at Cochin China, where I was not received at all.

3737a. Were you deputed by the Governor-general of India?—I was.

3738a. Upon what ground do you form that opinion?—Upon the positive assurance of the persons connected with the court of Cochin China.

3739a. Did you go to Siam in a King's vessel, or in a merchant vessel?—I went there in a merchant vessel selected expressly for the purpose. I might have had an armed vessel; but it was my own suggestion that it should be a merchant vessel, and it was readily acceded to by the Government, who saw the propriety of it.

3740a. Did you see any of the officers of the court of Cochin China?—I did; and had interviews with them.

3741a. You have referred, in a statement you have delivered in, to the opinions of M. Klaproth; by what means did you become acquainted with those opinions?—By reading them in M. Klaproth's works.

3742a. Have you any means of knowing what Mr. Klaproth's opinion is as to the opening of the trade in China to British ships generally?—I have not. But I should not think that M. Klaproth's opinion was worth a farthing.



farthing. I should think that a recluse scholar, residing in Paris, could be no judge of the merits or demerits of a great political question, touching the interests of this country.

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3743a. Upon what ground have you thought it expedient to give to the Committee any detail of the opinions of M. Klaproth upon this subject?—I give no opinion of M. Klaproth whatever. I have given a translation by M. Klaproth of certain original Chinese works. I never quoted any opinion of M. Klaproth.

3744a. You have stated that you have been in various parts of India, and also in the islands, holding various situations; in what situation were you first admitted into the Company's service?—I went into the Company's service in a medical capacity in the first instance; through my own industry in some respects, and through probably a larger share of good fortune, I was in time raised to situations of trust and responsibility.

3745a. Do you think that the Chinese settlers could cultivate the tea-plant with advantage in any of the British possessions in India?—They might be usefully employed in that capacity; but I should think, from what I know of the character of the Chinese, and of the people of India generally, that without the aid of European capital and European superintendence, the thing is not to be done in India.

3746a. Do you think the tea-plant could be cultivated in India?—I think there is every reason to think that it might: it has not been actually done, and therefore it is difficult to say absolutely that it could. But I am given to understand that it is cultivated with perfect success in the Brazils. I see that circumstance stated in the work of a man of very considerable abilities, Dr. Clark Abel, who accompanied Lord Amherst, and with whom I had myself conversations upon the subject.

3747a. To what extent is it cultivated in the Brazils?—To a very trifling extent; and in the botanical gardens of Rio Janeiro. Dr. Abel saw it prepared; and he stated, that the process was according to the Chinese plan. All this, I should say, was reported by him after he had seen the cultivation and preparation of tea in China.

3748a. Do you think that any considerable commerce could be carried on between this country and the ports of Siam or Cochin China?—There is a very considerable commerce carried on indirectly through the medium of Singapore, and one that, generally speaking, increases from year to year.

3749a. Do you mean a direct intercourse between Cochin China and Siam, or an intercourse between Cochin China and Singapore, and between Singapore and Siam?—I mean a direct intercourse between Singapore and those two countries.

3750a. Are there any articles that can be sent from this country that would be required there?—There are great difficulties in any direct intercourse
with



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with the Siamese. I went upon a mission to that country, and I experienced very considerable difficulties.

3751a. In what year did you go?—In 1821.

3752a. Can you state the principal difficulties you met with?—The greatest difficulty I think is the government itself carrying on trade, and all the officers of the government carrying on trade. The king owns junks, the princes own junks, and I believe the princesses own large junks. They think *that* the best way of deriving gain from trade; and have no conception that it would be for the benefit of the country to admit a free intercourse. They are in possession of their perquisites, and they like to keep them.

3753a. In what way were difficulties thrown in your way; was it by prohibitions or duties?—The duties are inconsiderable. The principal difficulty is the government carrying on trade and exercising a right of pre-emption: the duties are not heavy, and life and property are perfectly secure.

3754a. What articles do they chiefly deal in?—Siam produces a great number of articles; it is a very fertile and productive country.

3755a. With what countries do they chiefly trade?—Their principal intercourse is with China. This is a very large trade. Bangkok, the capital of Siam, is probably the largest Asiatic trading place in the East, next to Canton.

3756a. Are there articles produced in Siam which are not produced in our colonies, which may become articles of importation into this country?—We receive at this moment a large quantity of the produce of Siam in this country, which is brought to Singapore by the junks I have mentioned, and eventually brought here: as for example, a large quantity of sugar, which is found in the price-currents under the name of China and Siam sugar.

3757a. Are there other articles that are peculiar to Siam?—I do not know that I could name articles exclusively Siamese. Gamboge is an article which is not exactly peculiar to Siam, but it is chiefly brought from that country; it is a produce of Gambodia, as its name implies.

3758a. The question refers to the Malay Peninsula generally?—There are a great number of articles; pepper, teak-wood, tin, &c.

3759a. Is there any direct commercial intercourse with Siam?—Several ships have gone there; there have been several American and English ships.

3760a. To what ports?—To the port of Bangkok, which is on the river that runs through a wide and extensive valley, and empties itself into the Gulf of Siam.

3761a. Have British manufactures found their way into consumption in Siam?—Very largely. I do not know any people that consume British manufactures more largely, the population being considered, except probably the inhabitants of the island of Java.

3762a. You



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3762a. You state that there are eighty or ninety junks trading between China and Siam; can you state what articles are carried in those junks?—
A great variety of articles; sugar, pepper, gamboge, great quantities of wood for furniture, hides, tin, bones of animals, which I believe are partly used as manure, and partly in the manufacture of certain utensils.

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*John Crawford,
Esq.*

3763a. What are the articles of British manufacture chiefly in demand there?—Chintzes and white cloth, and woollens, and now a considerable quantity of cotton twist.

Lunæ, 29^o die Martii, 1830.

ROBERT RICKARDS, Esq. again called in, and examined.

29 March 1830.

3764a. You presented to the Committee a calculation of the profit and loss of one year's investment of the China trade in 1820-21, being the last year which you considered to be complete in the several items necessary to make up that charge; have you, since making up that account, made up a similar account for any other years of the fourteen to which the tables allude?—It appeared to me at my former examination, that there were some objections made to the statement I then delivered in, in consequence of the amounts of tea purchased in China and the quantities sold in this country not corresponding. That induced me to refer again to the official documents; and I found, upon examination, that there were sundry years in those documents when the purchases and the sales more nearly agreed. I have therefore got now with me three statements, one of which is for the first year of the series contained in the Tables No. 31, 32, and 33 of Papers, &c. 4th June 1829, or 1814-15; the other is for the last year of the series, or 1827-8; and the other is an average of the whole period. The two first of these statements being for the first and last years of this period, and the Committee being in possession of a statement for one of the central years, I next cast up all the columns of the Tables 31, 32, and 33, and thence deduced an average of the purchases, sales, and charges for the whole period; and the three statements, thus prepared, are delivered in as containing the results of this investigation.

R. Richards, Esq.

[*The witness delivered in the same, Nos. 1, 2, and 3, which were read, as follows:*]



29 March 1830.

R. Richards, Esq.

No. 1.

STATEMENT to show the apparent Result of the East-India Company's Tea Trade on the Quantity purchased in Canton in 1814-15, and a corresponding Quantity sold in 1815-16; and taking the Charges in China and in England at the same Amount as particularized in the official Document before referred to for 1820-21.—(*Vide* Parliamentary Papers, 14th May 1824.)

Cost of 26,195,144 lbs. of tea exported by the East India Company from Canton to England in 1814-15, as per No. 32 of "Papers relating to the trade with India and China," 4th June 1829	£1,743,081	Sale amount of 26,234,244 lbs. of tea in 1815-16, as per No. 33 of "Papers relating to the trade with India and China," 4th June 1829"	£4,102,668
Freight and demurrage, as per No. 31 of do. do.	1,680,682		
Charges in China and England, as before.	618,849		
	4,042,612		
Profit.	60,056		
	£4,102,668		
Interest on home bond-debt as per No. 21 of "Papers relating to the finances of India, &c. Feb. 1830," for the year 1815-16.	235,967	Profit brought down....	60,056
Dividends on stock as per do. for do.	629,902	Deficiency.....	805,813
	£865,869		£865,869

N.B.—In this Account the sale amount of tea, it will be observed, exceeds the quantity reported from China; but if five per cent. (as in the other statements) be allowed for wastage, and accordingly deducted from the sale-price, it will exhibit a loss on this account of £145,077 instead of the small profit above stated, and therefore make the whole deficiency £1,010,946.



No. 2.

29 March 1830.

STATEMENT to show the apparent Result of the East-India Company's Tea Trade, on the Quantity purchased in Canton in 1827-8, and a corresponding Quantity sold in 1828-9, and taking the Charges in China and England at the same Amount as particularized in the official Document for 1820-21.

R. Richards, Esq.

Cost in 1827-8 of 31,593,176 lbs of tea, exported by the East-India Company to England, as per No. 32 of "Papers relating to the trade with India and China," 4th June 1829.....	£1,981,419*	Sale amount of 30,269,508 lbs. of tea, in 1828-9, as per No. 41 of "Papers relating to the trade of India and China," February 1830, being a quantity (with the allowance of 5 per cent. for wastage) equal to that purchased in 1827-8	£3,527,057†
Freight and demurrage, as per No. 31 of ditto.....	783,759		
Charges in China and England, as before.....	618,849		
	3,384,027		
Profit.....	143,030		
	£3,527,057		
Interest on home debt for 1828-9, as per No. 21 of "Papers," &c. February 1830.....	158,124	Profit brought down.....	143,030
Dividends on stock for ditto, as per ditto.....	629,071	Deficiency.....	644,165
	£787,195		£787,195

* It may be remarked of this sum, that 30,269,508 lbs. of tea, in the proportions given of the different sorts in the document of No. 41 above referred to, would, according to the prices of the period quoted in the Canton Price-Current, cost £1,936,588: a sum so nearly corresponding with that in the above statement, that we may conclude the prices generally of the price-currents are those at which the Company's purchases or contracts are made.

† In No. 33 of "Papers relating to the Trade with India and China," the sale amount of 1828-9 is stated at £3,286,272 on 28,230,383 lbs. This would exhibit an actual loss instead of profit, as compared with prime cost and charges. There is, indeed, a discrepancy in the official documents as to the quantities of tea sold in this year, which the authorities at the India-House can alone explain.

In No. 33 of Papers, &c., as above, the quantity sold is stated to be. lbs. 28,230,383

In No. 38 of the same Papers. 29,982,080

In No. 41 of the "Papers," February 1830. 30,269,502

I have taken the larger quantity and sum, as above stated, from the Papers of 1830, as appearing to afford a more unobjectionable comparison with the quantity of tea purchased. The result is a small profit, but leaving an ultimate deficiency, as compared with "interest on bond debt and dividends," of more than the *whole* amount of the dividends.

Of the item for freight and demurrage, it may be added, that if on further inquiry it should be found to contain Indian as well as Chinese freight, it may still not exceed the average of freights exclusively Chinese for a series of years; since the average of the commercial freights and demurrage given in No. 31 is no less in the fifteen years herein specified than £854,008. Any surplus, however, that may be included in the above-mentioned charge for freight and demurrage, would be counterbalanced by the avowed loss on exports to China, and other items of loss and charge which might be added to this account.

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No. 3.



29 March 1830.

No. 3.

R. Richards, Esq. STATEMENT to show the apparent Result of the Company's Tea Trade, calculated on an average of the Fourteen Years contained in the Tables, Nos. 31, 32, and 33 of "Papers relating to the Trade with India and China," 4th June 1829, or from 1814-15 to 1827-8 inclusive, and taking the charges in China and England at the same amount as in 1820-21.

Cost of 28,129,230 lbs. of tea, being the average of the quantities exported from Canton to England for fourteen years, as per No. 32 of the "Papers" referred to....	£1,819,788	Sale amount of 25,870,764 lbs. of tea, being the average of fourteen years sales, as per Table No. 33 of the "Papers," &c. above referred to.....	£3,583,484
Average of the commercial freight and demurrage for the same period, as per No. 31 of the same Papers.....	867,654		
Charges in China and in England, as before.....	618,849		
	3,306,291		
Profit....	277,193		
	£3,583,484		
Interest on home bond-debt, average of fifteen years, as per No. 21 of "Papers relating to the Finances of India," February 1830.....	177,352	Profit brought down....	277,193
Dividends on stock, average of do, as per do, do.....	630,572	Deficiency.....	530,731*
	£807,924		£807,924

N.B.—The difference between the export of tea from Canton and sale amount in England, is (after the usual allowance of 5 per cent. for wastage), 852,000 lbs., and the value thereof in proportion to the above $\frac{\text{cost}}{\text{sale}}$ prices about $\frac{55,000}{100,000}$ %; but this, or whatever stock may remain on hand at the end of each year, is carried to another account in the official papers here referred to, where it is credited as an asset against other charges and debts.

An official account of the stocks on hand at the commencement and close of this period might throw further light on this subject, without in all probability materially affecting the final result.

* This deficiency is independent of the loss by fire at Canton in 1822, amounting to £380,133, which must necessarily be included in a general statement of the China trade.

3765a. From what documents do you take the amount of charges on the trade to China in this account for 1814, seeing that the official documents before the Committee only give the details for one year, 1820-21?—From the same official documents from which I took it before, *viz.* for the year 1820-21, contained in the Parliamentary Papers of the 14th of May 1824.

3766a. Then you assume that as the nearest to the actual amount which you are able to take?—I am obliged to do so, because it is the only official statement of Charges I can find in the papers or accounts to which I have had



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had access, and I therefore assume that the charges may be the same, or nearly the same, in each year. 29 March 1830.

3767a. Do you also in the estimate of 1827-8, take that amount of charge as the supposed charge in that year?—It is the only one I have to refer to. *R. Richards, Esq.*

3768a. Do you consider that the amount of deficiency stated in that paper is independent of losses by shipwreck or fire of the cargo?—Entirely.

3769a. Does not the insurance charged in 1821, of which you have assumed an average, provide for losses of that kind?—For sea-risk I presume it does; but not for the fire at Canton in 1822.

3770a. Are the Committee to understand, that the result of your examination of the official documents before the Committee is, that whether you take the year 1814-15, the year 1820-21, or the year 1827-8, or the average of the whole number of fourteen years, the profits of the China trade have not been adequate to pay the interest of the bond-debts in England and the dividends on stock?—In the three statements now delivered in and the statements I before delivered in to the Committee, I have given the best and the fairest view I can extract from the official documents referred to of the result of the Company's China trade. If there is any error or omission in those documents, for such error or omission I am of course not responsible; but supposing the official documents to be correct, or even nearly so, the result, I conceive, must be admitted to be a strong corroboration of the abstract position I set out with on my first examination, which was that the profits of the Company's concern were inadequate to the payment in England of the items I have inserted in these statements, videlicet, the interest on the home bond-debt, and the dividends on stock. As before mentioned, I do not pretend to deliver in these statements as perfectly accurate; they may be liable to some deductions, but they are also liable to some additional charges. Of whatever adjustments, however, these accounts may be susceptible, the general conclusion I have drawn from them will not, I apprehend, be invalidated; and if there is not a sufficiency of profit on the Company's trade to pay the dividends on stock and the interest on their home bond-debt, the only inference is, as I stated in 1813, that these items of charge can be no otherwise defrayed than from borrowed money, or the territorial revenues of India.

3771a. Will you explain the principle upon which you have formed the statements you have delivered in?—The statements I delivered in on my former examination related wholly to the China trade. I explained to the Committee at that time, that I placed the interest on the home bond-debt and the dividends on stock against the profits upon that trade, because I take it to be the only source of profit to the East-India Company in their commercial concerns. The export trade to China, as I stated before, on official authority, was admitted to be a losing concern, averaging between £60,000 and £70,000 per annum. The trade to and from India was also admitted to be a losing concern; and as it was quite obvious that neither



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dividends nor interest could be paid out of losses, I knew not where else to place this interest and dividends but against the profits upon the China trade.

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3772a. Did you leave out territorial considerations altogether?—My argument is, that these items of charge are in fact paid out of the territorial profits.

3773a. In those calculations, you have set the interest of the home bond-debt against the profits of the China trade; but are you aware that the interest of the home bond-debt is a disputed charge between the territorial and the commercial departments?—I know that the East-India Company state it to be doubtful what part belongs to the commerce, and what to the territorial department; but I think it is quite obvious, from the general tenour of the accounts, that their home bond-debt can be only considered like the rest of their capital, as money originally raised for commercial purposes: and, therefore, the interest to be chargeable, in the same way as the dividends, on this branch of their concerns. This, too, I take to be the intention of the Act of the 53 Geo. III. sec. 57, by which interest and dividends are expressly chargeable, in the first instance, upon the commercial profits of the Company. It is only stated in a subsequent section, that where the profits are unequal to the payment of the dividends, they are to be paid out of the surplus territorial revenues of India.

3774a. There appears in No. 23 of the Parliamentary Papers laid before this Committee by order of His Majesty, 1815, assets goods on hand, of the value of £5,006,359; and there appears on the 1st of May 1829, goods assets on hand, of the value of £5,597,959; is it not necessary to have the detail of the amount of tea on hand at those respective periods, as forming part of those assets, in order accurately to ascertain the correctness of your statement?—I have stated in a memorandum at the foot of this statement No. 8, that such an account would be desirable.

3775a. Will it not be necessary, with the same view, that you should have a detail of the commercial freight and demurrage charged in account No. 31 of the Parliamentary Papers 285 of the year 1829, for the years 1814-15, 1820-21, and 1827-8, the years for which you have made up the accounts, in order to ascertain whether any and what portion of that aggregate charge belongs to the Indian trade?—Certainly it would be desirable to have the details of freight, &c. for the whole period, in order to give a fair average thereof for the fourteen years included in my statement.

3776a. Are the Committee to understand, that in your account you have taken the column headed "Commercial Freight and Demurrage," in account No. 31?—That, and that alone.

3777a. Do not you suppose that in the first years of that column a considerable part of this charge for freight and demurrage arises out of the Company's freight to India?—I explained in my former examination, that there were no documents which enabled me to separate the Indian from the Chinese freight; neither does it appear clear from this table, No. 31, whether it is or is not intended to include the Indian freight. It is probable enough that it does include the Indian freights as well as the Chinese; but having

no



no official document to rest upon, I thought it best, as before explained, to take the figures as I found them in this document, and to state my reasons for so doing, admitting at the same time the probability of the Indian freight being included. Now if that freight is included, knowing as we do, that the East-India Company have of late years taken up ships for India at the rate of from £9 to £12 a ton; and referring to another document in this collection, wherein the Indian tonnage for the year 1821 is given at somewhere about 6,000 tons; it is therefore obvious that, in the case supposed, we should only have to deduct about £60,000 or £70,000 for Indian freight from the amount copied into my statement; and if so, this excess of charge may be thought to be fully counterbalanced by the admitted loss on the Company's export trade.

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3778a. Will it be necessary that the Committee should have before them an account of the wastage or loss suffered by the Company on the importation of their teas, with a view of ascertaining the accuracy of your accounts?—That would be also desirable; for as there is no official document in these papers to show what the amount of that wastage is, it can only be taken on an estimate of what private individuals have sustained in the same course of trade.

3779a. You have made these calculations entirely from the Parliamentary Papers, without taking into consideration at what price the tale has been converted into the pound sterling?—I have taken the whole cost of the teas in China at the rate stated in the official documents.

3780a. Would a considerable difference appear in the result of your calculations supposing the tale should have been estimated at 6s. 8d., being only 6s. in reality?—That would of course make a difference in the conversion of tales into sterling money; but with that exchange I have nothing to do here. The prime cost of the tea to the Company is officially stated in No. 32 of these papers to be so many pounds sterling, and that amount I have taken; in other words, I assume that the teas have actually cost the Company so many pounds sterling, because it is so officially certified.

3781a. In making that calculation, had you regard to the annual accounts laid before Parliament, of the statement of the commercial profits of the Company which are here consolidated in No. 21 of these papers?—I have looked at that account.

3782a. Do you believe that account to be correct from your examination?—I dare say it is correct as far as it goes. It bears the official signature of Mr. Leach, and purports to be furnished from the India Board Office.

3783a. Does not that account show a profit to the Company upon their transactions?—I cannot perceive it.

3784a. Have the goodness to refer to No. 23, at the bottom of the page, where you will find a memorandum, which states, that the "amount set apart from surplus commercial profits for liquidation of debt, subsequent to 1st May 1814, and not deemed repayable by the territory," has amounted in several years to a very large sum; altogether to £4,923,021?—I perceive a memorandum



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3785a. Your evidence goes to state, that the dividend and the interest on the bond is paid out of the territorial revenues of India ; whereas those accounts state, that the charges paid in England, on account of the territory, by the commercial branch, exceed the advances made in India to the commercial branch for the purpose of buying tea at Canton ?—It is so stated in this memorandum. Profit is the balance of a commercial account, after a fair and full deduction of every description of charge, and there is no such account, that I can find, in this collection, to show a real profit upon the Company's commercial concerns.

3786a. Are you aware that it has never been admitted on the part of the Company, that the interest of the bond-debts is chargeable upon the commerce ?—I have seen it so stated ; but my authority is the Act of Parliament.

3787a. Are you not aware, that the Company, in the accounts they presented to Parliament, have regularly appended a note to reserve their claims to the bond-debt ?—I have seen intimations to this effect.

3788a. Are you aware that the China ships are employed sometimes in carrying out troops and stores ?—I am.

3789a. Do you suppose that the freight and demurrage upon ships so employed is fairly to be taken as chargeable entirely upon the commercial account ?—Not on the commercial account. The political freight and demurrage is stated separately in this very table, No. 31, *viz.* in the second column.

3790a. You are understood to state, that after a strict examination of Paper No. 21, you cannot perceive that any profit arises to the Company upon their general trade ?—I cannot ; neither can I find out whence this profit arises. The memorandum alluded to struck me at the time I first inspected these accounts ; and, upon examining the two next accounts, 24 and 25, which may be considered as a kind of riders to the other general Account 23, for they also contain a general statement of the debts and assets of the East-India Company, the one as the same stood on the 1st of May 1815, and the other on the 1st of May 1828, a fresh difficulty presented itself. In the first of those accounts, No. 24, after placing the whole of the assets against their debts, and estimating the former at their own valuation, there is a "balance deficient" stated in this account of £2,611,311, and on the account 1828 there is a "balance deficient" of £10,102,812, thus showing that the Company's affairs have deteriorated, between 1815 and 1828, in no less a sum than about seven millions and a half sterling. These, therefore, are obviously not the accounts that would indicate any thing like profit in the Company's concerns.

3791a. A



3791a. What, in your estimation, would be the reduction in the price of tea to the consumer in this country, if the Company's monopoly were done away with?—I stated that fully in my former examination. 29 March 1830
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3792a. Would that reduction be effected by a saving in the price of shipping, or the original cost-price in Canton?—Both the one and the other.

3793. In what degree?—I have given it in detail in the Statement (B) delivered in upon my former examination.

3794a. In the event of the monopoly ceasing, and supposing that in consequence of that the persons who now trade to China had recourse to smuggling much more than it now exists, would not that diminish the disposition of the Chinese government to cultivate commercial relations with this country?—It does not appear to me that the opening the trade to China would increase the disposition to smuggling. There are only certain articles the import or export of which are prohibited in China. One of those articles, opium, for example, I conceive to be of such indispensable necessity to the Chinese of all ranks, that it would be imported in despite of any duties or laws to the contrary; but with regard to all other articles of trade, I see no reason why smuggling should be increased from the circumstance of the trade being opened; or if it did increase in consequence of enormous duties or unjust laws, the Chinese government, with whom alone the regulation of this matter rests, would doubtless modify the system as soon as they should find it to be for their own interest to do so.

3795a. Would not you say that the smuggling is at present of less consideration to the Chinese government than it would be if the trade were thrown open?—As far as I am acquainted with the China trade, I do not believe that smuggling is a subject of so much consequence in the estimation of the Chinese government as it appears to be in ours, or else that they would take more effective measures for preventing it. There is no doubt that the Chinese authorities connive at the importation of opium into China. They are generally understood secretly to sanction it; besides which, a despotic government, like that of China, cannot fail to benefit itself in a variety of ways besides that of collecting legal duties.

3796a. Will you explain your reasons for thinking that, in case of the competition of an open trade, the cost-price of teas would be lower in China?—The Company, as it appears from the records in print, are in the habit of disposing of certain quantities of exports from this country, woollens, for example, to the Hong merchants; and they require the Hong merchants, who enter into contracts with them for teas, to take certain quantities of those articles in proportion to the amount of teas contracted for. It is very natural that the supercargoes should require as large a price as possible for the articles thus disposed of to the Hong merchants; but the latter pretend, at least, that on the re-sale of the articles they are subject to loss. In proportion, therefore, as they give high, or (as they say) to them, losing prices for the articles they take from the Company, they will as naturally



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turally demand higher prices for their teas in return. The Company's transactions with the Hong merchants are thus virtually a trade of barter. I have therefore no doubt in my own mind, that if the trade was thrown open, and the teas purchased for real ready-money prices by private merchants, they would be enabled to procure this article, if not immediately, at least in the course of a short time, at a cheaper rate than it is now paid for by the India Company.

3797*a*. Then the export of British manufactures from this country to China to that extent would cease?—My impression is, that the export would be incalculably increased, and that for the reasons I have explained in my former examination.

3798*a*. You are understood to state, that those articles now exported appear to be taken by compulsion?—In the case I have supposed of free trade, there could be neither compulsion nor undue influence used. A private merchant must sell his goods for what he can get; if he cannot get a high price for those goods he must take a lower one.

3799*a*. Are the goods much in demand in China after they are sold to the Hong merchants by the East-India Company?—I conceive they are; but the Hong merchants are obliged to take them at a higher price than they themselves admit to be profitable to them.

3800*a*. Do they take them at a higher price than is given to the American importers?—I have no access to American sales; but the Hong merchants, so far as we can learn from public records, state, or at least it has been stated for them, that they are losers by the woollens and metals they have taken at the Company's prices; it is therefore natural to conclude, that if they have been losers, they will put that loss upon the tea which the Company require to take from them in return.

3801*a*. Have you examined the prices of teas at Canton sufficiently to be able to say whether the merchants of other countries purchased them at a lower cost price than the Company?—I know that some private merchants have; those that have brought home tea in the privileged tonnage of the Company's ships.

3802*a*. Can you state whether it is the case with the American trade?—I have no document at hand to prove it; and I am unwilling to advance any thing as a fact without adequate authority; but I may add, that I have generally understood it to be the case.

3803*a*. Do you happen to know the rate of freight at which the East-India Company now charter their ships for a direct voyage to and from China?—I can only state that too from general information; because there is no official document for it in the papers now before me, but it is generally understood that the Company's large ships cost them from £20 to £25 a ton, including the Company's own ships, and taking into account the whole period of their present charter. At present the rate of freight is, I believe, somewhat lower.

3804*a*. Do



3804a. Do you mean the ships now contracted for?—Yes; I mean the whole fleet of 1200-ton ships. 29 March 1830.

3805a. Will you be good enough to state the rate of freight at which you think you could yourself charter a first-rate merchant ship from this country for a voyage to Canton and back?—I have never, of course, had occasion to freight a ship from England to Canton and back; but I have no doubt that it may be done at the rate of about £12 per ton for the whole voyage. Besides which, if the trade were free, many ships would make successful voyages to India, the Eastern islands or other parts, and thence to China; in which cases £8 to £10 per ton would amply remunerate them as a homeward freight.

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3806a. Do you conceive that the articles of British manufacture imported into China from this country are sold there at a lower rate by the Americans than the same articles imported into China by the Company?—That I cannot tell, never having seen the account sales of an American consignment; but I conclude that they have upon the whole sold them at a profit; because otherwise, I think, they would not have carried on so large a trade as they have done for such a length of time.

3807a. Do you conceive the Company have fixed too high a price upon those articles?—I cannot positively tell what the actual price of the Company is, compared with the prime cost of the article, without seeing official documents for the purpose; but whatever that price is, the Company have of themselves stated that it has been attended with regular loss to them.

3808a. And yet you consider that the reason of the high price of tea, as purchased by the Company, is the high price which they place on articles of British manufacture exported by them to China, by which, according to your account, they are losers?—The prices for which the woollens are sold in China may produce the effect which I have explained on the price of tea, and yet be very possibly a losing concern to the East-India Company; for the *prices* of the Company's teas, and the *gain* or *loss* on their exports, are not regulated by a common ratio or measure. Those exports, in addition to prime cost, being loaded with certain charges, might be sold to the Hong merchants at a price which would either yield a gain or a loss to the East-India Company. In the present instance, it is stated to be a loss; and I do not myself see how that *loss* is to be at all mixed up with the prices which the Hong merchants charge on the tea to the Company. The price of the tea will be affected by the *actual prices* charged on the woollens to the Hong merchants, whether that be gain or loss to the Company.

3809a. You are understood to state, that the reason why the East-India Company purchased their tea so disadvantageously, in your opinion, is on account of their compelling the Hong merchants to purchase their English manufactures at the high rate which they choose to affix upon them?—I have stated that as one cause; that is, that the *actual prices*, not the *gain* or *loss*, on the woollens, would naturally affect the price of tea: but I have no



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doubt, also, that if the trade to Canton was thrown open, and free competition allowed between buyers and sellers, that free competition would have the effect of increasing production and of lowering prices, in the same way that competition produces the same effect in all other parts of the world, and in all other branches of trade.

3810*a*. Does not this competition, in point of fact, at present exist with respect to other nations trading at this time in competition with the East-India Company?—There are no other nations that trade to China to any extent, that I am aware of, except the Americans; and the Americans cannot carry goods to China upon the same favourable terms that British traders could do, if they were freely admitted into the trade. I therefore think that the present prices of tea to the Company admit of no fair comparison with the rates at which they could be procured by British traders, if they were allowed free access to the port at Canton.

3811*a*. In what respect do the Americans now trading suffer disadvantages which would not be applicable to the English free-traders, supposing the trade were thrown open?—I explained that fully in my former examination. I explained how the facilities which British and Indian traders could reciprocally give to each other by means of free access to the port of Canton, was, in my estimation at least, a matter of so much national importance as to be entitled to the most serious consideration. The superior advantages hence resulting to British traders would not be confined to advantages over Americans alone, but over all the other traders of the world; and not only in respect of Canton itself, but for the conveyance of produce, both British and Asiatic, to various other countries.

3812*a*. Do you consider that there can be a free competition of trade carried on at Canton?—I have not the least doubt of it.

3813*a*. And that the establishment of the Hong would form no obstacle to such free competition?—From all that I have heard of the Hong merchants in China, and their disposition towards the free-traders who proceed from India to China, I cannot for a moment doubt their willingness to promote, and not to obstruct, a perfectly free trade with Canton.

3814*a*. Do you consider that the articles of British manufacture which are found the most saleable at Canton, could be sold at a lower rate than they are, in point of fact, sold by the East-India Company, and still at a remunerating price?—I think they might.

3815*a*. Is it to be collected from the answer you have already given, that you consider dollars to be the article with which the trade can be most advantageously carried on with regard to the trade at Canton?—At present it is commonly supposed that dollars are the article most to be depended on for the purpose of purchasing commodities in the China market. In certain proportions they are perhaps the most advantageous under the present limited circumstances of the trade; but if the trade was thrown open, I conceive that



that a great change would take place in the general course thereof, much the same as has taken place in India. Formerly it was thought necessary to carry bullion to India; at present we find that there is no necessity for conveying either gold or silver to India; that goods will answer as well, and in some cases better; and I do conceive that, in the course of perhaps the same time which has been occupied in giving a taste to the Indians for British manufactures, the same effect will probably be produced upon the Chinese.

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3816a. Do you mean to say that, at this time, any other cargo will be an equally profitable investment in the Indian trade with dollars?—Certainly I do; I say that from perfect knowledge of the fact.

3817a. Has the export trade to India been uniformly a profitable one?—I do not say uniformly. In all great branches of trade, like that which exists between England and India, there must inevitably be losses. I believe there is no other great branch of trade, out of Great Britain, in which losses are not equally experienced; but I do say that, upon the whole, the export trade to India has been profitable to those concerned in it. I could myself state instances where I know that consignments of goods from this country to Bombay have yielded a profit of upwards of 50 per cent.

3818a. Do you conceive that any portion of those losses has accrued from consignments of dollars to India?—No; my position is, that dollars are not now sent to India; and certainly no consignment of dollars would ever yield such a profit as I have before stated.

3819a. Are you not aware of many severe losses incurred in the export trade to India?—I have heard of losses, and I have no doubt that many losses have been incurred, but I am not particularly acquainted with any.

3820a. Are you not aware of many consignments of European goods to Calcutta having been sold under European prime cost on many occasions?—In large branches of trade, like that between India and England, consignments will be often sent to India that are ill calculated for the Indian market. At the first opening of the trade, several manufacturers in this country, and other speculators, anxious to get rid of old stocks, sent out those stocks to India, in utter ignorance as to whether they were or were not fit for the Indian market. Many of those consignments certainly sold at a considerable loss; but where goods are sent out to India well suited to the market (and many of such goods have passed through my own hands), I know, and speak positively, to their being attended with profit to the consignors.

3821a. Do you consider that the losses which may have taken place in the export trade from England to India have been more or less than the losses which have taken place in other branches of export trade?—When I look at the return of the export trade from England to India, and the enormous increase that has taken place since 1813, I cannot conceive the possibility of that trade in the aggregate being otherwise than profitable.



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3822a. Is it not within your own knowledge, that within the last few years, and even now, considerable quantities of bullion are brought from India to Great Britain?—Certainly it is. And this is another marked change in the history of European intercourse with India.

3823a. Can you state what proportion of the export trade from this country has consisted of cotton?—I could not state it from recollection, or without referring to official documents; but the quantities are upon record, and I believe on the table of the Committee.

3824a. Do you know that the price of those articles has been greatly reduced in this country since the trade was partially opened?—I do know it.

3825a. Has not that been the means of spreading our manufactures in India to the detriment of the manufactures in that country?—It has been the means of widely spreading the use of British manufactures.

3826a. Have not the muslins of Glasgow superseded, in a great degree, muslins the manufacture of India?—They have; but, according to my view of the case, greatly to the advantage of India.

3827a. Did you ever hear that half a million of weavers were thrown out of employment in the Dacca district?—Such is the poverty of the lower classes of Bengal, as well as in other parts of the country, that we know on the best authority that the weavers there are, as elsewhere, also cultivators of the soil; or, as they are commonly termed, ryots; and in as far as their attention is now confined, or can be confined, to one branch of business instead of being devoted to two, I conceive that the change will be greatly for their advantage. If, in the interim, the inhabitants of India can get Glasgow muslins at a cheaper rate than they can Dacca muslins, there can be no question about the policy of encouraging the import.

3828a. Do you think that it would be of advantage to India that the whole of that class of weavers should be deprived of their employment?—I think that India is now in that state in which it would be most for its advantage to have its industry directed to the raising of raw produce, instead of to the production of dear manufactures.

3829a. And to have no manufactures?—If the native Indians can be supplied with manufactures at a cheaper rate by England than they can manufacture them at home, I think it is decidedly for their advantage to take our manufactures in preference.

3830a. Can you state how many millions of weavers there are in India?—I cannot.

3831a. Do not you know that they are a very numerous class?—They are a numerous class; but the larger proportion of them are, as I said before, cultivators also.

3832a. You have stated, that in your opinion the great introduction of cotton manufactures into India has superseded the manufactures of India; do you suppose that the government of China would allow the introduction of



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of articles into that country which should supersede the manufactures of their own inhabitants?—The government of China would, in my opinion, act very absurdly, if they interpose their authority to prevent the introduction of a commodity into China which was to benefit their own subjects, and improve their own revenue.

3833*a*. From your knowledge of the government of China, whether absurdly or not, do you believe that they would interpose to prevent the large introduction of such manufactures?—I know nothing of the present intentions or motives of the government of China. I can only reason on the improbability of the thing, from its being so obviously at variance with the interest not only of the people, but of the government itself.

3834*a*. Supposing they were so disposed to act in the manner suggested by the question, do you think, if it were for the interest of the consumers to obtain cheap manufactures, that the government of China could prevent the introduction of manufactures into that country?—I have always considered the Chinese to be so truly a commercial and industrious a people, that if any injurious laws or regulations of that nature existed in China, they would, as they have done with regard to opium and dollars, most completely set them at nought.

3835*a*. Supposing the ryots in India were entirely to abandon the occupation of weaving, what effect do you conceive that would have upon the agriculture of that country?—Under certain modifications of the agricultural, or rather revenue systems of India, I think it would have a very beneficial effect upon the state of agriculture generally. It would tend to the raising of various articles of raw produce in greater abundance than at present; and this is an object to which the Indians, in their present low state of civilization and wealth, might have their attention directed with the greatest prospect of benefit to themselves.

3836*a*. Are there not opportunities of improving the agriculture of India, both by extending the quantity of surface under cultivation, and also by improving the methods of cultivation upon that which is already cultivated?—The countries that we possess in India are, generally speaking, of the most fertile and productive kind; but the system of agriculture is bad in the extreme, and the wretchedness of the people equally so. Under a different system, and with improved resources, the agriculture of India would be extended not only over larger surfaces of country, but also very much improved in those parts of it which are now in a productive state.

3837*a*. In the most fertile parts of India are there not very considerable portions of country which are not now cultivated at all?—There is a great deal of waste land, which under a different system might be brought into cultivation; but I think that the cultivation of those lands and districts which are now occupied and worked, might be materially improved by the application of capital, if the means were only granted for its natural accumulation. India now produces many articles of great importance and most extensive



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3838*a*. Then you conceive that the first improvement in agriculture would be to improve the cultivation of those lands which are now cultivated by the application of additional capital, rather than by bringing waste lands into cultivation?—Probably it would. I allude, however, to the advantages which would result, in either or both cases, from free intercourse and the accumulation of capital. The preference of one to the other would depend, in many instances, upon local circumstances and the vicinity to markets.

3839*a*. Is it not the fact, that at the present moment European manufactures are admitted into China by the Chinese government?—They are.

3840*a*. Are you aware, whether or not it is considered the policy of the Chinese government to exclude any species of British manufacture?—I am not aware of any regulation or law to that effect. I know that British manufactures are annually exported from this country to Canton.

3841*a*. Are there not some laws excluding the export of their own manufactures?—There are laws prohibiting the export of silver.

3842*a*. Do you not conceive that the course of trade now carried on between the Company's Factory at Canton and the Hong merchants resolves itself very much into a trade of barter?—Virtually it does, certainly, as I have explained in a former answer.

3843*a*. And therefore the prices of the British manufactured commodity on the one hand, and of the tea on the other, may be arbitrary prices, and not regulated by the prices in the market?—Certainly.

3844*a*. Would not that explain, to a great degree, the losses which the Company state themselves to sustain upon the sale of woollens, and might it not enhance the gains which they are stated to derive upon the sale of tea in this country?—If the prime cost of tea was raised in China in consequence of this barter trade, it would rather diminish their profit in this country than increase it. A high prime cost in China would, however, occasion a higher upset price in the sales in this country.

3845*a*. As long as the trade is a trade of barter, is it not difficult to say upon which part of the trade a gain or loss ensues?—It would be difficult, I think, to state the actual amount of loss on either side, as between the sale of one article and the purchase of another, but no difficulty in ascertaining the aggregate amount of loss on the whole adventure.

3846*a*. You are aware that the Chinese manufacture a great deal of cotton into cloths of various descriptions in China?—I am.

3847*a*. Is it within your knowledge, that the East-India Company have very recently sent British manufactured cotton cloths to Canton?—It is so stated in the official documents.

3848*a*. Would



3848a. Would you infer from that, that there can be any disposition on the part of the Chinese to exclude the manufactured cotton cloths of this country from China?—I cannot form a conception of the Chinese being averse to receive an article into China, which is so perfectly consonant with their own wants and their own habits.

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R. Richards, Esq.

JOHN CRAWFURD, Esq. again called in, and examined.

3849a. HAVE you any further information to offer to the Committee in addition to the evidence you gave on a former day?—I was asked respecting the freights from China to Singapore: I have got a short paper upon that subject which I will read; it is a statement of the freight in Chinese junks in the year 1821.—In a voyage from Saigun, in Cambodia, to Singapore, the rates of freight in junks are as follows: For fine goods, such as cotton and silk manufactures, 10 in 100; for tea, 10 in 100; sugar 20 in 100; rice, 40 in 100. From Amoy and Fokien to Singapore, the freight paid for black tea is 1 dollar 40 cents per pecul, equal to between one half-penny and three farthings per pound.

*John Crawford,
Esq.*

I have also a statement of the particulars of the cargo of a junk from Amoy in Fokien, which arrived at Singapore on the 25th January 1824, after a voyage of thirteen days, burthen between 200 and 250 tons; it is as follows: Earthenware, of 32 different sizes and patterns, 660,250 pieces; flooring tiles, 10,000; coping stones, 200; black varnished paper umbrellas, 12,000; variegated ditto, 3,000; pastry, 50 boxes; confectionery, 166 boxes; dried fruit, 60 boxes; kin-chin, a kind of esculent plant, 12 bundles; dried fungus, esculent, 6 boxes; dried mushrooms, 6 boxes; dried fruit, 40 baskets; sugar-candy, 50 boxes; vermicelli, 8 boxes; salt fish, 5 baskets; kanlan, a fruit somewhat resembling an olive, and pickled in salt, 100 jars; medicines, 10 bags; silk shoes, 10 boxes; cloth ditto, 10 boxes; straw ditto 5 boxes; incense rods, 20 boxes; lamp-oil, 10 casks; tobacco, for the market of Celebes, 350 boxes; ditto, for the use of the Chinese residents, 220 boxes; combs, 10 boxes; hair pencils, 1 box; dry salted vegetables, 40 jars; pickled ditto, 400 jars; nankeens, 100 bales; ditto 20 boxes; gold laced thread, 20 boxes; tea, 110 boxes. The total value of the cargo was estimated at 60,000 Spanish dollars, or near £13,000.

The next statement I have is the estimated value of the cargoes of four Chinese junks which arrived at Singapore in 1824 and 1825. In the Canton junk which arrived at Singapore in 1824, the value of the cargo was 75,000 dollars, burthen 600 tons. In a junk of Amoy, of the same year, the value of the cargo was 60,000 dollars, burden 225 tons; of a Canton junk that arrived in 1825, the value of the cargo was 20,000 dollars, and her burthen 375 tons, and the number of her passengers 670. In the Amoy junk that arrived in 1825, the value of the cargo was 100,000 dollars, her burthen 476 tons, and the number of her passengers 625.

I have



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I have also the particulars of the cargo of a Siamese junk which arrived at Sincapore in 1824; they are as follows: White sugar, 1,350 peculs, the value of which, at 6 Spanish dollars 50 cents per pecul, was 8,775 dollars; coarse sugar, 80 peculs, at two dollars 66 cents, value 212 dollars; fine rice, 20 koyans, at 68 dollars, 1,360 dollars; coarse rice, 25 koyans, at 55 dollars, 1,375 dollars; salt, 20 koyans, at 27 dollars, 540 dollars; oil, cocoa-nut, 150 peculs, at five dollars 66 cents, 849 dollars; sticlac, 150 peculs, at 13 dollars, 1,850 dollars; nankeens, large, 1,000 pieces, at 60 dollars per 100 600 dollars; tobacco, 25 peculs, at 16 dollars per pecul, 400 dollars; salt fish, 50 peculs, at five dollars, 250 dollars; the total amount of Spanish dollars is 16,212.

JOHN STEWART, Esq., a Member of the Committee, was examined.

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3850a. How often have you been in China, and during what years?—I have been in China seven times. I first went to China in the year 1800. I was also there in 1803, in 1804, in 1805, in 1806, and in 1807-8; and I was there also in 1817.

3851a. Had you extensive dealings with the Hong and outside merchants when you were there?—I had, during several of the years I have mentioned; in some of the years I had no dealings with them.

3852a. Will you state what opinion you have formed of them as a commercial people, or an anti-commercial people?—From the intercourse I have had with the Chinese at Canton, I certainly consider them a people of very great commercial enterprize, although I believe the policy of the Chinese government is against extending the foreign commerce of the country.

3853a. Have you not visited almost every port of India?—I have.

3854a. Will you state to the Committee what comparative facility for transacting business, with reference either to the captain of a ship or to the merchant, there is at Canton, compared with the facility at Madras, Bombay, or Calcutta?—I think the facilities afforded by the Chinese for the transaction of commercial business at Canton are decidedly greater than at any other port of the world that I have ever visited.

3855a. Were you present at Canton at any time when the commercial intercourse was interrupted between the Company and the Chinese?—Yes; I was there in 1807 or 1808, when it was suspended in consequence of Admiral Drury taking possession of the island of Macao.

3856a. Will you state how the interruption began, and what were the consequences arising out of it?—Admiral Drury arrived at Macao, on the coast of China, I think, about the month of August or September 1808, and he landed a military force from his squadron, including some transports he had under his charge, and took possession of the island of Macao, with the consent, as I understood, of the Portuguese, who surrendered it on some understanding between the two nations. Immediately on this being made known



known at Canton, the Chinese government insisted upon our troops being withdrawn, which was refused, and they immediately put a stop to all commercial intercourse with the British, and declared their determination not to renew any commercial intercourse with them until our troops were withdrawn from Macao.

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3857*a*. Did they actually suspend all commercial intercourse with English ships?—Entirely so, both with the country ships and with those of the East-India Company; and on that occasion, I think, the suspension continued for a period of four or five months, to the best of my recollection.

3858*a*. Had the Company's supercargoes any thing to do with the cause of that interruption?—Yes; it was understood that they had: indeed I had reason to know that the expedition was sent by the supreme government of India to take possession of Macao, in consequence of an opinion that the French had an intention of that sort, and the expedition was sent to anticipate the supposed intentions of the French. Admiral Drury came to China with orders from Lord Exmouth, who at that time commanded in chief in the Indian seas, to act in concert with the Select Committee of Supercargoes at Canton, and that he was not to adopt any measures that did not meet with their concurrence; that fact I have heard Admiral Drury repeat himself frequently on that occasion.

3859*a*. How was that interruption terminated?—During the four or five months that the trade was suspended, negotiations were constantly going on between the Chinese authorities, and the British admiral and the Select Committee, and also between the Chinese authorities and commanders of the country ships, and the trade was not renewed until the whole of the troops were withdrawn. It ended in the admiral withdrawing the whole of the troops from Macao, and returning with them to India; and as soon as the troops were embarked the trade was re-opened.

3860*a*. Were you at Canton all that period?—I was there during the whole of that time.

3861*a*. Had you any opportunity of knowing how the Chinese merchants considered that interruption?—They considered it as a very great grievance; and I had occasion to know that it produced a great deal of misery and distress amongst the Chinese merchants and to the trade in general. I had on that occasion very large consignments of goods in my own hands; I think I had that year four or five ships and their cargoes consigned to me at Canton. At the period that the suspension of commercial intercourse took place, some of those cargoes had been sold, and some had not: those that had been sold previously were sold at very fair prices; but when I came to negotiate a sale of what remained on hand, after the trade was re-opened, I found that the prices were greatly fallen, and that the ability of the purchasers to make good those prices had also been materially impaired, in consequence of the suspension of the commercial intercourse that had



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3862a. Did this interruption of trade affect the American ships as well as the British ships?—Not at all.

3863a. Did they continue to carry on their trade during this interruption of the British trade without any difficulty?—Yes, without any difficulty.

3864a. Is it your opinion that the Chinese government would find it very difficult to put an end to the foreign commerce with England?—I think they could do it; but I am of opinion that if the Chinese government were to put an end to that commerce, it would produce great misery and distress in China, particularly at Canton, where it is carried on.

3865a. Would the government, in your opinion, be strong enough to accomplish the putting an end to the trade?—My opinion is, that an edict of the emperor of China might be so enforced as to put a stop to all the regular foreign trade carried on with China; but I do not think that the Chinese government could prevent smuggling being continued on the coast of China, even if they put a stop to the regular trade.

3866a. Then you do not mean to say that you think the Chinese government would have power to put a final stop to the progress of the trade?—No; I think that a smuggling trade would be carried on on the coast of China to a very considerable extent, in spite of any act that the Chinese government might adopt.

3867a. Do you then infer that it would only change the character of the trade from a legal trade to an illegitimate one?—It would also have the effect of diminishing it very considerably. I do not think that the smuggling trade alone could be carried on to the same extent to which the legal trade and the smuggling trade together are carried on now.

3868a. Would the distress arising from such a prohibition be much felt in the interior as well as in Canton?—I do not feel competent to answer that question, not having been in the interior; but I suppose in the tea provinces it would be very severely felt, in consequence of the interruption that must necessarily take place to their export of tea.

3869a. Do you think that if this interruption of the trade took place, a place would not be found out in the neighbourhood of Canton to carry on the commercial transactions as they now carry them on at Canton, particularly in the tea trade?—If the trade were put a stop to by the Chinese government it would prevent any ship from being admitted into a port of China.

3870a. Do you think the trade could be carried on in the neighbourhood of Canton, in any of the islands?—Yes; I imagine that tea might be conveyed



conveyed, and in all probability would be conveyed, to the islands on the coast of China: it might be smuggled from thence, or it might be sent in Chinese vessels to the islands in the Eastern Archipelago, and could be exported from thence.

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3871a. Would it be sufficient to supply the wants of this country?—If the Chinese permitted the export of tea in their own vessels, I am decidedly of opinion that a sufficient quantity might in that way be exported from China to supply the wants of all Europe.

3872a. Do you suppose that they would do that under such circumstances?—I think they would. The Chinese are a people of great commercial enterprize, and I think would be disposed to send tea wherever they could find a sale for it with advantage.

3873a. Have you not stated that the people are a people of commercial enterprize, but that a spirit of jealousy might exist on the part of the government?—I stated, that the people are a people of great commercial enterprize, though I have understood that the policy of the Chinese government is averse to extending its foreign commerce.

3874a. Do you understand that policy on the part of the Chinese government to have any reference to the extension of their trade in Chinese junks with the Indian Archipelago, or to be limited to the trade of European vessels within the waters of China?—I have understood that the Chinese government is averse to foreign commerce, even in their own vessels, and that they discourage the subjects of their own empire from going abroad at all, or from engaging in foreign trade.

3875a. Have you known any cases in which Chinese of high rank at Canton have been engaged in foreign commerce?—I have not.

3876a. Have you ever known any instance of a person wishing to emigrate, or wishing to carry on foreign commerce, being prevented by the Chinese authorities?—No, I never have. When any Chinaman wishes to leave China in a British ship, he is obliged to do it by stealth; it would be prevented if it were known. I have had occasion to know this, as Chinese are sometimes employed as seamen in British ships.

3877a. From your knowledge of the India trade generally, what do you consider would be the effect of opening the trade at Canton to the British generally?—I think the effect of it would be very favourable, especially as regards the export of British manufactures and produce, which, in my opinion, would, under such circumstances, be consumed in China to a very great extent indeed, in the course of a very few years.

3878a. What is the ground of that opinion?—The ground of the opinion is, that woollens and metals are articles of very considerable demand amongst the Chinese. Metals of every description are much required in China, and the exportation of them is strictly prohibited, except lead; that, I believe, is the only metal allowed to be exported. I conceive, therefore, that China



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would take off a great deal of iron, copper, and tin, also of woollens and of cotton manufactured piece-goods and cotton yarns, the consumption of all which is now on the increase in China, as I have reason to know.

3879a. Are the Committee to understand, that whatever amount of manufactures could be exported, there would be plenty of Chinese produce to bring back in return, and that there would be no difficulty in remitting money to England?—No difficulty, in my opinion, if the trade were perfectly open, as from the varied productions of China, it would afford ample means of profitable returns, or, at all events, of returns without loss, to almost any extent.

3880a. What effect, in your opinion, would be produced on the general commerce of India by the opening of the trade between China and England direct?—It no doubt would be very favourable to India; it would increase very considerably the exports from British India to China, because then we should be enabled to make our returns profitably from China direct to this country, which is a channel that we very much require to be opened, instead of making returns, as at present, exclusively to India, and in articles that do not always sell to a profit there.

3881a. Would not that promote the exportation of all kinds of British manufactures from England to India, which are much limited by the want of means of remittance?—It would no doubt have that effect.

3882a. From what you know of the character of the Chinese government, would you contemplate the opening of the trade at Canton without some established board or authority to represent the British government there?—I am of opinion that if the trade were open, it would be necessary that a body should be constituted at Canton, with ample powers to exercise a most rigid and effectual control over every British subject going to China.

3883a. Do not the Select Committee of the Company at Canton now exercise that authority over all their officers and seamen?—They do; they have ample power of doing so by Act of Parliament.

3884a. Do you contemplate any greater authority to be exercised over Englishmen generally, than the Company have now over their own servants?—No; I should think that no greater authority would be requisite. I think their powers are very ample, and they extend to all British subjects, as well as to the servants of the Company.

3885a. Do you consider that the substitution of a Committee deputed by the King would be attended to more than the Select Committee from the Company now?—Yes; I am of opinion that it would be more respected by the Chinese authorities than the servants of the East-India Company.

3886a. On what do you ground that opinion?—A circumstance occurred in China with Admiral Drury, when I was there, which may illustrate what I have stated, although my opinion is not exclusively grounded upon it. During the negotiations that were going on with Admiral Drury on that occasion,



occasion, he was very anxious to have a personal interview with the Viceroy of Canton, all their communications having previously been carried on through the medium of the Hong merchants. It was at one time understood that the objections of the Viceroy to this personal interview had been overcome, and it was intimated to Admiral Drury that the Viceroy was disposed to receive him. In consequence of this, Admiral Drury came up to Canton, accompanied by boats from every ship in the fleet. I was one of those that attended him on that occasion, when he landed with a considerable number of marines at Canton; but after being there two days the Viceroy refused to receive him; he returned to Whampoa without having had an interview with the Viceroy. It was stated at Canton at the time, and I have no doubt truly stated, that when the Viceroy consented to receive Admiral Drury, he did so in consequence of having been informed that Admiral Drury was an officer of rank holding a commission from the King of Great Britain, and that he might consequently have admitted him to a personal interview without any degradation to his own rank as Viceroy; but after the Admiral had come to Canton, he was given to understand that the Admiral had come on to China at the request or by the desire of the Governor-general of India, and the Viceroy then said that he could hold no communication with him, as he was deputed by a governor or servant of the East-India Company, who were only a body of merchants, and he could not in consequence receive him. That was what we understood to be the case at Canton at the time.

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3887a. Then, from that and other opportunities of observation you have had, you think that an officer bearing the direct authority of the King of England instead of the authority of the Company, would have a better chance of being received and treated with by the authorities of China?—Yes, I do; by the public authorities of China certainly.

3888a. As a person well acquainted with the Canton river, what is your opinion of the difficulty or dangers attending the navigation up to Whampoa?—There are fewer dangers, I think, in the Canton river than in almost any navigable river that I am acquainted with. There are several shoals as you approach the river, but they are mostly mud; upon which, if a ship grounds, she seldom receives any damage.

3889a. What is the greatest strength of current?—The current is always very moderate; I should think the greatest strength does not exceed three or four miles an hour, tideways.

3890a. Do you call that moderate?—Very moderate. We have it nine, ten, and sometimes even twelve miles per hour in the Ganges. In the Canton river it is tide only, but in the Ganges, the strength of the tide is often augmented by the river floods.

3891a. You have stated, that the last time you were in Canton was in 1817-18; have you had any dealings with China since that period as a merchant?—Yes; I have continued ever since that period, and am now, engaged in the trade with China to a very considerable extent.

3892a. During



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3892a. During the time you were there yourself, or since your return, has any agent of yours had occasion to apply to the Company's Select Committee for assistance, to enable you to carry on any part of your commercial dealings?—Never.

3893a. Whilst you were in China upon any occasion, do you recollect any instance of any country officer or agent from India having occasion to apply to the Company's servants for such assistance?—I am not aware of any instance.

3894a. Are you aware of the rate of freight which the Company pay for their cargoes home from China?—I understand that one of the ships last chartered by the Company, the Orwell, was engaged at £18 a ton. I understood that to be for the whole voyage out and home; but I state this only from hearsay.

3895a. How long would the vessel be engaged in that voyage?—I apprehend it is about fifteen or sixteen months from the time they leave this country to the time when they generally return.

3896a. How much of that £18 do you suppose would attach to the cargo of tea from China to London?—I should think, with reference to the rate of freight outward-bound to India now, that at least £15 or £16 of it would attach to the freight home. The outward freight to India now is, I may say, little or nothing; you may get goods out for 5s. or 10s. a ton.

3897a. At what rate could you charter a ship, say of 500 or 600 tons, for a voyage to and from China?—I have no doubt I could charter a ship direct to Canton and back for £10, or at most £12 a ton; indeed I think I could charter fifty ships in the Thames at this moment on these terms.

3898a. Of the size of the Orwell, do you mean?—Not of the size of the Orwell.

3899a. What period do you contemplate for a direct voyage out and home to China, allowing six weeks or two months in China to deliver and receive cargo?—I should say certainly within from ten to twelve months; but for a ship of 500 or 600 tons, we should not require six weeks, or any thing like it, at Canton.

3900a. Have not large ships an advantage in Canton river, which smaller ships have not, in paying less port-charges and measurement?—Yes; they have a very great advantage, as the port-charges there upon a large ship are much lighter in proportion to her tonnage than they are upon ships of smaller burden.

3901a. Have the large ships any advantage in the stowage of a tea cargo home, over ships of 500 or 600 tons?—None, that I am aware of.

3902a. Have you stowed several cargoes of tea yourself?—I never stowed a cargo of tea, but I have stowed other cargoes in ships of from 500 tons up to 1200 tons; and I am not aware that a ship of 1200 tons can possess any advantage in the stowage of tea over a ship of 500 or 600 tons.

3903a. Do



3903a. Do you mean to say, that the lighter port-charges which large ships pay in China is the only advantage which you know those ships possess over ships of 500 or 600 tons?—The only advantage that I am aware of as merchant ships.

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3904a. You are, of course, aware that they are calculated to be made ships of war on emergency?—They are unquestionably the finest merchant ships in the world, and very easily convertible to warlike purposes when it is necessary.

3905a. Have you known it to be often necessary to use them as ships of war?—I have known several instances of it in India during the last war; not very many instances.

3906a. Do you mean where they have received additional hands, and have been manned as frigates?—Yes, having had additional guns, and troops put on board.

3907a. Is not there a great deal of piracy in the Indian seas?—Very little indeed. In the Eastern Archipelago, in the China seas, there are some pirates, and also on the coast of China; but in the Indian seas it is a thing at present almost unknown. In the Persian Gulf there are some Arab pirates, I believe.

3908a. Have not the ships you have known employed as ships of war been generally 800 and 900-ton ships; did you ever know a China ship so employed?—Yes, I recollect on one occasion, that four Bombay and China ships, of 1200 tons each, in the year 1804 or 1805, were all armed before they left Bombay, in consequence of there not being sufficient convoy there to accompany them to China. Admiral Linois had appeared upon the coast of Ceylon, and taken the Brunswick a few weeks before. They had with them a small ship, the Sir Edward Hughes, that had formerly been in the Company's service, but she was not reckoned sufficient protection without arming the ships also.

3909a. With respect to the other ships that you have known armed as frigates, have not they generally been the smaller class of Company's ships?—I am not aware of any instance at this moment, except the Sir Edward Hughes and another small ship of 800 tons, the name of which I forget.

3910a. During the time you were in the East-India private trade, were there any 1200-ton ships in that trade between Bombay and China?—Several from Bombay.

3911a. Are there any of them now in that trade?—None.

3912a. What ships are now used principally for the China trade to Canton?—From Bombay the ships are generally from 600 to 800 tons, there is one of nearly 1000 tons; formerly there were five or six 1200-ton ships.

3913a. Do you know any reason why those large ships have been discontinued in the trade to China, if it is so advantageous to trade to Canton in large ships?—I apprehend it has arisen in a great measure from the difficulty that



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that private merchants would often have in fitting out a large ship, from the additional capital beyond what would be required to trade with a smaller ship. It is much more within the compass of a private merchant to trade with a ship of 600 or 700 tons than with one of 1200 tons; and I have reason to know also, with regard to several of the 1200-ton ships built at Bombay for the country trade, that they have now fallen into the regular trade of the East-India Company, because their owners were able to transfer them to the Company on more advantageous terms than could have been expected by keeping them in the trade from Bombay to China.

3914*a*. Can a large ship be built at as cheap a rate per ton as a small one?—Generally speaking, I think not. They require a larger scantling of timber; and crooked timber, when it exceeds a certain size, is very expensive indeed.

3915*a*. Can you form an estimate of the difference per ton?—I cannot, without previous calculation, form an estimate.

3916*a*. Is not the advantage gained in the measurement-duty on a 1200-ton ship at Canton counterbalanced by the inconvenience of being obliged to load and unload below Whampoa?—I should think that the advantage gained by the size, with regard to the port-charges, is greater than the disadvantage arising from the circumstance mentioned, of being obliged to load partly below the second bar. They very seldom unload there, and I believe that they might load wholly at Whampoa, but it certainly lessens the risk to send them below the second bar to complete their cargoes.

3917*a*. At what rate per ton could you estimate the advantage that a 1200-ton ship has over a 600-ton ship in the payment of Canton port-charges?—I should not estimate it above £2 per ton: but I feel a difficulty in giving an opinion upon the question without going into a calculation.

3918*a*. From your own experience what class of ships do you think best calculated to carry on the trade between England and China?—I should say, from 600 to 800 tons.

3919*a*. You stated that the Viceroy objected to receive Admiral Drury, when he believed that he was deputed by the Governor-general, acting under a company of merchants; are you aware that the Select Committee are in the habit of direct intercourse with the Viceroy?—No, I am not aware of that.

3920*a*. Do you know that they never do go to the Viceroy?—I never heard of the Select Committee going personally to the Viceroy.

3921*a*. Are the large ships of 1200 tons suited to any other trade in the East but the China trade?—I think not; not so well suited as the smaller ships.

3922*a*. Would not it be an additional motive to a merchant to employ a smaller-sized ship, that his ship was applicable to other trades, if he wished to apply it to them?—No doubt it would.

3923*a*. A



3923a. Do not ships often return from Canton to India in ballast?—They often return with very small cargoes indeed; just enough to serve as ballast.

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3924a. What is the actual amount of freight which is now paid from England to Calcutta and back?—I cannot speak with regard to Calcutta; but I know that within the last eighteen months or two years the house of which I am a member has chartered several ships from England to Bombay and back, at rates not exceeding £8 or £9 sterling a ton.

3925a. You have stated that it would require £10 or £12 a ton to charter a ship to Canton; would the voyage be much longer from England to Canton than from England to Bombay?—About a couple of months.

3926a. What is the cause of the great difference in the freight?—I calculate upon the owner of the ship having to pay the port-charges at Canton.

3927a. Do you happen to know whether there is a considerable charge for demurrage upon the Company's ships in the Canton river?—I have understood that there is a charge for demurrage if they are detained beyond their time.

3928a. Is it not a fact that there is a much larger charge for demurrage for the Company's ships than there is, commonly speaking, upon ships carrying on private trade?—I am unable to answer that question.

3929a. Do you know what was the charge for demurrage upon the Company's ships at the time of the interruption of the trade, in consequence of Admiral Drury's affair?—I do not.

3930a. Are you aware that a large number of Chinese find their way out of China in Portuguese ships, and that there is no considerable difficulty in their leaving the country?—There is no great difficulty; a great many find their way out in English ships, and ships of all nations. They receive them on board at night, after the ship leaves the river.

3931a. When you speak of the request in which metals are in China, do you mean manufactures of metal, or do you mean metal in an unmanufactured state?—I meant to apply that to metals in an unmanufactured state.

3932a. You have spoken of the great advantage it would be to merchants in the country trade to be able to bring a return-cargo immediately from China to England; is it your opinion that if the trade were opened the principal proportion of it would take that course; namely, from England to India, from India to China, and from China back to England?—I think a very considerable proportion of it would take that course. I mean, out of the goods sent from India to China a considerable part of the proceeds would come from China to England, and go out to India again in the manufactures of this country.

3933a. Do you think that the trade between this country and China would be carried on in a great measure through India, or direct from here



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—
J. Stewart, Esq.
M. P.

to Canton and back?—I think a considerable portion of it would be carried on through India, and also a great portion of it direct to China.

3934a. Should you esteem it a great advantage to British private merchants to be admitted to China, supposing their present monopoly to be reserved to the Company?—I should certainly consider it a great advantage.

3935a. You mentioned several articles as likely to come from China; what other articles are there besides?—Silk of every description, both manufactured and raw, and a variety of articles: camphor, cassia, musk, &c. and many other things.

3936a. Could China supply a great quantity of raw silk?—A great deal.

3937a. Are not those articles imported now by the officers of the Company to the full extent of the demand in London?—I should say not to the full extent of the demand, because we import a considerable quantity of China goods circuitously through India.

3938a. Are you aware what has been the out-turn of the adventures from China to England these last few years?—I have no knowledge of that.

3939a. Have you any reason to believe that it has been a gaining trade?—I have no reason to believe either that, or otherwise.

Martis, 30^o die Martii, 1830.

CHARLES POULETT THOMSON, Esq., a Member of the Committee,
examined.

30 March 1830.

—
C. P. Thomson,
Esq., M. P.

3940a. Did you see Mr. Cushion, and explain to him that a summons had been issued by this Committee to require his attendance?—I did.

3941a. Did you state to him that the Committee would not enforce by all the means in its power that summons, if he had a decided objection to attending?—I stated to Mr. Cushion, that it was the anxious desire of the Committee that he should attend. He expressed himself, as he had done before, extremely unwilling to come and give evidence. He, however, gave me no positive answer as to what he would do, but he requested time to reflect upon it. On the following day he sent me the letter which I have proposed giving in to the Committee, in which he declines attending, because he considers it impracticable for him to give evidence without injuring the interests of his friends in America, and without acting against the feelings of friends whom he has.

3942a. Did



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3942a. Did you understand from Mr. Cushion, that his objections were so strong that he would probably be induced, at considerable personal inconvenience, to leave the country rather than comply with the summons, if it was peremptorily enforced?—I did.

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Esq., M. P.

3943a. Is not Mr. Cushion a citizen of the United States, who has resided a great number of years at Canton?—He is.

3944a. Did you give him to understand, that the Committee would not enforce the summons if it was unpleasant to him to come?—I gave him to understand, that the Committee were very anxious that he should attend; but that if he positively objected, I did not think it likely that the Committee would enforce his attendance at all inconvenience and at all risk to him.

JOSHUA BATES, Esq. again called in, and examined.

3945a. In the purchase of tea at Canton, in what money is the transaction settled between the Chinese and the purchaser?—In tales. *Joshua Bates, Esq.*

3946a. Is the tale a current coin in China, or is it a money of account?—It is a money of account, there is no coin of that kind.

3947a. Does it represent a certain quantity of silver?—The tale is a weight, containing $579\frac{8}{10}$ English grains; it is used as a weight, also as a money of account.

3948a. But uniformly the purchases of tea are calculated in tales?—They are, uniformly.

3949a. Is there any course of exchange between Canton and this country?—A regular quotation of exchange is given in letters from Canton.

3950a. Can bills be drawn according to the rate so quoted?—They are so negotiated to a very considerable amount, and I judge could be to a much larger amount.

3951a. To what amount have you known bills drawn from China upon this country?—£40,000 or 50,000 at a time.

3952a. And you think they may be negotiated to a much larger amount?—I have no doubt they can, as a remittance for the proceeds of opium, which would do away with the necessity of smuggling silver.

3953a. Can you state what, according to the latest advices received from Canton, is the rate of exchange between Canton and this country?—The latest date I have seen is newspaper authority, but it is probably correct; it gives it at 3s. 11d. sterling per dollar for bills at six months' sight. In speaking of the bills thus likely to be negotiated or negotiating at 3s. 11d., I think it embraces an amount of about £100,000 within my knowledge.

3954a. With such a bill, drawn upon any house of credit in England at that rate of exchange, could teas be purchased at Canton?—With the proceeds of such bills teas could be purchased.



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3955a. The rate of exchange being 3s. 11d., can you state to the Committee what would be the value of the tale?—It would be 5s. $5\frac{2}{3}$ d.

3956a. Is not 3s. 11d. an unusually low rate of exchange for the dollar?—It is not low for the last year or two; it has been gradually lowering for several years.

3957a. What has been for the last five years the average rate of exchange between Canton and London?—I have no means of answering the question here; I should think it might have been 4s. 1d. or 4s. 2d.

3958a. Do you think it has been more than 4s. 2d.?—Certainly not more.

3959a. Can you state at 4s. 2d. what would be the value of the tale?—5s. $9\frac{2}{3}$ d.

3960a. By what calculation do you convert tales into dollars, or dollars into tales?—Seventy-two candarins are equal to a dollar; and I take 100 dollars at 4s. 2d. and divide it by 72 for the value of the tale in sterling.

3961a. How many candarins are there in a tale?—There are 100 candarins in a tale.

3962a. So that a dollar is to a tale as 72 is to 100?—It is.

3963a. Is that a fixed proportion between the tale and the dollar, or is it one that varies?—I do not remember to have seen any thing which would lead me to believe that it varies.

3964a. Then the variation in the exchange turns upon the varied price of the dollar, and not upon the tale?—I think there may be a variation in silver, that the dollar may sometimes sell at a premium; but I observe, that taking the weight of the dollar, and taking the number of grains in a tale, that 72 hundredth-parts of a tale are just the weight of a Spanish dollar.

3965a. Are you aware that it was stated to a Committee of the House of Lords in the year 1821, that the tale had been rated for 100 years past in the transactions of the East-India Company with China at 6s. 8d.—I never heard of 6s. 8d. as the value of a tale till the question came up here before this Committee.

3966a. What would be the value of the tale in exchange for dollars at 4s. $3\frac{1}{2}$ d.—Six shillings nearly.

3967a. Have they been as high as 4s. $3\frac{1}{2}$ d. in the course of exchange in the last five years?—I think not.

3968a. In the evidence you gave before this Committee on a former occasion, you stated that, in your opinion, the tea consumed in this country cost the public about £1,500,000 more than it would be if brought on private account; do you include in the calculation upon which that statement was formed, the increased charge thrown on the prime cost from the rate at which the tale is converted by the Company into English money?—That enters into the calculation; but I should take the teas as they are bought, and take the exchange as it exists, or has been for some years, and the actual



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actual prices obtained here. I stated £1,500,000 in round numbers; I believe the difference is more. It may be £100,000 or £200,000 more; but I was not aware that it was important to go so near as that.

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Joshua Bates, Esq.

3969a. You stated in your former evidence, that in estimating the profits of the Company beyond the profits which a private merchant would require, to amount to a million and a half, you have referred to the tables laid before Parliament, stating the prime cost at Canton; in making that estimate, did you allow for the value of the tale as estimated on the one hand by the Company, and on the other as ascertained by the course of exchange?—I made reference to the printed accounts of the tea exported, for the purpose of getting at the quantity, and I was not aware that 6s. 8d. was the mode of valuing the tale at the time. It would certainly make a difference in any rough calculation which I have made; but I went upon another calculation also, that of the usual profit which we are satisfied with on teas, and taking the cost of teas at Canton, with the expenses, and the prices obtained at the Company's sales, I ascertained the profit which I conceived ought to be made by the Company on the importation of teas to this country.

3970a. If the tale is really worth at the rate of exchange 5s. 6d. and is estimated in the prime cost as 6s. 8d., is there not an increase put on that prime cost of nearly 20 per cent., namely the difference between 5s. 6d. and 6s. 8d.?—Certainly there is; it would make that difference in the calculation.

3971a. Are you aware of the provision in the Act of the 24 Geo. III. c. 38, the Commutation Act, which provides that upon all teas put up for sale by the East-India Company, the upset price shall not exceed the prime cost thereof, with the freight and charges of importation, together with lawful interest from the time of the arrival of such tea in Great Britain, and the common premium of insurance as a compensation for the sea-risk incurred thereon?—I was not aware that there was such a provision in the Act.

3972a. Suppose a mercantile house had a contract for supplying any foreign article, cotton for instance, and it were a condition of that contract that the *bonâ fide* prime cost of the article abroad, together with the freight and charges of importation, and the other charges referred to in the Act, which has been quoted, should determine the price to be paid by the contractor, would such a mercantile house be warranted in calculating the prime cost abroad at a higher rate than the existing course of exchange between the foreign country and this country, at the time when the article was paid for in that foreign country?—I see no other mode of estimating the cost of any article abroad than by taking the course of exchange into the calculation.

3973a. Have any of the teas bought by the American merchants been paid for by bills drawn upon this country?—Of late they have been paid for in that way, or rather the funds have been created in that way. The bank of the United States issue bills, and mercantile houses in America give credits on London.

3974a. Then



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3974a. Then the prime cost of such teas is ascertained by the bills so drawn?—That is the accurate mode of ascertaining their cost-price.

3975a. Supposing such law to exist as that which has been stated in one of the questions recently put, will not the upset price which was referred to in that law be raised by rating the tale at 6s. 8d., beyond what it would be, supposing the value of the tale to be such as it is, according to the rate of exchange which you now believe to prevail at Canton?—That would be the effect of it. The upset price would be increased in proportion as the tale had been overrated.

3976a. Though you have stated 3s. 11d. to be the actual value of the dollar at Canton, according to the last rate of exchange, and although that may be the rate of exchange for any transaction of a moderate amount, do you suppose it probable or possible that the East-India Company could, for so large an amount as what they would require for the whole of their investment, realize so favourable an exchange?—I should say there would be no difficulty whatever; that drafts to a very large amount are wanted for remitting the proceeds of the smuggled opium, and that those bills would be very current in Bombay or Bengal for remittances to this country, and are always in demand for such purpose.

3977a. Do you suppose that the same exchange could be realized by the Company for so large an amount as they would require for their investments?—It might make a little difference in the exchange; but if I recollect rightly, there are four or five millions of dollars in Sycee silver annually smuggled out from Canton, no doubt at some disadvantage of charges for hazard, &c. I should think for all that sum the parties would prefer to take bills.

3978a. Do not the Company now pay for the quantity of tea which they purchase by the sales of opium, and by bills upon India, and in various ways?—I have no doubt they do. The sales of opium, however, are not on their account at Canton; that is country trade.

3979a. Supposing the same quantity of tea to be required for the consumption of this country, and all the circumstances of the trade between India and China to remain the same, would the exchange be altered if the trade was thrown open, instead of being a monopoly in the hands of the Company?—I should think the exchange would very soon fall even lower than 3s. 11d.: that has been the case with Bengal.

3980a. What circumstances have caused so low a rate of exchange to prevail as 3s. 11d. per dollar at Canton?—I presume it must be owing to the large importations of opium, and perhaps to some increase in the importations of British manufactures.

3981a. How do you account for dollars being considered by Americans so favourable a provision as a means of purchase of tea, when the exchange is so low?—The Americans have, until lately, carried dollars to a great extent, on the calculation that they can transact their business with less charge of commission on that account; but they have of late taken credits

or



or bills in many instances; and I conceive it will turn in the same manner as it has in Bengal. Formerly dollars were carried there; now they are no longer carried.

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3982*a*. What is the price of the dollar at present in London?—The price of the ounce is 4*s.* 8½*d.*; 866 ounces make 1,000 dollars, which would bring it near 4*s.* 1½*d.* per dollar.

3983*a*. Would not this trade, like all others, be paid for in specie, or by drawing bills according as the rate of exchange might vary?—Undoubtedly the course of exchange would fluctuate, as in any other trade, if left to itself.

3984*a*. You stated that you thought if the trade were thrown open the exchange would fall still lower; for what reason do you entertain that opinion?—My belief is, that the exports to that country would be very much increased.

3985*a*. Do you mean the export of British commodities?—Of British commodities.

3986*a*. Are you prepared to give in to the Committee the calculation upon which you come to the conclusion that the Company derive a million and a half more profit than would remunerate the private-trader?—I have no calculation made, but I can give the Committee the materials for making one. I can give the cost of a given quality of tea at Canton, and taking the freight and charges, and the sale price here, the profit is ascertained; and I should state that in these times ten per cent. is considered a fair mercantile profit, and all gain beyond that would be so much gained by the Company beyond a fair profit; that is, private traders would sell their teas at a price so low that would leave only 10 per cent. profit, and probably even at less, and be satisfied.

3987*a*. What allowance ought to be made for wastage of the teas?—Very little.

3988*a*. As much as 5 per cent.?—I should think not, perhaps 2½ per cent.

3989*a*. Will you have the goodness to state to the Committee some of the materials of your calculation?—Take congou tea of the past year; I find the contract price of the highest quality is 29 taels, that would be about 13½*d.* per lb. I would add for the freight 3*d.* per pound, there would then be about 2½ per cent. loss of interest, as I am calculating for it to be paid for with the proceeds of bills drawn at six months' sight, and the teas would arrive here before the bills would be presented, and I suppose the charges here are about 2½ per cent. There would be another 2½ per cent. for the insurance, making altogether 7½ per cent., which upon 13½*d.* would be 101-hundredths of a penny, and then you have 17½*d.* as the cost and expenses of bringing the tea here; I add 10½ for profit.

3990*a*. Have you made any allowance for wastage?—That is embraced in the calculation of the cost per pound, in converting the peculs into pounds,



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pounds, and the tales into pence; I include that in the $13\frac{1}{2}d$. The total comes to $18\frac{86}{100}d$. I find that the highest sale-price of congou was $3s. 1\frac{1}{2}d$. Perhaps it would be safer to take the second price of congou, that is $2s. 7d$. that is the price obtained at the last sale of the East-India Company.

3991a. In making this calculation do you calculate upon having a profit upon the outward cargo?—None whatever. I have taken the freight at which ships can be chartered for the voyage out and home.

3992a. Do you consider 10 per cent. a sufficient profit upon an adventure of that kind?—Ten per cent. I should consider a brilliant profit.

3993a. You mean 10 per cent. beyond interest of money?—I have estimated interest of money in the charges.

THOMAS GORE LLOYD, Esq., Accountant General of the East-India Company, again called in, and examined.

T. G. Lloyd, Esq.

3994a. In what manner do you settle the upset price of teas at the India House?—The sterling amount of the several supplies to the Canton treasury are contrasted with the number of tales that those sterling amounts have produced, from which result we ascertain what has been the cost of one tale. For instance, we receive considerable supplies from India in cotton and in bills of exchange: these are brought into sterling money at the intrinsic value of silver at the Mint-price, and against this is stated the several products in tales in China; the consignments from England are also stated at their invoice cost, and on the other side is stated the number of tales the consignments have produced. In the year 1828-9 it was ascertained that we had supplied the Canton treasury to the amount of £2,213,022 sterling, which had produced in China 6,931,592 tales, thus ascertaining the cost of a tale to be $6s. 4d. \frac{624}{100}$ ths. After the rate of the tale is ascertained in the manner I have before mentioned, we add freight and demurrage. This freight and demurrage is what we call the commercial freight and demurrage, all that the ship has earned in her political capacity being deducted. We also add the expenses of landing, housing, warehousing, carting, preparing for sale, and all charges of merchandize. We add an insurance of three per cent. on the cost, with the premium covered; we add interest on the cost and insurance, two years; on freight and charges, one year, at five per cent. per annum; we add also the supercargoes' commission two per cent. on net sale amount, deducting charges.

3995a. Have you prepared any statement for the information of the Committee?—I have prepared an account, showing the rate per tale at which funds for the China investment were provided in season 1828-9; and I have also prepared an estimate of the cost, freight and charges of each species of tea per pound imported in the year 1829, calculated in the manner I have stated.

[The witness delivered in the same, which was read, as follows:]

No



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No. 1.—AN ACCOUNT showing the Rate per Tale at which FUNDS for the CHINA INVESTMENT were provided in Season 1828-9.

		£			
Balance of cash and available assets in China, end of season 1827-8, calculated at the rate per tale of that season, viz. 6s. 7.442d. per tale.....		81,040	Tales.....		244,827
<i>Supplies from India and England, 1828-9:</i>	£		<i>Amount realized in China, 1828-9:</i>		
BENGAL:					
Invoice amount of cotton (calculated according to the intrinsic value of the Sicca rupee at the mint price of silver, viz. 5s. 2d. per oz.).....	234,043	.....	Produced in China, Tales	850,518	
Freight of cotton by country ships, payable at Bengal, calculated at the same rate.....	20,280	.....		
Commanders' cotton bonds, do. do.	98,350	.....	Received ...do.....	326,718	
Bills drawn on Bengal, do. do....	562,592	.....	Do.....do.....	1,964,421	
MADRAS:					
Invoice amount of cotton, calculated at the intrinsic value of the Madras rupee, as before .	103,152	.....	Produced.....do.....	267,980	
Ditto sandal-wood, do. do.....	14,198	.....	Do..... do.....	65,728	
BOMBAY:					
Invoice amount of cotton, calculated at the intrinsic value of the Bombay rupee, as before...	94,291	.....	Do..... do.....	379,005	
Freight of cotton by country ships, payable at Bombay, calculated at the same rate.....	1,894	.....		
Commanders' cotton bonds, do. do.	53,480	.....	Received.....do.....	184,159	
ENGLAND:					
Invoice amount of consignments	717,504	.....	Produced.....do.....	2,164,133	
Bills and certificates drawn on the Court.....	135,813	.....	Received.....do.....	484,514	
Supra-cargoes' commission on the above outward trade, payable in England.....	24,772				
Freight of consignments from India to China, as above, by Europe ships, payable in England	71,613				
Total amount of supplies from India and England, including charges payable in India and England on account of the same		2,191,982	Total amount realized in China for supplies of the year.....		6,687,176
					6,932,003
			Deduct:		
			Amount paid for interest in the year		411
		£	Tales...		6,931,592
		2,213,022			

or at 6s. 4.624d. per tale, or 4s. 7.169d. per dollar.

East-India House, 12th November 1830.

THOS. G. LLOYD, Accountant-General.



30 March 1830.

No. 2.—ESTIMATE of the Cost, Freight, and Charges of

T. G. Lloyd, Esq.

	BOHEA.	CONGOU Winter Purchases, and below Contract.
	s. d.	s. d.
Prime cost, calculating the tale 6s. 4d. 624 the actual cost of a tale in China, season 1828-9 (<i>calculating the supplies from India to China according to the intrinsic value of the coins at the Mint-price of silver</i>) as per No. 1. }	0 9-666	0 11-679
Freight and demurrage.....	0 4-200	0 4-200
Expenses of landing, housing, warehouse-room, carting, preparing for sale, and all charges of merchandize }	0 1-600	0 1-600
Insurance 3 per cent. on cost, premium covered.....	0 0-299	0 0-361
Interest on cost and insurance two years, on freight and charges, one year, at 5 per cent. per annum..... }	0 1-287	0 1-494
Supra-cargoes' commission, 2 per cent. on net sale amount, deducting charges..... }	0 0-261	0 0-394
	1 5-313	1 7-723

The cost of the supplies furnished China through India is here calculated instead of the rate affixed to those coins by the Board of Commissioners for by this operation the teas are put up at a price below their actual cost and be 6s 10d. 417, instead of 6s. 4d. 624, as above.

East-India House,
12th November, 1829.

3996a. When was the value of the rupee settled by the Board of Control? —In the year 1814; the document, I believe, is before Parliament. There was a scheme prepared for the separation of the accounts, in conformity with the Act of 1813, which was laid before Parliament and printed.

3997a. When you talk of the standard value, under what authority does the Company determine the rate of exchange to be regulated by the standard value of the silver of this country?—That was the proposition that the Court of Directors have supported in a negotiation with the Board of Commissioners, respecting the rate of the rupee. It only has reference to the transactions between India and China, but no reference to consignments from England to China.

3998a. Then if it has only reference to the transactions between India and China, why does it govern the transactions between China and England? —Because the Company, in its commercial capacity, is charged with whatever supplies India remits for the provision of the China investment. The

Court



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each Species of Tea per Pound, imported in the Year 1829.

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T. G. Lloyd, Esq.

CONGOU. Contract.	CAMPOL.	SOUCHONG.	TWANKAY.	HYSON SKIN.	HYSON.
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
1 4.150	1 7.738	1 11.022	1 4.000	1 4.466	2 2.720
0 4.200	0 4.200	0 4.200	0 5.250	0 5.250	0 5.250
0 1.600	0 1.600	0 1.600	0 1.600	0 1.600	0 1.600
0 0.499	0 0.610	0 0.712	0 0.495	0 0.509	0 0.826
0 1.955	0 2.325	0 2.663	0 1.992	0 2.040	0 3.097
0 0.437	0 0.479	0 0.598	0 0.422	0 0.437	0 0.826
2 0.841	2 4.952	2 8.795	2 1.759	2 2.302	3 2.319

at the intrinsic value of the Indian coins, at the Mint-price of standard silver, the Affairs of India, in the transactions between the territory and commerce; charges. The cost of the tale at these latter, or the Board's rates, would

THOS. G. LLOYD.

Accountant General.

Court of Directors urged it to be an equitable rate to be established between the two branches for all those transactions. The commerce was in the continual habit of making advances on account of the territory; and the Court contended that the rupee should be charged to them at its intrinsic value, according to the Mint-price of silver, or 5s. 2d. per oz.

3999a. Supposing this, which the Company determined to be an equitable rate in its trade between India and China, should turn out to be a rate far above the prime cost, as declared by the course of exchange between China and England, would it not be a contravention of the Act of Parliament, which requires that the upset price of the teas should be valued at the prime cost?—I apprehend not, for this reason, that the rupee actually costs the commerce more.

4000. What is there in the Act of Parliament which has reference to the rupee, in determining the prime cost of teas in China?—Inasmuch as the



30 March 1830. Company draw a part of the supplies for the provision of their China investment by using their credit on India.

T. G. Lloyd, Esq.

4001. Suppose that the remittances from India to China should involve a loss of 100 per cent. above the prime cost at which teas might be procured in China by any other persons than the Company, do you think that that loss ought to be fairly charged to the prime cost of the teas in China in settling the upset price in England?—I apprehend, that whatever be the loss, it is what the teas have cost the Company.

4002. In the money of Bengal?—And the return they get for it.

4003. Supposing the value of the rupee to be 1s. 10d. at Calcutta, at what price do you estimate it in the adjustment of the account between India and China, and between China and England respectively?—The adjustment that we make, as between the territory and commerce, is at the rate fixed by the Board of Commissioners for the rupee, that is 2s. 3 $\frac{84}{100}$ d.; therefore I conceive that in charging 2s. as has been done in the upset price of teas, that upset price has been less than the tea has actually cost the Company; inasmuch as they have charged 2s. for that for which they have paid 2s. 3 $\frac{84}{100}$ d.

4004. In the paper you have delivered in it is stated, that in part-provision for the purchases of teas in China there had been drawn, by bills from China on the Court of Directors, for the season 1828-9, the sum of £135,813, for which there have been received in China 484,514 tales; that being the only part of this account in which there is a direct transaction between China and London for the cost of that money delivered into the Company's treasury in China, be so good as to state to the Committee what has been the price of the tale upon that transaction?—About 5s. 7d.

4005. Is that not the result of the direct exchange between China and London, as exemplified by the actual transactions of the Company?—Certainly.

4006. If the direct exchange makes the tale to cost only 5s. 7d., must not the whole difference between that and the exchange of 6s. 4d. and 624 decimals, be a loss to the Company, arising from the circuitous manner in which their funds are placed in Canton, or from the way in which the money is calculated?—It is quite clear that if the money be obtained by bills upon England, the tale would of course give considerably less than it does by the consignment of merchandize from India and England. We did not place the tale by consignment of goods from this country in that year at the same rate that we might have obtained it by bills upon the Court, and therefore the difference between the 6s. 4d. and 5s. 7d. is to be attributed to the mode in which the Company carried on their business.

4007. Then, in fact, they lost by their consignments of merchandize?—Yes, as compared with the rate of exchange for bills on England.

4008. And so they did by the goods sent from India?—Yes.

4009. Sup-



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4009. Supposing the goods sent from India had been calculated at 1s. 10d. for a rupee, what would have been the value of the tale then?—It would take some time to make the calculation. It is about 2d. in the rupee upon all the rupees that have been furnished through India; it would not have made a very considerable difference in the tale on the final result.

4010. You have stated that the real cost of the tale to the Company is 6s. 10d. and 417 decimals, so that the loss by this mode of supply must be the difference between 5s. 7d. and 6s. 10d. and 417 decimals?—It is so, presuming we could have obtained all our supplies by means of bills, which I conceive to be extremely doubtful. I think it very questionable whether we could have obtained bills for two millions sterling upon the Court in one season.

4011. Can you state how much of the money paid into the Company's treasury in Canton has arisen from the sale of goods there, and how much from exchange operations?—The exchange operations are, "Bills upon Bengal, 562,592," and "Bills upon England, 135,813;" making together, 698,405.

4012. Can you state to the Committee what loss you suppose to have arisen from the bills drawn on Bengal?—For the bills drawn on Bengal we pay the territory at the rate of 2s. 3 $\frac{84}{100}$ d.

4013. What is its intrinsic value according to the exchange?—The exchange, I apprehend, at that time was about 1s. 11d.

4014. Should not you consider that the Act of Parliament directing the mode in which the upset price of the teas should be fixed, meant that it should be done according to the actual cost of the teas to the Company, and not according to any arbitrary valuation of the rupee, or of any other coin?—I apprehend, certainly, that the Act of Parliament intended the teas should be put up at what they cost the Company; and by the operation we pursue, I conceive we fully comply with the Act of Parliament, because it actually has cost the Company to place the tale there, so much money as I have stated in the account I have delivered in.

4015. Could not the Company have placed the tale there, by your own statement, at a much more reasonable rate?—By drawing bills, certainly.

4016. Then must not your revenues in Bengal have been benefited to the extent of the larger price that has been put upon the tale, in so far as concerns that portion of the money which has been drawn upon Bengal?—The revenues of Bengal have been benefitted by the difference between the exchange of Bengal upon England, and the rate of 2s. 3 $\frac{84}{100}$ d., which is nearly 5d. in the rupee.

4017. And to that extent the upset price of the teas of the Company has been increased in the amount?—The upset price has certainly been increased in consequence of the mode we adopt; but not to the full extent of the



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the difference, because the upset price has resulted from calculating the rupee at the intrinsic value.

4018. Could you, looking at this paper, state to the Committee what is the per-centage of difference between the cost, as you have stated it to have been calculated, and the cost as it would be if it had been taken at the rate of the direct exchange?—It would make about 14 per cent.

Jovis, 1^o die Aprilis, 1830.

The Petition of Merchants, &c. of His Majesty's Colony of the Cape of Good Hope, presented to the House on the 9th day of March last, and then referred to this Committee, was again read.

ABRAHAM BORRADAILE, Esq. called in, and examined.

1 April 1830.

A. Borradaile,
Esq.

4019. You are resident in London?—I am.

4020. What is your situation as connected with the Cape of Good Hope?—I have been a merchant trading to the Cape for the last twelve or thirteen years; I am chairman of the Committee of the Cape Society, and the petition before the Committee was sent to me through the medium of the Commercial Exchange Committee at the Cape, begging that I would get it presented to Parliament.

4021. Are you prepared to support the allegations of the petition?—I am, perfectly.

4022. Can you state in what way the colony of the Cape suffer injury from the East-India Company's mode of exercising their exclusive right of supplying the Cape with tea?—In the first place, the East-India Company charge a higher price for tea than would be charged by a private merchant, if he were allowed to import it direct from China to the Cape. The next grievance is, that only two of the East-India Company's ships are allowed to touch there, which prevents the resort of shipping to the Cape, which is a thing highly advantageous to the colony. In the third place, it prevents any thing like a transit trade, which the situation of the Cape might occasionally offer advantages for.

4023. On what ground do you say that the Company charge a higher price for the tea than the same tea could be obtained for by the private trade?—I have here a calculation of what we apprehend the cost of tea to the Company would be at the Cape, and what they sell it for.

4024. What documents did you make the calculation from?—From the notoriety of the price of tea at Canton. We have taken the price of black tea at 20 taels a pecul.

4025. At



4025. At what rate of exchange?—As 6s. 4d. the tale British sterling, we make the tea to cost 1s. a pound in China.

4026. Do you take the same rate of exchange in estimating the Company's price as you do in estimating the price which a private trader would pay?—Yes; of course it is matter of surmise to us what the Company do pay.

4027. What is the tea usually consumed at the Cape?—I believe a kind of low souchong, or else congo tea.

4028. What does that cost at the Company's sales there?—They sell it for about 3s. 9d. a pound.

4029. What, according to your calculation, is the price at which it might be purchased?—We reckon that it only costs the Company at the Cape 2s. 5d. a pound; and that includes six per cent. profit, which we are told the Company agreed to supply the Cape for.

4030. To what sort of agreement do you refer?—I cannot exactly state that, but perhaps the Commissioners of Inquiry might be able to do so. They state in their Report, "that the price at which tea is sold has not been subject to much variation; and according to the terms of the agreement made between His Majesty's Government and the Directors of the East-India Company in the year 1806, ought not to have exceeded an advance of six per cent. on the cost freight and charges."* I do not know, of my own knowledge, whether such an agreement exists, but I do know that the East-India Company wrote to the Board of Trade, that they gave instructions to have it supplied at those rates. A letter showing this circumstance I have in my hand; the date of the letter is the 27th August 1825, "Office of Committee of Privy Council for Trade." It is addressed to myself, signed by Thomas Lack.

[The same was delivered in and read, and was as follows.]

"Office of Committee of Privy Council for Trade,
"27th August, 1825.

"Sir:—The Lords of the Committee of Privy Council for Trade having had under their consideration your letters of the 13th May and 12th July last, on the subject of the tea-trade at the Cape of Good Hope, I am directed to acquaint you, that the exclusive privilege of trading in that article being legally invested in the East-India Company, His Majesty's government cannot violate that privilege. A representation has however been made to the Court of Directors, with respect to the mode of supplying the Cape with tea under the provisions of their charter; and it appears by a communication received from the Chairman, that the East-India Company, in their original instructions to their agent at the Cape, directed him to frame his indents for the supply of that settlement with the view of the actual consumption of the colony; and that he was further directed to put up the articles to sale in small lots, and at an advance not exceeding 6 per cent. on the cost, freight and charges. That these indents were framed in accordance with the recommendation of the Burgher Senate, who were consulted on this subject; and, as a proof that there has been no deficiency in the supply, it is stated that the quantity of tea remaining

* *Mem.*—This was read by the Witness from the Commissioners' Official Report.

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Esq.



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A. Borradaile,
Esq.

remaining on hand at the end of each year, for seven years past, had always been equal to the consumption of some years.

"I am, Sir, your most obedient humble servant,
(Signed) THOMAS LACK."
25, Rood-lane."

4031. Have you made a calculation of the amount which you suppose the tea actually costs the Company at the Cape of Good Hope?—I have made such a calculation, which I will deliver in.

[The witness delivered in the same, with a printed notice attached, which were read as follows:]

NOTICE.

The *East-India Company's Stores* will be open every Thursday, from 10 o'clock A. M. to 2 o'clock P. M., for the disposal of China and India goods.—Terms—cash.

Five per cent. will be taken off the several articles in consequence of no vendue charges.

East India Company's Office,
Jan. 22, 1828.

W. HAWKINS,
Agent for the affairs of H. E. I. Company.

ESTIMATED Cost of a Pound of Black Tea imported from Canton in a Company's Ship into the Cape of Good Hope, 1830.

Taking the average cost of black tea at Canton at 20 tales per pecul of s. d.	
133½ lbs., and valuing the tale at 6s. 4d. British sterling, will cost, making	
allowance for breakage, &c about per lb. English	1 0
Shipping charges at Canton 5 per cent.	
Insurance 5 ditto	} 20 per cent. is..... 0 2½
Dues 10 ditto	
Freight at £22 per 1,120 lb. Company's ship, is	0 4½
Customs duty at the Cape of Good Hope 10 per cent. and valuing the	
tea at 3s. per lb., the value now paid on by the H. E. I. Company.....	0 3½
Landing, storage, postages, and other incidental expenses, may be well	
covered, if taken at per lb.....	0 2½
	1 1½
20 per cent. in first cost.	
Cost at the Cape of Good Hope, per lb.	2 1½

Sale Charges:

Five per cent. allowed by the H. E. I. Company for paying cash, and in	
their advertisements taken on the sale prices of 3s. 9d. per lb. is	0 2½
Six per cent. on first cost and charges, agreed the H. E. I. Company	
should have for their exclusive privilege	0 1½
	0 3½
	2 5

Making 2s. 5d. per lb. the Company ought to sell their tea at, whilst they rarely sell their lowest description at less than 3s. 9d. per lb.

4032. Have



4032. Have you also prepared a calculation of the price at which the same tea could be imported by a private merchant?—I have.

1 April 1830.

A. Borradaile,
Esq.

[*The witness delivered in the same, which was read, as follows :*]

ESTIMATED COST of a Pound of good Black Tea, imported from Canton in a private Ship to the Cape of Good Hope.

Taking the average cost of good black tea at Canton at 20 tales per pecul of 133½ lbs., and valuing the tale at 6s. 4d. British sterling, will cost, making s. d.
allowances for breakage, &c. &c. about..... 1 0

Charges at Canton:

Shipping and dues, about 15 per cent..... 0 1½
1 1½

Charges at the Cape of Good Hope:

Freight and primage, £8. 8s. per 1,120 lbs. is..... 0 1½
Insurance and policy, 5 per cent. on 15d..... 0 0½
Landing charges, storage, postage, and other incidental expenses
and warehouse rent..... 0 2½
Customs duty, valuing the tea at 3s. per lb., 10 per cent..... 0 3½ 0 8½

Cost of a pound of black tea at the Cape..... 1 10½

If we add to this sum of 1s. 10½d., cost of a pound of tea, with all charges, a profit of 25 per cent., it is presumed, if private traders will be found eager to enter into the trade, then its cost will be 2s. 3½d. per lb.

4033. You have in the first statement made an allowance of 10 per cent. of duties to be paid to the emperor of China on exportation; are you not aware that the emperor's duty on tea is charged in the cost of the tea?—I was not quite certain of that, and therefore I charged it both in the one and the other. I added it rather than have left it out, because it makes the calculation so much more in favour of the Company.

4034. Have you estimated the exchange of the tale at the same value in both accounts?—Yes.

4035. Are the Committee to understand, that if no export duty is charged above the price usually quoted in Canton, both those statements will be higher by the 10 per cent. which you have allowed?—Yes.

4036. You have estimated the emperor's duties and the shipping charges at Canton at 15 per cent.; do you know whether the Chinese merchants who sell the tea, ship the tea without any charge or not?—No, I do not.

4037. You have estimated the sale at 6s. 4d.; supposing, according to the present rate of exchange, the sale were 5s. 6d., what difference would that make in your estimate of the cost of the tea?—That would be a matter of calculation.