Report
from the select com:
mittee on sound dues.
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1856.

REPORT.

SOUND DUES.

Ordered, by The House of Commons, *to be Printed,*
22 *July* 1856.

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380.

Under 2 *lbs.*

REPORT

FROM THE

SELECT COMMITTEE

ON

SOUND DUES;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND

APPENDIX.

Ordered, by The House of Commons, *to be Printed,*
22 *July* 1856.

380.

Veneris, 6° *die Junii*, 1856.

Ordered, THAT a Select Committee be appointed to inquire into the Operation of the Sound Dues, and to consider in what degree they are detrimental to the Commerce of the Country.

Committee nominated,—

The Chancellor of the Exchequer.	Viscount Chelsea.
Mr. Disraeli.	Mr. Milner Gibson.
Mr. Villiers.	Mr. Bramley-Moore.
Mr. Newdegate.	Mr. Hutt.
Mr. Cardwell.	Mr. Robert Phillimore.
Lord Stanley.	Mr. Deasy.
Mr. Mitchell.	Mr. Duncan.

Ordered, THAT the Committee have Power to send for Persons, Papers, and Records.

Ordered, THAT Five be the Quorum of the Committee.

Jovis, 20° *die Junii*, 1856.

Ordered, THAT Mr. Newdegate be discharged from further attendance on the Committee, and that Mr. Liddell be added thereto.

Martis, 22° *die Julii*, 1856.

Ordered, THAT the Committee have Power to report their Observations, together with the Minutes of Evidence taken before them, to The House.

REPORT.

THE SELECT COMMITTEE appointed to inquire into the Operation of the SOUND DUES, and to consider in what Degree they are detrimental to the Commerce of the Country, and who were empowered to report their OBSERVATIONS, together with the MINUTES of EVIDENCE taken before them;——HAVE considered the Matters to them referred, and have agreed to the following REPORT:—

YOUR COMMITTEE have considered the matters referred to them, and have to report, that they have examined witnesses from different parts of the ountry, including merchants, manufacturers, shipowners, and others interested in he Baltic trade, (as well as the British Minister at Copenhagen), and have found a very general concurrence of opinion among them as to the effect and operation of the Sound Dues.

Your Committee did not consider it within their province to inquire into the right exercised by the Crown of Denmark to levy tolls on ships and merchandise passing between the German Ocean and the Baltic Sea.

It is matter of history that this country has acquiesced in the payment of these Dues for some centuries past, and that at this time they are paid and regulated under engagement by treaty made between the two countries for that purpose.

In the year 1840, and several previous years, complaints having been urged by the trade upon the Government of the injurious operation of these Dues, a revision of the tariff took place, and in 1841 the treaty (now in operation), purporting to give effect to the new regulation, was concluded in London.

The dues which are now imposed consist of a fixed duty levied uniformly upon all ships above 40 tons, and a smaller duty upon vessels of less tonnage, the proceeds of which are said to be applied to the maintenance of lights, buoys, and beacons; and also of duties on cargoes levied specifically on certain goods which are enumerated, and on all goods unenumerated, at the rate of one per cent. *ad valorem*, the amount of which is avowedly for the purpose of Danish revenue.

The mischief and inconvenience attending upon the payment of these Dues appeared a matter of great complaint among all persons engaged in this branch of our trade. This seems to arise partly from the rate at which they are levied, but mainly from the manner in which they are collected.

The detention of vessels, rendered necessary by the collection of Sound Dues at Elsinore, appears to be a fertile source of mischief and needless expense, which is not adequately measured by the payments actually made to the Danish Government. Competent persons, such as shipowners, and those who have commanded vessels in the trade, have stated to Your Committee that the loss of time consequent upon this circumstance may be estimated on an average to amount to one day in a voyage; for though it would be possible to comply with all the requirements connected with this impost in a few hours, yet owing sometimes to the loss of a favourable wind, or to the circumstance of a number of ships arriving at the same time, or to the arrival at a time when the Custom-house authorities were not bound to attend, or to the inducements which present themselves to the captains and crews when on shore to remain longer than they need, vessels are said to be detained occasionally for periods varying in time from one

day to three months; instances having been mentioned where, owing to this delay, at an advanced period of the season, vessels have been unable to quit the Baltic, and have remained in that sea during the winter. The risks of such prolonged detention apply less to steamers than to sailing vessels; but, on the other hand, the cost of detention is greater in the case of steamers.

The system under which vessels are cleared at Elsinore, by the agency of persons who derive their profit entirely from that business, has been shown to Your Committee to be attended with great expense and inconvenience.

The captains and masters of vessels are bound to go on shore, which they do either in their own boats with the crew of the ship, or in boats which go out to them, and which are paid according to a tariff, the charge varying with the state of the weather, and amounting occasionally to 5 *l.* and upwards; the latter mode, however, being preferred, in order to avoid the consequences of the crew going on shore. The captain is here met by agents, of whom there are about 50 at Elsinore, whose profits are stated by some of the witnesses to be very considerable. They undertake the clearance of the vessel, paying all the dues demanded at the custom-houses, on which they charge a commission of three per cent., and draw a bill on the merchant for the whole amount.

It is a matter of much complaint that these charges, which are only incidental to the payment exacted by the Danish Government, amount to more than the dues themselves, in some cases being double the amount; and an agent's account was submitted to the Committee, showing that the Dues properly so called amounted to one-fourth only of the whole charges for which the owner of the cargo was made liable; these are composed of various items, such as commission, expedition, translation, stamped paper, &c.; and though some of these charges are sanctioned by treaty, the account when delivered is seldom examined, and if questioned, redress is difficult to obtain.

Mr. Wilson, of Hull, says, "We have to take the account of our agents, and I do not see that we can check them; we should always be in a correspondence with them if we did; we are completely in their hands;" and witnesses admitting the correctness of the return that has been made by the Danish Government in the amount alleged to be paid by this country, namely, 70,000*l.* per annum, place the burden falling on British commerce at not less than between 200,000*l.* and 300,000*l.*

The loss from these superfluous charges is aggravated by the risk incurred by the captains delaying to return to their ships; many of them receive gratuities from the agents, either, as it is said, to disclose the full value of their cargoes, or as an inducement to employ the same agent again; and they are induced to lay out their money in the port, and are exposed to the temptations afforded by cheap intoxicating liquors. Great complaints have also been made of the temptations held out by the agents at Elsinore to captains to purchase stores unnecessarily.

Mr. Fleming, of Dundee, has given, in the following passage, a summary of the mischiefs which follow from the stoppage at Elsinore:—

"The delays ships meet with at Elsinore from having to remain for their necessary papers from the Custom-house is often the cause of many disasters. In fine weather the master may be on shore for two or three hours only, but if the weather is not fine he may be absent five hours, and occasionally much longer. The roadstead in spring and autumn is very exposed and unsafe anchorage, and frequently serious accidents occur, such as collision, slipping chains, parting from anchors, driving on shore; and sometimes ships are lost, and the crews drowned. A vessel arriving late in the afternoon must come to anchor, and by the time the captain gets his clearance business finished and returns on board and gets under weigh again, it is scarcely possible to proceed through the Grounds (channel) with daylight that day, and the attempt to proceed through that dangerous channel during the night very often terminates in the vessel getting ashore; and if assistance be required to get the ship off, a heavy expense is incurred to the owners and merchants. It often happens that during the time occupied in attending to the clearance business a change of wind occurs; and from the peculiar nature of the channel the direction or course desired to be steered, change

change of currents, &c., vessels may be delayed for a number of days; whereas if they could have proceeded without having to stop, the voyage might have been accomplished instead of being at anchor. When the captain goes on shore at Elsinore he gives his papers to the agent, who does the Custom-house business. There are many agents, and the captain employs whom he thinks proper, unless otherwise ordered by the owner, or unless the charterer binds him to clear with a particular agent. Each voyage a gratuity of 20 *s.* to 30 *s.* is allowed by the Elsinore agent to the owner, charterer, or captain, according to arrangement; the captain is also allowed half-a-dozen of wine, or equivalent in money or tea, and if a new ship a china punch bowl. The captain may go on shore with his own boat in fine weather, but in bad weather it is necessary to employ a shore boat, the charge for which varies according to the state of the weather from one to three guineas, and even as high as five guineas. Three is another circumstance which renders it almost indispensable to employ shore boats, namely, the risk of the ship's boat's crew, in the absence of the master attending to the clearance business, getting intoxicated. The men have many opportunities while on shore of obtaining spirits, and it is more prudent to keep the crew on board. There is also another class of boats, called bumboats, which come off from the shore for the purpose of buying old ropes, bones, or anything else on board of the ship, and instances have occurred of part of the cargoes having been sold; besides, the same boats take off spirits, tobacco, &c., which are more readily sold when the captain is absent. Each agent in Elsinore keeps a general store for supplying the ships clearing with him, but the prices are usually about 10 per cent. higher than those current at the shops. In settling the amount of clearing dues and cost of supplies, the captain gives his draft or bill on the owner, at one to three months' date, which bill is transmitted by the Elsinore agent to his correspondent in this country, who collects the money, and for which a commission, varying from two to five per cent., is received by the latter. Should a ship clear on a Sunday, an additional charge of 5 *s.* is made, and when a ship passes downwards without stopping for clearance, a fine is paid, as already mentioned. Perhaps I may be allowed to refer to two letters which have been addressed to the secretary of the Chamber of Commerce of Dundee, confirming the statement which I have just made."

See Answer to Q. 1640, pp. 99, 100.

Upon reference to other evidence, it will be seen that strong and unvarying testimony is borne to the mischief arising out of the detention of vessels at Elsinore, and indeed some of the witnesses connected with the shipping interest state that the evil of the detention is greater than the evil of the payment. It would be difficult to suggest any relief to the trade for this evil, short of rendering it unnecessary for vessels to stop for the purpose of paying these dues in future.

The apparently arbitrary rates at which these duties are fixed is also the subject of complaint.

The duties leviable on the articles enumerated in the tariff do not appear to have been adjusted in 1841 to the value of the goods at that period, although it is alleged that in 1645 the duties were regulated according to their value; the great difference which has taken place of late years in the cost of their production must leave the rates now without any certain relation to the real value.

It is indeed a question raised by Denmark, whether, by the treaty of Christianople (1645) or any subsequent treaty, it was ever intended that the duty on the enumerated articles should be charged *ad valorem*, and practically at present there is no guide but the tariff for determining the amount of duty. It appears, however, that all the unenumerated articles were intended to be rated upon that principle: and upon the general belief that the dues on these goods ought to be one per cent. only, there is much complaint that, in fact, the duties are much higher, rated even according to their value in 1841. It is but just also to state, that it has been shown that in the case of some goods exported from the Baltic the rate is less than one per cent.

There can be no doubt, however, that on many important articles, whether named in the tariff or not, the duty levied is actually much higher than one per cent. Mr. Bowring, Registrar of the Board of Trade, says, "I have a list of articles here upon which the duty is more than one per cent.; they are sugar,

coffee, sulphur, spices, salt, cotton, iron, rice, saltpetre, wine, shumac; all of which are chiefly imported into the Baltic."

Mr. Higgen, of Liverpool, salt-manufacturer, who exports largely of salt to the Baltic, says that the duty now levied upon that article, according to its present value, is 12 per cent., and the trade is more limited than it would be in consequence; and he considers that not less than 6,000*l.* a year is paid for dues on English salt to the Danish Government. Mr. Stephen West, an importer of wood, says, "We are at this moment importing deals from Russia which will cost us 5*l.*, and probably in the same ship we shall have others that will cost us 10*l.*, but the same charge is made upon us for Sound Dues." And he further alleges that the dues payable on deals from Russia are only 1 *s.* 9 *d.* per hundred, whilst those from Prussia pay 2 *s.* 3 *d.* Mr. Pearson, of Hull, says, that indigo pays at the rate of 10 *s.* to 12 *s.* a chest, while the whole freight upon that to St. Petersburg is only 8 *s.*, so that the duty is 2 *s.* more than the actual freight, and that upon worsted yarn it is nearly 1 *d.* a pound, the freight being about 6 *d.* a foot, equivalent to 20 *s.* a ton, while at 1 *d.* a pound, the Sound Dues will amount to 9 *l.* 10 *s.* a ton.

The Sound Dues, therefore, as they are levied at present, combine in them what is most objectionable in taxes that fall upon trade; they are unequal in their operation, and they occasion great loss of time, and much needless expenditure in the collection of a comparatively small revenue, and, as far as the cargoes are concerned, without professing to be raised for any service rendered in return, tend to impede and burden an important branch of trade.

Under these circumstances, Your Committee have no hesitation in declaring that these dues are the cause of annoyance and injury to British commerce, and that they deem it therefore highly desirable that they should be abolished.

Your Committee are the more induced to form this opinion by the circumstance that Denmark, from her geographical position, appears to possess a territorial monopoly in all the practicable routes that could be substituted in passing from the German Ocean to the Baltic Sea, by which the payment of these dues could be avoided; and while she continues to levy tolls on the passage of the Sound she can always protect this source of her revenue by imposing countervailing duties on the transit by land through her territory.

It appears to this Committee that Denmark has already manifested her intention to act upon this policy, seeking to confine the trade to its ancient course by sea, for, simultaneously with any railway communication being opened through her territory, transit dues have been imposed, which, from their amount, practically operate as a protection of the Sound revenue.

Mr. Buchanan, the British Minister at Copenhagen, has stated that it was notorious in that country, and that he had no doubt of it himself, that this was the object of the duties which have been imposed on goods passing on the railway between Hamburg and Lubeck, and he feels equally confident that upon the abolition of the Sound Dues they would at once be greatly reduced. Other witnesses have expressed their opinion, that, but for the transit dues, a much more extended use would be made of this railway, especially at seasons of the year when relief from the risks of sea would compensate the merchant for any loss or inconvenience occurring from the transhipment of goods.

It has been given in evidence that a railway lately has been completed between Tonningen and Flensborg, and which passes through Danish territory, and which purports to convey goods clear of the Sound Dues, but the Committee have not been informed of the extent to which they have been already made subject to transit dues.

Your Committee would strongly recommend that in any negotiation that may take place for the abolition of the Sound Dues, the fullest consideration should be given to the means of securing a like freedom for trade in the transit through any part of the Danish territory.

By means of documents that have been directed to be laid before this Committee, as well as by statements made by Mr. Buchanan on the subject, Your Committee have become informed of the proposal that has lately been submitted by the Government of Denmark to the Government of Her Majesty,

Majesty, as well as to other foreign states, with a view to the abolition of the Sound Dues, and they have heard from some of the witnesses opinions as to the justice and practicability of the plan. Other measures have also been brought under the consideration of the Committee, having likewise in view to remove or mitigate the evils connected with these dues of which the trade so earnestly complain.

Your Committee does not feel in a position to pronounce any confident opinion upon the respective merits of these propositions, but they deem it important to notice, that in all of the plans, whether the one which has been made by the Danish Government, or those which have either originated in other countries, or been suggested by individuals in this country, there seems to be no difference of opinion as to the data on which the calculation for a just settlement of this question should proceed; namely, the payments annually made to the Crown of Denmark on account of Sound Dues, neither does it appear that the accuracy of the returns to this effect, which are exclusively derived from Danish authority, is seriously called in question.

Mr. Buchanan says that their accuracy was not doubted at the Congress assembled at Copenhagen to consider the subject, and that he is satisfied from the freedom and absence of reserve with which access to the entries at the Custom-house was offered to himself, as also from the coincidence with the financial accounts presented to the Danish Legislature, that there is no reasonable ground for mistrust.

Doubts have been expressed to this Committee by some witnesses, whether, in case of compliance with the proposition of Denmark, namely, to receive at once a sum representing the capital value of the payments annually made on account of Sound Dues, any guarantee would remain for the maintenance of lights and buoys so essential for the safety of navigation in that sea; and whether on this account it would be expedient that any pecuniary indemnity should consist of annual payments remitted by this Government to the Government of Denmark. It is difficult, however, to express any opinion upon this matter, without previously knowing what other arrangements Denmark might propose to make for this purpose.

The question on which there appears to be some real difference of opinion is, as to the mode of providing in this country for the payment of the sum required for the redemption of these dues, should that course be determined upon; whether the burden should be borne exclusively by the merchants and shipowners engaged in the Baltic trade, or whether by the country at large. The view taken by some of the most intelligent witnesses, that the chief exports from the Baltic being of general consumption in this country, the duties on them (though borne at first by an especial branch of trade), enter into the cost of the article, and fall ultimately on the general consumer, appears to be well-founded, and so far to warrant the opinion that compensation in this case might properly be charged on the general resources of the country. The Committee, however, have observed that among those whose interests would be affected by it, no strong objection has been expressed to the charge being cast on the particular trade, and the reason assigned against this plan has been less on the ground of injustice than that of the difficulty and inconvenience that would be found in giving it effect.

There can be little doubt that the trade would, in consideration of being relieved from the burden and inconvenience connected with the present payment of these dues, gladly agree to substitute in their place a direct payment either to this Government or to that of Denmark, equal in amount to that which can now be legally claimed of them; but it is manifest that great practical difficulties would arise in giving effect to a system of differential duties imposed upon produce imported into the United Kingdom from the Baltic which would be thus rendered necessary.

On these points, however, the Committee forbear to express any opinion. It will be for The House to decide on the means that may be proposed by the Government of this country for carrying into effect any arrangement with the Crown of Denmark for the abolition of the Sound Dues.

Your Committee deem it, however, their duty to observe that the longer the settlement of this question is delayed, the larger will probably be the receipts by Denmark

Denmark for which compensation will be demanded; and they have further to remark that the course recently taken by the Government of the United States has created a state of things which demands from this country a speedy and practical solution. Your Committee have learnt from Mr. Buchanan, that the Government of the United States have announced their intention of discontinuing the payment of the Sound Dues, after the expiration of a year, dating from the month of June last, and that a specific offer of compensation has been made by that Government to the Crown of Denmark, calculated on the same proportion to their previous payments as the proposal which has been made by Denmark to this country, and which it is understood the Danish Government are ready to accept. If an exemption from the Sound Dues could be granted by Denmark to one nation, it would give to that nation an undue advantage in the carriage of the trade with the Baltic. Your Committee therefore think that the proposals made by the Danish Government to the Governments of the different States interested in the navigation and trade of the Baltic, amongst which Great Britain holds the first place, should receive immediate consideration, and become the foundation of a final and satisfactory settlement of the question.

22 *July* 1856.

PROCEEDINGS OF THE COMMITTEE.

Martis, 10° *die Junii*, 1856.

MEMBERS PRESENT:

The Chancellor of the Exchequer.
Mr. Villiers.
Mr. Disraeli.
Mr. Duncan.
Mr. Mitchell.
Mr. Bramley-Moore.
Mr. Robert Phillimore.
Mr. Milner Gibson.

Mr. *Villiers* was called to the Chair.

The Committee deliberated as to their course of proceedings.

[Adjourned till Tuesday, at One o'clock.

Martis, 17° *die Junii*, 1856.

MEMBERS PRESENT:

Mr. VILLIERS in the Chair.

Mr. Mitchell.
Mr. Cardwell.
Mr. Deasy.
The Chancellor of the Exchequer.
Mr. Disraeli.
Mr. Hutt.
Mr. Bramley-Moore.
Mr. Duncan.
Mr. Milner Gibson.

Mr. *E. A. Bowring* examined.

[Adjourned till Friday, at One o'clock.

Veneris, 20° *die Junii*, 1856.

MEMBERS PRESENT:

Mr. VILLIERS in the Chair.

Mr. Bramley-Moore.
Mr. Hutt.
Mr. Liddell.
Mr. Milner Gibson.
Mr. Mitchell.
Mr. Disraeli.
Mr. Duncan.
Mr. Deasy.
The Chancellor of the Exchequer.

Mr. *Zachariah Pearson*, Mr. *Thomas Thompson*, and Mr. *Richard Park* examined.

[Adjourned till Tuesday, at One o'clock.

Martis, 24° *die Junii*, 1856.

MEMBERS PRESENT:

Mr. VILLIERS in the Chair.

Mr. Disraeli.
Mr. Bramley-Moore.
Mr. Liddell.
Mr. Duncan.
Mr. Hutt.
Mr. Mitchell.
Mr. Deasy.
Mr. Milner Gibson.

Mr. *Thomas Arnott*, Mr. *Thomas Higgin*, Mr. *Christian Allhusen*, Mr. *John Ormston*, and Mr. *Michael Haveloch* examined.

[Adjourned till Friday, at One o'clock.

LIST OF WITNESSES.

Martis, 17° *die Junii* 1856.

Veneris, 20° *die Junii*, 1856.

Martis, 24° *die Junii*, 1856.

Veneris, 27° *die Junii*, 1856.

Martis, 1° *die Julii*, 1856.

Veneris, 4° *die Julii*, 1856.

Veneris, 11° *die Julii*, 1856.

Martis, 15° *die Julii*, 1856.

MINUTES OF EVIDENCE.

Martis, 17° *die Junii*, 1856.

MEMBERS PRESENT.

Mr. Mitchell.	Mr. Cardwell.
Mr. Deasy.	Mr. C. P. Villiers.
The Chancellor of the Exchequer.	Mr. Duncan.
Mr. Disraeli.	Mr. Bramley Moore.
Mr. Milner Gibson.	Mr. Hutt.

THE RIGHT HON. C. P. VILLIERS, IN THE CHAIR.

Edgar Alfred Bowring, Esq., called in; and Examined.

E. A. Bowring, Esq.

17 June 1856.

1. *Chairman.*] YOU hold a situation in the Board of Trade?—I am Registrar to the Board of Trade.

2. Have you by that means acquired any information upon the subject of this inquiry, namely, the operation of the Sound dues?—Yes, I have had occasion to inquire into it.

3. Will you state what information you have respecting the existence and origin of the Sound dues, and the obligation which this country is under for the payment of them?—It is known that the Sound dues have existed for a period of more than 500 years. There are documents now existing which prove that they were levied at a remote period by the Danes, who were then proprietors of both sides of the channel, and who therefore had no difficulty in levying them, either by the law of might, or by what was then thought the law of right.

4. Subsequently there have been treaties with different states upon the subject; will you refer to these treaties?—The first treaty in which the right of Denmark to levy these dues was assumed, was the treaty of Spire, concluded with Holland in 1544. Then they introduced a distinction between privileged and unprivileged nations. England was at that time an unprivileged nation, as were also Scotland, France, Portugal and Russia, and paid dues as such; viz. at the rate of one per cent. *ad valorem*. It is important to bear this in mind, inasmuch as it shows that at that time even unprivileged nations were not to pay more than one per cent., which rate was however afterwards applied to privileged countries as well. Privileged countries then paid quite nominal duties. The first treaty I find recognising the Sound dues was in 1544, and the earliest tariff extent is that of 1558.

5. Do you find the distinction between privileged and unprivileged nations in that tariff?—I do; the unprivileged paid a rose noble, or nearly a pound of our present money per vessel, and one per cent. upon goods, except in the case of wine, which paid 3 $\frac{1}{3}$ per cent.

6. What did the privileged vessels pay?—Holland, and the Hanse Towns, being privileged, paid six barrels of salt in kind, for which they received a gold florin in return, and there was a duty also on wine, but there appear to have been no other duties upon goods; and in the case of salt it was a purchase at a nominal sum. Then as respects the dues on vessels, the Hanse Towns were divided into three categories. The Vandal Hanse Towns of Lubeck, Hamburgh, Rostock,

E. A. Bowring, Esq.

17 June 1856.

Rostock, Stralsund, Wismar, and Luneburg had free ships and goods, but paid from one to three rose nobles for vessels with foreign goods; and the ten Eastern Hanse Towns, Dantzic, Konigsberg, Riga, Revel, Pernau, Stettin, Griefswald, Wolgast, Elbing, and Colberg paid one rose noble for their own goods, and in their own ships, and two rose nobles for foreign goods.

7. Was that subsequent to the treaty with Holland?—This is at the time when they seem to have first introduced those distinctions; and lastly, Holland and the Western Hanse Towns paid one to two rose nobles per vessel. According to the tariff Amsterdam had freedom for wine. Then the next treaty bearing upon the subject was in 1645; there were two treaties then concluded; one with Sweden, the treaty of Bromsebro, in which Denmark ceded various provinces to Sweden, and also exempted her from the Sound dues; and in the same year the treaty of Christianople was concluded with Holland, which contains the first regular tariff by which specific duties were levied. They were intended to be one per cent., and unenumerated articles were to pay duty "according to old custom."

8. Did they then reduce their whole system to one rule?—They did.

9. Applicable to all countries?—Applicable to privileged countries.

10. Mr. *Hutt.*] Was it not the case that the tariff which was then agreed to included all the articles that were at the time known to commerce?—It was; and so little did they expect other articles, that they were content to lay down the indefinite rule that unenumerated articles were to pay according to old custom. Then in 1670 the treaty of Copenhagen for the first time applied this tariff to England. That is the first time there appear to have been any treaty stipulations between England and Denmark upon the subject.

11. *Chairman.*] What are the provisions of that treaty?—It applied the Christianople treaty with Holland to England.

12. The treaty of Copenhagen became the treaty between England and Denmark?—Yes.

13. The effect of that treaty was to apply the tariff of 1645 to England?—Precisely so, the tariff and the treaty of Christianople. It appears that the phrase "according to old custom," used in the former treaty with regard to unenumerated articles, must have led to difficulty, because we find that in 1701 a second treaty was concluded with Holland; that is the second treaty of Copenhagen (the first having been with England), which re-enacted the tariff for enumerated articles, and then provided, for the first time, that one per cent. should be paid for unenumerated articles (the duty upon unprivileged countries being 1¼ per cent.), and that light dues should be paid of four specie rix dollars upon vessels with cargoes, and two upon vessels in ballast, which is equal to about 18 *s.* and 9 *s.* respectively. There is often a great deal of confusion in these matters, owing to Denmark keeping her accounts in two kinds of dollars, the specie rix dollar being double the value of the ordinary rix bank dollar. The term Sound dues, I consider to include all dues levied in the Sound, whether light dues, or other dues paid for services rendered, or dues upon goods. The next treaty was the treaty of Fredericksborg with Sweden, concluded in 1720, after long wars. The people of Sweden renounced their exemption from Sound dues, and ever since that time she has continued to pay them like other nations. In 1814 the treaty of Kiel with England and Sweden confirmed the right of Denmark to levy the Sound dues upon Sweden, although Sweden had been victorious in the war. But as a compensation she had Norway ceded to her. At the same time I think Heligoland was ceded to England. I find that up to the year 1815 the Sound dues went into the King's private coffer; it was only then that they went to the State, and it was not till 1835 that they appeared in the Danish Budget.

14. In 1814 or 1815 the Sound dues were recognised generally throughout Europe?—They were generally recognised throughout Europe at that time. I believe it is understood that at the Congress at Vienna the matter was under discussion; but the King of Denmark was at Vienna, and great pity was felt for him in consequence of the bombardment of Copenhagen; and the subject is not referred to in the treaty of Vienna, although that treaty provided, in the case of river tolls, for their periodical revision by the bordering states.

15. Mr. *Hutt.*] The Sound dues were not referred to at all in the treaty?—No, I believe not; I have a list of the countries with which Denmark has treaties on the subject of the Sound dues; but some of them were concluded subsequently

quently to the British treaty of 1841; so that perhaps the Committee would like to take up the treaty of 1841 first.

16. *Chairman.*] Will you state what that treaty was?—It appears that memorials had been presented to the English Government, complaining that Denmark had departed from the principle of charging one per cent. upon which she ought to have levied those dues. In the years 1840 and 1841, negotiations were carried on between our Government and the Danish Government for a revision of the Sound tariff, and also for putting the whole question of the Sound dues upon a satisfactory footing, and they resulted in the treaty of August 1841.

17. There was a treaty in 1841 in consequence of those representations?—In consequence of those representations we concluded a treaty.

18. Will you tell us the provisions of that treaty?—It was concluded on the 13th of August 1841, and accepted by Sweden and Russia, and Prussia afterwards accepted it, although she does not appear to have been consulted with reference to it. The chief provisions of the treaty are the following: it provides first for the maintenance of the tariff of Christianople of 1645 as a general rule. Then in the case of about 40 articles, which were at that time unenumerated, a duty calculated at 1 per cent. was for the first time established; it was calculated at the rate of 1 per cent., but converted into a specific duty. In the case of 70 other articles the duties were reduced.

19. Were they reduced below 1 per cent.?—No; below the rates at which they formerly were. Under the present tariff it is a specific fixed duty, supposed to be calculated at 1 per cent. upon the value; there are nearly 500 articles enumerated in the Sound tariff, and in 110 cases (that is, 40 previously unenumerated, and 70 previously enumerated), decided reductions were made, but in the case of the remaining articles, between 300 and 400 in number, the old rates were left exactly as they were in the tariff of Christianople.

20. Although the duty was a fixed duty it was still called a duty of 1 per cent.?—It was still supposed to be a duty of 1 per cent; it does not appear in the tariff, but I believe that in the cases in which they altered the duties, they reduced them to what was supposed to be 1 per cent. The principle they acted upon was to take the average price at the port of shipment for a period of 10 years, and levy 1 per cent. upon that; that was the case in 1841, when they negotiated the treaty.

21. Mr. *Bramley Moore.*] Were not the duties reduced in 1841, nearly one-half?—The duties were reduced in the case of the articles I mentioned, but in the case of the remaining articles, which were nearly 400 in number, the duties now are the same as those charged 200 years ago, and although at the time they may have been 1 per cent., yet most of the things have grown so much cheaper now, that the duty upon them really comes to more than 1 per cent. There are nearly 400 articles enumerated in the tariff of Christianople, that were left untouched in the reformed tariff of 1841. Then I also find that for the first time the treaty of 1841 recognised certain privileges enjoyed by Denmark, which had never previously been conceded to her by treaty. There is the obligation for the master to come on shore, which is for the first time imposed by the treaty: certain fees, inspectors' fees, interpreters' fees, and all other existing fees, together with the consolidation and recognition of small fees, which although they had previously existed, had never had the sanction of a treaty, were for the first time solemnly confirmed; and lastly, the light dues, which as I have already mentioned, had been four specie rix dollars on vessels with cargoes, and two on vessels with ballast, were increased to $4\frac{1}{2}$ and $2\frac{1}{4}$ respectively, upon the ground of Denmark erecting certain fresh lights for the protection of the navigation.

22. Have you a copy of this treaty?—I hold in my hand a certified copy from the Danish Government.

23. That is the treaty now in force?—That is the treaty now in force.

24. Mr. *Hutt.*] What were the conditions of the duration of that treaty?—It was for 10 years, with power to denounce it on 12 months' notice.

25. Might not notice have been given of its termination in 1852?—On the 15th of June 1851. It came into force on the 15th of June 1841. I find also that the heavy pilotage and boatage fees which were much complained of by the British shipowners, were left untouched by the treaty; they remain as they were.

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26. Mr. *Mitchell.*] Have the British shipowners also to make payments to those engaged in the collection of the dues?—They have to pay the fees I have mentioned. The inspector's fee of 5 *s.*, the interpreter's fee of 3 *s.*, and a quantity of minor fees.

27. Mr. *Hutt.*] Denmark had always insisted upon their being paid, but they were for the first time recognised in that treaty?—Precisely so.

28. Is not that the first recognition of a higher rate of duty than one per cent.?—Only in the same way as in the treaty of 1645; it is not expressly stated that they shall not exceed one per cent; it is understood that the principle was, that they should be one per cent.

29. That was the principle of the treaty of Christianople?—Yes.

30. Was that principle observed in 1841?—It was in the case of the articles the duty on which was altered.

31. It was not uniformly so?—It was not uniformly so.

32. Mr. *Mitchell.*] Are you aware that the payment made for fees to the different *employés* amounts to almost as much as the amount collected for the light dues?—It is very nearly the same; it is nearly 50 per cent. of the whole dues upon the ships.

33. *Chairman.*] Will you proceed with your enumeration of the provisions of the treaty of 1841?—I have specified the chief provisions of the treaty itself; the other points relate mainly to reductions made in the duties leviable by the tariff.

34. The tariff is provided for by the treaty?—Yes; it is not published with the treaty; but the treaty provided for a revision of the tariff, and it was completed later in the year.

35. Mr. *Bramley Moore.*] When you stated that the charges registered are nearly equal to the duty on the ships, do not you refer to the duty upon the ships alone, exclusive of the cargoes?—Precisely; they are nearly equal to the charges for light dues and buoy dues.

36. Mr. *Deasy.*] Is that treaty still in force?—It is still in force.

37. Mr. *Bramley Moore.*] Has any notice been given with a view to its termination?—I am not aware of any such notice. The articles chiefly affecting this country upon which the duties were reduced, appear to be cotton yarn and manufactures, dye-woods, coffee, raw sugar, timber, and deals; those are articles on which the duties are named in the tariff, and reduced.

38. *Chairman.*] If England were to give notice to put an end to the treaty, she will, in consequence of the cessation of that treaty, be remitted to the former state of things; would she then be in a better position or a worse position as to the Sound dues?—I apprehend that she would be in the position provided for by the old treaties, the treaties of Christianople and Copenhagen.

39. Would that be a better position or a worse position than she is in at present?—It would be a worse position, probably.

40. Mr. *Hutt.*] Would she be in a worse position, considering that the treaty of Christianople provided for a maximum duty of one per cent. upon all articles passing through the Sound?—It scarcely provides for a maximum duty.

41. Although there was a deviation from it, was not that the intention of the treaty?—That was the intention of the treaty doubtless.

42. Has it not always been a subject of contention between the states who pay the duty, and Denmark who receives it?—Yes.

43. This country contended that one per cent. was the maximum duty that Denmark was empowered by the treaty to levy?—That appears to have been the view taken in 1841.

44. If this treaty now in existence were to terminate, would not the country fall back upon the treaty by which Denmark would be obliged to levy no higher rate of duty than one per cent. *ad valorem*?—She would fall back upon the treaty whereby Denmark is enabled to levy certain fixed rates of duty.

45. Has not Great Britain always contended that those fixed rates were illegal, and that the tariff ought to be altered?—In the treaty of 1841 we allowed the tariff to remain in the case of certain articles.

46. Is it not the fact that upon those articles the duty was not found to exceed one per cent?—I presume that must have been the opinion of the negotiators.

47. *Chairman.*] Will you tell us the remaining contents of the treaty?—I think I have enumerated all the chief provisions of the treaty itself, as far as the duties

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duties upon goods and also the duties upon vessels are concerned. I find that at the time when Denmark made those reductions in the duties in 1841, she informed the United States Government that they would effect "a most sensible reduction in his Majesty's finances," which appears to be very different from the actual result, for Denmark, so far from having lost, has been a most important gainer.

48. Did not that treaty put us in a better position than we were in before, and if it was to expire, and we were to fall back upon the old treaty, would not our position be worse than at present?—I think so; we should pay higher duties upon those 110 articles which are there enumerated. With reference to the remaining articles, we should pay just the same as at present.

49. Mr. *Hutt.*] That is, if Denmark were permitted to continue those charges which this country maintained to be illegal?—Yes.

50. *Chairman.*] Can you inform the Committee as to the mode in which this treaty has been acted upon; whether there has been anything unjust upon the part of the authorities of Denmark in the mode of levying the dues?—No; I think Denmark has steadily adhered to the provisions of the tariff, and has never exacted more than the rates and duties allowed by the tariff.

51. Mr. *Hutt.*] Inasmuch as the cost of the production of many articles has considerably diminished since 1841, the tariff which was at that time arranged upon the principle of one per cent. duty, has become a much higher tariff?—It has.

52. *Chairman.*] Was there any provision in the treaty against that very probable occurrence?—No; on the contrary, the tariff still maintains the fixed rates upon all the articles enumerated in the tariff. If instead of the tariff being a fixed tariff upon each article, they had stated that there should be a duty of one per cent. *ad valorem*, we should have been in a better position than we are in at present.

53. Practically speaking, the trade has complained of the operation of the treaty?—I apprehend so, and I apprehend that more than one per cent. upon the value of the articles has been charged in many cases.

54. Have you any information as to the extent in which that is felt as a grievance, or do you know to how many articles that will apply?—I have a document here, which was laid before the Prussian Chambers last year, showing that in the case of the articles imported into Prussia by the Sound, the average amount of the duty is as nearly as possible 2 ½ per cent.

55. Does that apply to goods imported from England?—No, to general imports; they seem to be chiefly colonial produce. They give two or three specimens of the dues that are taken actually. They have given a catalogue of the cargo, and the value of each article composing it, and shown what the Sound toll ought to be at the rate of one per cent., and also what the Sound toll actually was.

56. Is the treaty with Prussia the same as ours?—Their treaty is the same as ours: the tariff is the same on the carriage of goods; it is applied to all nations equally, including Denmark herself, and including Sweden, who holds the other side of the Sound.

57. Mr. *Bramley Moore.*] Have not the treaties been all the same since 1826?—The treaties have been all the same since 1826.

58. The United States were only admitted upon the same principle as the rest in 1826?—It was so with the United States in particular. I have a list of the countries with which Denmark has treaties upon the subject, recognising these dues. The treaty with Austria was concluded in 1834; with Belgium in 1840; with Brazil in 1828; with France in 1742 and 1749; with Great Britain in 1670 and 1841; with Hamburgh in 1760 and 1768; with Lubeck in 1840; with Bremen in 1835; with Holland in 1645 and 1701; with Mexico in 1827; with Norway in 1841; with Oldenburg in 1841; with Prussia in 1818 and 1846; with Russia in 1782 and 1831; with Spain in 1798; with Sweden in 1720 and 1841; with the United States in 1826; and with Venezuela in 1838. I also find that Hanover, Greece, Mecklenburgh, Naples, and Portugal, are likewise considered as privileged nations by Denmark. And it appears that Buenos Ayres, Peru, Rome, Sardinia, Turkey, and Tuscany, are unprivileged nations, and are therefore liable to pay 1¼ per cent. on unenumerated articles, instead of 1 per cent.

59. *Chairman.*] Is there any country which has any trade with the Baltic which has no treaty with Denmark?—The unprivileged countries have very little

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little trade there; there was a vessel from Buenos Ayres, for instance, a year or two ago, but the trade with such countries is quite unimportant.

60. Mr. *Bramley Moore.*] The trade of those countries is unimportant, as far as their own flags are concerned?—Yes.

61. As regards the produce of those countries the trade is very heavy?—Doubtless it may be, in some cases.

62. The trade is all carried on under other flags?—Certainly. In the return to the Prussian Chambers, which I have just mentioned, in the case of the ship "Weickhmann," I find that in certain cases the duty appears to have been rather under one per cent.; here is a specification of all the articles imported there. In the case of cotton the duty they took was 2·15 per cent.; in the case of rice nearly three per cent.; in another case of cotton again, it was more than 2½ per cent.; in the case of rosin, 2¾ per cent.; in the case of tin, not quite three-quarters per cent.; in the case of coffee, about 1·18 per cent.; in a second case of rosin, more than four per cent.; in the case of some more rice, 3¾ per cent., and so on, the average for the whole cargo being more than two per cent.

63. *Chairman.*] Was this in Prussia?—This was in Prussia.

64. Could you get the same account for any of the imports of this country?—I do not think such a return exists. I find that in another vessel, the "Aphrodite," a portion of the cargo, which consisted of cotton, paid more than 2½ per cent., rice nearly three per cent., rosin nearly 5 per cent., cloves, 7⅓ per cent. Here is another table of articles imported into Stettin: in the case of salt, it is very nearly eight per cent.; in the case of Moselle, it is upwards of nine per cent., and the average of that class is 3⅓ per cent.; the average of the whole of the cases included in this list is 2½ per cent.

65. Mr. *Chancellor of the Exchequer.*] Those are the duties upon the goods, independent of tonnage dues?—Yes.

66. Does the account state how much the ships pay in addition to the 2½ per cent. upon the goods?—The account does not state what the ships pay; the tonnage dues are very trifling indeed, compared with the amount paid for dues upon the goods.

67. *Chairman.*] Upon what principle is the tonnage duty levied?—It is, as I understand, a duty of so much per vessel.

68. There is so much upon the cargo, and so much upon the ship?—It is a duty of 4½ specie rix-dollars upon the vessel.

69. Mr. *Cardwell.*] That is the duty upon the bottom, not on the tonnage?—It is not a tonnage duty; it is a duty upon the vessel; very small vessels under a certain tonnage are exempt. The light dues are paid at so much a vessel; a certain amount for a vessel with cargo, and a certain amount for a vessel in ballast. I have here several bills of clearing of different vessels, which will show the Committee the nature of the duties charged upon the ships. I find that the ship "Gustav," of 152 Prussian lasts burthen, cleared out with corn in 1854, and that the bill delivered to her was as follows: For light dues and directors' fees, 4 specie rix-dollars and 24 stivers; for dues upon goods, 8 specie rix-dollars and 24 stivers; for a fine upon the captain for not going on shore (as provided for by treaty), a dollar in addition; for additional fees, 34 stivers; total of the above converted into rix bank dollars, 29 dollars and 40 stivers; the guardship and boats, 48 stivers; for consular fees, 43 stivers; for postage, 18 stivers, and for demurrage and drink-money to the boatmen, and so on, 1 rix bank dollar and 64 stivers; and there is also the addition of 61 stivers for what they call commission; making a total of 32 rix dollars and 82 stivers.

70. Mr. *Mitchell.*] Are you aware that there is a commission to be paid both upon the ship and cargo, totally independent of the money that goes to the Danish Government, of from two to three per cent.?—I was not aware of the amount.

71. Mr. *Cardwell.*] Is it not the fact that in the case of every vessel, with or without cargo, there is a toll of three or four per cent. upon the tonnage?—I think the treaty lays it down distinctly that it is the same for all, independent of the tonnage. In the case of very small vessels it does make a difference, but in the case of ordinary class vessels it is the same for all. The treaty provides that all vessels over 40 tons shall pay the amount I have mentioned. The average size of the vessels that go to the Baltic is much more than that; the average tonnage of British ships is not much less than 200 tons. For vessels under 40 tons it is a graduated scale; it is not a tonnage duty in any case

case, but a smaller amount upon the vessel. The treaty says that vessels of small burthen shall pay on a reduced scale, namely, vessels of from 10 to 20 tons, one specie rix-dollar; vessels of from 20 to 30 tons, one and a half specie rix-dollars; vessels of from 30 to 40 tons, two specie rix-dollars; vessels under 10 tons are entirely exempt; and all vessels of 10 tons and upwards pay the amounts I have mentioned. In no case is it a tonnage duty.

72. *Chairman.*] Would there be much difficulty in ascertaining what we pay over and above the charges intended to be imposed by the treaty in consequence of the lower value of articles at present, compared with what it was 10 years ago; is there any record which would assist us in learning this?—None in the possession of the Board of Trade; I do not think there is any record of the duties on the cargoes of all vessels that pass the Sound yearly.

73. Mr. *Mitchell.*] Are not the articles you have hitherto mentioned as being those upon which more than a one per cent. duty is paid, all imports into the Baltic, not exports from the Baltic?—They are imports into the Baltic, and not exports from the Baltic.

74. Do you know of any articles exported from the Baltic upon which the present Sound dues are more than one per cent.?—I believe there is no doubt that the per-centage of the duty on the articles imported into the Baltic is much higher than that upon those exported from the Baltic.

75. Do you know of any specific articles now exported from the Baltic which pay more than one per cent.?—I have a list of articles here upon which the duty is more than one per cent.; they are sugar, coffee, sulphur, spices, salt, cotton, iron, rice, saltpetre, wine, shumac, &c; all of which are chiefly imported into the Baltic.

76. With the exception of iron, are they not all imported into the Baltic?—With the exception of iron they are all imported into the Baltic.

77. *Chairman.*] Is not iron imported also?—Yes, it is both imported and exported. The case of cotton affords a good illustration; the duty upon it was fixed by the tariff at 18 stivers per 100 Danish pounds, which is rather less than an English hundredweight (it is 110 English lbs.) The American Government made strong complaints of that being an exorbitant duty, and in 1846 it was reduced to 10 stivers per hundred pounds; a stiver is $1\frac{1}{8}$ *d.* of English money; therefore the duty on cotton is now very nearly 1 *s.* per cwt.

78. What is that per cent.?—At one per cent. it would make the value of cotton 11 *d.* per pound. Supposing the duty of one per cent. to produce the sum I have named, the average value of cotton exported from America to the Sound ought to be 11 *d.* a pound; but there is no doubt that, in reality, it is far less, so that the duty is excessive.

79. Does not the cotton that goes into the Baltic go from Liverpool, and not straight from America?—It goes in both ways; they import a great deal themselves in American vessels. The British exports of cotton to the Baltic are considerable; in fact, Russia derives the bulk of her supply of cotton through us. A similar calculation with regard to sugar, the duty upon which by the tariff was 5 stivers per 100 pounds, which was reduced in 1846 to 4 stivers, shows that the value of the sugar ought to be $4\frac{1}{2}$ *d.* per pound, which I think is far more than the real value.

80. Mr. *Cardwell.*] Where do they get their sugar from?—The fine white Havana sugar is much imported through the Sound, and I believe that was the basis on which the tariff was reduced in 1841. They took the average value of sugar imported into the Baltic, during the last 10 years, and owing to the nature of the Russian tariff, which was the same upon coarse and fine sugar, the fine sugar alone had been accustomed to go into the Baltic, and therefore it was upon the fine sugar that they struck the tariff; and the result is a duty which might have been one per cent. upon the fine sugar, but is much more than one per cent. upon the lower quality of sugar which America would wish to send.

81. *Chairman.*] Do not they get tropical produce chiefly from England?—To a considerable extent; in 1852, among the 1,945 vessels from England passing the Sound, I find that 29 were laden with sugar. In the case of cotton, there were 125 vessels laden with that article out of the same number.

82. Mr. *Bramley Moore.*] Does not a great deal of the sugar depend upon accidental circumstances as to the country from which it comes?—It does.

83. Is not it the fact that a great deal of the sugar imported into the Baltic does not come direct from the ports in which the goods are produced, but vessels

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touching at those different places bring their cargoes to England, from whence they are sent to other countries; do not a great many of these cargoes go to the Baltic?—I apprehend so. In fact, the figures show that 29 vessels laden with sugar went from England to the Baltic in the year specified.

84. From that circumstance you cannot say that sugar is exported from any particular place to the Baltic direct?—My remark applies to English vessels only.

85. Mr. *Chancellor of the Exchequer.*] You stated that England had, before the treaty of 1841, maintained the principle that a higher duty than one per cent. *ad valorem* should not be imposed upon goods imported through the Sound?—Yes; I believe she has always taken that ground.

86. Was that principle ever admitted by Denmark?—Judging from the tariff of 1841, I should say not, because in a large number of cases she kept the same rate of duty that existed 200 years ago, the value of the articles having very much decreased since then.

87. *Chairman.*] Was not the state of things this: that before 1841 English ships were subject to a tariff at the Sound, many of the duties in which were higher than one per cent., and that England acquiesced in that tariff, and that English vessels paid those duties, but that they still maintained the principle that the duties ought not to be more than one per cent.?—Yes.

88. But Denmark levied the duties, and did not admit that principle?—She seems to have yielded the point in the case of certain articles to which there were the greatest objections raised in this country. In all those cases in which any change was made, Denmark has admitted the one per cent. principle.

89. Was not the state of things this, that England affirmed the principle, but submitted to the duty, and Denmark levied the duty, and denied the principle?—It does not appear upon the face of the treaty exactly what the view of Denmark upon the subject was, but it certainly does appear that in every case in which she consented to alter the duties, she did consent to reduce them to what was intended to be a duty of one per cent.

90. Mr. *Deasy.*] Were there any remonstrances on the part of England against the increase of the duty?—There was no increase; England maintained the principle that the duty should be one per cent.

91. *Chairman.*] But she did not think it important to maintain it upon more than a certain number of articles?—That is the case.

92. Mr. *Deasy.*] In what particular manner did England maintain that principle?—In every case in which we insisted upon the duty being altered, we insisted upon its being reduced to a one per cent. duty, and that was done. I find that, with the exception of cotton and sugar, spirits distilled from grain and potatoes is the only article in which any reduction has been made since 1841, and that is an unimportant article to this country. Perhaps it is worth mentioning, that in the year 1848 the United States Government offered Denmark the sum of 250,000 American dollars for exemption from the Sound dues.

93. *Chairman.*] As far as you have any information upon the subject, have any complaints been made lately of the manner in which the duty falls on goods or ships in the English trade?—Since 1841, I can only find one case of any representation being addressed to the Board of Trade, and that was in 1851 and 1855, on the part of the Hull Chamber of Commerce. And I believe the Liverpool Chamber of Commerce similarly memorialised the Foreign Office in 1853 and 1855. With those two exceptions, I do not find any case of complaint.

94. Do you know whether the complaints which they made were with regard to the unequal operation of the duties to which you have just now been referring?—It is alleged by them that the duty amounts to more than one per cent.

95. What do they pray in their memorials?—I think they pray to have the Sound dues abolished.

96. What is the date of the first negotiations for changing the Sound dues in the Baltic?—I think they began in 1840; 1841 was the year of the treaty.

97. Mr. *Disraeli.*] Was not that the negotiation that led to the treaty?—That was the negotiation that led to the treaty. I think it originated in 1840. Numerous memorials had been presented to the Government; the Chambers of

of Commerce of Hull, Manchester, Nottingham, Kirkaldy and Newcastle for instance, had memorialised the Government upon the subject.

98. *Chairman.*] What is the date of the recent memorial of the Hull Chamber of Commerce in which they contemplate the abolition of the Sound dues?—It was presented last year.

99. Mr. *Bramley-Moore.*] You stated that America had offered 250,000 dollars for an exemption from the Sound dues; do you state that upon any authority?—I make that statement upon the authority of papers laid before Parliament in February 1855, in which there is a despatch from the American Government offering that sum.

100. What was the date of that?—October 14th 1848; it is at page 33 of the Papers laid before Parliament in February of last year.

101. *Chairman.*] Will you read it?—It is in a despatch from Mr. Buchanan, the American Secretary of State, to Mr. Flenniken, the American minister at Copenhagen; it is as follows: "But the President is willing to proceed still further, if the object cannot otherwise be accomplished. It is probable that two years might elapse before the existing convention could be terminated, as an Act must first pass Congress to enable the President to give the required notice, after which a year must expire before it could be rendered effectual. During the whole period our vessels would be subject to the Sound dues, under the present Convention; for this reason, if you should find it indispensable to success, but not otherwise, you may stipulate to pay the Government of Denmark a sum not exceeding 250,000 dollars; but in that event the abrogation of the Sound and Belt dues must be made perpetual, and must be excluded in express terms from any notice which may hereafter be given by either party to terminate the treaty."

102. Mr. *Bramley-Moore.*] Does not Mr. Marcy, on November the 8th 1853, write to this effect: "Your despatch of the 13th ultimo was received at the Department on the 5th instant; and I am directed by the President to inform you, in reply to your question respecting an equivalent to Denmark for the abolition of the Sound dues, that he declines authorising you to offer to that power any compensation for the removal of that as a favour which we have demanded as a right"?—That is so.

103. *Chancellor of the Exchequer.*] Does it appear from the correspondence whether that offer was actually made to the Danish Government in 1848?—I have in my hand a despatch in reply to the one I just read, in which there is a rather singular passage. It is as follows: "With the view, therefore, to convince him of the generous and liberal disposition of the United States towards Denmark, I informed him that, in addition to my written proposition, I would stipulate on the part of my Government for the payment of 250,000 dollars, not for the purchase of a right enjoyed by Denmark, but as an equitable equivalent for that branch of her revenue which she would thus give up, and mainly to furnish a liberal precedent on the part of a government who was strictly under no obligations to pay, in order that Denmark might be enabled profitably to settle with European nations, who were in fact under obligations to submit. This proposition produced an amazing change in the Count; it appeared to relieve him from the most painful anxiety, and he seized it with the utmost anxiety; he assured me that if his colleagues in the ministry would agree with him, he would urge its acceptance upon his Majesty in the most pressing manner. The Count appeared rejoiced, and repeatedly assured me, that it was a proposition that should not be rejected. After some further conversation I informed him that he must distinctly understand that if I failed in the negotiation, the proposition of money must be considered as withdrawn." Then there is a break in the correspondence, and nothing appears to have come of that offer of the United States.

104. *Chairman.*] Had there ever been a treaty with America with respect to the Sound dues?—Not before 1826. That treaty expired on the 14th of April this year, and was renewed for two months, till the 14th of June just past, and from that date the United States maintains that she will not pay the dues at all.

105. Mr. *Bramley-Moore.*] Did not you state just now that the charges in the shape of fees amounted to about an equivalent to the charges on the vessel?—Yes.

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106. According to the official documents, the dues on the merchandise are stated to be 2,098,000 rix dollars, and the dues on the ships to be 150,000 rix dollars, by which it would appear that the dues on the ships amount to 7½ per cent. upon the amount paid by the goods; if the fees are a separate charge altogether, and not included in the shipping, would it not increase the amount, for which compensation is to be given, by 150,000 dollars, to the dues on goods?—No; the proposal for capitalization, made by the Danish Government, leaves out the fees.

107. In point of fact, ships pay 150,000 dollars more than what is due by the table made out by the Danish Government?—I apprehend that must be the case.

108. Will you explain to the Committee the situation of goods going from Hamburgh to Lubeck, and from Altona to Kiel, with respect to dues?—I think it was in the year 1839 that they imposed dues upon goods going from Hamburgh to Lubeck. It was to prevent goods entering the Baltic without paying the Sound dues that they imposed these duties for the purpose of making them pay whichever way they went.

109. Are those dues charged by weight, or are they *ad valorem* duties?—They charge 5 skillings (which is about 4½ *d.*) per cwt.; it is not, as in the case of the Sound dues, a tariff varying for each article, but a uniform tariff for everything.

110. Supposing a cargo to go by railway, what would be the relative per centage of duty that it would pay, more or less, than the ordinary Sound dues?—I apprehend that, on the average, the transit duty is much less than the duty upon the same goods would be if they went through the Sound.

111. Mr. *Mitchell.*] Has any representation been made to the Board of Trade upon the fact of the duty on various articles shipped in this country being much less in amount by the railway or by the Sound?—I am not aware of any such representation; this railway goes through Danish territory; my impression is, that those dues do not exist upon goods sent to Kiel; I think they are duty free. I saw an article last night in a German paper, in which it was stated that goods go to and from Kiel without duty; across Holstein from Hamburgh to Lubeck they have to pay 5 skillings per cwt., and 6 per cent. additional for fees.

112. Can you inform the Committee what return the Prussian Government make?—My impression is that it is a certain per centage of custom duty, but I have not heard the exact amount.

113. That being so in any sort of capitalization of amount, supposing such a thing to exist, would not Prussia be a great gainer by taking that as the basis?—I apprehend so.

114. More so than any other nation?—I apprehend that Prussia and Sweden are the two nations that have the most interest in this matter, and Prussia in particular, owing to the deduction she makes in her duties.

115. She would be benefited more than any other nation by the organization of the system laid down by the Congress?—She would.

116. Are you aware that in the average exports from the Baltic, upon which Sound dues are paid, England figures as paying 70 per cent., and that the average imports from England into the Baltic, upon which Sound dues are paid, is about 50 per cent. of the whole imports?—I think it is scarcely so much as that. The table to which the question refers is prepared upon the principle of the whole amount of compensation being paid by non-Baltic states, in which case we should pay 70 per cent. Russia and Prussia do not figure in the table at all; there is another table in which Russia and Prussia appear, in which our proportion is about 29 per cent.

117. In page 16 of the Correspondence laid before the House of Commons this year, there is a statement of dues levied, the average of the years 1851, 1852 and 1853, upon all goods coming from the Baltic, and imported from the states or provinces situated out of the Baltic, thereafter designated, with an indication of the sum to which they will bring up the capitalization of these dues, at 5 and at 4 per cent.; and in it Great Britain figures for 15,991,250 rix dollars upon the total of 23,012,500; is not that about 70 per cent.?—Yes; the countries comprising that total being entirely non-Baltic countries.

118. The countries in the Baltic do not pay Sound dues upon what they import from other countries in the Baltic?—No; certainly not.

119. Would not the British proportion be what I have stated, considering only

only the exports from the Baltic?—Yes. The duties upon the Belts ought, perhaps, to be mentioned; they are very trifling in amount; the same duties are charged at the Great and Little Belts as at the Sound. At the Great Belt they are collected at Nyborg, and at the Little Belt at Fredericia.

120. *Chancellor of the Exchequer.*] Those are duties that are collected in order to protect the Sound dues?—Yes; and at the Eyder Canal in the same way.

121. *Chairman.*] Is there any other ground of complaint besides the amount of duties which is named by the merchants of this country in their memorials?—I believe they complain of the delay at the Sound. If they arrive at Elsinore out of office-hours, they are obliged to wait till the time comes for the office to be opened; I have with me a statement, showing the average rate of detention in consequence of having to pay the Sound dues at Elsinore.

122. Every vessel is obliged to stop at Elsinore, either entering the Sound or leaving the Sound?—It is.

123. Is not that a great inconvenience if ships are sailing with a favourable wind?—It is very common for the vessel to lose the wind entirely, from having to stop to pay the duties; the captain has to go on shore; he is fined if he does not.

124. *Chancellor of the Exchequer.*] The dues are charged upon a calculation upon the cargo of the ship, and the other fees are made into one total, and charged upon the captain of the ship?—So I understand.

125. Is it paid in a gross sum by the captain of the ship as she enters or leaves the Sound?—I believe so.

126. Do you conceive that that payment operates practically as a tax upon the freight of the vessel?—I apprehend that in any case it must operate as a tax, as far as it goes, even if it were 1 per cent. only.

127. Is it, practically, an addition to the charge of navigating the vessel?—It is immediately so.

128. With regard to all vessels entering the Baltic, through the Sound, whether they be English vessels or whether they be vessels of any other country, would not that additional charge fall upon the importers and the consumers in the Baltic?—I apprehend that it would, mainly; it is difficult to tell precisely how these questions act and re-act. But by the imposition of the duty in the Sound, they limit the consumption within the Sound, and thus affect the producer beyond the Sound.

129. The actual payment would be made by the consumer in the Baltic, would it not?—I apprehend so.

130. It would operate as an addition upon the price of the article which he imports from England?—Yes, I think so.

131. If it operates as an addition upon the price of the article which he imports from England, would not there be a reaction upon the exporter or the producer, inasmuch as that addition to the price would somewhat diminish the demand?—Precisely.

132. Mr. *Bramley-Moore.*] Do you think that if the extinction of the Sound dues were to take place altogether the shipowner would get any higher freight?—I apprehend that in the case of goods imported from the Baltic into this country, the duty, upon the same principle as that mentioned in a former question, would generally fall upon the consumer in England, but that in the case of articles brought into competition with articles brought from elsewhere it would really fall on the shipowner.

133. *Chairman.*] Do you consider that these duties operate as an obstruction to trade?—I do.

134. Is there any other complaint connected with the subject of these dues which you are aware of?—With respect to the detention of the vessels, I find it mentioned that the whole average detention is not much less than a day; 20 days are considered a long voyage from Dantzic to England, and therefore it is an addition of 5 per cent. to the time consumed in the voyage, which is a considerable grievance.

135. That is not for a steamer, but for a sailing vessel?—That is for a sailing vessel; the steamer would lose less, because the sailing vessel is affected by the wind. The same Prussian paper to which I have already referred estimated that the total annual cost inflicted by the dues is 6,000,000 rix dollars, of which only 40 per cent. reaches the pocket of the Danish Government.

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136. How do you account for that?—By the delays and collateral expenses.

137. Is the extra 60 per cent. occasioned by the establishment charges?—Forty per cent. reaches the Exchequer of the King of Denmark, and 60 per cent. is in the shape of incidental expenses consequent upon the payment of the Sound dues; this is stated to be the total loss upon the commerce of the world, but I should say that that estimate must be somewhat exaggerated.

138. When was that inquiry in Prussia, to which you have referred, made?—It was made by a Committee sitting last year.

139. Was that an official report resulting from the inquiry?—It was an official report, resulting from an inquiry in the years 1854 and 1855.

140. Does that report show how the waste of 60 per cent. takes place?—Yes, it does, but in a very complicated roundabout way.

141. From what source do you derive your knowledge of that report?—From Hübner's Statistics, in which he furnishes this report; I may, perhaps, read a sentence from it upon the subject, it is as follows: "It follows, therefore, that of the sum of four and a half millions of Prussian dollars (which is nearly the same as six millions Danish dollars), which has been a burthen upon the Baltic trade in the year 1853, only about 40 per cent. was enjoyed by Denmark, while 60 per cent., or about 2,700,000 Prussian dollars, was wasted upon collateral expenses, delays, &c."

142. What they propose to capitalize is only what they receive?—It is only what they receive.

143. Do you know of any complaints made by the captains of vessels as to the particular mode in which they have to make the payment; do they complain of going ashore?—I know that they object to going ashore; I do not know whether it is the captains or the owners of the vessels who object most to that.

144. Mr. *Bramley-Moore.*] You have stated to us the British tonnage which passed the Sound in the year 1849, can you give us the same account for any other years?—I have a table of the tonnage for a good many years.

145. Will you state what it is from 1849 down to the time of the declaration of war?—Unfortunately there are very few years in which the tonnage is known; in fact it is for only four years out of the 10, that I am able to give the tonnage. I have the figures of the average size of the vessels, in the cases in which we do know the tonnage. In the year 1845, out of the total number of 15,950 ships, the British ships were 3,645, or 23 per cent.; the British ships in 1846 were 4,407, or 23 per cent.; in 1847, they were 5,500, or 26 per cent.; in 1848, they were 6,721, or 40 per cent.; in 1849, they were 6,876, or 36 per cent.; in 1850, they were 5,464, or 28 per cent.; in 1851, they were 4,794, or 24 per cent.; in 1852, they were 3,902, or 22 per cent.; in 1853, they were 4,665, or 21½ per cent; in 1854, they were 2,032, or 12 per cent., and in 1855, they were 2,415, or 15 per cent.

146. 1849 was the maximum?—In 1848 there was the maximum proportion, and in 1849 there was the maximum number; I can give the tonnage of the years 1848, 1849, 1850 and 1851 only; in those four years the average tonnage of British ships was more than 170 tons; the average tonnage of other ships was considerably less.

147. Is there not a diminution ever since the year 1849?—In 1853 there is a considerable increase in the number as compared with 1852; there is a falling off in the proportion, but an increase in the number.

148. *Chairman.*] Those are ships that have passed the Sound?—Those are ships that have passed the Sound to and fro.

149. Mr. *Deasy.*] What was the number of ships in 1853?—Four thousand six hundred and sixty-five; 1853 shows a great recovery over 1852 in British ships, but not an increase as compared with 1849.

150. Mr. *Bramley-Moore.*] 1849 was the maximum?—1849 was the maximum in the numbers; I am able to give the tonnage of 1849; that was also the maximum.

151. Mr. *Cardwell.*] Can you compare the tonnage of British ships into the Baltic, in which you have given in the number of ships?—Only for the years 1848 to 1851.

152. Will you state what the tonnage was in those years?—In 1848 there were

were 6,721 vessels of 1,157,130 tons; in 1849, 6,876 vessels, with a tonnage of 1,183,938; in 1850 there were 5,464 vessels, of the tonnage of 939,725; and in 1851, 4,794 vessels, with a tonnage of 849,571.

153. Mr. *Bramley Moore.*] Can you state whether the tonnage of vessels in the Baltic trade has increased much during the last five or six years?—The latest year in which I have any information is 1851; and I find that the average tonnage of British vessels in 1851 was 177 tons.

154. Has not the tonnage in that trade increased less than in any other part of the world?—The tonnage in those few years of which I have these returns appears to have been very uniform.

155. Mr. *Mitchell.*] Have you any return of the total imports from the Baltic into this country?—No, I think there is no such return.

156. Have you any means of judging whether the statement made by the Danish Government, that the Sound dues on goods imported from the Baltic by Great Britain in 1851 were 605,000 rix-dollars; in 1852, 480,000; and in 1853, 834,000, is correct?—No, we have not.

157. Are there any documents in the possession of the Board of Trade from which you have reason to infer that the trade between the Baltic and this country was largely upon the increase before the war broke out?—I apprehend that it was; in the year 1853 there was a most marked increase in our trade with the Baltic States.

158. It is not upon the goods so imported that 9-10ths of the Sound dues fall?—Upon goods exported and imported, taking the average of the whole.

159. Is it upon those imports and exports that are upon the increase that 9-10ths of the Sound dues fall?—It is upon the goods that the Sound dues mainly fall.

160. Mr. *Deasy.*] Have you any estimate of the average amount paid by the British vessels for the Sound dues?—The only estimate which I have been able to find is one given in Mr. Macgregor's Tariffs, in which he gives an estimate from the year 1821 to the year 1837, and by his estimate it seems to have varied from 50,000 *l.* (in one year it was 42,000 *l.*) to a maximum of rather more than 60,000 *l.*; the average of those 17 years, ending with 1837, is about 60,000 *l.* a year.

161. *Chairman.*] What causes the difficulty which you have experienced in ascertaining what the British vessels pay?—We have always had the greatest possible difficulty in getting any statistics about the Sound dues, owing to the way in which the Danish Government keep their books.

162. Is there not any other means of getting them, except through the Danish Government?—Those which I have quoted come from Mr. Macgregor's Tariffs.

163. Is there any means of obtaining that information in England?—I am not aware of any.

164. What is it put at now?—I think the Danish proposal for the settlement of this question shows what they put it at: the average given by the Danish Government for the three years ending with 1853, is 613,000 rix-dollars, which they state to be the annual charge upon this country.

165. What is that in pounds sterling?—It amounts to nearly 70,000 *l.* a year; that is merely upon goods.

166. Is there any information possessed by the Board of Trade from which we can learn whether we are paying less than we have done?—I think the only information upon that subject is contained in the statistics of the shipping; I think the only complete statistical table which we have at the Board of Trade to guide us is a statement of the number of ships.

167. Did not you say that the manner in which the Danish Government keep their accounts makes it very difficult to ascertain any return?—Yes, I think so. I find that the United States some years ago desired their Consul at Elsinore to obtain certain accounts, which he for more than a year attempted to do, but found it hopeless. Denmark gives an assurance on the present occasion that we may rely upon the returns now given as being strictly correct.

168. Have you heard of any country disputing their accuracy?—I have not heard the accuracy of the results given by them disputed.

169. Is there any reason to doubt the accuracy of the returns which the Danish Government are now making?—I apprehend not, as to the figures themselves, if you admit the years that they base them upon.

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170. They have given what the different countries pay for their portion of the Sound dues?—Yes, in certain years.

171. Have they taken that amount upon an average of a certain number of years?—They have.

172. What number of years have they taken that average upon?—They leave out the years of war; they take the years from 1842 to 1847, and from 1851 to 1853, leaving out the years they were at war with Prussia, and also 1854 and 1855, the years of the late war; and it makes a most serious difference in the result, whether those years are taken into the account or left out. I think the Danish Government found that there were some minor errors in the early tables, therefore those at the end of the Return should be relied upon; we have found no reason to doubt the accuracy of any of those figures; but there is no doubt that the way in which the Danish Government has put it is very favourable for Denmark.

173. *Chairman.*] Do you know when it was that the Danish Government raised the question upon the subject of abolishing the Sound dues?—It was some time last year, owing to the course taken by the United States in regard to the duties.

174. Can you tell us under what circumstances the United States objected to pay the dues?—The United States have for many years objected to them; they do not admit that Denmark has any right by the law of nations to levy them upon the United States, which is a new country, and does not enter into the international system of Europe.

175. They had a treaty, which has expired about a year ago?—They had a treaty, and upon the 14th of April of last year they gave notice to terminate it; there was a clause in it enabling them to terminate it on 12 months' notice. That treaty expired this year; and to enable Denmark to come to terms, and to settle the question, it was provisionally prolonged for two months, and those two months expired last week.

176. Do you know what notice they gave?—They gave a formal notice to denounce the treaty, and they also gave the Danish Government to understand that they would not pay the dues any longer.

177. Have any documents been laid before the House of Commons which will show the ground upon which the American Government refuse to pay those dues?—I think it is contained in the Papers laid before Parliament last year, which set forth the correspondence that took place in 1853 and 1854 upon the subject, and also an extract from the message of the President of the United States.

178. Does it announce that the President has given notice to Denmark that America will no longer adhere to the treaty?—This message to Congress announces his intention of denouncing the treaty, with his reasons for so doing.

179. Is there any document which sets forth the ground upon which America, who has hitherto paid these dues, proposes no longer to pay them?—This extract from the President's message distinctly sets forth the grounds upon which they denounce the treaty.

180. Was that in the papers submitted to Parliament?—It was in the Papers submitted to Parliament. It is at page 50 of the Correspondence respecting the Sound dues, presented in February 1855.

181. Will you read the passage?—Extract from the Message of the President of the United States, enclosed in Mr. Crampton's despatch of December the 4th, 1854. "Negotiations are pending with Denmark to discontinue the practice of levying tolls on our vessels and their cargoes passing through the Sound; I do not doubt that we can claim exemption therefrom, as a matter of right. It is admitted on all hands that this exaction is sanctioned not by general principles of the law of nations, but only by special conventions, which most of the commercial nations have entered into with Denmark. The 5th article of our treaty of 1826 with Denmark provides that there shall not be paid on the vessels of the United States and their cargoes, when passing through the Sound, higher duties than those of the most favoured nations. This may be regarded as an implied agreement to submit to the tolls during the continuance of the treaty, and consequently may embarrass the assertion of our right to be released therefrom. There are also other provisions in the treaty which ought to be modified. It was to remain in force for 10 years, and

and until one year after either party should give notice to the other of intention to terminate it. I deem it expedient that the contemplated notice should be given to the Government of Denmark."

182. Mr. *Chancellor of the Exchequer.*] Did Denmark take any steps with regard to the European powers in consequence of the notice given by the United States?—She did.

183. What were those steps?—She invited them to attend a congress at Copenhagen to consider this subject, and she promised to submit a proposal for the final settlement of the question.

184. When did that congress sit?—I think it was in November.

185. *Chairman.*] Has there been any report of that congress; did they come to any result?—No definite result. Our minister there has sent over a report of the proceedings of the congress, and there is a protocol signed by Sweden, Norway, and Russia, and assented to by Oldenburg, accepting the proposals of Denmark.

186. Do not they make their acceptance conditional upon the acceptance of other countries?—Yes; Denmark stated that she should consider the assent of all the countries concerned necessary to carrying out the arrangement.

187. That she could not have any specific treaty with one without the consent of all?—Precisely.

188. And Denmark does not contemplate any country paying the Sound dues which the rest will not pay?—I presume not.

189. Was any objection raised by other countries?—Russia at an early stage said she came only to hear what was said, and that she had no wish to accept the principle of capitalization; but when once the terms were before Russia, she accepted the very terms of Denmark.

190. Was it generally agreed that it would be unjust to other nations to allow any one country to evade the payment of the dues?—I apprehend that Denmark felt that if she came to terms with Russia, and not with all other countries, she would be placed in an awkward position by the Most Favoured Nation clause in her various treaties.

191. Do you know whether it was considered what would be the effect of America refusing to pay the Sound dues upon the trade of other countries, or whether any resolution was come to with regard to that question?—I am not aware of any resolution upon the subject being come to.

192. What would be the effect of America refusing to pay the Sound dues, if other countries continue to pay them?—Denmark would doubtless protest, and demand the dues, and if she did not proceed to any positive act of hostility by firing upon the American vessels, she would at least demand payment of the dues and enter a protest.

193. What would be the effect of that step on other countries?—It would be an injury to other countries.

194. America would get more of the carrying trade in that case?—Yes.

195. Is it not a disadvantage to other countries that a privilege of this kind should be conferred upon one country only?—Certainly.

196. Is there any doubt that any country would increase her carrying trade, if the other countries with whom she was in competition continued to pay a duty which she did not pay?—Undoubtedly.

197. What was the basis of the proposal made by Denmark to the countries assembled at the congress?—She proposed to take the average trade of the years I have mentioned, from 1842 to 1847, and 1851 to 1853; to strike an average of those years, and to assess the dues upon that trade, and to make each country pay the same proportion of the capital sum claimed for the redemption of the dues which she had paid upon the average of those years.

198. Did she claim the dues upon vessels both entering and departing from the Baltic?—She did.

199. Do you know whether any other principle besides that of capitalization was considered at the congress?—I am not aware that any other principle was considered at the congress.

200. Do you know whether any other principle has been proposed by any other countries?—I have heard several schemes proposed for a settlement of the question.

201. Will you mention what those schemes are?—The United States' plan is of course the simplest, viz., to refuse paying the duties altogether. That has been

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been urged, I believe, in different quarters. Then another plan has been that we should rely upon the Most Favoured Nation clause inserted in our old treaties with Denmark, and that if the United States cease paying the dues, we should claim exemption under that clause.

202. Have we any stipulation with Denmark that places us in the position of a Most Favoured Nation?—We have the Most Favoured Nation clause in our treaty.

203. Is that a permanent treaty?—The treaty in which the Most Favoured Nation clause is contained is a permanent treaty. It is the treaty of Whitehall, of 1661.

204. Mr. *Disraeli.*] Did not the United States, when they repudiated altogether the right of Denmark to levy the Sound dues, propose that a payment should be made to the Danish Government on other grounds, such as maintaining lights and the passage?—The original proposition, as I understand, in 1848, was to buy up the whole thing, and pay a liberal compensation to Denmark; but latterly the United States have refused to pay more than would suffice to buy up the light dues and other dues for services rendered.

205. *Chairman.*] How would those lights be provided for in that case; should you expect the Danish Government, in respect of the capital sum paid to them, to maintain the lights?—In the capital sum Denmark demands, she includes the compensation for the light dues; and I apprehend that in any arrangement entered into with her, we should insist upon her keeping up the lights.

206. What security should we have for her doing so?—We should have the security of the treaty, and, moreover, it would be for the interest of her own navigation. It would be a very dangerous thing for Danish vessels to have to pass the Sound without lights.

207. Do the Americans propose to pay anything for the lights?—They have offered that.

208. Do you know upon what terms they propose to deal with the light dues?—America proposes to buy up the light dues on liberal terms; therefore it would seem that she prefers buying them up to continuing to pay them.

209. Mr. *Bramley Moore.*] Have they not, since 1848, repudiated the offer they made to buy up the dues, and said that they would only pay for the buoys and lights?—Yes; America is willing to buy up the buoys and lights.

210. *Chairman.*] Have we any returns to show the difference between what are properly called the Sound dues and the lights and buoys dues?—There is a return in the Danish tables which distinguishes them completely; in the case of England, it is about 6 or 7 per cent. upon the whole dues paid by her. It is stated in the return made to the Chambers in Prussia, that the light dues much more than suffice to pay the expense of maintaining them.

211. Mr. *Duncan.*] Did you not state that upon the 14th of this month this arrangement with America ceased?—Yes.

212. In the event of an American vessel loading in the Baltic and passing the Sound with 300 tons of flax for any port in Scotland, would she not be able to deliver her 300 tons of flax 7*s.* a ton cheaper than any other vessel?—Provided she does not pay the dues; but I understand that the United States will let their ships pay under protest.

213. If they did pass the Sound without paying the dues, would not it necessarily put a stop to all carrying trade but their own?—It would be a serious injury to us if we go on paying while they are relieved.

214. Mr. *Cardwell.*] Do you understand that our treaty gives us a right to claim that we shall not pay more than America pays?—I have the words of the treaty with regard to that point. It is the 24th clause of the treaty of 1661. "It is also agreed that if the Dutch, or any other nation whatsoever (the Swedish only excepted) hath already obtained, or hereafter shall obtain of the King of Denmark and Norway, any better agreements, covenants, exemptions and privileges than those contained in this treaty, the same and such like shall be communicated and effectually granted freely and with all fullness to the King of England and his subjects; and on the other side, if the Dutch or any other nation whatsoever hath obtained, or shall hereafter obtain, of the King of England any better agreements, covenants, or privileges than those contained in this treaty, the same and such like shall be communicated and effectually granted,

granted, freely, and with all fullness, to the King of Denmark and Norway, and to his subjects."

215. *Chairman.*] Is it not the fact that these dues are all the subject of treaty with every country, and there is no territorial law respecting them?—There was originally a territorial law.

216. They were originally levied without treaty?—They were levied without treaty for hundreds of years.

217. Mr. *Chancellor of the Exchequer.*] What other plans have been suggested for the extinction of the dues besides those you have mentioned?—There was a plan, (which is referred to in page 19 of the papers presented to the House of Commons this year), proposed by the Danish Government some years ago, upon the supposition that the Baltic Governments alone should pay the compensation, and that no other Governments should be called upon to pay.

218. Upon what principles was this plan made?—That they should each pay according to the amount of trade of each country through the Sound. By that scheme Russia would have paid nearly 70 per cent. of the whole, Prussia 17, Sweden 7, and Denmark 4 per cent.

219. Did Russia ever agree to that scheme?—No, that was not agreed to; the matter fell through.

220. *Chairman.*] Then the effect of the first proposal which Denmark made was to put upon Russia 70 per cent. of the whole payment?—Yes.

221. And the effect of that which Russia has now accepted is to place upon her 30 per cent. only?—Certainly. But I believe it was also proposed at the time that the former scheme was put forward, that the Baltic States should reimburse themselves, by imposing dues upon the ships frequenting the Baltic.

222. Mr. *Chancellor of the Exchequer.*] Has there been any plan proposed for the extinction of the Sound dues by an annual payment?—There has.

223. Will you state what that plan was?—The redemption of the Sound dues by all countries, Baltic and non-Baltic, has been proposed to be effected in several different ways; either by a gross sum being paid down to Denmark, which is the plan which Denmark now proposes, or by means of annual payments made by each country, so as to represent the same amount. If either of these two principles are adopted, then a question arises as to the manner in which the countries paying Denmark should reimburse themselves.

224. Will you explain that part of the subject?—If England redeems her portion of the dues, she will either have to do it by paying the whole sum down, or by paying an annual sum equivalent to it. Then the next question is, if she pays the whole sum down, is the Exchequer to bear the burden, or is it possible to find out any other means of providing for it.

225. Have any other means been suggested for meeting that expense?—The means suggested by some of the Baltic countries to us is that we should impose in our ports certain additional duties to compensate the Government, and which shall represent the interest upon the sum the Government advances.

226. Is it proposed that these duties should be levied exclusively upon articles exported from the Baltic?—It is proposed that it should be levied upon all vessels trading to and from the Baltic, in order to compensate England for redeeming the Sound dues.

227. Mr. *Bramley-Moore.*] Do you think that such a plan as that would be accepted by the trade of the country?—I apprehend that if by means of that scheme they had to pay the same duties that they have now to pay the Danish Government they would not accept it, and I think it would be a difficult thing to carry such a scheme into practical execution.

228. Mr. *Chancellor of the Exchequer.*] Are you aware of any example of a special customs duty, similar to that which has been proposed for the Baltic trade, in order to extinguish the Sound dues?—I am not; and I have been informed by the Customs that it would be a very difficult thing in practice, to levy such a duty with facility; the evasion would be great. If the dues were so small as to be unimportant to the Government, there would be a pressure upon the Government to give them up; if they were large they would be evaded.

229. In your opinion, does not the question practially reduce itself to this, that if a compensation is made to Denmark it must be paid either by a gross sum or by an annual sum out of the Exchequer?—If the capitalization scheme is adopted it must be so.

230. Have

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230. Have you heard any plan suggested by which the levying of the dues at the Sound should be avoided, and they should be levied in the ports on the Baltic?—I have.

231. Will you explain that plan?—The chief reason for making that change would be to avoid the dangerous detention which now takes place at Elsinore.

232. What is the nature of that plan?—Simply that instead of Denmark collecting the dues at Elsinore, as she now does, by means of a complicated tariff, she should have in each of the Baltic ports a representative, who should collect the dues in those ports in the shape of a fixed tonnage duty.

233. Would not the effect of that plan be, that a ship going to the Baltic would pay upon her arrival at her destination the dues which she would have paid in passing through the Sound; and that a ship going from the Baltic, before she cleared out, would pay the duties which she would become liable to at the Sound?—It would.

234. Would this render it necessary that Denmark should employ agents to collect her dues in the foreign ports of Russia and Prussia?—It would.

235. Would not it place her very much at the mercy of the neighbouring Baltic powers?—There is a similar case, viz., that of the Stade dues, which, by the treaty of 1844, are collected by Hanover in Hamburgh, where she has an office for the purpose.

236. In that case only one power is concerned?—Yes.

237. Mr. *Mitchell.*] Would it not be also necessary to obtain the consent of the powers from which the ships cleared out to the collection of the duties?—It would.

238. Otherwise any captain might avoid paying the Sound dues altogether?—Yes.

239. Mr. *Duncan.*] Would not any such plan save the detention of vessels on passing the Sound?—Yes; and practically I apprehend that in that case they would only pay the Sound dues proper; they would be relieved from the incidental charges I have spoken of.

240. Mr. *Bramley-Moore.*] Would not that entail a great expense upon Denmark?—I presume it would.

241. Would not there be an unwillingness felt on the part of the Baltic countries to allow agents at those ports?—I am not aware that there would be any such unwillingness.

242. Mr. *Mitchell.*] Supposing this plan to be carried out, if a vessel were clearing out of St. Petersburgh and refused to pay the dues, would the Russian Government be willing to enforce the payment of those dues?—I have no reason to suppose that there would be any insuperable objection on the part of the Baltic countries to accede to this plan.

243. *Chairman.*] Supposing there were an agent to collect the dues in London on cotton, would the Government favour such a system on the part of a foreign nation?—I think that in England it would be impracticable to adopt such a scheme.

244. Why should it be practicable in the Baltic countries and not here?—I believe that the Prussian Government in years past was very far from being opposed to such a scheme.

245. Supposing that the total duty were very much diminished, so as not to exceed about half what is now paid by English ships and cargoes, would it be possible through the agency of the Customs here to effect a composition with the ships, by which it might be rendered an acceptable arrangement to trade?—I have no doubt the trade would find it an acceptable arrangement, but fear that the Customs would not look favourably upon such a plan.

246. Mr. *Cardwell.*] Supposing that the objections on the part of the Customs were overcome, and that Denmark were willing to forego a considerable portion of her claim, in consideration of receiving through the English Government a modified duty, could that arrangement be rendered acceptable to the commercial interests?—I apprehend they would much prefer paying half the amount in England to paying the whole amount in Denmark.

247. Would not they thereby escape the detention which they suffer in the waters of Denmark, and the heavy fees now payable to the officers of Denmark?—Undoubtedly, and it would be still more acceptable to them, if by means of a sinking fund, there were a provision made for the abolition of this special tax at the end of a fixed number of years. Another plan that has been proposed,

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posed, is that we should insist upon a thorough revision of the tariff, so as to bring down the duties to what they ought to be; and that Denmark should be allowed to levy the dues thus modified for a certain number of years, after which they should be entirely abolished.

248. *Chairman.*] Has any proposition been made to Denmark upon that question?—Such a proposition appears not to have been made to Denmark at the late Congress, because she began these negociations by saying that she did not consider that that was a plan that ought to be discussed; but that in no way affects our right to claim a reduction.

249. Can you inform the Committee in what respect it would be reasonable to propose a revision of the tariffs?—I mention a revision of the tariffs as one means now proposed for settling the present question; but the point in discussion now is, whether, if we admit the capitalization principle, the Danish basis is that which this country should adopt.

250. Have you formed any opinion upon that point yourself?—I have had occasion to look into the Danish figures, and have come to the conclusion (of course I speak for myself individually) that the amount required by Denmark is excessive.

251. From what is that opinion derived?—From the information contained in the papers which Denmark has laid before the Congress.

252. Will you state in what way you consider that that is unfair to England?—Of course I need not enter upon the question of principle; but with regard to the amount, Denmark states the dues in the years I have mentioned, and she strikes an average of those years, and from this estimates the annual value of them; the capitalised value of that she estimates at four per cent., and multiplies this annual value by 25, in order to get the gross value of the Sound dues. Now, it seems to me, in the first place, that it is not fair to other countries for Denmark to confine her calculations to the years which she takes, for she has selected the years most favourable to herself; and if you include the years when war prevailed, and other unfavourable circumstances intervened, you get a much smaller amount for the value of the Sound dues. And it is very necessary to take these things into consideration: if Denmark is to be relieved from all risks of war, we should take into account what the result of war is upon her.

253. Has not she avowedly omitted the years of war from her calculation?—She has; it appears that if she had included the years of her war with Prussia, it would not make a great difference; but if she included the years 1854 and 1855, it would make a great difference; secondly, I think that the basis upon which she makes the valuation is also excessive, inasmuch as the valuation is made upon a tariff which we consider exorbitant, being fully one-third in excess of what it ought to be, supposing the dues to be one per cent. I have no doubt that it will be shown before this Committee that the average amount of Sound dues actually levied, is not less than 1 ½ per cent. In fact, the Prussian figures that I have read to the Committee show that it is more than that. But supposing it to be 1 ½ per cent. only, it is quite clear that we must on this score alone strike away one-third from the estimate of the value of the Sound dues made by Denmark.

254. Has not Denmark a right to exact what she does by the treaty, and has she not therefore a right to look to what she legally imposes as the basis of her calculation?—That is her argument.

255. Is not she going upon what she receives in her proposed arrangements?—Precisely, that being an exaggerated basis. Indeed, in Prussia, they have said that we ought to begin the negotiation by demanding back from Denmark the payments that she has received above the one per cent.

256. You have not brought before us any case of illegality in her charges?—No.

257. But you have referred to an oversight on the part of those who framed the treaty of 1841, in not making provision for the change in the value of articles of commerce?—Yes.

258. Mr. *Cardwell.*] When the treaty was concluded, were not the duties one per cent. upon the articles on which they were to be levied?—They were assumed to be so, I believe; they were not all so.

259. And the alteration in price in the 10 years that have intervened since that period has created an advantage on the part of Denmark against us?—Yes.

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260. Mr. *Mitchell.*] Do not they make the total amount, when capitalised, 60,000,000 of rix-dollars?—56,214,475 rix-dollars.

261. Do not they propose to commute that for 35,000,000 rix-dollars?—Yes.

262. So that they take off one-third from the amount which they claim for capitalisation?—Yes; but with reference to the capitalised value of the 56,000,000 rix-dollars, they have assumed the proper multiplier to be 25, thus valuing money at four per cent.; and it is a point for consideration whether it is not an exaggerated multiplier; whether 20 would not be a fairer multiplier, that is, that money should be taken at five per cent. My reason for thinking so is, that the Danish five per cents. are only just above par in the English market.

263. *Chairman.*] Have you calculated what they would be if we did not pay the Sound dues? —The Danish loan is secured upon the Sound dues; therefore if the Sound dues were abolished the British capitalist would lose his security.

264. Is not the Danish loan held in England to a great extent?—Yes.

265. Mr. *Chancellor of the Exchequer.*] Was it not negotiated by an English house?—Yes.

266. Are not almost all the bonds held by Englishmen?—Yes.

267. Mr. *Bramley-Moore.*] And if the dues are capitalised and paid off, will not the Danish bondholders lose their security, unless the negotiators should stipulate that the proceeds of the sale should go to liquidate that debt?—Certainly; and that is the argument that some states have used, to show that the English would never agree to that scheme.

268. Mr. *Mitchell.*] Has the Board of Trade formed any estimate itself of the amount that would be considered fair for the capitalization of the Sound dues?—The views of the Board of Trade upon that subject will, of course, depend ultimately upon the decision as to the principle of capitalization; and at present the principle not having been admitted, this calculation appears premature. As to the figures, I mention my personal opinion. Denmark claims 15½ years' purchase; with reference to that it would be a question for consideration whether, even assuming the Danish basis to be correct, that claim is not too high, when you take into account the chances of what will be the result of the American question, and of the introduction of railways through Sweden, and so on. I apprehend that it is doubtful whether if a capitalist were to value the Sound dues upon the Danish basis, his estimate would come to so much as 15½ years purchase. Lastly, it is a question whether the amount that it is proposed to charge England, viz., 29 per cent. of the whole capitalised amount, is not an excessive amount.

269. That is to say, you think that the proportion charged against England is excessive?—Yes.

270. *Chairman.*] Why do you think that that proportion is excessive?—Because the proportion of English shipping through the Sound is constantly diminishing.

271. Assuming that the British trade with the Baltic is in course of diminution, you think it would be a losing bargain for us to capitalise upon the result of the last five years?—Certainly.

272. These dues are payable under treaty; during war, all treaties are abolished; do these dues then cease to be paid?—In 1808, during the general war, the whole trade and commerce through the Sound was destroyed in respect of the payment of duty. All the vessels went under English convoy without paying toll, and the result was, that Denmark only received in that year 9,000 rix-dollars.

273. It is one of the contingencies of that duty, that during war it yields much less than at other times?—Yes.

274. Inasmuch as these duties are all paid under treaties, and that in each of those treaties there are contained clauses providing by notice given for the expiration of the treaty; what do you consider generally would be the situation of those states that now have treaties with Denmark, supposing those treaties were to cease, would they fall back upon their prior obligation?—In the cases where no earlier treaties exist, they would be classified as unprivileged nations, and would pay additional duties.

275. Therefore they could not withhold the payment of these dues without great disregard to the obligations they have recognised, both by treaties and by practice?

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practice?—I presume that England would fall back upon her former treaties if that of 1841 were revoked.

276. Mr. *Bramley-Moore.*] Is not there a clause in the treaty of 1841 to that effect?—There a clause in the treaty of 1841 providing for its termination

277. And does not it also provide for reviving the former treaties?—That is the case; but whether it was inserted in the treaty or not, we should fall back upon the treaty of Copenhagen.

278. *Chairman.*] Therefore all vessels passing the Sound, if the owners have any respect for right, would still be obliged to pay the dues?—Yes.

279. The only just mode of avoiding the payment of those dues, would be by railway?—Yes, certainly.

280. Mr. *Chancellor of the Exchequer.*] Does not the Danish Government now contend that the effect of the expiration of the treaty with the United States, is merely to make the United States vessels subject to a higher rate of duty than those contained in the treaty?—So I understand.

281. Mr. *Mitchell.*] Have you any Return of the Board of Trade of the transit duties levied upon the railways between Hamburgh and Lubeck, and Altona and Kiel?—I have not the exact amount; I have already mentioned what the rate of duty is between Hamburgh and Lubeck.

282. Is that duty levied upon all articles?—Yes; it is 5 skillings per cwt.; except upon certain articles, chiefly of Russian produce, which are free of duty, such as tallow, hemp, flax, and so on; they are entirely free of duty.

283. So that goods to be imported into Russia, sent to Altona, and then sent by rail to Kiel, and then reshipped, would escape altogether the Sound dues, and the shipping engaged in carrying from St. Petersburg to Kiel, and from Altona to this country, would also escape the dues at the Sound?—Yes; but if they go from Hamburgh to Lubeck, they must pass across the Danish territory.

284. *Chairman.*] Is there anything to preclude Denmark from raising the rate they now charge upon goods passing by this railway?—They claimed the power to charge 5 skillings per cwt. upon all goods from Lubeck to Hamburgh, and 10 skillings upon all goods to Lubeck; but owing to the strong remonstrances of our Government they refrained from doing that, and they now charge a uniform duty of 5 skillings, except upon tallow, hemp, flax, and so on.

285. Do you know of any reason why they should not raise the duty upon the articles carried by railway to compensate them for the loss of the Sound dues?—I apprehend that as these duties were originally imposed, in order to protect the Sound dues, if the Sound dues were abolished, Denmark's policy would be to reduce those duties also rather than increase them, inasmuch as otherwise the traffic would all go by the Sound, where they would pay no dues.

286. Supposing Denmark were contemplating the loss of the Sound dues by the trade going by land, is there anything to prevent the Government from compensating herself by levying upon the trade by land the duty which used to be paid by vessels going through the Sound?—I apprehend that her own interest would lead her to do the contrary, but by law there is nothing to prevent her doing it if she likes. There is no doubt that Lubeck is the port mainly interested in the transit duty. It has raised a great obstacle to the trade of that town; it is of much greater importance, comparatively speaking, to Lubeck than to Hamburgh. I have in my hand a list of the cargoes of British ships from British ports passing the Sound in the year 1852, and I find that out of the total number of 1,945 vessels which entered the Baltic in that year, 1,009 were laden with coal, which paid no duty at all. I have also a statistical table of the revenue derived from the Sound dues from 1842 to 1854 and in various former years, and I have also a table of vessels passing the Sound in various years between 1785 and 1855.

287. Will you hand in those papers to the Committee?—(*The same were handed in.*)

Vide Appendix.

Veneris, 20° die Junii, 1856.

MEMBERS PRESENT.

Mr. C. P. Villiers.	Mr. Hutt.
Mr. Bramley-Moore.	Mr. Mitchell.
Mr. Disraeli.	Mr. Duncan.
Mr. Milner Gibson.	Mr. Deasy.
Mr. Liddell.	The Chancellor of the Exchequer.

THE RIGHT HON. C. P. VILLIERS, IN THE CHAIR.

Zachariah Charles Pearson, Esq., called in; and Examined.

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288. *Chairman.*] I BELIEVE you are a partner in a Mercantile House at Hull?—I am, and in London also, of the firm of Z. C. Pearson, Coleman & Co.

289. What is your particular business?—A merchant and shipowner, and also a shipping agent.

290. Do you ship goods to the Baltic?—Yes.

291. Have you carried on trade for some time with the Baltic?—For four years; I had been in business previously to that, I was in command of a merchant vessel trading to the Baltic.

292. Have you now ships trading to the Baltic?—We have now four steamers and several sailing vessels.

293. Will you give the Committee any information you possess, with respect to the peculiar operation of the Sound dues?—I was formerly in command in the Baltic; for some 10 years I was principally trading in the Baltic, having been upwards of 15 or 20 voyages backwards and forwards to different ports in the Baltic, but principally to St. Petersburgh; but during that time I felt very much the inconvenience of having to pay Sound dues, and of having to stop at Elsinore; it is a very narrow intricate channel. For a short distance you steer in one course, and within a distance of 50 miles you have to steer at right angles to that course; and it requires quite a different wind to what you have when you pass the Sound. Many times I have been delayed, and occasionally have lost by being delayed there from 24 hours to a week; what is lost upon the average by that delay it is difficult to estimate.

294. Is Elsinore out of the course to the Baltic?—No, it is not out of the course; it is directly in the way of our course to the Baltic; it is simply the stoppage at Elsinore that we complain of. Perhaps I had better speak of sailing ships first: before they come to Elsinore, they require considerable time in clewing up the sails; it is always prudent to reduce the sails gradually, and it stops the vessel in her course very much, and therefore considerable time is lost by the method. When you come there, you are perhaps an hour if the roads are full of ships, looking for a safe anchorage for your ship; then the captain has to go on shore with his papers, and report himself to the Custom-house, which occupies from an hour and a half to two or three hours; if you arrive at night, you have to wait till the next morning before you can get clear.

295. What is the last hour in the evening at which you can pay the dues?—In the summer they call as late as 10 in the evening. From April the 1st to October the 1st, 6 a. m. to 9 p. m.; during the month of March from 7 a. m. to 9 p. m.; during the winter months of November and December, January and February, from 8 a. m. to 6 p. m. There are officers there beyond that time; they appoint officers to receive the papers a little earlier and a little later, though they do not clear the vessels.

296. If

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296. If you arrive after that hour you must remain till the next morning?—If you arrive after that hour you must remain till the next morning.

297. Mr. *Bramley-Moore.*] Has not the time been lately extended?—During the summer months you cannot clear after 10 o'clock.

298. Were not they much more restricted some time ago?—Yes.

299. There has been a considerable extension?—There has been a considerable extension. I have frequently arrived there in the night, and have had to wait till the next morning before I could get clear.

300. *Chairman*] Was the inconvenience of that simply the loss of time?—There was a loss of time, and occasionally a loss of passage, and a loss of the wind which would otherwise have carried the ship beyond the reef, and carried her on her voyage.

301. Mr. *Bramley-Moore.*] Was there not also danger to your ship?—There was consequent danger to our ship. There are a few instances that have more particularly come to my recollection of the ships which I have commanded. You could not have one merchant captain trading in the Baltic who would not speak to the delay and serious loss of time arising from this cause.

302. *Chairman.*] Will you tell the Committee what takes place in clearing vessels; does the captain go ashore?—The captain goes ashore; he takes the cockets and bills of lading, and immediately on arrival he reports himself at the Quarantine-office; at the entrance of the harbour they give him a pass to the Custom-house; he goes into the Custom-house which is also adjoining the water, and then gives in his bills of lading to the Custom-house, and informs them of the agent who clears the ship.

303. Does not the ship go into the harbour?—The ship does not go into the harbour, the ship is at anchor in the roads.

304. Can the captain always go on shore when the ship arrives in the Sound?—I have known instances when it has been impossible to go on shore from bad weather, and I have been obliged to wait till I could get on shore.

305. Mr. *Bramley-Moore.*] What do you do in that case, do you lie to?—We let go anchor; I have known ships frequently drive from their anchors; they have lost their anchor, and occasionally have been driven ashore, and others have been driven back again.

306. Mr. *Milner Gibson.*] You bring up in Elsinore roads?—We bring up in Elsinore roads. Sometimes when I have gone in, there have been 400 or 500 vessels in the Sound, making it very difficult to manage tacking; the danger of collision is very great.

307. *Chairman.*] What does the danger of collision arise from?—The tacking about among the sailing vessels; there are many points to be considered; I have been at times brought up at what I considered a clear place, where I could get the anchor up immediately, and I have gone on shore and left the ship in a clear place, but half an hour after a strange vessel has come by and dropped anchor pretty near to us, and consequently I could not move my vessel until he went away; I had to wait 24 hours in the roadstead for another vessel to get away that had come in after me.

308. Does not this crowding all arise from being stopped to pay the dues?—It all arises from being stopped to pay the dues.

309. Viscount *Chelsea.*] Is the safe anchorage-ground in the Sound very limited in point of extent?—The safe anchorage-ground is very limited in point of extent.

310. Mr. *Bramley-Moore.*] What is the bottom?—I should say it is generally a good bottom, but it is cut up very much by the anchoring; there are a great number of anchors lost in the neighbourhood.

311. When you lose an anchor, then what do you do?—You can frequently get them.

312. At what cost?—I have never had to get an anchor, but I suppose it costs about 100 *l.*

313. In fact, as much as the anchor costs?—More than the anchor costs; if I lost an anchor I should never think of going ashore to get it.

314. It is the most economical plan to leave it?—Yes.

315. *Chairman.*] Will you be good enough to tell us what hinderances and what charges you are exposed to after you get to the Custom-house?—In the margin of the bills of lading is inserted the name of the agent who pays the Sound dues.

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316. Where is the agent?—At Elsinore; there are a great many of these agents at Elsinore, and the competition amongst them is very great. I think there are 30 of them, and they offer very handsome gratuities to the shipmasters and others, in order that they may have the clearance of the vessels, and the paying of the Sound dues.

317. Does not the captain pay the Sound dues?—The captain does not pay the Sound dues upon the goods; there are charges upon the vessel independent of the goods.

318. The agent's name is in the margin of the bills of lading?—The agent's name is in the margin of the bills of lading; and if that has been omitted by any mistake, then the agent of the vessel pays the dues upon the goods, and draws upon the consignees of the goods for the amount.

319. Who pays the dues for the ship?—The shipowner pays for the ship.

320. The captain pays it at the time?—The captain pays it at the time. There are light dues which we consider a very just charge; there can be no objection to that. Then there is a charge for passing and expedition, a charge for translation, and a charge for stamp paper. Then there is another danger arising from going on shore, if the captain should think proper to take his own boat and boat's crew. He can hire a boat if he pleases; there are always boats ready to take captains on shore; but it is always attended with considerable expense.

321. What is the danger of going with your own boat?—The principal danger and inconvenience is from the cheapness of liquor on shore; our sailors get inebriated, and it is not certain when they can be got on board the ship again. I have known ships lie at anchor after I have got on board solely for that reason. On one occasion there was a boat and crew capsized, and the captain and every one on board were lost. Perhaps in point of character the sailor is improved, and these things are not of so frequent occurrence now. It is usual now to hire a boat; the charge is according to the strength of the wind; we have some signal on shore; if it blows a stiff wind there is a charge for that; if it blows very hard they have to take in another reef, and they charge for that.

322. What is the purpose of the expedition money that you have mentioned?—It is for clearing the vessel at the Custom-house. It is a charge made by the agent there for his trouble in clearing the vessel; there are pilots; the pilots there are very good.

323. Where do you take in your pilot?—We take in our pilot, on our outward voyage, at Elsinore; from Elsinore to Copenhagen, a distance of 20 miles, the danger is nothing, and it is not requisite at all to have a pilot, for the Sound is well-lighted and well-buoyed; but when we come to the most difficult part of the navigation, for a distance of about 10 miles abreast of Copenhagen, in a place of the channel called the Grounds, we find a great deficiency of lights, and the consequence is, that in the night-time it is not safe to go through; not even one of their own pilots will take a ship through those grounds at night, and during the day it is not prudent for any captain to take his ship through without a pilot; I am of opinion that it is insufficiently lighted for the protection of their own pilots.

324. Is this a matter of complaint among the shipowners trading in the Baltic generally?—It operates in this way; unless you can get clear of the Sound, and get through before dark, you have to wait till the next morning, and therefore there is in some cases a delay for 12 hours. We had a message by telegraph this morning that one of our ships which arrived at Elsinore at 10 o'clock last night, had to wait till the next morning; if the lights were sufficient, if they had cleared at 8 o'clock at night, they could proceed without hinderance: but at present, if they clear so late as 8 o'clock in the summer, before they come to the narrow channel it is dark, and they have to stop till the next morning.

325. Has anybody any interest in that deficiency?—It is allowed, I believe, because they wish to protect the interests of their pilots.

326. Did not you say that the pilot himself will not go at night?—Yes; but it compels ships to take pilots when otherwise they would not; pilots will not go through in the dark. We generally take a pilot in the hope of getting through the Sound before dark, or earlier next morning than we otherwise should.

327. Are you bound to take a pilot to Copenhagen?—No; we are not bound to take a pilot to Copenhagen, but at Elsinore they are ready, and we cannot get

get them at all at "The Grounds;" there are vessels that have gone through without pilots, but only with fair winds.

328. If you did not pay the dues you would have to take a pilot to Copenhagen for those 10 miles?—Yes; I conceive we should.

329. Should you pay the charge for a pilot if you did not stop at Elsinore?—No; my remark was only with reference to the fact that the Sound dues are not laid out with the view to find pilots and give assistance to the vessels.

330. Mr. *Mitchell.*] How long is it since you were last in the Baltic?—I was last year in the Baltic as a passenger; 1852 is the last year in which I commanded a vessel of my own in the Baltic trade; I felt very much inconvenienced that year.

331. Do you think that the Danish Government does not give an equivalent for the heavy charge it makes?—No, I do not consider that they give any equivalent at all for the dues on goods; we pay for the lights and the buoys, and for the Sound dues on goods we do not get any equivalent at all.

332. *Chairman.*] Do you know of any remonstrances being made about the deficiency of lights in the channel?—Yes; there have been several lights erected upon the petition of several shipmasters; upon referring to my memorandum I find that there have been several.

333. Mr. *Duncan.*] Can you say from your own experience that if that spot were better lighted, you would be able to go through without pilots?—Yes; but I only spoke of that point to show that the Danish Government really gives us nothing for the Sound dues, and that the fact of being detained in the Sound in the evening of the day prevents us from prosecuting our voyage, thereby causing a second detention.

334. *Chairman.*] You state that in consequence of remonstrances by captains of vessels of late years, they have had fresh lights?—There have been two or three cases of that sort, but not in this neighbourhood specially.

335. Mr. *Milner Gibson.*] When was the last time you went on a voyage in the Baltic?—I was there last year; but in 1852 I was in command of a ship.

336. *Chairman.*] Have you anything to say about the buoys in this channel? If it was better buoyed we should be able to go through in the daytime without pilots, and save the expense of pilots; I am speaking of "The Grounds," which extend a distance of 10 miles; it is a narrow channel.

337. Is not one of the objects of the dues to support the buoys?—We pay for the buoys in the dues charged on the ship.

338. Is not it one of the charges that you pay?—Yes; the ship really pays an extra charge for this; the Sound dues upon the cargo contribute nothing to that; the ship has to pay these charges in addition; the principal cause of complaint is not the expense to the shipowners, but the delay. You cannot estimate the damage or loss sustained by one hour's delay at this part of the Baltic.

339. In paying these dues, do you distinguish those properly called Sound dues, from the dues charged for lights, buoys and beacons?—The shipowner does not pay the Sound dues upon the goods; the merchant or the owner of the goods, the shipper or the receiver pays the dues; therefore the shipowner knows nothing whatever of the dues upon the cargo.

340. He pays the dues charged upon the vessel?—Yes, and those are dues which we consider to be partly just; the light and buoy dues we consider just, but we do not consider the charges for pass and expedition and boats and consuls' certificates, and fines for sailing past, to be just; we consider that we get nothing in return for them.

341. But they are incident to the payment of the Sound dues?—They are incident to the payment of the Sound dues; there is not only delay incurred in actual stoppage, but there is also additional delay occurred by a sailing ship; they must clew up the sails, which takes a considerable time, and in the stowing and setting the canvas there is considerable wear and tear, and there is also considerable delay in getting anchors up, and letting them go.

342. Mr. *Duncan.*] Are those various charges made according to the tonnage of the vessel?—No; I believe that for ships below 40 tons there is a graduated rate according to the size; but for vessels above that size there is a regular scale.

343. Viscount *Chelsea.*] You spoke of certain agents who were employed in clearing the ships; is there any monopoly of that employment?—No, there is no monopoly; I believe there are a great number of agents there; I cannot

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speak as to the number; but I should say, according to my recollection, that there must be from 25 to 30 of them; the competition is immense; I know that from the offers we have received from various agents for the clearance of vessels.

344. *Chairman.*] Is not the agent chosen before the ship sails, and is not he paid by a commission?—Yes.

345. Mr. *Mitchell.*] Have you to pay a commission at Elsinore for the ship, as well as the cargo?—Yes; the shipowner employs the agent, but it is frequently the case that the charter of the vessel binds the ship to go to a particular agent.

346. Viscount *Chelsea.*] Do not the agents obtain their employment by large gratuities to the captains?—They give gratuities to the captains to induce them, when their vessels are at liberty, to address them to them.

347. Mr. *Mitchell.*] Have not nearly all the houses in the Baltic trade specific agents at Elsinore, who habitually clear their goods for them?—Yes.

348. And charge them a commission of from 2 to 3 per cent.?—Yes.

349. Can you give any estimate of the average detention caused by the payment of the Sound dues at Elsinore?—There are so many circumstances connected with the detention that it is difficult to know the time lost in the voyage; I believe the shortest time in which it is possible to get cleared is an hour. You may take a blank pass out in an hour if you arrive there at the most favourable moment; if there are very few ships in company with you, and your bills of lading are few in number.

350. *Chairman.*] Are the bills of lading implicitly relied upon by the Danish authorities at Elsinore?—I believe they are; there are also cockets accompanying the bills of lading, which are entries from the Custom-house, and there are bills of entry from the Custom-house authorities.

351. Does not that prevent any fraud upon the Danish Government at Elsinore?—I should think it would be a very easy matter, as far as clearing at the Sound is concerned, to defraud the revenue; but I believe the Government of Denmark have arrangements with the Custom-houses of the different Governments that they shall also check the delivery of the goods by the bills of lading.

352. Have you ever had any reason to suppose that the Sound dues are evaded?—No; I have no reason to suppose that they are.

353. Mr. *Mitchell.*] No fraud could take place, except by collusion between the owner of the goods on board the ship and the captain?—No.

354. Mr. *Bramley Moore.*] Are you not cleared at the Danish consul's office?—You clear by an agent of your own.

355. Are you not cleared at the Danish consul's office?—No.

356. Have you not to apply to the consular office for certificates, with regard to the cotton which goes to the Baltic?—As far as relates to cotton, I believe the Danish consul certifies the shipping document and the quantity on sailing from England.

357. Where do they get the cockets?—From the Custom-house.

358. Do not they go to the consular department?—No.

359. What documents does the Danish consul give you?—The only document that he gives us is a certificate that the shipper's signature is worthy of credit.

360. Did not you say that in the part of the Sound where lights are most wanted they are most deficient?—Yes; where they are most wanted they are most deficient.

361. And that, if it were better lighted and better buoyed, you would be able to dispense with pilots?—Yes.

362. Are there not other things which make pilots necessary besides the want of buoys and lights?—With reference to this particular channel, I do not consider that there is anything else.

363. Suppose it were blowing hard, would not you be glad of a pilot?—Not if the place were properly lighted and buoyed.

364. Does not the question arise, what do you mean by properly lighted and buoyed?—Yes; that question arises.

365. Would not you consider the assistance of a pilot necessary with reference to the set of the currents and the prevailing winds in the channel?—You may imagine certain periods when a pilot might be advantageous to vessels, particularly to strangers.

366. Have

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366. Have not you had great experience in the navigation of this channel?—Yes.

367. Could not vessels going there ordinarily dispense with pilots?—I believe there are many vessels that go to the Baltic that take pilots the whole way, but they are strangers. I only mention this to show that we get nothing in return for the dues that are levied upon the goods. We do not complain as to being charged for those pilots; what we complain of is, that we cannot go through this narrow channel at night-time, after we have been detained at the Sound; and that by being detained there when we come to this narrow channel, which is 20 miles distant, we have to wait there till the next morning, because there are not sufficient lights.

368. Do not you think that, under any circumstances, strange vessels going there would not like to go up this narrow channel without a pilot?—I believe they would prefer pilots. I do not wish to say that there is no necessity for pilots; all I wish to say is, that we get nothing for those dues which we pay, and that even these pilots cannot take a ship through in the dark for want of lights.

369. You mean to say that you do not get value received for those dues?—Yes.

370. And that you pay more than an equivalent for what you get?—Yes.

371. Would your insurance be safe, suppose you were running there without a pilot, and you were lost?—The insurance would be good, I believe.

372. Can you say positively that your insurance would not be forfeited?—If the Sound is properly lighted and buoyed, I consider that a man of experience has as much right to go through that channel as a pilot himself. In making allusion to pilots my intention was to show the insufficiency of the lights, inasmuch as the pilots themselves refuse to proceed through this channel in the dark; and the reason why we feel the inconvenience of being stopped at this narrow channel in the dark is, because of our previous detention up the Sound. If we had not been stopped at the Sound, we might have been able to get through this channel the same evening.

373. *Chairman.*] It occasions a further loss of time?—Yes.

374. Is not the pilot a longer time on the vessel in consequence of that detention?—Yes; but the charge is no more.

375. Mr. *Milner Gibson.*] Is the pilotage compulsory?—No, it is not.

376. You have the option whether you take a pilot or not?—Yes.

377. *Chairman.*] But it is unsafe to proceed without a pilot, lighted as the Sound is?—Yes; the pilots themselves consider it unsafe to go at night.

378. Can you give us an idea of what the expense of the voyage of a vessel going to the Baltic is, to show what proportion the charges created by the Sound dues and the incidental expenses you mentioned would bear to the expense of the voyage: take a ship of 200 tons register, what would be the expense of the voyage to St. Petersburgh, and back again?—I should think about 200 *l.* there and back, including the port charges at St. Petersburgh.

379. Mr. *Mitchell.*] Supposing that ships were loaded with a cargo of flax, would not the Sound dues upon the flax, independent of the dues upon the ship, and the detention of the ship, be 7 *s.* a ton?—Yes, about that sum, but not quite so much.

380. Therefore the proportion of the Sound dues falling upon the cargo, as compared with the whole expense of the voyage, would be as 7 *s.* to 20 *s.*?—Yes, thereabouts.

381. *Chairman.*] Are there not other expenses incurred at Elsinore?—There are only a few expenses upon the vessel, which are very light; the principal objection which I have is as to the detention.

382. Supposing a ship of 200 tons to go to St. Petersburgh, and return laden with flax, there is a charge at the Sound of 7 *s.* a ton upon that flax; what are the other charges upon the vessel?—The average expenses attending upon a vessel at the Sound would be about 8 *l.* in the voyage out and home.

383. Mr. *Mitchell.*] Could you give the items that make up that charge?—There is the light-money, the pass, and expedition, translators' fees, stamps, boat hire, bill of health, consul's certificate, exclusive of the pilot, which I have not put down in the charges at 8 *l.* per vessel.

384. *Chairman.*] What is meant by the consul's certificate?—The consul's certificate is a document which we originally get from this country for cotton exported

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exported to the Baltic, and we have to take it on shore, then to be revised or certified by the consul.

385. Mr. *Hutt.*] Is the bill of health you have mentioned presented at the Custom-house or the Quarantine office?—At the Custom-house. In addition to the charges which I have already mentioned, there are the charges for what is called sailing past; on the downward voyage you may sail past by sending your papers on shore; and there is also an additional charge if you should clear on Sunday.

386. Do I rightly understand you to say that they will not clear on Sunday if you do not pay the extra charge?—They charge extra on Sunday.

387. Mr. *Mitchell.*] Would not a ship of 200 tons load about 180 or 190 tons of flax?—At Riga they would load that quantity.

388. Therefore, taking the Sound dues upon the flax at 7*s.* a ton, it would amount to between 60*l.* and 70*l.* upon that ship?—Yes, pretty nearly, but the dues are less than 7*s.* per ton; about 6 *s.*, including charges.

389. Then there is a further expense of 8*l.* independent of the detention to which the ship is exposed?—Yes; I am not quite sure of the amount, but thereabouts.

390. So that altogether upon the total expense of 200*l.* for the voyage of a ship loaded with flax, going backwards and forwards, the Sound dues would amount to about 78*l.*?—Yes, pretty nearly, on ship and cargo.

391. Mr. *Bramley Moore.*] Does the ship pay the light dues both ways?—Yes; the ship pays them out and in.

392. Then the ship pays twice over?—The ship pays twice over; it pays outwards, and it pays also coming down.

393. Mr. *Mitchell.*] Those are only the Sound dues upon the return cargo; of course there will be additional Sound dues if the ship takes a cargo out?—There would not be additional Sound dues upon the vessel; it is difficult, in answering these questions, to distinguish the Sound dues upon the goods from the Sound dues upon the vessel; the Sound dues upon the goods sent out from this country are much heavier in proportion than they are on the return cargoes.

394. *Chairman.*] Supposing the same vessel that brings back flax had taken out cotton, what would the charges on it be?—The charges upon the ship are just the same; the charges vary in respect of the cargo.

395. Mr. *Hutt.*] What quantity of cotton would a ship of 200 tons carry?—It would carry 100 tons.

396. Have you ever sent cotton to the Baltic?—Yes, I have shipped 30,000 bales in a year.

397. What dues did you pay upon passing the Sound?—About 5*s.* a bale, including agents' charges.

398. How many bales are there in a ton?—Four to five.

399. Then there would be 500 bales in the ship?—Yes.

400. Mr. *Mitchell.*] Then there would be a charge of 25*s.* a ton upon the goods going out?—Yes, thereabouts, and upon the article of worsted yarn the duty is still higher.

401. Supposing a ship took out 100 tons of cotton, and returned with 180 tons of flax, the total charge for Sound dues would be 25 *s.* a ton upon the cotton, and there would be 8 *l.* for the dues upon the ship, and about 60 *l.* for the Sound dues upon the returned cargo of flax, making 190 *l.* altogether; is not that so?—Yes, about that sum. There is a duty upon flax of 12 stivers a ship pound; a ship pound on goods from Russia is 400 pounds of English weight, and 12 stivers would be about 1 *s.* 2 *d.* I may state, that those charges which we are talking about are not all levied by the Government upon the vessels, but some of them have the charges of the agents included, for paying the dues.

402. So that the total amount of Sound dues upon a cargo of cotton out, and a cargo of flax back, and upon the ship, will amount to 190 *l.*; whereas the whole expense of the voyage does not amount to more than 200 *l.*?—Yes, thereabouts; indigo pays 10 *s.* a chest, about.

403. What per-centage would that be upon the value of the indigo?—I think it was assumed, upon calculating the value of the indigo, that it amounted to 1½ per cent.

404. *Chairman.*] The former one per cent. upon the present value of indigo?—About 1½ per cent. present value; and upon worsted yarn the Sound dues are enormous; they are 2 *l.* a bale, or more.

405. Mr.

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405. Mr. *Liddell.*] How much does a bale weigh?—About 900 lbs. I saw a calculation this morning as to the cost of sending ten chests of indigo by the different routes *viâ* the Sound to St. Petersburgh, or *viâ* the Tonning and Flensborg Railway.

406. *Chairman.*] Have you ever seen any account of those articles according to their present value, and of the alteration which would be made in the Sound dues upon them if they were reduced to one per cent.?—No; I have not seen any account of that kind; it is not upon the whole of the articles that there is a duty of one per cent.; it is only upon a certain number of articles. I have the tariff here, and upon the articles not enumerated in this tariff there is a duty of about one per cent.

407. Is there a British consul at Copenhagen?—There is a consul at Copenhagen.

408. Mr. *Duncan.*] You spoke of the duty upon worsted yarn; will you state what it is?—Upon worsted yarn it is three stivers upon five pounds weight, pretty nearly 1 *d.* a pound; upon a chest of indigo it is from 10 *s.* to 12 *s.*, while the whole freight upon that to St. Petersburgh is only 8 *s.*, so that the duty is 2 *s.* more than the actual freight.

409. Mr. *Hutt.*] Does worsted yarn occur to you an article upon which the highest duty is levied?—It does, together with indigo.

410. *Chairman.*] Are you at present under great disadvantage as a shipowner from the competition with the railway from Tonning to Flensborg?—Very great disadvantage indeed.

411. Is not the opening of that railroad of recent date?—Yes; they have only commenced running to St. Petersburgh by that route this year.

412. Is there a transhipment in that route?—There is a transhipment at Flensborg for St. Petersburgh.

413. Does not the railway make the Sound dues more felt than they were before?—Yes; it interferes with the direct route, and no reduction of rate will enable us to compete with the railway so long as those dues exist; the dues are so heavy, considering that by the other route there are few if any dues, that if we were to take the goods for nothing, still there would be an advantage in going the other route and saving the dues.

414. Mr. *Mitchell.*] What is the freight upon worsted yarn?—We should be glad to take it at 6 *d.* a foot.

415. What is that equivalent to per ton?—About 20 *s.* a ton measurement.

416. Are you aware that at 1 *d.* a pound the Sound dues will amount to about 9 *l.* 10 *s.* a ton?—Yes, but it is not quite so much. The duty is three stivers for five pounds weight, and a stiver is rather more than a penny.

417. *Chairman.*] Is there any other route to St. Petersburgh besides those you have mentioned?—There is another route *viâ* the Gotha Canal by Gottenborg; I think the canal ends at Stockholm; there is a Swedish Company that has several small steamers running from Hull *viâ* this Gotha Canal; only small vessels can make use of it.

418. At what port in Sweden does it enter?—At Gottenborg.

419. Do the vessels go direct from England to Gottenborg?—Yes, they go direct from England to Gottenborg.

420. Of course they do not pay any dues?—They do not pay any dues.

421. Is there an inconvenience in transhipment?—Yes; but by that route there is no transhipment?—The Gotha Canal is a ship canal.

422. Mr. *Hutt.*] What sized vessel can go through that canal?—I do not know how large it may be; but I should judge, from the size of the vessels which the Swedish Company are running, that it would admit steamers of about 200 tons burthen, or 150 tons register.

423. Can a vessel of that size proceed from England to St. Petersburgh by that route without going through the Sound?—Yes.

424. *Chairman.*] Is not there any risk in doing that?—None.

425. Mr. *Milner Gibson.*] What draught of water is there in that canal?—I am not conversant with the fact, but I think it is only about eight feet; I may be wrong; I am not quite certain as to the draught of water; I only judge from the fact that this company could have secured large vessels if they had been able to take them there.

426. Is not the draught of water a material consideration in a route of this kind?—Yes, it is a material consideration.

427. If

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427. If there is not a sufficient draught of water it puts an end to the navigation?—Yes; but I am not sure whether there are any locks that require the vessels to be of a particular description.

428. *Chairman.*] Can you give us any further information about this canal?—No; all I know of it is, that it is a route which some parties are making available for the purpose of evading the payment of the Sound dues.

429. Mr. *Mitchell.*] Would not a steamer of 200 tons register require more than eight feet of water?—Perhaps an ordinary steamer might, but they are a peculiar build of vessels. In the advertisements of the North of Europe Company they state that they save the Sound dues entirely by going *viâ* Tonning and Flensborg Railway.

430. *Chairman.*] Are there not some rates to be paid in that canal?—There may be, but they have included those rates in the freight.

431. Are there not transit dues, or something of that sort, to pay to the Swedish government?—We have not been able to ascertain what dues are payable; but, in my opinion, the freights are too low to be any dues charged to them.

432. If it were not for the Sound dues would not the most convenient route to the Baltic be through the Sound?—Yes; the best and most direct, and I should consider the quickest, although it is more circuitous than the canal, but still we should have no delay, and we should accomplish it quicker, because in entering the canal and going through those narrow channels there must be considerable detention and danger.

433. Are not you aware that at present there are very high duties upon our goods at St. Petersburgh?—Yes; I believe that in many cases they are prohibitory.

434. Where they are not prohibitory do not those additional charges increase the difficulty of selling our goods?—Yes; I always considered that the Sound dues was a protection upon the manufacturing trade of Russia, inasmuch as it was a charge upon the article produced abroad, which encouraged their home productions.

435. Has not Russia favoured the Sound dues hitherto; does not she require evidence from the ships that they have paid the Sound dues before they are allowed to discharge their cargoes?—Yes.

436. What is the purpose of that course?—I am not aware what the purpose is; it is the same in Prussia. Last year, when we first commenced our new line of steamers to the Baltic, we sailed to Konigsburgh, and our steamer went past the Sound without calling, and sent her papers on shore, instructing the agent to send the pass on. We got to Konigsburgh before the pass arrived; we were detained there till it came, therefore we saved nothing by going past the Sound without calling.

437. Can you tell the Committee what goods are exempted from the payment of Sound dues?—I do not know all of them; coals are exempt.

438. Is machinery exempt?—No, machinery pays upon its value, which is usually particularised in the bill of lading, or by the papers which we sent to the agent.

439. What is the reason of coals being exempt from duty?—I do not know.

440. Are they exempt when manufactured into coke?—Yes; I have exported both coke and coal, in large quantities.

441. Is not a great deal of coal sent from England to Russia?—Yes, very large quantities. What the shipping interest complain of is the delay and consequent danger to the ships; they have to complain of the expense, but they do not complain so much of the expense as of the serious delay and consequent additional risk and loss of time which the collection of those dues causes.

442. If there were any other place or mode of payment adopted, would not that meet the grievance of shipowners; if, for instance, they were paid to the port of landing or embarking?—That would meet the grievance to a considerable extent, except as regards competition with other routes, in which they are not able to join, and consequently not able to procure a freight in competition with them, which is becoming a serious injury to the direct trade.

443. Do you expect that the freight will be diminished by means of the facilities offered for the transit of goods by the railway from Tonning to Flensborg?—By the direct route by the Sound freights are in all cases considerably reduced, and in many cases quite annihilated.

444. Has

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444. Has it not been opened for more than a year?—I am not sure of the exact period of its commencing, my attention was only called to it last year; we have felt it very materially; we formerly had large cargoes to Copenhagen, and now they have secured nearly all those goods by their route to Copenhagen.

445. Do you know the principle upon which the Danish government levies duties upon those goods?—I am not aware of it.

446. Is there not a transit duty upon them?—There is a transit duty, I believe, but I think it is, comparatively speaking, an exceedingly light one, for if it were not light it would be impossible for them to include it in their freight at the rates of freight that they are carrying at.

447. Have you seen any calculation as to the comparative expense of going one way or the other?—I have seen the calculation, but I do not think I could speak to it at once; I applied to the agent, and all the reply I could get from him was, that no dues whatever were charged by the Danish railway in addition to the carriage. He says, "We beg to assure you that no dues whatever are charged by the Danish railway in addition to the carriage." Now he is the agent for the steam company, which, I believe, have leased the railway, and therefore he is speaking from his own knowledge.

448. Mr. *Disraeli.*] What is the name of that agent?—Mr. Dunkerley; he is the agent of the boats at Hull.

449. Mr. *Mitchell.*] Could not you ascertain the charge by railway from Tonning to Flensborg?—Yes, I could.

450. What is the freight charged upon any specific articles by steamer, from Hull to Tonning?—There are so few goods for Tonning that we have not had to ship any goods to that place; from Hull to Copenhagen they take goods at the same rate as we are carrying them by the direct route, and the merchant, in addition to the freight paid to us, would have to pay the Sound dues: for instance, for certain species of our manufactures we are getting 6*d.* a cubic foot for the freight to Copenhagen, and they take it at the same rate by this railway and include the transit dues; the entire charge is 6*d.* a foot, whereas when they were sent by our vessels direct, the merchant incurred the Sound dues.

451. By this railway, and by the steamers connected with it, they undertake to deliver the goods at Copenhagen at the same rate as you would charge by the direct route?—Yes.

452. And the merchant has the additional advantage of not paying the Sound dues upon the goods so sent?—Yes; the steamers at Hull have just now reduced their rates to an unparalleled low rate; they had almost better leave the goods than take them at that rate, but they would not let the trade go from them if possible; there are 14 steamers plying from the Humber to St. Petersburgh by the Sound at present, with an average of 400 tons register and 700 tons burthen; and Messrs. Gee & Company and Messrs. Brownlow & Company, and our own firm, Z. C. Pearson, Coleman & Co., and Messrs. Wilson, have reduced the rate to 2*d.* a foot, for all are desirous of maintaining the connexion with the trade.

453. *Chairman.*] Have you seen any calculation made by the Danish government of what the dues are worth to the country?—I have never seen such a calculation.

454. Have you estimated yourself what it is?—No, I have never estimated the real amount paid.

455. Is not there an entry made at Elsinore of everything paid there?—I should presume so.

456. Do you suppose that there would be any difficulty in getting that entry through our consul?—I do not know. Speaking as to delay, I have known vessels lost; I have known them get on shore, or lose their anchors, or have other misfortunes, no doubt through being delayed at Elsinore, and I have had very narrow escapes myself, and all this might have been avoided if the dues had not been levied there.

457. In fact, we cannot estimate the mischief arising from these dues by the mere amount we pay?—No; we should not estimate it so much by the mere amount paid, as by the delay caused; but the amount falls very heavily upon the merchants, and also upon the shipowners, by having other routes to compete with by which no dues are paid.

458. Mr. *Disraeli.*] Do you know whether the fear of these evils affects the insurances upon vessels going to the Baltic?—I have no doubt it does.

 459. Have

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459. Have you never heard the brokers mention it when you wanted to effect an insurance as an element of danger?—No, I never have personally.

460. *Chairman.*] Do you think that the insurances would fall if the Sound dues were to cease?—In the autumn of the year I think they would, but in the summer the insurances are so low that they could not well fall lower; they underwrite now for 7 *s.* 6 *d.* per cent. for steamers sailing for St. Petersburgh, and it is difficult to make the insurance lower than that.

461. Mr. *Milner Gibson.*] Have you ever known ships to be run down, or run ashore at Elsinore?—I have heard of such cases, and I may have known of them at the time, but I can only speak positively as to the cases I have seen; I have seen, many times, bowsprits carried away, and ships sustaining other damage in the fall of the year; those things have come under my observation. One ship of our own last year, bound on a voyage from Memel to Buenos Ayres, was detained there during the night, and during the night the ice came and cut her through, and she had to come into port to repair, and lost her voyage and incurred loss to 2,000*l.* extent.

462. Is not the Sound a dangerous anchorage to lie in at night, in the fall of the year?—Yes; but it depends very much upon the wind—upon the way of the wind, and its strength.

463. Mr. *Hutt.*] Are you liable to gales of wind in the Sound?—Not more so than in any other part of the Baltic; but it is a very peculiar channel; there is only a short distance that you can steer on one course; there is a distance of 120 or 130 miles in which you steer nearly due north and south, and at the end of this 130 miles you steer due east and west, and the wind which is favourable for you, and which would take you the whole distance, may arise; and if you had attained a further point, and got round the reefs, you might continue all the way with a fair wind, and one hour's detention at the Sound may prevent you passing the reefs, and so lose your passage, for the current generlly changes with the wind.

464. Viscount *Chelsea.*] You have spoken several times of reefs; where are those reefs situated?—The reefs that I have alluded to are 50 miles from Elsinore. You may have a fair wind, and if the winds vere from the west to the south, when you have reached a certain point it is still a fair wind to you; whereas if you were a few miles more to the west, it would be impossible for you to go round the reefs, because the current is so strong.

465. Mr. *Hutt.*] Do not a great many wrecks take place at Elsinore?—There are not many wrecks; often the vessels get aground, and there is a good deal of damage done. I have seen the harbour full of vessels damaged from various causes.

466. *Chairman.*] Who, according to the general opinion, pays for all those risks and inconveniences?—The opinion at Hull, as far as I know, among the shipping interest in general is, that it falls upon the consumer. It adds to the cost of the goods, and adds to the freight, and that it must add to the cost of the article, and therefore they consider that the consumer pays it.

467. Have you any other observations to make to the Committee upon this subject?—I think I stated the various risks which the captains themselves are liable to in going on shore. I have gone on shore with a crew, and when I have got on shore I have not been able to get back again to my vessel on account of a gale of wind, and my vessel has been in great danger without the captain on board.

468. Mr. *Duncan.*] How many men do you require to go on shore?—It is not safe to go without four hands.

469. And if a gale came on you would be kept there?—You could not go off with a boat during a gale.

470. And during that time the ship would be in danger, and some of the men would be out of the ship?—Yes; but you are not compelled to take your own boat on shore; you can take a boat from the shore.

471. Mr. *Liddell.*] What is the distance of the place at which the ship anchors, from the coast?—It varies from one to two miles; if the Sound is full of ships, you have to go a great distance to get to a good anchorage; the breadth of the Sound is two miles.

472. *Chairman.*] Have you ever heard of the plan of providing for the tonnage duty by collecting it at the Baltic ports?—I have heard of that proposal, and I have heard that it emanated from our Government. The proposal that

that there should be a tonnage duty instead of the present dues, would fall somewhat heavily upon the British shipping, which is burdened overmuch already.

473. What would be the peculiar inconvenience of that plan?—It would be an additional expense on the shipowner.

474. You would not have to complain of the detention, and the dues would be collected in the Baltic ports; what particular inconvenience would result from that plan?—Inconvenience would only arise from the additional expense, and the loss through other routes unfairly competing would still exist unless the Sound dues were entirely repealed.

475. What is the additional expense which would be incurred?—A tonnage duty is proposed instead of the rates upon the cargo; by commuting the duties upon the cargo you would make it fall upon the ship: the shipowner would have to pay the tonnage duty, whereas the merchant pays the duty upon the goods.

476. Your opinion is, that the duty upon the ship and the cargo also falls upon the consumer; would not the tonnage duty fall upon the consumer also?—It would come out of the shipowners' pocket; he would have to pay the amount in the first place and directly, and the freight could be obtained to cover it.

477. Mr. *Disraeli.*] What would he put in his pocket if he paid it?—Nothing at all in his pocket, but a great deal out of it.

478. Mr. *Hutt.*] Supposing that America, or any other nation, were to obtain exemption from the Sound dues, what would be the position of their shipowners then?—They would get all the carrying trade of the Baltic.

479. And the dues would not fall upon the consumer?—No; the shipowner not having to pay them, they would not fall upon the consumer. Our competition is so great now, there are so many vessels that we can scarcely get freight sufficient to pay us; there are many taxes to which the shipowner is liable at present, which it would be well to remove.

480. Mr. *Mitchell.*] If the American ships and cargoes were exempted from Sound dues, whilst we had to pay them upon ship and cargo, would not the effect be to give all the carrying trade to America?—Just so; the Americans would get all the carrying trade.

481. *Chairman.*] In your opinion what would be the best practicable method of collecting the tonnage dues?—Those dues that are paid now at Elsinore upon vessels for light money might be paid in the port of discharge; and they might be levied upon the same principle upon which money is levied in this country for lights, namely, that they should pay for the lights they pass when they arrive at the port of discharge; and when they are reported to the Custom-house the Custom-house ascertains where they come from, and then they know what lights they have passed, and the ships pay for those lights. For instance, if we were bound from St. Petersburgh they would know what lights we had passed, and of course we should pay for them willingly.

482. Mr. *Duncan.*] Would it not be a great convenience to you to pay the 8 *l.*, which is now chargeable at the port from which you now sail?—It would be better to pay at the port of discharge, because there are so many casualties that if you paid at the port from which you sail, you would be paying the money before it is earned and due.

483. *Chairman.*] Would you rather pay it upon your return voyage?—I should prefer its being paid at the port of discharge.

484. Mr. *Duncan.*] Supposing you were in ballast, would the sum be the same?—It would be the same.

485. Supposing the Sound dues were abolished, would you then propose that the light dues should be paid at the port of discharge?—Yes, after the voyage is completed; it will be better for the vessel to complete her voyage, and then to pay the light dues at the port of discharge.

486. Mr. *Duncan.*] Did not you state that you paid 8 *l.*, 200 tons dues for a vessel out and home?—Yes; that is an amount incurred entirely by having to stop there; if we had not to stop there, the dues would not be so heavy. There is the light money, of which we have no complaint whatever to make, that is about 1 *l.* up and 1 *l.* down; and I think it would be best to collect the light dues at the port of discharge in the Baltic, and again at the port of discharge in this country.

487. Mr. *Mitchell.*] Supposing a vessel were lost before she arrived at the

port

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port of discharge, would not the Danish government be without her payment? —Yes.

488. Mr. *Duncan.*] Do you happen to know how much of the 72,000 *l.* that are paid, for what are called Sound dues, is attributable to light dues?—I am not aware. The ships are charged the light dues in addition, and therefore we consider that the Sound dues upon the goods contribute nothing towards the lights. The ship pays the lights and merchant dues on cargo, and we consider a much larger amount than 72,000 *l.* is paid for dues.

489. *Chairman.*] When you pay the dues, do you pay under different items, or in one item?—Under different items.

490. Do not the lights, the beacons and the buoys, constitute an item by themselves?—Yes; it is termed light money.

491. What proportion is the light money of the whole sum that you pay when you pass the Sound?—It would be about 1-8th; there is first, the light-money charge, and there is the pass expedition money; I suppose that is what the agent charges.

492. Mr. *Mitchell.*] Is not it 1-8th of the charge upon the ship totally independent of the charge upon the cargo?—It is 1-8th of the charge upon the ship totally independent of the charge upon the cargo; we are speaking of the dues upon vessels; it varies to some extent; there are incidental expenses at Elsinore also, which falls heavy on the shipowner.

493. *Chairman.*] None of those incidental expenses would exist if you paid the dues at the port of discharge?—None; there would be no other expenses incurred, but for the lights, if they had not to stop there. By stopping at Elsinore, there are many incidental expenses incurred. The captain gets some of his provisions there; and he gets spirits and tobacco, which he would never have occasion to get otherwise.

494. Mr. *Disraeli.*] Do you happen to know the amount of British ships that passed the Sound last year?—I am not aware of it; but I have an account for 1853 and 1854; the number of British ships passing the Sound in 1853 was 4,685.

495. Have you made any estimate as to what would be the average profits upon the freight of the 4,685 British vessels passing the Sound?—It would be a difficult thing to estimate; in 1854 there was a considerable decrease, to the amount of nearly 3,000 ships.

496. For the purpose of drawing a rough analogy, cannot you form some estimate of what would be the average profit to the shipowners of 5,000 ships?—It varies so much that it is difficult to say; I can scarcely remember the rates of freight in 1854; for it has happened in some years that the shipowners have lost money.

497. What would be a fair profit for a single ship at the present moment for a voyage to St. Petersburgh?—On a ship of 200 tons, a fair profit would be 200 *l.*

498. *Chairman.*] That, upon 5,000 ships, would be a profit of 1,000,000 *l.* a year? —Yes; but that might not be the average of 5,000 vessels, because 2,000 of them might lose money; the sum I have named would be a fair profit to the shipowner to realise.

499. The average profits of the shipowners of Great Britain being 1,000,000 *l.*, is it your opinion that the abstraction of the sum of 70,000 *l.* per annum from this million per annum would throw the whole of the carrying trade into the hands of the Americans?—With regard to throwing the trade into the hands of the Americans, that would refer to the dues upon the cargo, and not to the dues upon the ships; if they carried the goods in their vessels, and those goods were free of dues, certainly the merchants, whether importers or exporters, would seek for American vessels to send their goods by; they would not ship by British vessels, and pay the Sound dues, if they could get a passage free from the Sound dues by shipping in American vessels.

500. Do not the dues upon the cargo amount to 72,000 *l.* a year?—Yes, or thereabouts.

501. Assuming this average profit upon 5,000 ships at a million sterling to be the payment per annum, do you think that the abstraction from that profit of the sum of 70,000 *l.* per annum would throw the whole of the carrying trade into the hands of the Americans?—Yes; my meaning is, that if the exporter can get his goods into Russia without paying Sound dues, by employing an American vessel,

vessel, he will certainly never employ a British vessel where he has Sound dues to pay, because upon the cargo of the vessel the Sound dues are in many cases much more than the freight upon the vessel.

502. Mr. *Duncan.*] You stated that you had to pay from 10 *s.* to 12 *s.* a box upon the indigo, whereas the freight was 7 *s.* or 8 *s.*?—Yes.

503. Mr. *Mitchell.*] Upon worsted yarn the freight would be 1 *l.* a ton, and the duty 9 *l.* 10 *s.* a ton?—Yes, or thereabouts.

504. Mr. *Bramley Moore.*] Did not you say that the expenses of a ship of 200 tons, coming in and going out, including the port charges, were about 200 *l.*?—Yes.

505. Will you tell us how much of that 200 *l.* is for lights and buoys, and how much for port charges?—The light charge upon a vessel of that size would be about 1 *l.* each way; it is four specie rix dollars, 24 stivers.

506. How do you account for the 198 *l.*?—There is also the fees of expedition, and expenses for crew and port charges at port of discharge.

507. What is the total charge at Elsinore upon the ship?—The whole charge for the vessel that I allude to is 12 *l.*, including the pilotage at the Sound.

508. What are the port charges?—It very much depends upon the port you go to.

509. What are the port charges in Memel?—The port charges in Memel would be 100 *l.*, including the loading and discharging at Memel.

510. How much are they at St. Petersburgh?—Pretty nearly the same amount.

511. Did not you say that you paid extra fees if you cleared on Sunday?—Yes.

512. Will you tell us whether those extra fees are by law, or merely extra fees for the man doing that on the Sunday which he is not otherwise obliged to do?—I only took that statement from Mr. Macgregor's book.

513. Cannot you speak of it from your own experience?—I have no knowledge; I have had it to pay, but I never made an inquiry whether it was a charge made by the Government or not.

514. Are not you aware that in some countries the customs' officers may do work on the Sunday, provided you pay them extra for it, but it is optional with them?—Yes.

515. Do you know whether this extra charge for clearing on Sunday at Elsinore is by order of the Government, or whether it is merely paid to induce the officers to do duty on the Sunday?—I do not know of my own knowledge.

516. Are you aware that an American ship last week attempted to pass the Sound without paying dues?—Yes.

517. But she was obliged to pay?—Yes.

518. And paid under protest?—Yes.

519. Are you aware that if a vessel goes to a Russian port, she cannot discharge without having a certificate of having paid the dues?—Yes.

520. Does the same rule apply to Prussia?—Yes; I experienced it myself with one of our own steamers, as I have already stated. There are no nations on this side of the Sound that would require it.

521. You are aware that the trade to Russia consists entirely of manufactures in a half-manufactured condition?—Now I believe to a considerable extent the raw material is exported; where we got whole cargoes of twist formerly there is not one-twentieth part of the cargo now; we have to carry cotton instead.

522. Do you know that our exports have diminished since 1846 from 1,600,000 *l.* to about 1,000,000 *l.*?—I have heard it stated so; the principal cargoes now that are exported from Hull are cargoes of cotton *in transitu* from Liverpool.

523. Your attention was called to the railroad going across by Tonning, and you said that it would be impossible for ships to carry goods at any rate in competition with this railroad; upon what do you base that conclusion; do you know what terminal expenses there are at Tonning for the railway?—I only judge from the rates of freights at which they are going now to Copenhagen; they are carrying goods at 6 *d.* a cubic foot, and that is the rate *viâ* the Sound, and merchants pay the dues in addition.

524. May there not be dues charged independently of the freight when they arrive at the two termini?—We have been informed by the agent for that route, himself, that the charge includes all dues, and I was waited upon in Hull by the Belgian Consul in company with a gentleman from Copenhagen, a large importer, who wanted us to contract to take his goods at a certain rate to Copenhagen,

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and he gave me then the figures at which they were carrying and paying the dues; he said that we should have to reduce the freight by one-half.

525. Can you give the Committee any further particulars as to this railway? —No, I cannot.

526. As to discharge from Prussian ports; do the Prussians return one-third of the Sound dues on the cargo to the importers?—I am not certain of the fact; the merchant's business is so independent of the shipowner, that the shipowners and ship-captains cannot become acquainted with these facts; the dues upon the cargo have nothing to do with the vessel, except it be indirectly.

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Thomas Thompson, Esq., called in; and Examined.

527. *Chairman.*] I BELIEVE you are a merchant at Hull?—I have been a merchant; I am a shipowner at present; I have given over mercantile business.

528. Do you ship to the Baltic?—I have done, formerly, a good deal of business in that way; but I am now engaged in shipping out of Liverpool.

529. Will you tell us what your experience was of the inconvenience of paying the Sound dues?—I have always considered that the inconvenience to ships, and the losses by having to stop at Elsinore, up and down, were enormous; it is past calculation; I will just mention a case that occurred lately: I had one vessel there that was detained overnight; the vessels which got cleared in time before the office hours were over, made their passages to their ports, but my ship was driven upon the coast of Norway, and made an average there, and it cost me 1,000 *l.* to repair her; that is only one case; I have known many instances of that kind in my experience, where inconvenience has arisen from vessels not being able to clear at night, and being detained till the next morning; perhaps the current is running up in the morning, and the vessel cannot get down, whereas she might have got to sea the night before and made her passage.

530. You are speaking of sailing vessels?—Yes.

531. It would not be so with steamers?—A large steamer carries against wind and tide.

532. This detention is a loss to sailing vessels?—It is an immense loss upon a sailing vessel; the very circumstance of clearing there is an expense to the ship; no captain ever goes on shore there without spending more money than he need; if he takes his own crew on shore, there is a risk of their not getting on board again, drink being so cheap there.

533. In most cases, now, they hire boats?—Yes.

534. That is an expense?—Yes.

535. Have you observed whether there are any incidental charges besides those arising from stopping at Elsinore?—Yes, many; I often wished the place was sunk altogether, and that we never had such a place to call at; for it is an enormous loss to shipowners.

536. Have you heard the evidence of the last witness as to the charges, some of which the vessel is bound to pay, and others of which are incidental but not necessary?—Yes, I heard that evidence; many of them are considered unnecessary; but when complaints have been made to the consuls they say they are customary; that is the answer we generally get from the British consul.

537. Have you ever made any calculation what upon the average is the loss, in addition to what you pay, from stopping at Elsinore?—No, I never calculated the average; it is a difficult matter to do; I dare say I could do so if I were to go through my books, and see my captain, and inquire how they perform their voyages.

538. It was stated to the Committee the other day that upon the whole number of voyages to the Baltic there was an average of a day lost on each voyage; is that so?—It is a very difficult thing to make a calculation upon that; I have known, instead of a day, three months to be lost; in one case a vessel of mine was three months on the coast of Norway; there are numerous instances of that kind.

539. Mr. *Mitchell.*] Is not one great point in the Baltic trade, as regards sailing vessels, to make as many voyages as possible in the course of the season? —Yes.

540. It is the great element of profit?—Yes.

541. In the Riga trade, if you cannot make four voyages a year it will not pay? —No.

542. So that even a day's detention is important?—Yes.

543. Mr.

543. Mr. *Duncan.*] Do not you think that five voyages may be made in the course of a season?—I have never had a vessel that could make more than four voyages; it is very good work to make four voyages to Riga and three to St. Petersburgh; not many sailing vessels make that number; but you will not get any St. Petersburgh captains to come here to give evidence against the Sound dues, because they get a per-centage upon the amount paid, and they have a present at Elsinore from the agent there.

544. *Chairman.*] Did not you hear the last witness state, that the captain of the ship delivers the bill of lading to the agent there, whose name is on the margin of the bill?—Yes.

545. How can the captain determine what agent shall be employed?—It is the custom to make these presents; my brother was a master in the St. Petersburgh trade, and I have heard him say that he got 100 *l.* a year in that way.

546. What are those gratuities for?—Originally they were intended to induce captains to be honest in giving their bills of lading, because, in my day, there have been cargoes said to be composed of earthenware, for which there have been false bills of lading made out for earthenware, when the vessel was actually full of cotton manufactures; afterwards the Danes got returns from St. Petersburgh of the actual cargoes delivered; that, I think, was the origin of the 5 per cent. given to the captain; but they have a check upon him at St. Petersburgh now.

547. If the practice is to get a check upon the captain at St. Petersburgh, what is the object of paying the 5 per cent. to him now?—There is such a check upon him now, that there cannot be any chicanery practised. The Danes, I believe, have a return now from their consul at St. Petersburgh of what every ship brings; but I believe that was the origin of the 5 per cent. given to the captains.

548. It is your opinion that the captains would not wish to get rid of the Sound dues?—I asked a very old captain, the oldest in Hull, the other day, to come here to give evidence; he said he should not; that he did not consider there was great harm in it. I asked him, "Have you never been detained there?" and he admitted that he had been detained by not getting clear of Elsinore at night; but he said that there had been no complaint; he had not heard so much about it. But we, as owners, know very well what a loss is caused by the ship stopping there.

549. The duty being a fixed duty upon the ship, there could be no deception there?—No; it is upon the goods that there was the danger of deception; I believe that the origin of the 5 per cent. was to induce the captain to send a true account of the cargo, before the Danes had the facility they have at St. Petersburgh now.

550. Is there any check upon them now at St. Petersburgh?—I believe there is, and has been for some time past. The amount paid on goods is enormous; and then you are paying duty to the Danish Government, consequently their taxes are so much less, and we are supporting their government, whereas they pay nothing of the kind to us. It is all money out of Great Britain; whatever is paid there, goes in support of their government, and they are less taxed, and consequently better enabled to compete with us in anything they are engaged in.

551. It is one source of the revenue of the Danish Government?—It is one source of their revenue. If they paid to England in the proportion we pay to them, we should be very low taxed in this country.

552. Have you any idea what the amount is that we pay?—No; but I had a letter from home this morning containing an extract from my books, showing that in 1847 I paid 592 *l.*; in 1848, 926 *l.*; in 1849, 611 *l.*; in 1850, 624 *l.*; and in 1851, 440 *l.* Those are all through one house. But I may state that there are several small items which, if taken into account, would make upon an average 700 *l.* a year. I think if those dues had not been paid, I should have gained something out of it. It may be said the consumers pay it, and I have no doubt that they do pay it.

553. Mr. *Bramley Moore.*] Do you think that if those dues had not been paid you would have got the amount in your own pocket?—Not all of it; we should have got a good share of it. The same may be said of the Russia dues, for which we do not get a farthing value. Many goods imported from Russia do not pay any duty, but our Customs actually collects dues for the Russia Company on all goods imported therefrom. I am quoting this to show how the thing

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works against British interest. The more money we pay in this way, the less are we able to compete with foreigners.

554. *Chairman.*] Do not foreign vessels pay the Sound dues as well as English vessels?—Yes; but we pay a great amount. The greater part of the exports of Russia come to this country, and we are the greatest payers upon them.

555. Have you reason to believe that we pay more than 72,000 *l.* a year?—I should say we do, looking at the amount I have paid myself.

556. Have you any other grounds to go upon in forming that opinion?—No, I have not; but I think you might get an estimate; you might get copies of the Reports from the Custom-houses in England, and a copy of the manifests lodged at the Custom-houses, and then, having the tariffs before you, you might make a calculation of the amount.

557. Mr. *Milner Gibson.*] The loss arising from the payment of the Sound dues is not to be estimated by the mere money paid; are there not other matters, such as loss of time, and damage to the vessels, to be put into the account?—There is all that to be taken into account.

558. Mr. *Hutt.*] Neither does the 72,000 *l.* received by the Danish Government represent all the money that has been paid. Besides the amount of 72,000 *l.* paid to the government, is there not a considerable amount paid to translators and other parties?—Yes; and there is the money spent at Elsinore.

559. *Chairman.*] Do you believe that Baltic produce chiefly comes in English vessels to England?—It used to come so, but it does not come much in that way now. There is a better class of foreign vessels now than there was in my day. The Baltic nations have improved much in their vessels and much in their men altogether; they have some first-rate ships now.

560. Does not produce that comes, whether in English or in foreign bottoms, pay the Sound dues?—Yes.

561. Then we do not get an idea of how much the importer suffers by those Sound dues, merely from knowing what is brought to this country in British bottoms?—That which comes in foreign bottoms has to pay also.

562. Have you any idea what proportion of Baltic produce comes in English vessels?—No, I have not looked into that question; but I believe it is the British carrying-trade of the Baltic is declining; there are more vessels sent out of the Baltic both by the Danes and Prussians than there were formerly; and there are some as fine vessels from Swedish Finland and Russian Finland as ever sailed the sea. There are a great many of them in the Black Sea trade; their advance in shipping is increasing.

563. Mr. *Milner Gibson.*] Did not you state that the British sailors could not go on shore at Elsinore without getting drunk?—I say they frequently do; I have heard captains complain of it; I have often said to them, "Why did not you come away before?" and they have said, "I did not get my men on board."

564. Cannot the Danes, and Russians, and Swedes, and the sailors of other nations, go on shore without getting drunk?—I think they do not drink, and are more under control than our men. I do not think our men are improved at all.

565. *Chairman.*] Do you think that these duties fall upon the consumers in this country?—Yes, I do; but I think that I should get a good share of them if they were abolished; the consumer, certainly, does pay all those charges; but I consider it a great loss to the British shipowner to have to clear at Elsinore, not only on account of the loss of time to the ship, but also on account of the money spent there, and the demoralization of the crew when they get on shore; but I believe of late it has been more the practice to hire a boat.

566. Mr. *Milner Gibson.*] Is it the general feeling that it is rather an unjust thing to levy these tolls, without giving any consideration for them?—Every person would consider, that when there is no value given, a tax is unjust. They have complained of these dues as well as of those paid to the Russia Company and of the Stade dues. In all these cases there are no values given.

567. You do not approve of levying a tribute without any consideration?—No; where there is a consideration given, I would not take the tribute away.

568. *Chairman.*] You do not deny that these dues have been levied a long time?—Perhaps there is something in that; I do not say I would take them away.

569. Do not you know that ever country in Europe has recognized the right of the Danish Government to levy them?—Yes. I think it is very likely that there

there was some consideration for them when they were first given; therefore there may be some reason why they should have some compensation.

570. Do you want to get rid of these dues?—Yes.

571. Do you think that the abolition of them would benefit the consumers and the trade?—I think it would benefit the consumers and the trade.

572. Did not you state that you could not give us any idea of the amount we pay for these dues?—I cannot; but I think it must be more than they say.

573. Have you any reason to think that the Danish statistical returns are inaccurate?—No; I have no reason to believe they would give a wrong account.

574. Mr. *Chancellor of the Exchequer.*] Do you think that the burthen of the Sound dues upon this country can be fairly estimated by calculating the total amount of dues levied upon English ships, and goods in English ships going and coming through the Sound?—No; I think you can scarcely come to a fair conclusion in that way; I do not see how it can be got at.

575. Would you take the dues levied upon goods imported in England through the Sound, both in foreign and British ships?—Yes; they must be taken, if you want to go into a calculation as to what remuneration should be given to the Danes, and that is the reason why I suggested that you could get it out of the report of the ships in the Custom-house, and from the manifests of the ships outwards as they clear at the Custom-house; for having the tariffs which you have, and knowing the quantity of goods going in and out, you could then get the amount that the Danes actually have received.

576. Would you think that we ought to indemnify them for more than they really levy upon our ships?—Certainly not; and I should say that, seeing that the British shipping has declined for some years in the Baltic, it would be fair to indemnify them for the average of years past; I do not think that we shall keep pace with the foreigners in this trade, especially as when this railway is made, there will be a great many goods going that way for the sake of despatch. The Sound, I think, is the quickest way when we take goods by steam; and in all probability in a few years sailing vessels will be done away with in that route.

577. Mr. *Hutt.*] Do you think that the British carrying trade in the Baltic is a declining trade?—Yes; and that the Baltic powers have improved much in vessels and in seamen.

578. *Chairman.*] Have not we also improved?—I think we have improved in our vessels; but I do not think we have improved in the management of them.

579. Mr. *Mitchell.*] Are the foreigners increasing their steamers?—I think they have increased them; but not in the proportion that we have.

580. You said you thought that the trade would be carried in steamers?—I think it will, and I have no doubt in a few years that they will have steamers as well as we.

581. Mr. *Milner Gibson.*] Should not you say that the Sound dues are a greater disadvantage to the nations on the shores of the Baltic than to those outside it?—No, I do not know that, unless the parties consign their goods; because, in my opinion, the great receipts of Denmark are not for Sound dues upon goods from the Baltic, but upon the raw material going out to the Baltic; more raw material goes out than used to formerly; I have known many full cargoes of bale goods go to St Petersburgh, which is a thing that you could hardly see now.

582. Is not it a great disadvantage to the producers in the Baltic that they cannot get out to trade with the nations of the world without paying this toll?—Of course it must be a disadvantage.

583. Would not it be a greater disadvantage than the other nations suffer in not being able to trade with them without paying the dues?—Of course; but they do not pay the Sound dues; it is the importers from this country that pay the Sound dues; but many people in the Baltic make consignments, and then the amount of the Sound dues is charged upon them.

584. During the Russian war was not Russian produce procured from other countries?—No doubt it was.

585. Would not that produce from other countries which would not pay the Sound dues which Russian produce pays, have an advantage in competition with Russian produce?—All goods from the Baltic pay Sound dues; all goods imported from Russia to Prussia, and brought from Prussia direct to England, would pay Sound dues.

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586. Is it not the fact that from India, and other parts of the world, various articles were brought which would now be brought from Russia?—Yes.

587. Such produce would not have to pay the dues, and therefore would have an advantage over the Baltic produce, which would have to pay the dues?—Yes; for instance, there has been an immense import of linseed from the East Indies, which, being brought into operation, will always compete with the produce of Russia.

588. *Chairman.*] It is further off?—Yes; but the Russians, I think, will never get the extreme prices they have done upon certain occasions, for the other will always be a check upon it; we see the immense quantity that is brought. The increase caused by this Russian war in that trade is perfectly astonishing.

589. Mr. *Bramley Moore.*] You would not put the saving of the Sound dues in competition with a voyage from the River Plate, a distance of ten or eleven thousand miles?—No, you could not go into that calculation; but still there is that charge upon the goods in the Baltic, and I think it would be better if it were done away with; it is a tax upon trade for which there is no value given.

590. Mr. *Chancellor of the Exchequer.*] Do I rightly understand it to be your belief that the repeal of the Navigation Laws diminished the carrying trade in British vessels in the Baltic?—I do not think it did at first; although it gave foreigners some facilities which it never would have given to them if the Legislature of this country had at the same time taken every duty off the articles which composed British ships, so as to enable us to have built ships as cheaply as the foreigners; but that was not done for a long time after, and, therefore, we worked at a disadvantage, while they were increasing their navy all the time.

591. You have stated that the carrying trade with the Baltic in British vessels is a declining trade?—I think there are not so many British ships in that trade as there used to be; my opinion is that more foreigners come with cargoes into our port than used to do so.

592. What do you consider to be the cause of that decline?—I think foreign nations have increased their capital. We have imported raw material from those countries, and furnished them with the means, and therefore they have spare capital to lay out on shipping, as we have. For myself I never kept anything that the ship made, but laid it out immediately. No doubt the trade which we have had with them has bettered their condition, and that has materially improved the appearance of the foreign sailors and ships altogether, which can only be done by nations becoming richer. It is so in the case of Denmark; they are so much less taxed by the amount paid out of the Englishman's pocket to support their trade.

593. *Chairman.*] Do you think that the shipping interest of this country is declining?—No, I do not.

594. Did you ever know it more prosperous than it has been of late years?—I am quite satisfied with the progress in the last few years, but at the same time I am speaking of the Baltic, and I say we are rather declining in our trade there, which I attribute to the nations of the Baltic being better able to compete with us, which I attribute to their having more capital than formerly.

595. Mr. *Chancellor of the Exchequer.*] Do you believe that the decline in the carrying trade in the Baltic has reached its limit, or do you think that our share in the carrying trade in the Baltic will become less and less every year?—There have been causes these last two years which have operated against it; we could not send our ships out without extra premiums, whereas the goods coming by Prussia were carried without those premiums.

596. *Chairman.*] Was not there a great demand in that year for ships, for other purposes?—Yes; but still the importers will take ships up at the ports where the goods have to be laden more easily than they will send them out, as they consider that unremunerative.

597. Do you think the proportion of British shipping in 1853 is less, compared with preceding years?—I have not looked at it; but I have been out of the trade for the last year, five years.

598. Mr. *Mitchell.*] Do you consider the trade between the countries on the Baltic and England, as far as goods are concerned, an increasing trade?—Yes, I think so, although there might be a check these last two years in consequence of the Russian war; there was considerably less linseed than usual imported last year and the year before.

599. Mr. *Bramley Moore.*] Does not it strike you as singular, that in 1849 there

there should be the maximum amount of our tonnage to the Baltic; what do you think was the cause of it?—I have never looked into the cause; but if the matter were looked into, looking to the articles imported, the goods and so on, I believe you might find some reason for it; I see the greatest trade which I had with Russia and the Baltic ports, was in 1848.

600. After the repeal of the Navigation Laws, in 1849, did not a great many more Prussians come over to Hull, than before?—Yes, I have no doubt; I think the Prussians and the Danes, as I have said before, have of late years increased their mercantile navy very considerably.

601. Do not they navigate the ships trading between the Baltic and ports in England at a lower rate than Englishmen do?—Of course they must.

602. Do not the men live at a great deal less expense than our sailors?—Not so much as they used to do. The sailors on board the foreign vessels now are very different from what they were in my day; they are nearly living as well as Englishmen, although they have not the same wages.

603. Supposing a ship coming into Hull, comes in there and goes out, does she lay out any money there?—Foreigners lay out so much less than we do, because they practise more economy than we do from the force of circumstances.

604. Do not foreign vessels come into the Port of Hull and go out again, without laying out a farthing?—No; I do not know that they do; but as far as certain things go, the reason for their not buying them here is obvious; they would not take their sugar, tea, and those articles that pay duty in England from our port, when they can bring a stock over themselves without being troubled with anything of the kind. Of course they economize as much as they can, and therefore, I say, as far as the shipping goes, everything should be done that we may be able to compete with the foreigners; and unless that is done, we cannot keep the proportion of that trade which we used to.

605. *Chairman.*] That is one ground why you want the abolition of the Sound dues?—Yes.

606. You have no trade in the Baltic now?—I have very few vessels; I have sold off or lost most of them, and I never mean to renew them.

607. Had you ever any reason to complain of the way in which the lights and buoys were kept up in the Sound?—No, we never considered the light dues high in the Baltic; they are not to be compared with our English light dues; I have heard no complaint of them, and I generally complained myself of the stoppages in the Sound, and the expenses there, which were different from what we paid; and I complained that the foreigner was not subject to a similar charge in our ports, and that you never could get any redress.

608. Did you hear the other witness state that the lights were not kept up at the Grounds?—Yes, I have heard that repeatedly; we cannot positively attribute motives, but I have no doubt that it is to induce them to take pilots, for there are many of our intelligent English captains, who if the place were properly buoyed, and they were not compelled to take pilots, would go through without them.

609. Mr. *Bramley Moore.*] What they complain of is the detention and the risk?—Yes, and the expenses incurred by the captain going on shore there.

610. *Chairman.*] Have you given any consideration as to the mode of getting rid of the dues, assuming that we recognize the right of Denmark to take them?—I only know what we have read in the papers. I suppose that the only subject of discussion with the Government would be whether, seeing that there is a railway across the main land which takes part of the goods away, we should take the average of years to the extent we have done; although we may be importing as much, I think the exports will go in some measure by the railway.

611. Do you think it would be worth continuing them at a lower rate?—No, you must get rid of them altogether.

612. It would be better to get rid of them at once, than spread them over a number of years?—Yes.

613. Mr. *Bramley Moore.*] Do not you think that those who pay the dues now would be the parties to pay for getting rid of them?—It is difficult to say how you would manage that; the consumers at large must in some degree pay the greatest bulk of them: there are some people who never spent 1*d.* in Russian produce imported into this country, but it would fall upon the whole country, very properly I think, as a national tax, since the thing is done for the

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national benefit; because if it presses hard upon the shipping of our nation, the mercantile navy is less employed, and the circumstances of the country are damaged thereby; therefore the country at large in my opinion ought to pay whatever may be agreed upon.

614. Mr. *Chancellor of the Exchequer.*] Do you know at all what are the terms offered by Denmark for getting rid of these dues?—I have seen them, but I have not them in my mind just now.

615. Can you form any opinion whether those are fair terms?—I do not think they are much out of the way, but of course all the competition that exists with railways and other means of transit must be taken into account; goods go by the Swedish Canal as well as by the railway.

616. *Chairman.*] Can you give us any information about that canal?—I have not any myself.

617. Do you think that it was made with a view to evade the Sound dues?—People will take advantage of it to evade them if there is facility given for carrying goods by that route; there are two or three steamers out of our port now, and they are running against our steamers which go direct.

618. Mr. *Chancellor of the Exchequer.*] Do you believe that the produce of the Sound dues is likely to diminish or to remain at their present rate, or to increase?—That is in other words to say, do I think that the importations from the Baltic will fall off; I think not; I am not well acquainted with the cost of the transit of the goods going across the railway, but I think that there will be as many goods imported from the Baltic as ever, both by the rail and the Sound; and I do not think that the Sound dues will be much altered.

619. Viscount *Chelsea.*] You said just now that you thought any charge for compensating the Danish Government for the Sound dues, in the event of their being abolished, ought to fall upon the whole community; do you base your argument upon the fact that the Sound dues are virtually paid by the consumer?—Yes.

620. Otherwise it would be a manifest injustice to make the whole community pay for what only falls upon a part?—I cannot define in those cases who shall not pay, and who shall pay; and the fairest way, in my opinion, is for the whole country to be taxed for any amount that we should spend for the benefit of the country generally; because, as I said in answer to a former question, if you were to lay it upon the ships, and make them pay for what they had gained by not being detained at the Sound, the foreigners having to work with them, you would put our ships out of employ, and that would be a loss to the country at large; and consequently the country, if necessary, ought to pay for it.

621. Mr. *Bramley Moore.*] A question was put to you about the abolition of the dues paid to Denmark; are you aware that they are hypothecated for the last loan to that country?—No, I am not acquainted with that.

622. Assuming that they are a guarantee for that loan, should not we do away with that security, if we were to buy them off?—If I understand right, the Danes would be less enabled to pay if we bought them off.

623. Would there be any security to the creditors in this country, if you did away with the guarantee of the Sound dues?—That is a matter for treaty between the different Governments, which I think we may safely leave to them.

624. Mr. *Deasy.*] Did not you speak of deductions of 5 per cent. being allowed to captains upon the Sound dues?—Yes; I do not know what they allow now, but I think it was, in my early days, 6 per cent.; that has been reduced to 5. Suppose a ship pays 600*l.* for Sound dues upon the cargo, then the captain gets 30*l.* I believe that is the per-centage now which he receives.

625. Would not that diminish the amount received by the Danish Government?—Of course it would.

626. Are you aware of any other deductions of the amount received by the Danish Government?—I am not aware of any others.

Richard Park, Esq., called; and Examined.

R. Park, Esq.

627. *Chairman.*] WHAT is your business in Hull?—I am an Underwriter.

628. How long have you been so?—Forty years.

629. Have you been in the habit of insuring vessels trading to the Baltic?—Yes.

630. Have

630. Have you ever considered the detention at Elsinore as among the risks incurred by vessels in that trade?—I think it increases the risks.

631. Have you known any losses in consequence of that detention?—I have picked out a few among a great many losses that have occurred by vessels being detained at Elsinore, and have embodied them in a table which I have with me.

632. Mr. *Mitchell.*] Over what period does that table extend?—It commences in 1851.

633. *Chairman.*] It is a list of the casualties that have occurred from vessels that have been detained at Elsinore, and in consequence of that detention?—Yes.

634. Do you know that list to be correct?—Yes; that is a list of vessels which we have ourselves underwritten.

635. You have heard the particulars of them?—Yes.

636. Will you tell the Committee how they were brought about?—Here is a vessel called the "Jacoba," from Riga to Hull, which received assistance in the Humber in 1851.

637. What damage happened in that case?—There was a very heavy average. If she had not been detained in the Sound, probably she would not have been there.

638. How did this misfortune arise?—She got upon the sands.

639. How did that come from the detention at Elsinore?—If she had not been detained there, she probably would not have been off the Humber at that time.

640. Mr. *Mitchell.*] Did she arrive late in the season?—Yes; if she had not been detained at Elsinore, she would not have been off that particular place at that time.

641. *Chairman.*] You do not know that it was actually that detention that caused the loss?—No.

642. You, as an underwriter of long experience, have always been in the habit of considering it a risk to vessels?—Yes.

643. Mr. *Mitchell.*] Do you think that a detention of 24 hours in the voyage would cause an appreciable alteration in the premiums of assurance?—In the latter part of the year it would.

644. In the latter part of the year you consider the insurance is higher in consequence of the chance of loss arising from detention at Elsinore?—I think it would in summer time; it does not make much difference.

645. *Chairman.*] Would you, as an underwriter, generally consider it an advantage if they did not stop at Elsinore?—Yes.

646. And if the Sound dues were abolished?—Yes, the risk would sooner end.

647. Mr. *Mitchell.*] Can you estimate what the difference in the rate of insurance would be?—No, I could not.

648. Viscount *Chelsea.*] What is the average delay which you calculate upon in consequence of the Sound dues?—About a day, perhaps more occasionally.

649. *Chairman.*] Have you ever heard of such a case as was stated here to-day, of a vessel being two months detained in consequence of being at Elsinore?—Yes, we were the underwriters upon that vessel, and shall have to pay the average upon her.

650. Mr. *Mitchell.*] Did you ever hear of any other vessel that suffered so long a detention?—No, I have not, although I dare say there are a great many such cases; I only made out this list, which I have here, from what I know myself.

651. Have you made this out from your books?—Yes; it is what we ourselves have paid.

652. *Chairman.*] Do you act for several underwriters?—Yes, for 11 underwriters.

653. Mr. *Bramley Moore.*] Do you underwrite in London, or in Hull?—In Hull.

654. Mr. *Mitchell.*] So that those are solely casualties connected with the Port of Hull?—Yes.

655. *Chairman.*] You consider that those casualties are all caused by the detention at Elsinore?—Yes.

656. Viscount *Chelsea.*] Do you consider that a day's detention is the average detention?—Some vessels are detained a much longer time.

657. It is not the time lost at the Sound that they complain of, but they may lose

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lose the wind, and of course that would prevent their making their passage?—Yes.

658. *Chairman.*] What number of casualties are there in your list?—About 20.

659. Can you say how many vessels are insured in the year for the Baltic?—No, I cannot say how many.

660. Mr. *Bramley Moore.*] It was stated that the rate of insurance for the Baltic was 7 *s.* 6 *d.* per cent. in summer; is that so?—Yes; by steamer from St. Petersburgh.

661. Is that with particular average, or not?—It is with particular average.

662. I presume during the summer that amount will cover particular average?—Yes.

663. What would it be for total?—About 5 *s.*, I believe it might.

664. Do you think if this detention were done away with at Elsinore, the reductions in the premium of insurance would be appreciable?—I think not in the summer time.

665. Mr. *Mitchell.*] By sailing vessels, what is the premium you charge in the months of October and November, for goods coming from Riga?—It is about three guineas.

666. Have not you seen it up at five guineas?—Yes; a good deal depends upon the ships.

667. You charged a premium of insurance for sailing vessels coming from Russia, or from the Baltic, at 5 per cent.?—Yes.

668. Mr. *Chancellor of the Exchequer.*] Are you aware of the views entertained by the persons engaged in the Baltic trade on the subject of the Sound dues; are they considered vexatious and inconvenient?—They are generally so considered; but that does not enter our business.

669. Is there a strong desire on the part of the persons connected with that trade to get rid of those dues?—Yes; I believe there is a very strong desire.

670. Have you heard that desire often expressed?—Yes; though it does not enter into our business, I hear it spoken of very often.

671. *Chairman.*] You have been 40 years acting as agent for underwriters?—As an underwriter myself, and as an agent for underwriters.

672. Will you hand in the list to which you have referred to the Committee?—(*The same was handed in.*)

Vide Appendix.

Martis, 24° *die Junii*, 1856.

MEMBERS PRESENT.

Mr. C. P. Villiers.	Mr. Hutt.
Mr. Duncan.	Mr. Mitchell.
Mr. Bramley Moore.	Mr. Deasy.
Mr. Disraeli.	Mr. Milner Gibson.
Mr. Liddell.	

THE RIGHT HON. C. P. VILLIERS, IN THE CHAIR.

Thomas Reid Arnott, Esq., called in; and Examined.

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673. *Chairman.*] ARE you a Member of the Chamber of Commerce of Liverpool?—I am.

674. And a merchant yourself?—And a merchant of Liverpool.

675. And a shipbroker?—Yes, a shipbroker.

676. Was there not a joint memorial remitted to the Government on the subject of the Sound dues from the Chamber of Commerce of Liverpool?—Two have been sent to the Government, one in the year 1853, and another last year; one previous to the war, because the trade was then apparently extending considerably; we took it up with much interest; and then we renewed our application again last year to Lord Clarendon. I have copies of the memorials here; perhaps

perhaps the members of the Committee may not have heard them, and they may desire to hear them.

677. Will you read one of those memorials?—I will give the second, which is as follows: "That your memorialists have long had under their consideration the subject of the tolls levied by the Crown of Denmark on ships and their cargoes passing the Sound at Elsinore, and in the year 1853 memorialised Her Majesty's Government on the subject. That the amount annually paid by British commerce for such toll is very large, and is a heavy burden on the shipping and trade of this kingdom, and from the natural increase of our commerce must ultimately become, if it is not now, absolutely intolerable. That whatever may have been the origin of this toll, it is clear that no equivalent or service is now rendered by the Danish Government in return, and it is contrary to the principles of justice that money should be paid for which no consideration whatever is given. That notice has been given by the Government of the United States of its intention no longer to allow the payment of this toll to be made by the shipping of that country. That should the ships and commerce of the United States be alone freed from the exaction of the toll, the natural effect will be to give an advantage to the carrying trade of that country in the Baltic which must be in a corresponding degree detrimental to the shipping of Great Britain employed in the same trade, and that while one nation is exempt from the toll it would be manifestly unjust not to place others in the same position. That your memorialists do not object to the separate charge levied by the Government of Denmark for lighting and buoying, because an equivalent is rendered, although such charge is not enforced by this and other countries for similar services, except on vessels entering their ports. But they would submit to your Lordship the propriety of an arrangement being come to whereby such toll may be collected at the port of clearance or of destination, in order that the ships shall not be compelled to interrupt their voyage for the convenience of the Danish Government. Your memorialists therefore humbly pray your Lordship to take such steps as may be considered necessary by Her Majesty's Government to put an end to the Sound dues, levied by the Government of Denmark on British goods and shipping. And your memorialists will ever pray."

678. That is not a memorial for the unqualified abolition of the Sound dues; but it rather prays that another method may be adopted for their collection at the port of destination?—There is a strong and decided objection to the dues, what we call the Sound dues, and separate and apart from the lighting and buoying rates that are separately charged; the one is charged upon the ship as she passes, and the other is charged upon the cargo.

679. The opinion of the Chamber of Commerce of Liverpool is, that they should be abolished?—Yes, that the Sound dues should be abolished; not the lighting and buoying rates, but the Sound dues; the dues charged upon the cargoes, not upon the ship. The ship pays for lighting and buoying, and we conceive that we get a fair consideration for that.

680. Mr. *Duncan.*] Are there any other dues paid by the ship except those for lighting and buoying?—It appears not; it is a heavy charge, but so far as we can investigate the thing, no consideration is given for it.

681. *Chairman.*] Has this subject been discussed in the Chamber of Commerce at Liverpool?—Very much of late years.

682. In what interest?—In the general interest of trade, which the Chamber of Commerce professes to protect.

683. Is there much trade to the Baltic from Liverpool?—Not a great deal.

684. Are there any particular interests affected at Liverpool by the Sound dues?—The salt trade is particularly affected by them; we have a gentleman here representing that trade specially; there is a large trade from Cheshire, from the port of Liverpool.

685. Have you considered in what particular way, besides the payment, which is a burthen upon its trade, these dues are inconvenient and injurious?—By causing the ships to heave-to and delaying their passage in the narrow Sound; it is not only dangerous to the interest of the shipping and against the underwriter's welfare, but it delays the ships at anchor and takes the crews ashore, and they get dissipated; it injures the ship particularly in that way.

686. Have the Chamber of Commerce considered that point?—They have considered all those points minutely.

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687. Have they collected any evidence beyond that which the Danish Government has afforded to the amount paid?—I believe not.

688. What is it estimated at by the Chamber of Commerce?—From 100,000 *l.* to 120,000 *l.* annually.

689. Have you any data from which that calculation is made?—No, it is merely assuming the number of ships at a rate of something like from 30 *l.* to 40 *l.* a ship.

690. Mr. *Hutt.*] It is an approximation?—It is an approximation; we have gone more into the question of what it costs Denmark to buoy and light the Sound, in order to see what they were fairly entitled to.

691. *Chairman.*] You believe that a sum of 120,000 *l.* or 130,000 *l.* covers all that we pay on account of Sound dues annually?—We believe that we pay from 120,000 *l.* to 130,000 *l.* per annum.

692. Would the Chamber of Commerce think it objectionable to do away with the light dues also?—They have not given me their mind upon that subject; I think they would not.

693. Do they think it would be safe to leave it to the Government of Denmark to provide the lights, paying compensation for all dues at present?—I understand that they do it uncommonly well; I do not see that the present system could be improved.

694. There are dues paid for this purpose by every ship; if the proposition which has been made, to pay a sum down to cover all the dues, were accepted, could you depend upon their keeping up the lights?—I think so.

695. What would be their interest in doing so?—The desire to promote trade with other nations.

696. The security of their own trade?—Yes, the security of their own trade; and I think, with the altered navigation laws, they are in a fair way to carry away a large proportion of the trade which we had.

697. Is Baltic shipping declining in Liverpool?—I think so.

698. Mr. *Hutt.*] Is shipping declining very much at Liverpool?—It is, with the Baltic.

699. Not generally?—No.

700. *Chairman.*] Did not the navigation laws affect the shipping generally?—I think not; there is a difference of opinion upon that subject.

701. Was there ever more trade with the Baltic than there is now in Liverpool?—We cannot well judge, having it interfered with by the war; but I think, in 1853, it seemed to have declined little, as far as we could learn; it appeared not to have gone on increasing much since 1849.

702. Have you any return to show that?—None, except the Government returns, which, I believe, state the whole amount of British shipping. In 1851 it was only 849,000 tons, against 939,000 in 1850, and 1,183,040 in 1849. That table shows a considerable decrease.

703. Have you the amount of shipping in 1853?—Not the tonnage; I have the number of vessels, but not the tonnage.

704. What was the number of vessels in 1853?—Four thousand six hundred and sixty-five, against 3,952, and 4,751, so that, on the average, I think it has rather decreased.

705. Have you any reason to suppose that there is a permanent cause for the decline of British shipping entering the Baltic?—No, we have not.

706. Then you have no reason to expect that the charge upon that trade will be less if the dues continue to be paid?—It would be much about the same.

707. You do not expect the British shipping to decline more than it has?—We do not; we look for an extension of the Baltic trade.

708. Has the salt trade increased of late years?—I am not prepared to answer that question.

709. Mr. *Bramley Moore.*] Can you give us any information about the five per cent. that is said to be returned to the captains in the Baltic trade by the Danish Government?—I found on going minutely into the facts of the case that both the captains and the agents at Elsinore, who collect the dues and pay them to the Danish Government, are paid by the Danish Government a commission upon those dues. The captain is paid a commission upon the lighting and buoying dues, which are paid by his ship, and the parties interested in the cargo are paid a commission on the cargo.

710. They

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710. They pay a commission back to the captain?—Yes, the pay a commission back to the captain; they give him four per cent. upon what he pays, and they give the agent five per cent.

711. Why do they do that?—I cannot understand it; it has struck us very forcibly, but we cannot see the motive.

712. Are you aware that Prussia makes a return of one third of the Sound dues upon the merchandise imported into their ports, to the shipping of all countries?—No, I was not aware of that; the Prussian merchants have failed to inform us upon that point.

713. In your memorial mention is made of the fact that the Americans have given notice that they will not pay the Sound dues any more; are you not aware that an American ship passing the Sound will not be allowed to enter any Prussian port, or Russian port, without having paid the dues?—I am quite aware of that.

714. What would be the use of an American ship resisting the Sound dues in that case?—We merely brought up the second petition upon the assumption that the Americans were moving in the question.

715. Are you aware of the fact that no American ship would have entry in any Russian port unless the Sound dues are paid?—I believe not.

716. Are you aware that Elsinore is the quarantine station for Russia?—I am aware of that.

717. And therefore a vessel could not enter any port unless she showed clear bills of health from Elsinore?—Quite so.

718. You said in the memorial that was presented in 1853, that it was thought politic to present it, on account of the extension of commerce; was not there a very great declension of trade from Liverpool between 1853 and 1849?—There appears upon the returns to be a material decrease. I rather think the remarks in the petition were as to what was expected.

719. Do not you state in that petition that, on account of the increase of trade, the burthen of the Sound dues was more felt?—That was not exactly the wording of the petition; it was more that it was injurious to the increase of the trade.

720. Are you aware that the trade was almost double in 1849 to what it was in 1853?—I see it has decreased materially.

721. Was not 1849 the maximum year of your trade?—The returns which I have only go back to 1845; it appears to be so by those returns.

722. You said that there is a difference of opinion about the navigation laws; but is not this single fact established, that the year of the repeal of the navigation laws was the maximum of your trade?—It appears so.

723. What was the number of ships in 1849?—Six thousand, eight hundred and seventy-six.

724. What was it in 1852?—Three thousand, nine hundred and ten.

725. And in 1853?—Four thousand, six hundred and sixty-five.

726. Will you have the kindness to tell us how many ships go to Liverpool full of timber from the Baltic, and return full of salt?—As we have had no data since the war, we have not looked into the number of ships. I have not brought any returns with me, and I am not prepared to speak to the facts of the tonnage.

727. Have not the Baltic ships very much increased in timber to Liverpool?—I presume they have, from the fact that there are few British ships, comparatively speaking, in the trade.

728. Can you tell us the amount of salt that goes from Liverpool?—There is a gentleman present prepared to answer all the questions regarding salt; he represents the trade.

729. You say the lights were uncommonly well managed; we have it in evidence here from another witness, that where they are most wanted, they are badly managed; are you prepared to contradict that statement?—I was speaking comparatively; my opinion is taken from captains some years ago. I believe it is admitted that generally they were mostly tripods of coals set fire to at night, and now they have many excellent lighthouses and floating lights as well; I speak of the present as compared with some years ago. I know that within these last two or three years, great improvements have been made in the lights.

730. Mr. *Hutt.*] Have not some new lights been erected?—I understand that the old coal lights have been supplanted by other lights.

731. Mr. *Mitchell.*] You stated in answer to a question put to you just now, that you believed that there was a regulation that they would not admit vessels entering

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entering the ports of Russia that had not paid the Sound dues; are you certain that that is correct?—I am not aware of the fact, but I believe it to be so.

732. Is it the fact that no vessel would be admitted into a Prussian port without having given proof that the Sound dues had been paid?—I believe they are not admitted without having made clearance at Elsinore.

733. The answers that you gave just now with regard to the decline of tonnage, referred solely to British tonnage, and not to aggregate tonnage?—Altogether to British tonnage.

734. Are not the returns of aggregate tonnage, so far as they were made up in the year 1851, considerably in excess of the tonnage of 1849?—We should go by the tonnage, not by the number of vessels; the tonnage has not been filled in in the returns for several of the later years.

735. What was the total tonnage of 1851 as compared with 1849?—In 1851 359,000, and in 1849, 2,960,000.

736. Mr. *Bramley Moore.*] Will you at the same time tell us which of the nations got the benefit of this increase of tonnage?—In 1851 the Norwegians seem to have had a large increase, and also the Prussians; the Norwegians and Prussians seem to have had the principal increase.

737. When you spoke of an expansion of our trade with the Baltic, you did not refer to an expansion of British shipping?—We spoke of the hope of increasing the trade, rather than of an actual increase.

738. Mr. *Liddell.*] Could you, from your knowledge of these matters, state that the detention and the consequent loss of time and risk that is incurred at Elsinore, makes any important difference in the premium that is paid for insuring cargoes to the Baltic?—No, I am not aware that it is. Not being in that trade myself specially, I have no doubt it does affect them; but I am not prepared to say to what extent.

739. Mr. *Duncan.*] Have you heard the detention of vessels at Elsinore very much complained of at Liverpool?—Not a great deal.

740. Mr. *Deasy.*] You spoke of a discount being allowed by the Danish Government of four per cent. to the captain, and five to the agent; is the four per cent. an addition to the five, or is it paid upon a separate duty?—It is paid upon a separate duty; apparently we have not been able to come quite to the figures; but as nearly as possible, according to the calculation we have made, that is correct.

741. The agent gets a discount upon the goods, and the captain upon the duty upon the ship?—Yes.

742. Are you aware of other reductions in the shape of discount made by the Danish Government?—I am not.

743. Are there any expenses incurred by them in the collection of the dues? No, I believe not.

744. *Chairman.*] Have the Chamber of Commerce any plan of their own to recommend for the abolition of these dues?—They have not.

745. Are you aware of the proposition that has been made by the Danish Government for their abolition?—I believe there is a general impression that there has been some compromise offered, though I am not aware to what extent they have gone; they have had none of the facts before them.

746. Do not those whom you represent think that the Sound dues should be abolished altogether?—That is their present opinion.

747. Mr. *Mitchell.*] And that they shall be abolished altogether by means of a compensation, which should form a tax upon the whole community?—They have not offered an opinion as to the compensation, or how that compensation should be levied. I have not come prepared to say anything upon that subject.

748. *Chairman.*] You have only considered that it would be expedient to the trade that the Sound dues should be abolished?—Quite so; it is a matter of interest to the parties I represent.

749. Will you hand in the second memorial to which you have referred?—(*The same was handed in.*)

Vide Appendix.

750. Mr. *Bramley-Moore.*] From these memorials it appears that the Chamber of Commerce are of opinion that they ought to be abolished. Are you aware that there is a loan of from 4,000,000 *l.* to 5,000,000 *l.*, for which the Sound dues were hypothecated?—No; I was not aware of that.

751. Assuming that to be the fact, if you abolish these dues you would be tampering

tampering with the security of the revenues. Is not that a matter to be taken into account?—It is a very important consideration. I was not aware of that.

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752. Would it not be only just to require that they should be applied to the liquidation of the loan?—We were not aware of these facts.

753. Might it not influence the opinion of the Chamber of Commerce at Liverpool about the abolition of the dues, to know that that is the fact?—Certainly it might.

754. Mr. *Mitchell.*] Supposing that Denmark did not choose to pay the interest upon that debt, would not there be full power, upon the part of the creditors here, to enforce the payment of their interest, whether the Sound dues existed or not?—I do not think that that element would enter into the question. I think Denmark has large revenues that she should bring to bear, without reference to that from agriculture and cattle in Holstein and elsewhere; as far as we can judge from what has come from that country, they have great resources.

755. *Chairman.*] Have you any reason to believe that the trade of Denmark with this country is decreasing?—I have not.

Thomas Higgin, Esq., called in; and Examined.

T. Higgin, Esq.

756. *Chairman.*] ARE you a Salt Manufacturer?—I am.

757. At Liverpool?—I live at Liverpool; my works are on the Weaver, in Cheshire.

758. Do you export salt?—Sometimes I have done so.

759. Have you exported salt to the Baltic?—I have exported it to the Baltic.

760. Have you ships of your own?—I have shipping of my own, but it consists merely of lighters employed to carry the salt down to Liverpool. I have no sea-going ships.

761. Does the salt pay the Sound dues?—Yes; it goes into the Baltic Sea and the ports in the Gulfs of Bothnia and Finland; anything passing the Sound must pay the dues; there is no exemption.

762. Is it a duty of one per cent.?—It is said to be one per cent., but in fact it amounts to 12 per cent. upon the value of the salt.

763. How do you make that out?—A cargo of salt of 500 tons is worth 250 *l.*; the Sound dues upon that would be from 1 *s.* 2 *d.* to 1 *s.* 3 *d.* a ton, which would be equal to 30 *l.* upon the cargo, or about 12 per cent. upon the value.

764. How do they make it so much as that, seeing that they profess to levy one per cent.?—I do not know, but I have been informed that it is one per cent. upon a nominal value; it is 24 stivers per last; a last is two tons English.

765. What was the date of that arbitrary value put upon salt?—1645, I believe.

766. They took the value at that time, and levied one per cent.?—I believe so; the tariff states that it is one per cent., or 24 stivers per last, which amounts to from 2 *s.* 4 *d.* to 2 *s.* 6 *d.* per last.

767. Has the difference which has taken place in the value of salt during the time of the operation of the dues made the duty now paid upon salt equal to 12 per cent.?—Yes, I believe so.

768. What is the effect of that being paid by the importer; is it added to the price of the salt?—It must be added to the price paid by the consumer.

769. Has any remonstrance ever been made to the Danish Government as to the unequal operation of the Sound dues upon that article?—Not that I am aware of.

770. Have you ever complained of it, or has any one in the same business as yourself?—No, I am not aware of it; I have not been in the trade more than eight or ten years, and during that time it has not been complained of; no complaint has been made to the Danish Government.

771. Do you think it a heavy duty to pay, considering what you get in return?—There is no return for it. It is a very heavy tax.

772. Does the 12 per cent. you have mentioned cover the light dues?—No I believe not; there is a separate charge made for lighting and buoying; this is a charge for which there is no return made or consideration given.

773. Mr. *Hutt.*] In addition to those dues paid upon a cargo of salt are there dues paid upon the ship?—Yes, for lighting and buoying the Sound.

774. Independently of the lighting and buoying, are there any other dues

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paid upon the ship?—I am not quite clear about that; I am not sufficiently informed. I have never had to pay them.

775. Do you know whether there was any alteration made in those dues after the year 1841?—There has been no alteration made in those dues since the tariff of 1645.

776. It is one of the enumerated articles in that tariff?—It is.

777. *Chairman.*] Is the trade with the Baltic in the article which you manufacture increasing?—I have not examined the exports for many years back, and therefore I am scarcely prepared to say; as far as I have examined, I say not.

778. Mr. *Disraeli.*] Has the business in salt with the Baltic increased since you were in business?—I think not.

779. *Chairman.*] Do you think it would increase if the Sound dues were removed?—Certainly the lower the prices the greater the consumption will be; the cheaper we can deliver it to the consumer the more we shall be able to sell of it.

780. Do the Baltic nations get salt chiefly from this country?—Chiefly; and a good deal from the Mediterranean.

781. Where do you export your salt to?—To Russia and to Prussia.

782. Are you exposed to any active competition with other countries in that market?—Yes, very great competition.

783. What are those countries?—The salt from the Mediterranean, and salt from Luneburg in Oldenburg.

784. Mr. *Mitchell.*] Is not it chiefly from Portugal?—I do not think the St. Ubes salt interferes with the English salt; it is a different kind of salt.

785. Mr. *Hutt.*] Are you not exposed to any competition from any country within the shores of the Baltic?—Yes; there are extensive salt-mines and works in Poland, in Russia.

786. Mr. *Duncan.*] Those countries that compete with you would also have to pay the Sound dues?—All salt passing the Sound has to pay the Sound dues; but salt made in Russia is of course exempt.

787. Is there any salt in the interior of Russia?—I believe salt is produced to a considerable amount in Russia, in the interior.

788. Have you any idea of the price that has been given for it?—No, I have not.

789. *Chairman.*] Does this salt that competes with yours come in British ships from the Mediterranean?—Yes, and under all flags; there are a good many ships owned by Englishmen, I believe, which trade between the Mediterranean and the Baltic, and then again between the Mediterranean and England.

790. Do you know the amount of salt that is exported from England to the Baltic?—It is not less than 100,000 tons annually.

791. Can you tell us whether it has increased of late years?—It has fallen off during the war very considerably.

792. But you do not know whether, generally, it had been increasing before that time?—No, I think not.

793. Do you know what proportion of all the salt passing the Sound is exported from England?—About two-thirds.

794. What do you suppose is paid annually to the Danish Government for that one article?—About 6,000 *l.* is paid on English salt; not less than that.

795. Mr. *Mitchell.*] Are you aware in the interior of Russia the British salt has an active competition to sustain with salt manufactured in Russia?—I believe it is so.

796. Mr. *Duncan.*] Do you think that the 10 or 12 per cent. of Sound dues has an effect upon British salt imported into Russia?—It is a very heavy tax; 1*s.* 2*d.* a ton spent in carriage into the interior would enable us to sell a great deal more salt.

797. Mr. *Liddell.*] Has the cost of production of salt undergone a considerable reduction in the course of the last 10 years?—No, I think not; it has remained pretty much the same.

798. *Chairman.*] Have you ever heard complaints of the detention of ships freighted with salt at Elsinore?—I have heard that it has been stopped, and complaint of it has been made.

799. Do you represent the trade generally upon this subject?—I have been asked to give evidence before this Committee on behalf of the salt trade.

800. Do you mean the salt trade of England?—Of Cheshire.

801. Is

801. Is not salt manufactured in Worcestershire also?—Yes, and in Gloucestershire; a good deal of the salt exported from Hull and Grimsby is made in Gloucestershire.

802. Mr. *Duncan.*] Can you state the general freight for salt to the Baltic from this country?—It varies from 10 *s.* to 20 *s.*, according to the time of year; it will be probably about 10 *s.* or 12 *s.* on an average.

803. Mr. *Hutt.*] What do you pay now for freight to St. Petersburgh?—The freight to St. Petersburgh at the present time I believe is about 15 *s.* a ton; at the conclusion of the war it was 25 *s.*

804. Mr. *Bramley-Moore.*] Where are your works situated?—At Northwich and Winsford.

805. Does your salt come down the Weaver?—Yes, my salt comes down the Weaver.

806. Do you send any by land?—No, I do not.

807. Is there much sent by land?—There is a good deal sent by land to Hull.

808. Is there any sent by land to Liverpool?—None is sent by land to Liverpool; when I say none, there may be 10 tons a year, or something of that kind. There is a good deal at times on the railway between Warrington and Hartford.

809. That is going to Hull?—Yes.

810. Can you tell us the difference of cost between sending salt by railway to the east coast and taking it down the Weaver?—I can tell you the price of salt in Hull, and the price of the same salt in Liverpool. The price of salt in Hull is about 17 *s.* a ton; the price at Liverpool of the same kind of salt, would be about 10 *s.*

811. Making a difference of 7 *s.*?—Yes.

812. What would be the difference of freight from Hull and from Liverpool to the Baltic?—It varies; about a month ago I had an order brought to me, which I had to execute, either at Hull or at Liverpool, at whichever port I could do it cheapest; I shipped it from Liverpool at 2 *s.* a ton cost and freight less than I could have shipped it at from Hull.

813. What was the price of salt 10 years ago?—I do not remember; I should think about the same price that it is now; about 10 *s.* or 12 *s.* a ton, on board ship. It has not been above 14 *s.* a ton for the last 10 years.

814. Mr. *Liddell.*] Is not that exclusive of the years of war; did not you tell us that last year salt was at a much higher price?—It is inclusive of the years of war.

815. You said there was a good deal of competition with the salt of the Mediterranean; are you not aware that a number of vessels from the Baltic go to the Mediterranean and take salt to the River Plate, in preference to taking salt to the Baltic?—I believe that there is a considerable trade of that kind.

816. Do not the bulk of them only go back when there is no prospect of going forward on account of the season?—I presume so.

817. Can you give us any return of the salt sent from Liverpool to the Baltic?—I have the average of it for three years, exclusively of the two years of the war; and from that I find there were from Liverpool about 70,000 tons annually, and from the east coast about 30,000 tons annually.

818. Can you lay before the Committee any return showing the course of the trade for five or eight or ten years, and whether it is declining or increasing?—In 1849 the exports of English salt was 10,000 tons to 12,000 tons larger than it has been in any one year since.

819. Do you know anything about an allowance that is made by Prussia to ships coming to her ports?—No.

820. Mr. *Disraeli.*] Do not your cargoes go down the River Weaver?—Yes.

821. Do you pay dues to the River Weaver?—Yes, we do; we pay 1 *s.* a ton to the trustees of the River Weaver upon every ton of salt that comes down the Weaver.

822. Is not that almost as heavy a duty as you pay coming through the Baltic?—Quite as heavy.

823. *Chairman.*] Do you get any value for that duty beyond the right of passage down the river?—Very little; 10,000 *l.* a year is ample to keep up the navigation and build new locks, &c., and yet 50,000 *l.* a year is raised.

824. What do they do with the excess?—It is paid to the county, in aid of the county rate, and consequently expended in the erection of gaols, asylums, and any other county work.

 825. Have

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825. Have they built any churches out of that fund?—Three churches have been built, according to their Act of Parliament.

826. Out of the salt dues?—Out of the salt dues; they also charge a toll of 8 *d.* per ton on the coal, &c., which is used in the manufacture of the salt, which amounts to nearly 5 *d.* a ton on the salt, besides the 1 *s.* a ton upon the salt coming down the river.

827. Mr. *Bramley-Moore.*] Those dues having been progressive, your salt trade must have increased?—The production of salt has increased.

828. Have not these dues gone up in a short time from 20,000 *l.* to 50,000 *l.*?—Not in a very short time. Salt can be made upon the sea-shore anywhere. I am not aware whether it is made on the coast of Russia or Sweden, on the shores of the Baltic; but if it is made there, of course it is free of Sound dues.

Christian Allhusen, Esq., called in; and Examined.

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829. *Chairman.*] ARE you a Merchant in Newcastle-upon-Tyne?—I am a Merchant and a Manufacturer of Newcastle; and I appear on behalf of the Chamber of Commerce at Newcastle. Perhaps I may state that the question of the Sound dues is one which affects the east coast of this country much more than the west coast; and any decrease of trade which may have taken place on the west coast, I have no hesitation in saying, has found its way to the Tyne and to the Humber, owing to the facilities which railways and canals have afforded to trade. The total trade to the Baltic, I should say, has rather increased than decreased, as stated by some of the gentlemen who have come here.

830. The trade, generally, of the Baltic has increased, in your opinion?—From the east coast it has increased unquestionably, though each successive year does not show an increase, which is easily accounted for; as war, bad harvests, or other circumstances naturally influence the annual returns.

831. The goods shipped coming by rail from the west?—The goods shipped coming by rail from the west, and also salt coming by rail and by canal; many of the ships which arrive with cargoes from the Baltic have to return in ballast, and therefore rather than do so they will take a very cheap freight; so that adding the cost of conveying the goods from Liverpool to the east to the freight from the east coast to the Baltic, the total cost of conveyance in most cases is less than it is from Liverpool direct to the Baltic ports, and of course there is more expedition in the route *viâ* the East coast.

832. Have not the Chamber of Commerce of Newcastle recently given some consideration to the subject of the Sound dues?—The Chamber of Commerce have taken considerable interest in that question, and it appeared to them of so much importance that I was requested to appear here on their behalf; I hold a statement in my hand which is headed, "Comments on Sound Dues; Reasons why they should be abolished, and Proposal for their Liquidation."

833. Does that paper contain the result of the deliberations of the parties you represent?—It contains the result of the deliberation of the parties who have been deputed to consider the question. It is as follows; "The objections to the present system are easily described. The detention of ships which must necessarily take place is injurious to their owners; the payment of a passing toll to a foreign state, which neither produces or consumes the article taxed, is more or less objectionable; the risk attending the detention of vessels at Elsinore is a matter of serious importance; many ships have received injury whilst tacking, and many a passage has been lost in consequence of the obstacles which are produced by the present system. The expenses caused by a ship stopping at any port may be classed under two heads, namely, as 'avoidable,' and 'unavoidable' expenses; the latter are not heavy, and must naturally be paid by the owner; but considering that Elsinore is looked upon as a half-way house, and that it affords all the temptations generally held out to captains and sailors at places similarly situated, it is not to be wondered that much unnecessary delay and expenditure should be incurred. If the passage of the Sound were as free as the passage of the British Channel, captains could not land without assigning some sufficient reason to their owners. Considering then that the existing system is injurious to commerce generally, it follows that the country at large is interested in its removal; presuming the claim of the Crown of Denmark to be grounded on treaty or some other sufficient basis, to induce Her

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Her Majesty's Government to continue the payment of dues or to give some equivalent in lieu thereof, it becomes only necessary to consider the proposition for a settlement made by the Danish Government. I have perused the correspondence laid before the House of Commons; I am of opinion that the principle of classification of dues as described in Tableau C., page 40, is a just and fair one, but the basis should be improved by the introduction of the years now omitted; if this point however were conceded, I am of opinion Her Majesty's Government would confer a benefit on the country if the proposition of the Danish Government, so modified, were accepted. In making this statement, I take it for granted that the sums inserted in the accounts are *the sums which actually reached the Danish treasury*. Presuming the sum of 10,126,855 rix-dollars, or about 1,125,227 *l.*, to be reduced to about 1.000,000 *l.* by the adoption of this improved basis, it is not too much to say that the burthen which the payment of this sum would create is very considerably below the present taxation upon commerce and shipping. For this assertion I give the following reasons. It is well known that the agency houses at Elsinore generally allow 1 *l.* sterling or more to those who address ships to them; that captains receive a per-centage out of the dues charged to owners of goods, and that they receive fees and presents, all of which, though in the first case paid by the agency houses, must ultimately fall to the charge of the merchants and shipowner. Disbursements of this sort, and the several items which appear in the accounts of all ships passing, must amount to a very serious sum; possibly to as much as the sum touched by the Danish Government. I produce a draft for Sound dues which shows the principle upon which the agency houses reimburse themselves for dues paid on merchandise. I also produce an account of a ship's clearance, both up and down. This account is of a very moderate nature; nevertheless it proves that in this instance, the amount received by the Danish Government is only slightly in excess of one quarter of the sum paid by the owner. It is almost unnecessary to state that all taxes on commerce, though in the first case paid by the importer or the exporter, are prejudicial to the national interest. As competition is more likely to increase than otherwise, and as the maintenance of our commerce depends to a great extent upon our power to sell cheap, every charge removed will naturally increase our prosperity. Though I express these opinions, I fully concur that the tax, so long as it has to be borne, should be made a special tax on the Baltic trade. The course of procedure which I would suggest is, that each article imported from the Baltic be subjected to a charge in lieu of the Sound dues to about the same amount as is now paid at Elsinore. That each English vessel be subjected on her departure for the Sound, and on her return from the Baltic, to a charge in substitution of the dues now paid at Elsinore. That a separate account be kept of this fund, out of which the annual interest on the indemnity to be paid to Denmark should in the first case be discharged, the surplus being invested. That this special tax be discontinued so soon as the surplus, with accumulations, shall have liquidated the original outlay. That no deduction be made for collection. That this account be published annually, and that it, if possible, be made a condition of the general treaty that the several other governments agree to adopt the same principle. The respective governments might collect the substituted dues without much or any expense; but supposing there be a slight disbursement, the several nations could well afford so small a contribution in a matter of so much importance. I conceive that, with the power of borrowing at about 3 ¼ per cent., the principal sum of 1,000,000 *l.* is pretty sure of being liquidated within 15 years. However, if a settlement of the question should be arrived at by the payment of a fixed sum, I would strongly urge that provision be made for securing not only the unimpaired maintenance of all existing lights, buoys, and other facilities now afforded by Denmark, to shipping and commerce in the Sound and the Belts, but that a proper principle be laid down which provides for the construction of additional, and the substitution of improved lights and other facilities which future requirements may suggest. I would recommend that a certain portion of the intended indemnity be invested to meet this case, and that Commissioners be appointed by the contracting powers, with authority to do, without hinderance, what the majority may determine." The estimate which I have attached for the liquidation is to this effect: "The duties in respect of merchandise and light dues paid at present are as follows: merchandise, 613,055 rix dollars; lights, 38,935 rix dollars; making a total of 651,990

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651,990 rix dollars, which, at the rate of half-a-crown per dollar, would be equal to 81,498 *l.* 15 *s.* The interest upon 1,000,000 *l.*, at 3 ½ per cent., would be equal to 32,500 *l.*; the balance of 48,998 *l.* 15 *s.* would therefore represent the positive and immediate gain to the nation. I assume the future payment in respect to merchandise, lights, and passing tolls to produce 100,000 *l.*, a very moderate estimate; it follows therefore that nearly 70,000 *l.* will accrue annually in the form of a liquidation fund." This statement has been made out after a careful consideration of all the difficulties which attend the matter; and I believe, unless it be considered preferable to pay the amount to the Danish Government at once, out of the Consolidated Fund, this method is about the only feasible and practicable mode of reimbursing the Government.

834. Is the Committee to understand that in your proposition for abolishing these dues you would fix the charge on the Baltic trade exclusively?—Precisely so.

835. And you propose that a duty is to be levied upon the ships when they return here?—Yes; the duty on the cargo should be collected on the ship's return from the Baltic, and the dues in respect of the ship, and also the lights should be paid on her departure for the Baltic, and on her return.

836. And a duty also is to be levied on arriving at their destination?—It would have to be levied at their destination by the governments where the cargoes are discharged; a principle which would provide each nation with means to liquidate the indemnity.

837. Who is to collect the dues for the Danish Government?—The dues would have to be collected by each of the Governments paying a sum in discharge of those dues to the Danish Government.

838. Then they are to keep what they collect, and to pay the Danish Government an indemnity?—Quite so; if our government consent to pay 1,000,000 *l.*, for which 100,000 *l.* shall be received each year in respect of those dues, it would save the merchant all the delay, risk and expense which now attends the clearance at Elsinore, and it would further give something like 70,000 *l.* annually towards the liquidation of the indemnity.

839. Would not the trade be charged as it is now?—Yes; but the dues would cease after a certain period.

840. If the additional burthen on the trade falls upon the consumer, would not the consumer still pay it?—Unquestionably so; but if our Government is under treaty its election will have to be made between conforming to the treaty, or doing something of the sort described.

841. How long do you contemplate that this system would last?—I mention 15 years in this document; but in my opinion it will hardly last 10 years; moreover, I am pretty satisfied that the real tax upon British commerce at present is at least equal to 200,000 *l.* I have not the slightest hesitation in fixing that amount. By doing so, however, I take into account the natural consequences, which result from the ships being detained at a half-way house, as Elsinore may be considered.

842. *Chairman.*] You have spoken of "avoidable" and "unavoidable" expenses, estimating them both together at 200,000 *l.* a year?—Yes; I have a copy of the clearance of a ship of moderate size, for which the total sum received by the Danish Government for the upward voyage is 4 specie rix dollars, 24 stivers, but the charges introduced into the account amount to 16 specie rix dollars 12 stivers.

843. Mr. *Disraeli.*] Do you think that the British commerce virtually pays an amount equal to the whole amount received by Denmark for the Sound dues?—No doubt of it. It is a matter tolerably well known that when captains arrive at a place of that description, where a certain amount of money is handed over to them, as it were by way of present, they do not always hurry themselves to get away; and it does not unfrequently happen that the sailors follow their example, and therefore there is a considerable degree of detention following that stoppage; the sum total borne by commerce, therefore, cannot well be less than my estimate.

844. Are you aware that the whole amount of Sound dues paid to Denmark by all the other countries is about 200,000 *l.*?—£. 230,000 *l.*; but that sum only comprises the dues paid upon the merchandise, and it does not comprise the incidental expenses; for instance, in the case I have mentioned, all that the Government receive is about four dollars, which is about 20*s.* sterling; nevertheless the captain's account is 16 dollars, or four times as much.

845. *Chairman.*]

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845. *Chairman.*] Will you hand the papers to which you have referred in to the Committee. (*The same were handed in.**)

846. Did not you state that the Danish Government do not receive more than one-fourth of what is paid for the Sound dues?—Yes; the light dues, taken into account in the Danish calculation, is about one-fourth of the charge to the ship.

847. You do not mean to say that they do not get as much as they are entitled to?—I rather think they take in some cases more duty on cargoes than the treaty which is now in existence between the two Governments justifies, but I am not able to give the details.

848. We have had it stated in evidence here that the Danish Government only get 40 per cent. of what is paid for Sound dues; are the Committee to understand you to state here that only one-fourth of what is charged to the cargo and the ship is paid to them?—I state that out of a ship's account of 16 dollars, four dollars and some stivers only found their way into the Danish Treasury; but my reply had no reference to the ship's cargo.

849. Are the Danish Treasury entitled to those incidental expenses which you have classed as "avoidable expenses"?—They arise out of the necessity of paying the dues.

850. The Danish Government is not entitled to them?—They are attendant expenses, but the Danish Government is not entitled to them, and indemnity is not claimed in respect of them.

851. If the Danish Government are not entitled to them, we are not to compensate them for all that you lose?—Not by any means; my object in showing the account is merely to show that the sum introduced into the correspondence between Denmark and this country is a much smaller sum than is actually paid by the commerce of the country.

852. You do not dispute the accuracy of their returns of what has actually been paid by the trade of different countries?—I do not dispute them, but it would be desirable to know that the figures represent the sums which reached the Treasury.

853. If you consider anything inaccurate, it is that they have rather understated it?—I do not know what basis they have taken, whether they have taken the clear receipts or the amount which they have a right to charge by the tariff; until the system upon which this return has been made out has been fairly investigated, any observation must entirely be a surmise. Here is a bill which was lately passed upon myself for the Sound dues; it was an amount paid upon goods which were worth 1,680 *l.*; the bill of lading being "to order," it was not known that I was the receiver of the goods; these were goods coming from the Baltic, from St. Petersburgh; nevertheless, as is customary at Elsinore, one of the agency houses advanced the money for the duty, and then drew a bill upon the unknown owner of them, which they transmitted to London, and from London it found its way to Newcastle, until I was discovered; and the total amount of compensation to the agency house in this particular instance was something like 5 *s.* Now it is altogether unreasonable to suppose that that is the entire compensation which the agency house receives, therefore I suppose that the Government make certain allowances to the agency-house for disbursing money, as well as to the captain for giving a faithful report of his cargo; but that, of course, is a surmise which can only be ascertained by seeing the details from which the sums introduced by the Danish Government are derived.

854. These are precautions taken by the Government, to prevent their being defrauded?—Quite so; the Danish Government might find it an unpleasant matter to stop any British ship by compulsion, therefore they stop them by other means; they give the captains so much for rendering an account of their cargoes.

855. Had they any suspicion that the bills of lading are not always correct?—I do not think that they have been correct in all cases.

856. Mr. *Disraeli.*] Do you think that the agency houses have a commission from the Danish Government?—I think it must be so.

857. Mr. *Deasy.*] Have the captains a per centage upon the duty or upon the goods?—The captains get four per cent. upon the duty paid in respect of merchandize.

858. Mr. *Liddell.*] Did not you state that you consider that the Sound dues are an especial tax upon the Baltic trade?—I do.

859. Are not the articles imported from the Baltic, such as timber, tallow, flax,

* *Vide* Appendix.

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flax, and so forth, articles of strictly general consumption?—Unquestionably so.

860. Would not any increase in the price of these articles in consequence of the payment of these Sound dues be paid by the general consumer?—Yes, the increased price is naturally to be paid by the general consumer; but the consumer on the other hand has other markets to go to, and therefore it is an exceedingly difficult question to settle who in this particular case pays the dues; because if the British merchant can buy tallow from America or Australia, at the same price he has to pay in the Baltic, he would never think of going to the Baltic, where he has to pay the Sound dues into the bargain.

861. Do not you think that the importations from America and Australia have shortened the supplies of the same articles from the Baltic?—No, I should say not; and I may add that it is not at all likely that the Baltic trade will decrease. I think it is much more likely to increase.

862. Were it not for the fact that the larger freight is to be paid in trading with the more distant countries, such as Australia, would not they compete with the articles which pay the Sound dues?—There are many circumstances which affect the prices; but as a general rule, there can be no question that so long as the Sound dues exist, the dues must either be paid by the producer in the Baltic or by the consumer in this country.

863. In case of these Sound dues being capitalised and bought up in this country, do not you think that many of these articles, being articles of general consumption, the cost of indemnifying the Danish Government should fall upon the community at large?—I am of opinion that the consumer pays the largest portion of it, because there is no doubt whatever that the cheaper he can purchase what the Baltic can supply, the better it is for him; but as to those articles which he has a chance of procuring elsewhere, the consumer in this country has a choice of markets; and that choice exists with regard to most of the articles sent from the Baltic.

864. Mr. *Mitchell.*] Are you aware that all the leading articles which are sent from the Baltic except corn and wood (all such articles as flax and tallow) are shipped to this country in the greatest proportion from the Baltic?—There is no doubt that that is the case.

865. The proportion of tallow from Australia and America together does not amount to 20 per cent. upon the amount shipped from the Baltic, does it?—I should say that the rate of importation from the Baltic is very much more than that from Australia and other parts.

866. Are you speaking of the state of things since the beginning of the war?—I should say during the last 10 years. I have not exactly a classified account of these things, but I think there must be a greater difference than 20 per cent., nevertheless those particular articles are mainly imported from the Baltic.

867. *Chairman.*] Are you taking Sydney into account?—Yes. I am considering the importation from Sydney, and from the Cape, and from the East Indies, and at times from Italy.

868. Do we get any from South America now?—Yes, and from North America; also the trade changes very much indeed; in certain seasons some countries have very little to spare; and at other seasons again they have plenty.

869. Mr. *Bramley-Moore.*] Have not the exports of tallow very much increased from the River Plate during the last four or five years?—I have no comparative account; I could not answer that question with any degree of certainty.

870. Have the exports from the Cape increased during that period?—I think that from the Cape the increase has been considerable.

871. As well as from Sydney?—Yes, particularly to Liverpool; Liverpool lies conveniently situated for that description of trade.

872. Has not the high price of tallow during the last few years given an impetus to other trades; has it not increased very largely indeed the production of palm oil?—I have no doubt whatever that the great increase in the production of palm oil has been owing to the high price of tallow; it would have been impossible to satisfy the demand for fatty matter if a large quantity of palm oil had not been imported into this country.

873. Has not that increase been produced, in a great measure, by the war?—Yes; but even prior to the war there was a constant increase in the importation

tation of palm oil, and the very high price of tallow has encouraged that importation.

874. Are not there several new descriptions of oil imported into this country at present; is not there a great deal of cocoa-nut oil imported?—Yes, a large quantity.

875. Are there not several other new oils which were never heard of before the last few years?—Yes; they have been introduced owing to the great demand, and their importation has been encouraged by the high price of tallow.

876. We are not dependent upon one country; there are so many supplies that come forward when we are in distress?—We are not dependent upon one country; but the more countries we have to go to the better it is for us.

877. Has not the war produced supplies and places which we never dreamt of a few years ago?—Yes, and I think the general result of it we shall discover by and by.

878. Mr. *Mitchell.*] Did not the war produce an advance of 20 per cent. in the price of tallow?—Yes; and it drove us to seek supplies from other sources, which will come into competition with Russian tallow; and ultimately this article may be lowered in price in consequence of the rise referred to.

879. *Chairman.*] Do you know what the duty upon tallow at the Sound is?—It is about one-half per cent.; the bill which I handed in refers to a value of 1,680 *l.*

880. Mr. *Mitchell.*] Does not that bill specify 2,468 po's, which are equal to about 40 tons of English weight?—Yes.

881. And was not the duty upon 40 tons of tallow 8 *l.*?—Yes, including the expenses, the tallow cost in Russia 42 *l.* 10 *s.* a ton; there were about 40 tons, which makes the price about 1,700 *l.*, and the payment made upon that sum is not quite 8 *l.* I believe the duty is charged correctly, but it is very difficult to get a tariff of the dues which can be legally collected; at least, I have not been able to lay my hands upon one.

882. *Chairman.*] Do you mean to say that you cannot get at the amount which is paid, seeing that we know what they charge, and that we know the value of the goods which are imported and exported; cannot the tariff be easily ascertained?—No doubt such a document does exist.

883. Does not the tariff profess to be one per cent.?—I am told it professes to be one per cent.; and why it should be a half per cent. in this case remains to be explained.

884. Are the Committee to understand that by the plan which was proposed on the paper which you read just now, for getting rid of these dues, by which the Baltic trade should still pay them, but should pay them in a different way, the burden upon the trade would fall at once from about 200,000 *l.* to 72,000 *l.*, which is what the Danish Government would expect from the British trade?—Precisely so. I estimated the duty, lights and dues, together with incidental charges, at 200,000 *l.* per annum.

885. You say that instead of 72,000 *l.* it is nearly 200,000 *l.*?—The real expense incurred and paid by the commerce of the country is estimated at 200,000 *l.*

886. The plan which you propose would reduce the amount from 200,000 *l.* to what is actually charged by the Danish Government?—No doubt it would do so, but if the existing difficulty were not to be removed until five years shall have expired, I consider that by the expiration of that period we shall have paid in expenses the amount which will now settle the matter, because if we multiply 200,000 *l.* by five, we arrive at the sum of 1,000,000 *l.*

887. Mr. *Hutt.*] You would relieve the commerce crossing the Sound from all dues that do not legitimately appertain to the Crown of Denmark?—Quite so; and I would levy the dues in all cases, in the ports of arrival.

888. Are you aware of any objection on the part of the Custom-house authorities to such a plan?—I have reason to believe that the Custom-house authorities would object to this improvement; but their objections are not well grounded.

889. *Chairman.*] What is the objection which you apprehend would be raised by the Custom-house?—I believe that it will be made out that the revenue cannot be protected upon the ground that ships trading to the Baltic will touch at some other place and get a new clearance, and arrive here without being subject to that particular payment; but the objections which have been made in former

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years to similar improvements, I think, ought to have satisfied the Custom-house authorities that their objections in general have been very ill-based. There was a very serious objection, I believe, at the time the coasting trade was thrown open, *i. e.*, when the Navigation Laws ceased to have effect upon the coasting trade; but I believe, up to this time, notwithstanding the objection which was then made, not a single instance has been proved where any evasion has taken place; and, therefore, I do not attach the slightest importance to any objection which the Custom-house authorities may make to the adoption of the proposed plan. Their objection I believe is, that a ship laden with a cargo from the Baltic would proceed to Hamburgh, and discharge a portion of her cargo there, and take a new clearance; it is about as far-fetched an argument as ever I heard. In the first place, it would incur additional risk, and it would further involve collusion between the owner of the cargo and the ship captain. Then when he arrives in the Elbe, or at any other place, he would have to pay port dues; it would therefore really come to this, that until we discover people who would throw away 10 *l.* to save 1 *l.*, those difficulties cannot arise. Any one acquainted with the subject would at once say that the objection cannot be sustained.

890. Did not you say that the Danish Government pay the agency houses and pay the captains, because they think they may be deceived?—I think they pay them both for assisting in the collection of dues on cargo.

891. Must there not be a collusion between the owner of the vessel and the captain in order for that to take place?—That is quite a different matter; it is an amount paid for a certain service which the captain is to render; for how is the Danish government to know what goods are on board of a ship unless the captain gives an account.

892. Do not they discover that from the bills of lading?—Precisely so; the captain has to show his manifest and bills of lading; but whatever the treaty between Denmark and this country may be, I am not certain that it is clearly expressed that a captain can be obliged to show all his papers, or to render accounts.

893. Are not you assuming his papers to be dishonestly made out?—Not in the least. But according to the plan which I have proposed, supposing he were dishonestly inclined, he could not evade the dues and duties without the disbursement of a larger sum; it is not therefore likely that he would do what the Custom-house authorities appear to apprehend.

894. Mr. *Deasy*.] Do you think there would be any difficulty in collecting the tax from the vessels on the part of foreign governments?—That remains to be ascertained; but I should say not. I think that the Baltic nations understand perfectly well that if they can in time get rid of the dues they will be the principal gainers by the change. Every ship from a Baltic port is annually subjected to two detentions whenever she goes on a voyage to the North Sea, whereas only a certain number of our vessels trade to the Baltic. It is in our case a partial difficulty; in their case it is a constant disadvantage.

895. Mr. *Duncan*.] You have put in a paper before the Committee of the charges of clearance of a vessel of 265 tons; was not 16 *l.* 8 *s.* 1 *d.* the amount of the charge upon the vessel?—It was the amount of the disbursements of the captain.

896. Of the upward and the downward trade?—Precisely so.

897. Will you state how much of that goes into the Treasury of the Danish government?—Nine specie dollars, which is equal to about 2 *l.* of our money.

898. So that of the 16 *l.* 8 *s.* 1 *d.* that is chargeable upon this vessel when passing the Sound, only 2 *l.* goes to the Danish government?—Precisely so.

899. So that the remuneration that would require to be paid for this 16 *l.* 8 *s.* 1 *d.* to the Danish Government would be 2 *l.*?—Simply the 2 *l.*; but it must not be overlooked that there are certain charges in this amount for articles which are a benefit to the owners; what I have handed in is a copy of a legitimate account lately rendered by a general agent.

900. Have you ever passed the Sound yourself?—I have.

901. Is it not the fact that there is a Russian quarantine station at Elsinore?—I think there is, but I do not recollect positively.

902. Would not the existence of such a quarantine station occasion a detention in every case of a vessel bound to Russian ports going up the Baltic?—If the

the Russian government made it a *sine quâ non* that they shall call there, they must stop; but I presume that would only be the case in case there were cause for it; a vessel going with a clean bill of health, I should fancy, would not be stopped.

903. Would it not occasion some detention?—I rather think not, because I think there is always a notification given when ships are to be stopped; but I am not sufficiently conversant with this particular subject to be able to state facts.

904. *Chairman.*] Might not such a difficulty as that be the subject of arrangement between the two Governments?—Certainly.

905. Mr. *Liddell.*] Can you state to the Committee the annual amount of tonnage that leaves the Tyne, engaged in the Baltic trade?—I am afraid I cannot; but I recollect that some years ago, when I was largely engaged in the trade, I used to despatch and receive between 400 and 500 cargoes a year.

906. Can you give the Committee any general idea of the extent of the Baltic trade?—No, I cannot precisely; but I know that a larger number of vessels pass from Newcastle and Sunderland than from any other port of the kingdom; the total number of British vessels that passed the Sound in 1853 was 4,655.

907. Can you inform the Committee what proportion the North country trade bears to the whole trade of the country?—Yes. I think Sunderland and Newcastle have more ships than London or Liverpool, and a great many of them are engaged in the Baltic trade.

908. Mr. *Mitchell.*] In point of fact, did not the actual port charges, independent of the goods, amount to 8*l.*, out of which the Danish Government got 2*l.*?—The port charges amounted to 8*l.* in this particular case, though a boat had not been employed; boats are generally employed; it is only in fine weather, and with a steady crew, that the captain can go on shore in his own boat; if he had employed a boat he would have been charged 1 *l.* or 2*l.* more for each voyage.

909. And do you know that the Danish Government only gets 2*l.* from that 8*l.* which is paid at Elsinore?—Yes, the Danish accounts prove it.

910. Mr. *Duncan.*] Would not all this be saved to the trade of this country could we make an arrangement as to that 2*l.* to be paid to the Danish Government?—It would, unquestionably.

911. *Chairman.*] Why do you propose to lay the expense of abolishing the Sound dues upon the trade exclusively, if there is a question of arrangement with the Danish Government; you have allowed that the expense falls upon the community, why should the community then not be charged for getting rid of it?—It is an awkward matter for the Chancellor of the Exchequer, after an expensive war particularly, to advance 1,000,000 *l.*, unless he knows where he is to be reimbursed.

912. It is out of regard to the Exchequer that you propose this plan?—Yes; it is to surmount a difficulty; moreover, I have a notion that the principal charge in this case would really fall upon the Baltic. If the articles produced in the Baltic are to be taxed, and we can get the same articles in other countries where this tax is not to be paid, it is reasonable to suppose that the Baltic producer has to pay a considerable amount of the tax. I think the Baltic trade will defray one half at any rate.

913. Mr. *Bramley-Moore.*] You admit that the shipping has a beneficial interest of its own?—The shipping receives certain advantages from the lights.

914. And paying this sum out of the Consolidated Fund, would not you benefit a special interest?—Precisely; you would be paying for the benefit of the shipowners a special sum which was hitherto taxable upon the ship.

915. Would not the shipowner get the advantage of not paying these expenses if your plan were carried out?—The shipowner would have to pay a certain amount in this country instead of an equal payment at Elsinore.

916. If the Sound dues were completely abolished, would there not be a little more capital brought into the trade?—Everything that facilitates trade increases it.

917. In fact, would there not be more competition in it?—There might possibly.

918. But if the charge were still kept up among the trade, there would not be more competition?—It would slightly affect the competition, I dare say, but I consider that the total sum paid annually for lights and dues on ships, and duty on cargoes, which does not amount to more than 80,000 *l.*, is a very small sum

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as compared with the injury which results from the detention the ships are subjected to at Elsinore; the tax is bad, but the detention is worse, and more costly.

919. Would not it be a great relief to a Baltic ship not to pay the Sound dues?—Yes, it would be a great relief to the Baltic shipowner and to the owners of ships generally.

920. Would they feel the advantage more than we should?—They would feel the advantage more than we should, because they are constantly subject to it; they cannot go out of the Baltic without passing the Sound; the Baltic ships are somewhat differently situated from our own, because the Baltic ports are closed during the winter; it is therefore almost a general thing that by the month of November their ships make their way home; there are not, therefore, many vessels in the Baltic which do not pass the Sound twice or three times each year; consequently, the injury to the Baltic shipowner is greater than that to the British shipowner, nevertheless no Baltic nation has the same number of vessels in the Sound; notwithstanding that they are obliged to go there on all occasions. This is proved by the tables which show the number of clearances; the Prussians, who have the largest number of vessels of any of the Baltic nations, had 3,463 vessels at Elsinore, whilst we had 4,685 vessels.

921. Do you think that the Prussian vessels would increase more than ours, if the dues were not paid?—I think it is very likely that they would increase, but if the Prussian vessels were to increase, it would not injure the British shipowner; we shall not stand still whilst others increase.

922. If the Sound dues are to be abolished, must they not be abolished for every country?—Unquestionably so; it would never do to have an isolated arrangement.

923. Would it do to abolish them except upon that certain principle?—No; I should say not.

924. It would not do for Prussia to pay a certain sum, and thereby to obtain exemption from the dues, and for us to continue to pay the charge?—It would be unreasonable, because in that case the Prussian ship would be given a preference over our ships.

925. Therefore in looking at the question, we must make a general principle?—Yes; the only difficulty to such an arrangement would appear to exist with regard to America; from what I have heard in this room, I have no hesitation in saying that the Baltic nations have outwitted the Americans for once.

926. What are you referring to?—To their forbidding a vessel from America to enter a Russian port unless she can produce her clearance at Elsinore; and if that system be continued, you may rely upon the American ships still continuing to pay Sound dues.

927. Mr. *Deasy*.] That would be no protection with regard to the ships going down?—No; it would be no protection with regard to the ships going down; but they will find a remedy for that in all probability, as they have found one on the other side.

928. What remedy will they find for that difficulty?—Possibly they may demand payment of Sound dues at the port of clearance; but as they have found a remedy in the other case, it is not unreasonable to suppose they will get the better of the Americans in the second instance also.

929. *Chairman*.] Do you say that you did not know before that Russia demanded proof of payment of the Sound dues from any vessel before it was admitted into her ports?—No, I do not.

930. Then of course you did not know that Prussia does the same?—No, I did not.

931. Mr. *Mitchell*.] Are you aware that the trade from the Baltic is much more valuable than the trade to the Baltic?—Yes.

932. Then the regulation of Russia to which reference has been made can only guarantee the payment of the Sound dues with reference to the voyage out, and not with reference to the voyage back?—Certainly; but if they guarantee the payment one way, I think they will find some mode, when they are put to the test, to guarantee it the other way also.

933. *Chairman*.] Will you explain to the Committee what are the views of those you represent about keeping up the lights?—It is a matter of very serious importance that the lights should be kept up with efficiency in the Baltic, particularly in the early and late seasons of the year. It is a very dangerous navigation; and

and it would never do to pay a certain amount of money to any foreign government to maintain those lights during all times to come.

934. Do you mean that you would not leave it to any foreign government, or that you could not rely upon the Danish Government?—I should not be disposed to rely upon any government in such a case.

935. How would you secure the keeping up of the lights?—I would keep a certain amount of money in hand, and see to the application of it. It is perfectly true at present that the lights are good and efficient, but in 10 or 20 years new discoveries may be made; and it would not be reasonable to deprive the navigator of the Baltic of those discoveries.

936. Will you state precisely what your plan is, and whether it is one which you think the other nations would agree to?—A certain amount of the proposed indemnity should be retained for the maintenance of those lights. I see no just reason why, if the Danish Government comes to the respective governments, and asks for a certain sum of money, which has been considered for some reasons as the proper proportion to be paid to them in respect of present receipts and future disbursements, some plan of this sort should not be followed.

937. Do not we at present pay so much to the Danish Government for keeping up the lights?—Yes, we do; and I recommend that the contracting powers should retain a certain amount of money in the hands of a Commission, and that the Danish Government should consent to the future disbursements for those lights being made by that Commission.

938. Mr. *Hutt.*] Do you propose to place the administration of those lights in the hands of the maritime states?—In the hands of the several governments who pay the compensation to the Danish Government; it would, in my opinion, be no hardship to Denmark, but rather an advantage.

939. Mr. *Deasy.*] You spoke of paying a fixed sum: would not the object be as well effected by paying an annual compensation to Denmark, in lieu of the 200,000 *l.* which she at present receives from the dues?—As far as England is concerned, I dare say that it would be as good a plan; but the question is whether the Danish Government would like it quite as well; because the Danish funds bear five per cent. interest at present. If the Government could get the amount asked for, there is no doubt the heavy debt against that country would cease; they would naturally pay off the particular debt raised upon the Sound dues; at least it is only reasonable to suppose that that course would be adopted.

940. Mr. *Liddell.*] Would not an annual compensation be a much more effectual check upon them than a large sum paid down at once; could not you, in case of an annual compensation being paid, remonstrate at any time if the lights were not kept in order?—Yes, it may answer the same purpose; but an annual sum, especially in time of war, would not answer the purpose of the Danish Government, because in time of war, it is not likely that hostile powers would pay the amount they had agreed to pay.

941. *Chairman.*] Is it part of your plan to keep a certain sum annually for the maintenance of those lights?—Yes, to retain a certain amount of the indemnity money, so that the produce of that money should be applied to the maintenance of those lights, and to the substitution of improved lights.

942. That all countries interested in the Sound dues should retain a certain sum, and have a fund to keep up the lights?—Yes; that appears to me the only sure way of dealing with the matter.

943. Mr. *Mitchell.*] Would not your proposal be to levy a differential duty in this country upon certain articles imported from the Baltic, as compared with the same articles imported into this country from other places?—Yes; until the indemnity is liquidated.

944. Mr. *Deasy.*] In case of war, would not Denmark lose the Sound dues?—Yes; for instance, if Russia were to go to war with Denmark, she would most likely refuse to pay the dues, not merely during the war, but afterwards too.

945. Would that also be the case if she went to war with Prussia or Sweden?—Yes; but the Prussians have no navy, and therefore they cannot go to war with Denmark. Russia, on the other hand, could unquestionably bring Denmark to terms immediately, but it does not appear to be the interest of Russia to do so.

946. You spoke of the loss to Denmark in time of war in case an annual payment was substituted for the Sound dues; would not that relieve her of all the contingencies to which you refer?—In some cases it might relieve her; still

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if Prussia, for instance, went to war with Denmark, she would naturally do her all the injury she could, irrespective of depriving her of this annual payment.

947. Did not Denmark lose a great part of the Sound dues in consequence of the existence of the late war?—Unquestionably; and inasmuch as a war has taken place, and there may be a war hereafter, it is not, therefore, fair that the years of smaller receipts should be omitted from the Danish calculation.

948. If this plan were adopted, we should gain by having a fixed sum substituted for the Sound dues; would not Denmark also gain by being relieved from the losses consequent upon such contingencies?—Yes, except from the party with whom she is at war.

949. But she would lose the Sound dues from that government, at any rate?—Yes; but if she got the money now she would receive a certain sum to reduce her debt, and there would be an end to a matter which might lead to future trouble.

950. Mr. *Duncan.*] Do you give this plan as your own opinion, or as the opinion of the merchants of Newcastle?—It was pretty generally discussed in Newcastle before I came to town, but it was necessary for me to peruse the documents relating to the matter before I could make myself conversant with even matter bearing upon the subject.

951. Is the Committee to consider that what you have stated is the view adopted by the merchants of Newcastle, or is it your own view?—It is my own view, but it is approved of by the gentlemen who are here from the same body, and does express the opinion of the merchants of Newcastle.

952. Do you think it is generally approved of by those gentlemen and merchants who trade with the Baltic from Newcastle?—I have no hesitation in saying it is; though the document which I have read to the Committee was not prepared till I came to town.

953. *Chairman.*] Are the trade interested at all in having the matter settled one way instead of the other, in making an annual payment for 15 years or of paying the whole at once, supposing the sum were charged upon the Consolidated Fund?—I should say the trade would have no objection to one plan or the other so long as the Sound dues were done away with, either at once or as soon as circumstances may permit.

954. Have you any doubt that it would be the greatest advantage to the trade that they should be redeemed at once?—I have no doubt whatever.

955. They have in view the proposal of the payment of an annual sum, but they have no interest in that?—No payment is preferable to a temporary continuation.

956. Is it not rather from the consideration of the interest of the community at large that you propose an annual payment instead of paying the money at once?—It is of very little use proposing a remedy for an evil unless one looks at every difficulty. When I read Lord Clarendon's letter I cannot help thinking that Her Majesty's Government have a great objection to charging the sum upon the Consolidated Fund.

957. What do you think of the plan which has been submitted by the British Government to the Danish Government, and rejected by them, of having a tonnage due to meet the obligation?—I think by that plan it is proposed, that instead of collecting the dues at Elsinore they shall be collected at the different Baltic ports, either in the form of tonnage due, or of a due upon the cargo; it would naturally be immaterial to Denmark how the dues were collected if she could make sure of getting them, but the proposed plan looks a little impracticable. I do not think Denmark could fairly collect the dues in the different countries, as she may not have the power to appoint the collectors, or to control them at all times to come.

958. Do you think that your own trade would like that plan, or do you think it would be attended with any inconvenience?—I do not know that it would be attended with much more inconvenience than a payment in this country, but I myself should decidedly prefer to make the payment here.

959. Mr. *Bramley-Moore.*] Are you aware that there was a proposition made to Russia to receive the Sound dues in the Russian ports?—I have heard of it; I have not seen it noticed in any paper.

960. And the Russian Government refused to allow that?—I have been told so.

961. Do not you think that difficulties would arise with respect to a sovereign Government allowing other customs than their own to be received in their ports?

ports?—The Russian Government, I believe, is rather peculiarly situated; they feel themselves interested in everything that concerns the Danish crown, and it is not, therefore, unreasonable to suppose that the objection may have been made at the suggestion of Denmark; because, if Russia objects to the plan, it would be of little use to ask Prussia or Sweden to agree to it.

962. Would not it be objected to by this country also?—It would be more agreeable to pay the dues here, but I do not see any serious objection to their being paid at the ship's port of arrival and discharge in the Baltic. I for one would much rather pay them here or there than at Elsinore.

963. Would not our Government object to that system?—I cannot see why our Government would object to the system proposed, unless they preferred to lay the whole at once upon the Consolidated Fund, and put an end to the difficulty.

964. Can you give the Committee any information about the one-third of the dues which are returned by Prussia to the vessels trading to her ports?—No, I do not know that; I do not believe it is correct; I have never heard of it.

965. It is stated here in a document which is almost official, that the Prussian Government now actually return out of its own resources one-third of the sum paid upon our own merchandise imported into its Baltic ports; are you aware that that is so?—No; but it now strikes me it is not unlikely that it may be so, with a view to encourage importations into the Baltic port of Prussia.

966. You cannot give us any information about that?—No; I did not know it.

967. Supposing the dues were to be redeemed by money paid out of the Consolidated Fund, ought that money to go for the redemption of the debt upon which the dues are guaranteed?—There is no question it ought to do so; it may be somewhat unpleasant to impose such a condition, but perhaps it would not be objected to.

968. Your principle being to redeem the dues in 15 years, what security would you have for that loan after the redemption of these dues at the end of 15 years?—If the Danish Government receives 1,000,000 *l.*, and our Government has to disburse only 32,000 *l.* in the form of interest, the balance would be invested in any safe and convenient securities, unless it could be annually applied to a reduction of this specific loan.

969. Seeing that by that means you would change a tolerable certainty into an uncertainty, ought not the consent of the creditors to be obtained to that change?—The Danish Government having received the money from the loan contractor on certain terms, you have no good reason to interfere with what the Danish Government may do with the proceeds of her creditors' securities; it would perhaps be more pleasant to the holders of these particular securities if their consent had to be obtained, but such a course appears to be unnecessary and was unusual.

970. Would not it be an absolute necessity, in common justice to them, that their consent should be obtained?—They have trusted Denmark upon her good faith hitherto, and I should think that if a sum were paid in liquidation of the dues Denmark could not be so dishonest as to apply the money otherwise than in the discharge of the obligations secured on those dues.

971. Is not it necessary to have some sort of check in every commercial transaction?—It is always the best way. If the Danish Government consented to the redemption of the debt it would be better; but it is a debt contracted between certain capitalists and the Government of Denmark, and therefore I do not think that we should interfere with it.

972. Mr. *Mitchell.*] Seeing that the Sound dues are collected in Denmark, if the Danish Government wished to be dishonest might it not just as well refuse the payment of the interest of that debt now, as after the Sound dues are abolished?—Precisely so; I should have no fear in either case.

973. Mr. *Deasy.*] You think it would be the interest of the government to pay their debts?—It is the interest of every government to pay their debts; they can never borrow again if they do not.

974. Mr. *Bramley-Moore.*] Is not it a general principle, that you cannot part with a security without the consent of the parties to whom it is given?—It is, but I apprehend that there is no clause in the loan contract which provides for the case under consideration.

975. Is not there a clause which provides that those dues shall be applied to paying the interest of the debt?—Yes, I think there is.

976. *Chairman.*] Have you any other remark to make on the subject of our inquiry?—No. I have stated everything I have to state.

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John Ormston, Esq., called in; and Examined.

977. *Chairman.*] ARE you a Merchant in Newcastle?—No; I am a Shipowner and Wharfinger.

978. Trading to the Baltic?—Yes.

979. How many ships have you?—At present only two steamers trading in the Baltic.

980. Have you been trading to the Baltic for some years past?—Not generally, but occasionally.

981. Formerly you had sailing vessels?—Yes.

982. What inconvenience did your ships experience in passing the Sound?—The first inconvenience arising from the Sound dues to the shipowner is, that in chartering in our neighbourhood cargoes for the Baltic the merchant binds us to have the vessel addressed to a particular agent at Elsinore, and he makes it a condition in the charter, that if the master fails to employ that agent he shall deduct 1 *l.* per keel, a keel being 21 tons.

983. Who makes that condition?—The merchant who charters the vessel, in order that he may have all the advantages of the payment of the Sound dues before the ship starts, makes it a condition that in the event of the master not clearing with the particular agent, he shall deduct 1 *l.* per keel from the freight at the far end.

984. Has not that been found necessary in consequence of the captains preferring certain agents?—Precisely.

985. Is that usually made a condition in chartering a vessel?—Yes.

986. What is the particular inconvenience of that condition?—If the captain is sent to an agent over whom he has no control, in settling his account he is obliged to pay him the sum he presents to him; but if he had his choice he would go to the agent, who would do his business in the most honest manner.

987. Is not that a matter upon which the merchant and the captain may differ?—They may differ, but the captain is bound by his charterparty; he has no option; he is bound to pay the account which is presented to him without any inquiry; if he found one man at Elsinore more honest than another he would prefer going to that one, but he is prevented from doing that. The next inconvenience that I complain of is, having to go on shore for the purpose of clearing, at Elsinore, with a cargo of coals, upon which there are no Sound dues to pay. The captain goes on shore, and calls at the Government office there; he pays the rates, and clears the vessel, and takes the bill of health.

988. Do not you pay dues for the vessel, whether there are coals on board or anything else?—Yes, but there are no Sound dues upon coals.

989. The captains are put to the inconvenience of going on shore whether the dues are paid upon the cargo or not?—Precisely.

990. What is the inconvenience arising from that?—The great inconvenience is in getting on board when it is bad weather; when it is fine weather, at the most moderate calculation you cannot get back in less than three or four hours. The men are idle while the captain is on shore, and the probability is that he cannot get the men to go back again. The captain may take the afternoon on shore, and thus lose one day, and sometimes a second day.

991. Very few of the men have taken the temperance pledge?—Not at all; that is the first place where they can get brandy and gin sent from the shore to them; generally speaking they have not much with them when they leave England.

992. Is it the fact that now it is the custom for a boat to come out from the ship to take the captain on shore?—Yes; but if it is bad weather the boatmen upon the shore will not come out until they know that they can be paid at a scale of charge which they indicate by certain signals from the shore; and then, if the captain wants a boat, the charge is so many rix dollars; if it is fine weather it is only one, because they are afraid they will not get the job.

993. What is the difference of expense between taking your own boat to go on shore and taking another boat?—Our own crew ought not to cost us anything; a boat from the shore would cost from four to eight rix dollars, according to the state of the weather; when there is a crowd of vessels the demand for passage boats is greater, and they therefore exact a higher charge for coming off. At the same time I must say that since steamboats have been introduced they have

have permitted us to go past without calling; we send our papers on shore, and we have an agent there who pays the necessary charges, and sends the account on to us.

994. Is that allowed to be done when you have to pay the Sound dues?—Yes.

995. Who takes the papers in that case?—The boatman belonging to the Government; we pass our bills of lading and manifests into his hands; he takes them on shore, and then makes arrangements with the Government officer to pay the dues.

996. Do you mean to say that you do not stop at Elsinore further than to give the papers up?—That is all.

997. Does the agent send the account to the merchant in England?—If the vessel is going on to St. Petersburg, they send the account on to St. Petersburg to the vessel, together with the bill of lading.

998. How long has that been done?—Since steam vessels have been introduced into the Baltic.

999. How long is that?—Some four, or five, or six years.

1000. Why is not the same thing done for sailing vessels?—I do not know; perhaps for the same reason that our Government will not allow a sailing ship to discharge without a Custom-house order after Custom-house hours, whereas with steam vessels they have seen the necessity of allowing it.

1001. Mr. *Hutt.*] Can a ship discharge in St. Petersburg without having her papers from Elsinore?—I believe not, but I could not speak to that; but they do require a sailing ship to produce her papers at St. Petersburg before they will permit her to enter.

1002. Can a steamer enter the port without having her papers?—I cannot answer that question.

1003. Mr. *Liddell.*] Are the papers sent after her by post?—Yes.

1004. *Chairman.*] Are the steamers that are allowed to pass the Sound without stopping freighted with merchandise?—They are steamers carrying merchandise.

1005. Mr. *Deasy.*] Is there anything to prevent that arrangement being adopted by sailing vessels?—There could be no objection to its being adopted, but it is the fact that the Danish Government do not permit it.

1006. How soon do the papers reach St. Petersburg when they are sent on by post?—From Copenhagen they would be there in four days.

1007. How long would that be after the ship arrived?—I should say 24 hours.

1008. A steamer is allowed to enter the port without her papers, but a sailing vessel is not?—A sailing vessel would have to carry them with her.

1009. There is that difference about entering a port with respect to steamers?—Yes.

1010. Would not that arrangement be almost more necessary for a sailing vessel than for a steamer, seeing that a steamer is independent of the wind?—The detention is a very serious one, inasmuch as the ship could often proceed without any stoppage at all.

1011. Is not the trade carried on in steamers instead of sailing vessels?—Excepting the coal trade; I fancy that the majority of the trade in the Baltic is now carried on by steam; it is not so with cargoes of coal out, and of timber back.

1012. Mr. *Mitchell.*] Do you imagine that the greater part of the imports from the Baltic are carried by steamer?—If they are not, they will be before two years are over.

1013. Mr. *Hutt.*] Is there a large amount of steam navigation now engaged in the Baltic trade?—Yes; this year out of Hull there are 14 steamers to the Baltic, averaging from 400 to 600 tons each, and three years ago there were not more than two; from the Tyne there are two this year, and there were never any before.

1014. What sized vessels are those?—They carry 500 tons cargo.

1015. *Chairman.*] What amount of tonnage do the sailing vessels engaged in that trade generally carry?—From 250 to 300 tons; they are only small vessels.

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1016. Are you sending larger vessels to the Baltic now than formerly?—We are sending larger vessels than formerly; every one of our steamers will make the St. Petersburg voyage in three weeks there and back. Formerly we could not make more than two voyages to St. Petersburg in one ship in the year altogether.

1017. Do you know whether the Baltic States are building larger vessels also?—I do not think so.

1018. Would they have any effect upon our trade with the Baltic?—I do not think they can build vessels to compete with ours.

1019. Mr. *Mitchell.*] Is there any port in Russia, excepting St. Petersburg, where steamers carrying cargoes of 500 tons could enter?—There are Revel and Riga, but St. Petersburg is the best port for merchandise.

1020. Could a steamer carrying 500 tons cargo enter the port of Riga?—Yes.

1021. Could they load their whole cargo in Riga?—Yes, they could, in the bay.

1022. Is not an enormous expense incurred in sending out goods to a steamer in the bay?—Not more than is incurred at St. Petersburg by sending down the goods from St. Petersburg to Cronstadt.

1023. In that case the expense falls upon the sailing vessels as well as the steamers; but would not the expenses at Riga fall upon the steamers and not upon the sailing vessels?—Wherever a sailing vessel could go to carry 500 tons of cargo, a steamer could go.

1024. Practically, sailing vessels that carry 500 tons cargo cannot enter Riga; could steamers carrying that amount of tonnage do so?—Yes; I think so. The construction of steamers is very different from that of sailing vessels.

1025. There is from 10 to 12 feet of water in the harbour of Riga. Could steamers carrying 500 tons of cargo load there?—If they had 12 feet of water they could, but not if they had only 10.

1026. Mr. *Hutt.*] Are there any steamers from this country trading with the port of Riga?—I am not sure if there are; there is one to Stettin, and owned by parties in Stettin.

1027. Mr. *Liddell.*] Are there any steamers being built in the Baltic?—There are two vessels building, I believe, at Rostock.

1028. *Chairman.*] Are they being built for Russia?—No, for Prussia; one of them is being built for Hamburg ports. But I may state, to show the progress, that one of the ships building at Rostock was contracted for two years ago, and is not finished yet; whereas the sister ship to her was contracted for in England, and was finished in three months. These nations have not advanced far enough to be able to build quickly yet.

1029. Have you heard the evidence that has been given in this room to-day?—Yes.

1030. You have heard them speak of the inconveniences that have been experienced with respect to the landing at Elsinore; and also the incidental expenses incurred at that port; do you confirm what the other witnesses have said with respect to that subject?—Yes, most assuredly.

1031. Are these inconveniences felt by the merchants in Newcastle?—Yes; the greater amount of that inconvenience arises from the authorities there requiring the master to go on shore, which would not exist if the ships were permitted to go on without calling there.

1032. Would it not be a decided relief to the trade, if ships were permitted to pass on without stopping at Elsinore?—Yes.

1033. We have had laid before us a calculation of the loss that ensues from this stoppage; can you state what in your opinion is the amount of it?—I am not able to form any idea of that.

1034. It is stated that not more than one-fourth of the sum paid by the British shipping goes to the Danish Government; do you believe that to be the case?—I think so.

1035. Will you state anything further that you have to state to this Committee?—I have a statement of the duty upon some wheat that came from St. Petersburg in the week before last, according to which the dues amount to 6 *d.* a quarter, for which the receiver of the cargo could obtain no advantage whatever.

ever. If there were any advantage derived in passing through the Sound from lights and buoys, the ship pays for it; and therefore the cargo could have no advantage from it, and it falls upon the general consumer.

1036. In that case, was the duty more than one per cent. upon the value of the cargo?—Upon the value of the shipment it was just about one per cent; 8 *l.* 4 *s.* 2 *d.* was paid on the last passage.

1037. Have you any trade in that article?—No; this account was brought from the ship's agent in the usual way.

1038. Have not you known the price of wheat to vary very much; has not it been as much as 50 *s.* a quarter?—It is considerably more than 50 *s.* a quarter now; it has gone up 8 *s.* or 10 *s.* since this cargo was brought.

1039. Mr. *Hutt.*] If the price of wheat were to fall to 25 *s.* a quarter would not the duty be two per cent. instead of one?—If it were still charged upon the same amount of money upon the same quantity it would be two per cent. Of course the Sound dues would only amount to one per cent. upon that one value.

1040. It is a fixed duty?—It is a fixed due over which we have no control, and of which we get no particulars except what is inserted in the entry, namely, that a certain quantity of wheat sent in a particular ship has paid 6 rix bank dollars and 2 stivers, which, at 28 *s.*, make 8 *l.* 4 *s.* 2 *d.*, and the bill is sent in for that amount.

1041. *Chairman.*] From your knowledge of the trade of the Baltic, should you say that the removal of these duties would operate equally upon the Baltic States and upon ourselves?—I should think so.

1042. Do you think that it would not be a greater relief to them than to us?—I do not think it would.

1043. Do you think it would not make any difference in the relations between them and us in future?—I do not think it would, if the tax were entirely removed. If there were an exception made in any way; if there were any favoured parties, it might make a difference. But I do not apprehend any difficulty upon the total removal of these duties.

1044. Mr. *Hutt.*] Do you ever compound for the rates?—No.

1045. *Chairman.*] May not the Committee conclude from what you have said that you have no reason to expect that the tonnage of our ships to the Baltic will decline?—I have no apprehension of that at all.

1046. Do you believe that ships of a larger size than formerly are being built for the Baltic?—Yes, to a considerable extent.

1047. Is it not therefore as much an object to this country to get rid of the Sound dues as it has ever been before?—Most assuredly it is an object to us to get rid of them as quickly as possible.

1048. Mr. *Bramley-Moore.*] Have you heard it stated in the evidence to-day that the trade to the Baltic is declining very materially?—If you make one ship do the work of five vessels you certainly would have a less tonnage to add together at the end of the year.

1049. If a large steamer can make more frequent voyages than a sailing vessel, would not that increase the tonnage, if you count each time they go?—Of course it would if you count each time they go; I should fancy, from all appearance, that since we have started again at the end of the war we have increased our trade in point of amount.

1050. Did not you hear the statement made by one of the witnesses to-day, that the trade has been declining largely ever since 1849?—Yes, but I think the gentleman from Liverpool applied that observation only to vessels from Liverpool to the Baltic, and it should be borne in mind that the trade from Liverpool to the Baltic has changed its position materially since steamers have been introduced upon the east coast.

1051. Does not it appear from the return of the entire trade of the country that it has been declining since 1849?—All I can say is, that in the places which I know we have considerably increased our tonnage over every preceding year since the repeal of the navigation laws.

1052. Mr. *Hutt.*] Within the sphere of your knowledge, the shipping has rather increased, and the tendency is to increase?—It has considerably increased.

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1053. Mr. *Bramley-Moore.*] Do you refer only to the Baltic?—No, I refer to the whole amount of shipping in the neighbourhood of which I am cognisant.

1054. Can you inform the Committee what has been the increase in the shipping of England altogether since 1849?—I am not prepared to answer that question; perhaps the actual tonnage of vessels has decreased, but there is another way of reckoning the tonnage; the steam tonnage does five times the work that the sailing vessels would do, and unless you take that into account you cannot get the increase that I am speaking of; but, independently of that, the tonnage of the ports of Newcastle and Sunderland has very materially increased during the last five or six years.

1055. *Chairman.*] Are you prepared to state, that in the opinion of the shipowners of Newcastle generally the Sound dues should be abolished at once, in preference to being commuted for an annual payment?—Yes; I am decidedly in favour of that.

1056. Have you any other observation to make to the Committee upon the subject of their inquiry?—No, except that I can speak as to the fact of masters of vessels trading to the Baltic receiving four per cent. upon the freights.

1057. Has that come within your own knowledge?—Yes.

1058. Will you state to the Committee any information which you have upon that subject?—I had a steamer sailing from Hull to the Baltic, in which the captain's commission upon the Sound dues was upwards of 29 *l.*, for which he rendered no service whatever.

1059. Mr. *Mitchell.*] Was that on the upward voyage or the downward voyage?—It was upon the upward voyage.

1060. Did he receive a further sum upon his return?—Yes; but I did not hear of that; as owners, we did not hear of it; but he received 29 *l.* and some odd shillings on that voyage. We had a very valuable cargo from Hull.

1061. *Chairman.*] Have you ever known an instance in which the Danish Government were enabled to collect more than they otherwise would have done from the information which the captain gave?—Certainly not; they could get no more from any information which our captains could give them, because the documents are made out at the port of shipment, and the captain simply carries them to the officer at Elsinore.

1062. Have you ever known an instance in which the bills of lading have not been faithful, and the information given by the captaiu has enabled the authorities at Elsinore to levy a higher rate?—I never heard of any false documents of that kind.

1063. Can you explain to the Committee the reason why the Danish Government gave the captain 29 *l.* in the case to which you have referred?—I cannot assign any reason for it; except that the practice may have arisen at a time when the accounts were not sent so accurately as they are now, from a desire to induce the captain to give information of everything he had on board.

1064. That present to the captain is no loss to the shipowners?—Not at all; but it is a tax upon the cargo.

1065. How is it a tax upon the cargo?—If the Government are content with less dues, of course it does not fall upon the shipowners, but it is paid out of the money received from the cargo.

1066. Is not it a gratuity given to the captain by the Government at Elsinore?—Yes.

1067. Is that any loss to the shipowner or the merchant?—No, except that the Government get the amount out of our business.

1068. Mr. *Mitchell.*] It diminishes the net sum received by Denmark?—No doubt.

1069. Mr. *Bramley-Moore.*] Do you take it into account in the wages which you pay your captains?—No, we do not.

1070. What wages do they get?—£. 12. a month, and board and cabins; it amounts altogether to about 16 *l.* a month.

1071. Mr. *Liddell.*] As a shipowner, do you consider that the detention and the risk incurred at Elsinore affect the cost of insuring your vessels to the Baltic?—No; we consider it an additional risk, but the underwriters never take it into account.

Michael

Michael Havelock, Esq., called in; and Examined.

M. Havelock, Esq.

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1072. *Chairman.*] ARE you a Member of the Chamber of Commerce at Newcastle?—Yes.

1073. Have you considered the operation of the Sound dues?—Yes, I have considered the correspondence upon the subject.

1074. Do you entertain the same opinion as the preceding witnesses with respect to them?—Generally I do, as regards the objections to the system now in existence, and the advantage of having the present system cancelled.

1075. Have you had any experience as a merchant or a shipowner of the inconvenience of them?—As merchants we have had some experience in the way of paying the dues, and we have some knowledge of the inconvenience attaching to the ships; the loss of time and other inconveniences.

1076. Mr. *Mitchell.*] Are you a Russian merchant?—Yes.

1077. *Chairman.*] Will you state generally what your opinion is upon the subject?—The principal objections that have occurred to my mind about the payment of the dues is the delay of the ships, and also the extra expenses attending the stoppage of the ships at Elsinore, the loss of time which occasionally prevents the vessel from making the passage with a fair wind, the liability to damage, especially in the winter season; the temptation to the crew to get spirits on board, and also the liability of the captain to be imposed upon by the Elsinore agents, and to have extravagant charges made upon him.

1078. Do you agree with the other witnesses in considering that those are important items in the expense of voyages to the Baltic?—I think to vessels taking cargoes of coal out to the Baltic it is a matter of consideration.

1079. In that case are not the charges confined to the charges upon the ship and the incidental charges?—Yes, as to vessels carrying coals; there are no Sound dues upon coals, therefore all the charges that are levied are upon the ship.

1080. Have you any observations to offer upon the operation of the dues upon the particular cargoes that you are in the habit of shipping?—Not particularly, we import Russian produce upon which the dues are paid at Elsinore.

1081. Do the dues paid amount to about one per cent. of the value of the articles imported?—I think in some instances, it is a little less than one per cent., and perhaps in some cases rather more. I have not made a calculation of the per centage, but I believe there is a little discrepancy; they do not appear to be levied upon the principle of one per cent.; for instance, upon hemp, the charge is about 5*s.* 6*d.* per ton, and the value in bulk is now about 33 *l.* per ton.

1082. Mr. *Mitchell.*] Is that the value in this country?—Yes; the charge upon tallow is 3*s.* 6*d.* a ton, and the value is 46*l.* a ton; upon an article worth 46*l.* the charge is 3*s.* 6*d.*, whereas upon an article worth 33*l.* the charge is 5*s.* 6*d.* The charge upon wheat is about 5*d.* per imperial quarter.

1083. Is that the amount of all the charges in the Sound?—Those are the Sound dues charged upon the merchants in this country, including the commission charged by the agent at Elsinore for doing the business and attending to it.

1084. That amounts to 5*d.* a quarter upon wheat?—Yes; the dues upon linseed are about 4*d.*

1085. Have you any articles of export?—We export lead, upon which we pay about 4*s.* 6*d.* a ton.

1086. Mr. *Mitchell.*] Upon what value is that charge made?—This is a calculation made a short time prior to the war, and I am not prepared to say what was the market value at that particular time; probably less than it is at present.

1087. Do you think that it makes a perceptible difference in the price of goods imported into the Baltic?—Upon some goods I think it does; it may make a perceptible difference perhaps, upon tallow and hemp, because we can have our supplies from no other place than from Russia; we must have the supplies from her and must pay those dues upon them.

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1088. Would you expect the smallest extension of trade, if the necessity for stopping at Elsinore and paying the dues were removed?—I question if it would be perceptible.

1089. Do you think it would make any difference to Baltic vessels?—The shipowners would certainly reap an advantage, but I question whether it would be a considerable advantage; it would enable them to charge a less freight.

1090. *Chairman.*] Would not there be more vessels brought into the trade, if the shipowner got an unusual rate of trade profit?—For large vessels the present dues are scarcely taken into account; in chartering a ship to the Baltic, the owner or the charterer of the vessel does not take into account the Sound dues the ship has to pay, as a material consideration.

1091. Mr. *Mitchell.*] Nor the detention, nor possible loss of voyage at Elsinore?—No, I do not know that he does take them into calculation at present, but supposing that the detention was done away with, and that the charges which he now pays were done away with, he would of course feel the advantage of that.

1092. *Chairman.*] How many voyages do you make to the Baltic in the course of a year?—About three voyages.

1093. Do you think that the owner of a vessel does not feel the disadvantage of the detention in those voyages?—He must feel it; but I think he does not estimate it in his calculations; the cost of the Sound dues altogether is perhaps 15*l.* a voyage, including the Government dues and other charges.

1094. Do you know what is paid altogether to the Danish Government from these dues?—Yes, I have heard the amount.

1095. Supposing the trade directly relieved from such a charge, might not we expect it to increase?—That which applies to the dues on the goods might, not upon the ship; the tax that is paid upon the ship is very small in proportion to the amount of Sound dues paid altogether.

1096. Do not you ship goods for the Baltic?—I ship goods, and receive goods; the principal trade from the Tyne is coals, upon which there are no Sound dues.

1097. Is that trade increasing?—Yes.

1098. Does not the ship pay the dues whether it carries coals or anything else?—The ship pays in any case.

1099. Mr. *Hutt.*] What is the quantity of coals sent from the Tyne to the Baltic every year; is it 100,000 tons?—I think not so much.

1100. Mr. *Mitchell.*] Are you a shipowner as well as a merchant?—I am a merchant, but not a shipowner.

1101. Mr. *Hutt.*] Do you, as a merchant, think it a desirable thing that the Sound dues should be removed?—Yes; I think it would be an advantage to the community at large if the tax paid upon the articles which I import from the Baltic were taken off.

1102. Do you think that it operates injuriously upon commerce?—I think that not only the amount of the dues but the additional charges attaching to the collection of the dues, operate injuriously upon commerce.

1103. *Chairman.*] Have you any estimate of the amount which is annually paid in consequence of those dues?—None.

1104. Did you hear the statement made in this room, to the effect that it is 200,000 *l.* a year?—Yes, I heard that estimate, but I am not prepared to confirm it.

1105. Have you any reason to suppose that is not a fair estimate?—I can form no estimate at all as regards the dues on goods, but I admit that the actual cost upon the ship would be four times as much as the amount derived by the Danish Government from the dues.

1106. Have you deliberately discussed this question in the Chamber of Commerce at Newcastle?—Not generally so.

Veneris,

Veneris, 27° die Junii, 1856.

MEMBERS PRESENT.

Mr. C. P. Villiers.	Mr. Liddell.
Mr. Milner Gibson.	Mr. Robert Phillimore.
Mr. Deasy.	Mr. Bramley-Moore.
Mr. Duncan.	Mr. Mitchell.
Mr. Cardwell.	Mr. Chancellor of the Exchequer.

THE RIGHT HON. C. P. VILLIERS, IN THE CHAIR.

Frederick Boldemann, Esq., called in; and Examined.

F. Boldemann, Esq.

27 June 1856.

1107. Mr. *Milner Gibson.*] WHAT is your occupation?—I am a Merchant.

1108. Resident in London?—In the City.

1109. What trade do you carry on?—Principally the Baltic trade.

1110. Have you had means of becoming acquainted with the question of the Sound dues, and also with the transit dues levied by Denmark?—Yes, I am acquainted with the transit dues.

1111. Does Denmark levy duties equivalent to the Sound dues on goods passing overland between the North Sea and the Baltic?—There is a sort of duty of 5 *s.* currency and an additional six per cent. upon goods transmitted from Hamburgh to Lubeck.

1112. When was this transit duty introduced?—In 1839.

1113. It only dates from 1839?—It only dates from 1839.

1114. Are all goods subject to this transit duty?—Most of the goods, except principally the Russian goods, which are free; most goods coming from the north, and passing to the west are exempted.

1115. The goods that are exempted are not exempted as Russian goods, but merely goods of the description that come from Russia?—Yes, Russian produce principally, such as hemp and tallow and flax.

1116. Would not similar produce coming from other countries also be free?—Similar produce coming from other countries would also be free; similar produce coming from Sweden would also be free.

1117. It is not because they are Russian products that certain articles are exempted?—They are not solely articles of Russian produce; tallow is entirely Russian produce, and does not come from any other country; but hemp and other goods come from Sweden as well.

1118. Is not what you mean this: that there are a certain number of articles that are exempt from duty, come from where they may?—Yes.

1119. Was the land transit through Holstein free in former times from such duties?—Entirely so.

1120. Is not this transit duty intended as an equivalent to the Sound dues?—It must have been so, because since the road was passable for goods from Hamburgh to Lubeck, it was imposed, and it is only since that time that this route could have interfered materially with the Sound dues by the passage through the Sound; it is evident it must be imposed as an equivalent for the Sound dues.

1121. Formerly, when the roads were almost impassable, there was very little trade that way; there was no inducement to levy a toll?—No.

1122. After that time, when the road was improved, then the toll was imposed as a protection to the Sound dues?—Just so.

1123. The origin of the transit dues dates from the improvement of the road?—Yes.

1124. Mr. *Mitchell.*] What is that equal to in English money?—From 4½*d.* to 4¾*d.* per cwt.

F. Boldemann, Esq.

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1125. Mr. *Milner Gibson.*] What was the date of the completion of the railway?—I think it was 1852.

1126. About 13 years before that time the transit duty was imposed?—Yes; before the railway was made there was built a macadamised road in 1840.

1127. Can you give us a comparison of the amount of this transit duty with the amount of the Sound dues?—The transit duty is levied by weight, per cwt., and the Sound dues are levied by per-centage; the average of those transit dues is much higher upon certain articles than the Sound dues are; being 4¾*d.* per cwt. upon goods of little value, it amounts to a much higher per-centage than the Sound dues of one per cent. would be.

1128. That is to say, if you were to convert the transit duty into an *ad valorem* duty, like the Sound dues, it would be found to be a higher per-centage?—Yes.

1129. Mr. *Deasy.*] Did not you speak of six per cent. being imposed?—That is an additional charge upon the amount of the duty.

1130. Mr. *Mitchell.*] The sum you have mentioned is charged upon certain articles which pay the transit duty, but do not a large proportion of the exports from the Baltic pay no transit duty at all?—A great many.

1131. Is it not the fact that nearly all do not pay?—Almost all.

1132. Mr. *Milner Gibson.*] Do the British manufactures pay the duty?—British manufactures, and all goods coming from British possessions, pay the transit dues.

1133. Does this transit duty produce an injurious effect upon commerce, generally, going by that route?—It does; it heightens the rates and charges upon goods going from the west to the east, and to the north. English produce and all goods coming from the British possessions have to pay these heavy duties, in addition to the other charges.

1134. Does not it affect English commerce peculiarly?—Peculiarly so.

1135. All British manufactures have a considerable addition to the expense of carriage, from Hamburg to Lubeck, in consequence of these dues?—Yes; in consequence of the transit dues.

1136. Does it amount to as much as double the freight?—In some instances it more than doubles the freight upon the small road from Hamburg to Lubeck.

1137. Does Denmark render any services in return, whatever, for this transit duty?—No; she never has done so; the road between the two towns was made at the expense of Lubeck principally; it passes about two-thirds of its length over Danish ground, but Denmark never gave any assistance to it.

1138. In fact, the whole of the expense of the railway was incurred by Hamburg and Lubeck?—Yes.

1139. And Denmark was at no expense whatever for it?—Denmark was at no expense whatever.

1140. Can you state the amount of goods going that way, and to what extent English commerce is interested in this duty?—The transit between the two towns is increasing every year. Last year it amounted to about 300,000 cwt.; from 300,000 to 400,000 cwt. The amount of goods going from the east to the west is about double the amount of those going the other way.

1141. What proportion of those were British goods?—It is impossible to get exactly the amount of British goods, but as far as it could be ascertained, there has been about a million and a half in amount of value of English produce and goods coming from England, and of British manufacture paying the transit dues.

1142. What amount of revenue does Denmark derive from this transit duty?—It was between 7,000 *l.* and 8,000 *l.* last year.

1143. Does not that duty prevent a great deal of the traffic; does not it act to a certain extent as a prohibition upon traffic?—Certainly it does. The amount of goods going that way would be much greater if it were not for the duty. There is steamboat communication from Lubeck to the whole of the Baltic, facilitating the trade.

1144. It is the point, in fact, to which steamboats come from all parts of the Baltic?—Yes.

1145. Is not that route a very desirable one at periods in the year when the Baltic navigation is exposed to gales and uncertainties?—Yes, in the spring and autumn especially; it quickens the passage, and the premiums of insurance, which are very high, especially in the autumn, are in a great measure

measure saved by the goods going that way, and being carried on by steamer from Lubeck.

1146. Is not this toll, preventing goods to some extent being carried over the line between Hamburg and Lubeck, very injurious to the interests of the proprietors of that line?—Certainly.

1147. Do other countries levy transit duties similar to this?—There are small transit duties levied in some countries, but most of them are entirely free from them. Austria, I believe, is the only country where a transit duty of any amount is levied, and there it is for distances of 50 miles only about $\frac{3}{4}$ *d.* a cwt., whilst this is 4 $\frac{1}{2}$ *d.*

1148. Have there been any protests on the part of the Hamburg and Lubeck people against this transit duty?—There have been many protests made, but all without avail.

1149. Was it considered to be consistent with treaty engagements?—Certainly not.

1150. What treaty engagements was it considered to be inconsistent with?—The treaty engagements which provided that the whole route should always be free between Hamburg and Lubeck.

1151. *Chairman.*] What treaty was it?—A treaty with Denmark. I cannot give you the date of the treaty.

1152. What States was the treaty between?—It was between the two Hanse Towns and Denmark.

1153. Mr. *Milner Gibson.*] Did not the Danish Government feel themselves compelled, when this railway was made, to put on the transit duty to protect the Sound revenue?—Yes.

1154. Should not you think it a reasonable proposition that if there is to be a redemption of the Sound dues, this transit duty shall be imposed as forming part of the same system; should be thrown into the bargain?—I think it should.

1155. Do you consider that the arrangement would be incomplete unless the communication between the Baltic and the North Sea was free from all tolls?—I think so, certainly.

1156. That is to say, free from all tolls except payment for services rendered?—Yes.

1157. Mr. *Robert Phillimore.*] Did not you say that the railway went for one half of its length over Danish ground?—About one half.

1158. Over what ground does the rest go?—The rest goes over Lubeck and Hamburg ground.

1159. Do you pay any kind of duty to them?—No.

1160. You pay duty to Denmark only?—To Denmark only.

1161. Mr. *Liddell.*] What is the distance from Hamburg to Lubeck?—About 70 English miles.

1162. *Chairman.*] Did I understand you to say that goods to the amount of a million and a half of British manufacture went from Hamburg to Lubeck annually?—British manufacture and goods coming from British possessions, such as sugar and coffee, and so forth.

1163. Are those goods carried in British vessels landed at Hamburg, and carried across to Lubeck?—Yes; they are forwarded to different ports in the Baltic.

1164. What particular data are you speaking from when you make this statement?—From statistics made up at Lubeck.

1165. Have you seen them?—Yes.

1166. Are they official?—Yes.

1167. Do I understand you to say that if there were not this high transit duty, goods would go more in that way than by the Sound, owing to the convenience of such transit?—There is no doubt about it.

1168. Supposing their destination is St. Petersburg, do you think there may not be some doubt about the convenience of discharging the cargo at Hamburg and re-shipping it at Lubeck?—I apprehend that in the latter part of the year the convenience is much greater. The steamboats that run from Lubeck charge a cheaper freight, and the insurance premium is less than from England direct.

1169. Supposing the Sound was free, and there was a great reduction of transit duty between Hamburg and Lubeck, do you think that the trade would still

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still go from Hamburg to Lubeck in preference to going by the Sound?—I think so.

1170. Do you believe that to be the general opinion among mercantile men?—I believe so.

1171. Mr. *Deasy.*] Does your answer apply to the whole year, or to particular times of the year?—To particular times of the year, the spring and autumn; in the middle of summer the water transit would be cheaper.

1172. Would it interfere with the steam traffic to Baltic ports?—I certainly think it would.

1173. Is not the steam traffic increasing?—Yes, the steam communication between the two countries is certainly increasing, as the whole trade is.

1174. *Chairman.*] Did not you say that those duties were imposed for the purpose of protecting the Sound dues?—Yes.

1175. What means have you of knowing that to be the case?—The duty was merely imposed when the road was made fit for the transport of goods between the two ports; in former years, when the road was in such a state that no goods could be transported by it, there was no duty at all.

1176. How do you know that that was done for the purpose of protecting the Sound dues?—When the goods were first transported from Hamburg to Lubeck the duty was put on, whilst formerly there was no duty.

1177. It is a matter of opinion; it is your opinion?—It is my opinion, and the opinion of the people of the two towns.

1178. Does not the road go through Danish territory?—Partly; two-thirds of it does.

1179. Is it unusual for Denmark to levy transit duties?—She levies transit dues throughout the whole kingdom, but to a smaller amount in some instances; goods going from Hamburg by Altona, or by Glückstadt, would pay a smaller transit duty.

1180. Are you decidedly of opinion that this duty is imposed for the purpose of protection, and not of revenue?—Entirely for protection.

1181. If the Sound dues were abolished, would you expect that this transit duty would be reduced?—It is to be hoped so.

1182. You would expect it to be considerably reduced?—Certainly.

1183. Then that is another reason for getting rid of the Sound dues?—Yes.

1184. Mr. *Deasy.*] Are not those Sound dues levied upon all goods going to the Baltic?—They are levied upon all goods going to the Baltic from the West.

1185. Mr. *Chancellor of the Exchequer.*] If those transit duties are merely intended to protect the Sound dues, would the Danish Government have any motive for retaining them when the Sound dues were abolished?—I do not see any motive at all.

1186. Has the Danish Government made any official declaration of its reasons for imposing those transit duties?—Never, as far as I know.

1187. They were imposed without any explanation of the reasons for imposing them?—Without any explanation whatever.

1188. Mr. *Mitchell.*] One ground for their imposition was, in your opinion, that Denmark wished to protect the revenue of the Sound dues; for many years was not part of the road between Hamburg and Lubeck kept in such a dreadful state that it was almost impossible for the lightest carriage to pass over it?—Yes, it was.

1189. Was not that the portion of the road that ran through Danish territory?—Yes.

1190. Is not the operation of those transit duties on exports to the Baltic, as compared with the Sound dues, of a very unequal nature, sometimes very much higher and sometimes lower?—A great many are very much higher; in fact, it amounts in some instances to two or three per cent. *ad valorem.*

1191. On the other hand, upon articles such as indigo, yarn, and so on, is not the transit duty very much lower than the Sound dues?—It is.

1192. Do you know the proportion between the two duties in the case of indigo?—I do not.

1193. Is it as ten to one?—The transit duty is very small, of course, upon goods of great value; but the greater part of the goods going that way is of a minor value, and consists of bulky articles.

1194. What is the distance from Hamburg to Altona by the railway on which the transit duty is so much lower?—It is only half a mile.

1195. So

1195. So that the transit duty, although much lower, may be, in proportion to the length of carriage, the same as that from Hamburg to Lubeck?—To other parts of the kingdom the duty is the same; but, for instance, to Glückstadt and some other places it is very much lower than on the road to Lubeck.

1196. Do you know what the charge for transit duty is upon the railway newly opened between Tonningen and Flensborg?—I believe it is only 1 *d.* a cwt., only one-fourth or one-fifth of the transit duty between Hamburg and Lubeck.

1197. If the transit duty by this new railway is so much lower than by the railway between Hamburg and Lubeck, would not it operate to take away the revenue derived by Denmark from the Sound dues?—That railway has not a communication with the whole of the Baltic as Lubeck has; it has not a steamboat communication.

1198. To Eastern Prussia, Russia, and Sweden, would there not be the same convenience for sending goods from hence to Tonningen, and thence to Flensborg, and reshipping at Flensborg, as for sending by Hamburg and Lubeck?—Certainly.

1199. Would it not be simply for the interior of Germany that the one route would be more convenient than the other?—No; it would be more convenient for the Baltic also.

1200. Is not there a railway also from Hamburg to Berlin, passing through Danish territory?—Yes.

1201. Is there any transit duty upon that railway?—Yes; but only one-fourth or one-fifth of that between Hamburg and Lubeck.

1202. Mr. *Milner Gibson.*] The goods going on the Berlin Railway are not going to the Baltic; they are going to Prussia?—Just so.

1203. And the Danish Government do not levy so high a transit duty upon them?—No.

1204. Is not that a proof that the high transit duty between Hamburg and Lubeck is intended to protect the Sound dues?—Yes, there is no doubt about it.

1205. *Chairman.*] Is that railway from Hamburg to Lubeck made by a private company, or is it what is called a Royal railway?—It was made by a private company.

1206. The Government has no interest in it?—None whatever.

1207. Do the company complain of the high duties?—To a great extent they do, because if the duties were not levied they would have much more traffic upon the line.

1208. Are you connected with that railway?—Not at all.

1209. Mr. *Milner Gibson.*] You stated at the end of one of your answers that the Baltic trade was increasing; can you intimate to the Committee from what data you made that statement?—They are constantly building new steamboats for passing from Lubeck to different ports in the Baltic, to Swedish as well as Russian ports.

1210. Did not the freight fall off considerably in consequence of the war?—It did.

1211. In what years is that ratio of increase remarkable?—We felt it last autumn; more shipping accommodation was required for the transit of goods between Lubeck and the Baltic.

1212. Has there been a remarkable increase in the amount of goods conveyed by this land passage?—Yes; during the last three years it has been continually on the rise.

1213. May not that be attributable in part to the war?—A great many goods were transported that way during the time of the war; they went from Hamburg to Lubeck, and were shipped from there in small vessels up the Baltic.

1214. Did I understand you correctly to say that the Baltic produce exported was not subject to the transit duty?—Most of it is not.

1215. Are there any articles of Baltic produce that are subject to this transit duty?—I believe there are a few that pay a trifle in the shape of transit dues. England suffers the most; all produce going from here, and passing Hamburg to Lubeck, has to pay the full amount of the transit dues, whilst goods coming from the north are almost all free.

 1216. *Chairman.*]

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1216. *Chairman.*] Do you speak particularly of Russia, or of all the Baltic states?—I speak of all Baltic goods.

1217. How is it as to produce coming from other countries?—The goods pay the same amount of dues, whether from England or from other countries.

1218. Do Baltic vessels returning with cargoes go by Hamburg and Lubeck?—If they have goods which are exempt from dues, of course they go that way.

1219. Mr. *Deasy.*] Then you are all on the same footing?—We are all on the same footing.

1220. How does it protect the Sound dues upon cargoes coming down?—They are goods which pay a small amount of Sound dues, such as timber, and goods of that kind, which are bulky articles of a small value; and the Sound dues being an *ad valorem* duty, of course the amount of dues which would fall upon them, if they came that way, is less than if they went by the railway.

1221. Is it in consequence of the small amount of Sound dues upon cargoes coming down that they do not levy a high transit duty?—Yes.

1222. *Chairman.*] Can you say from your knowledge, that the duty upon timber is less than upon other articles?—Not less than others; but it is a bulky article, and comparatively of less value.

1223. Does not the duty on timber depend upon the manner in which they are levied?—The Sound dues are an *ad valorem* duty.

1224. Mr. *Deasy.*] Does the same remark apply to Sound dues upon hemp?—It does.

1225. Mr. *Liddell.*] Is the Committee to understand that there is no passing toll upon flax and hemp coming from Russia by railway?—By railway there is no transit duty.

1226. Were the goods to go by the Sound, they would pay Sound dues?—Yes.

1227. Mr. *Mitchell.*] Do not you know that the Sound dues upon the articles paying transit duty by railway are not of considerable amount?—Yes, when passing the Sound.

1228. Would not your answer lead the Committee to infer that the Sound dues upon those articles, such as hemp, flax, and tallow, which do not pay the transit duty, are trifling in amount?—I did not say that the total value of those goods was small, but that the proportionate value was less than the value of those which paid the Sound dues.

1229. But the total value is greater?—The total value may be greater.

1230. Is it not your opinion that the total value of the Sound dues levied upon these articles that pass free of transit duty by railway is greater than the value derived from the Sound dues upon those articles which pay transit duty?—It may be so.

1231. *Chairman.*] Did not you say that the goods upon which the transit dues upon the railway were small were goods upon which the Sound dues were very light, such as timber, hemp, and other articles of Russian produce?—Yes; they are partly free from the transit dues.

1232. And you mentioned as the reason for that, that they pay so little to the Sound dues?—Not as a reason; I merely stated it as a fact.

1233. Can you tell the Committee the reason why those goods pay so little upon the railway?—I do not know the reason.

1234. We understood you to say, in confirmation of your former opinion, that the transit duty was for the protection of the Sound dues; that the reason why those goods paid so little upon the railway was that they paid so little when they passed the Sound?—No, it is not so.

1235. Can you tell us why they pay so little for transit duty upon the railway?—I do not know the reason why; it must be on account of an agreement with those states which they come from.

1236. Mr. *Milner Gibson.*] Are you aware that when the transit duty was imposed in 1839, the Russian Government protested against it, and claimed the right of exemption for certain articles of produce which were made the subject of treaty arrangements between Russia and Denmark?—Yes.

1237. Did Denmark, after all, give up much in exempting the raw produce of the Baltic from transit duties over the railway, seeing that it was not likely that

that much of it would ever come that way, such articles as timber, and bulky commodities generally coming by sea?—I think Denmark did not lose anything by that arrangement; those bulky articles are not transported that way; they go over generally by vessels.

1238. Did not Denmark retain the whole which was worth having when she retained the toll upon manufactured articles coming from the west to the east?—Yes.

1239. *Chairman.*] It would be inconvenient and expensive to send bulky articles upon the railway?—It would.

1240. Mr. *Deasy.*] Before 1839, the date when the road was improved so as to be passable, were there any transit duties?—None at all; everything was allowed to pass backwards and forwards toll free.

1241. Did any merchandise go across that way?—Very little indeed, compared to what is going now.

1242. Was the amount in itself inconsiderable?—Very inconsiderable.

1243. Mr. *Bramley-Moore.*] Did not stages run from Hamburg to Lubeck before 1839?—Not before the road was repaired.

1244. How did the passengers go?—By their own carriages and hired carriages.

1245. If private carriages and hired carriages went, could not stages go?—Travellers were obliged to be a day and a half upon the road between Hamburg and Lubeck.

1246. They did go?—They did go.

1247. What is the comparative cost of shipping a bale of goods from Hull to any Prussian port, and of sending it by Hamburg over the railway?—I could not give you an exact account of that.

1248. Will you give an approximation?—A bale of cotton goods from Hull or London to Hamburg would pay 2*s.* 6*d.* freight by steamer, and by sailing vessel it would pay from Hamburg to Lubeck a freight of perhaps 6*d.* at the outside.

1249. And the dues?—Yes. The dues would amount to about 20 *d.* (5 *d.* a cwt.), which is paid when it arrives at Lubeck.

1250. It is not paid at starting?—No.

1251. It is paid at the end of the journey?—Yes.

1252. Who collects it?—The Danish officer in Lubeck to whom it is payable; it is to be paid to the Danish officer at Lubeck. The freight of a bale of cotton from here to Lubeck would not amount to more than to Hamburg; the freight would be the same.

1253. What is the freight from Lubeck to St. Petersburg?—I do not know what the freight is from Lubeck to St. Petersburg; I should think it would be the same as from London to Hamburg, 2*s.* 6*d.* a bale.

1254. What would be the freight of a bale of cotton from Hull or London to St. Petersburg?—I really do not know the charge at present; I could not say that. You speak of articles that go very little that way.

1255. Will you choose an article that goes that way, and compare the two routes?—Without ascertaining the exact freights I could not give you an example of that kind.

1256. You have spoken of this transit rate as operating very injuriously; will you tell the Committee what is really the difference of expense between the two routes?—The transit duty is much higher, in most instances, than the freight itself.

1257. Mr. *Bramley-Moore.*] By the combination of the circumstances of two different routes, by the accommodation of the railways, by the accommodation of dues, and by the accommodation of the freight, you may make one a cheaper route than the other. For example, Manchester is 200 miles from London; Liverpool is 30 miles from Manchester; and yet, by the combination of the shipowners in London who are in want of freights to the East Indies with the railway, who do not carry at the same mileage rates over the 200 miles that they do over the 30, they can afford to send goods by London to the East Indies as cheaply, or nearly so, as by Liverpool. I want to ascertain what the operation of this route by way of Hamburg and Lubeck is, as compared with going by the Baltic. Can you give me any information upon that point?—In autumn, when the insurance premiums are high, it is more convenient to go that way; it is not for common articles of little value, but for manufactured articles of great value, that we choose to go that way late in autumn.

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1258. Suppose we take a ton of silk; what is the difference of cost whether you send it by the Sound from London and deliver it in St. Petersburg, or whether you send it by the railway?—It would require a minute calculation to give a satisfactory answer as to the difference of cost.

1259. But you cannot tell us?—I cannot tell you off-hand. I could easily make out a statement of that kind, to show that in autumn and spring the route by way of Lubeck would be the cheaper and more convenient one.

1260. Mr. *Milner Gibson.*] Will you furnish a statement of that kind to the Committee?—(*The Witness delivered in the same.*)

1261. *Chairman.*] Did not you state that the insurances were less when goods went by railway?—They are considerably less. They are cheaper that way principally in the autumn; you save the whole passage through the Sound.

1262. Is there not some danger in passing the Sound?—Yes, more or less.

1263. Do you think there is danger in stopping at Elsinore?—There is danger connected with the ground; if the ship could pass right through without stopping at Elsinore, it would be better.

1264. Vessels are much crowded there?—Yes.

1265. By stopping to pay the dues?—Yes.

1266. Sometimes the wind changes and they cannot proceed?—Yes.

1267. Mr. *Bramley Moore.*] Are not the dues paid on the railway by weight?—Yes.

1268. Is flax exempt by the railway?—Flax is exempt by railway coming from the Baltic. I think it is quite free.

1269. But not going the other way?—Also.

1270. Going the other way goods pay by weight, whether they are 1 *l.* or 10 *l.*?—Exactly.

1271. Suppose those dues were done away with, do not you think the effect would be to raise the rate of the railway?—I think it would have a contrary effect; it would make the transit cheaper the more goods there are transported; the better it will be for the shareholder; they certainly could afford to reduce the freights upon goods instead of increasing them.

1272. Do you think that when there is competition they would do so?—It is to their interest to make the road as cheap as possible.

1273. When once they got the trade, what would be the inducement to them to lower the rates further?—They would only lower them to a certain extent.

1274. Did not you say that the exports over the railway down to the Baltic were about 1,500,000 *l.*?—Approximately; it is impossible to come down to an exact calculation; it may be more or less.

1275. How much of that do you suppose to consist of manufactures?—I should think the greater part.

1276. Does the whole value of the trade in manufactures between the Baltic and England amount to that sum?—It amounts to a great deal more; there must be British manufactures to a much greater amount.

1277. How does it go?—During summer by sailing vessels.

1278. How much goes to St. Petersburg?—I do not know.

1279. Are there more than 900,000 *l.* worth of British manufactures sent there annually?—Yes; they go also to Stockholm and the whole of the Prussian ports.

1280. You include in your estimate here sugar and coffee?—Yes.

1281. What means have you of knowing what amount of sugar and coffee carried by British ships goes by this railway?—There can be very little; it being a bulky article, it would not be transported that way to any extent.

1282. What means have you of knowing that it is to British account?—It is very difficult to ascertain that.

1283. Does not this produce go to order?—It does.

1284. The merchants consign the goods to Hamburg, and they are sent over; how are you to know to whose account they belong?—It is immaterial; this route makes the article so much dearer, that it is seldom used.

1285. Did not you state that a million and a half in value goes for British account?—I did not say it was for British account; I say articles amounting to about a million and a half a year were from England, or British origin.

1286. Did not you say it was principally for British account?—No, not for British account.

1287. Are

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1287. Are you aware of any arrangement having been made with the United States to extend the time of paying the dues?—I read something to that effect in one of the newspapers.

1288. Is it not extended to the end of 1857?—I know nothing more than what I have seen there.

1289. Can you give us any information about Prussia returning one-third of the dues to ships entering her ports; do you know whether they return one-third of the dues in Prussian ports to the owners or consignees of the cargoes?—I have never heard of it.

1290. You are not aware of it?—No.

Stephen West, Esq., called in; and Examined.

S. West, Esq.

1291. *Chairman.*] DO not you come from Hull?—Yes.

1292. Are you engaged in the timber trade?—Yes, very extensively.

1293. With the Baltic?—With the Baltic, and also in the colonial timber trade with the American colonies. I am a partner in the firm of Richard and John Harrison.

1294. Which of our American colonies do you trade with?—Canada, and Nova Scotia, and New Brunswick.

1295. What is the operation of the Sound dues upon your particular trade?—The operation is to put an increased cost upon our own imports from the Baltic.

1296. Do you know in what way they levy the dues which purport to be one per cent.: how does that fall upon timber?—In some instances the charge does come to one per cent., but in others it is as much as two per cent.

1297. How is that?—It arises thus: that the same charge for Sound dues is made upon goods of unequal value; deals pay so much for a shock of 60 pieces, according to their length; some of those deals are worth, in fact, twice as much as others; therefore the duty may be one per cent. in one instance, and two per cent. in another, according to the quality.

1298. Owing to the difference in the quality of the timber?—The cost depends upon the quality. We are at this moment importing deals from Russia which will cost us 5 *l.*, and probably in the same ship we shall have others that will cost us 10 *l.*, but the same charge is made upon us for Sound dues. It is done by tale rate, like a charge per ton, without reference to value.

1299. Thus the difference amounts to one per cent.?—There is precisely that difference at this moment in goods which we have now passing the Sound.

1300. Since when has this inequality been observed; is it recently?—No; so far as I know, from time immemorial; it has always been so since I have been acquainted with the timber trade.

1301. Has timber varied much in value in the Baltic?—Yes.

1302. Has there been much fluctuation in the value of timber imported from the Baltic of late years?—Yes; considerable.

1303. Then according to the mode in which the Sound dues are levied, wherever there is variation in the value there must be a variation in the per-centage amount of duty, though it purports to be uniform?—There is a variation in the per-centage amount.

1304. This duty is therefore constantly fluctuating in its per-centage rate with the value of the goods?—The duty is uniform, but the per-centage upon the value is fluctuating; we are now importing goods from Russia, for which we are paying 5 *l.* per standard 100; we are importing also goods from Russia of which the value is 10 *l.* per standard 100; for both those articles we pay the same rate. The Sound dues in the last instance, would be about one per cent., that is to say, upon the higher quality; but it would be two per cent. upon the inferior quality.

1305. Do you know whether there is any different arrangement made with Russia in the export of goods passing the Sound?—The rates we pay on Russian deals are something less than those we pay on Prussian.

1306. Have you any reason to suppose that Russian ships carrying Russian cargoes, pay less than other ships under any arrangement with Denmark?—I am not aware of anything of the kind; we pay on similar goods the same in Russian or in English bottoms; it is a charge upon the cargo, and there is no distinction to whatever country the ship may belong.

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1307. Have you any reason to suspect that these duties are levied capriciously? —No; I have no reason to suspect that, but there is a difference in the tariff between the dues imposed upon Russian deals and those on Prussian deals.

1308. Are not the dues levied upon Prussian goods in Prussian vessels the same as those levied upon Russian goods?—They are not.

1309. Will you state what the difference is?—Deals from Prussia pay at the rate of 36 stivers per shock of 60 pieces, for all lengths, which makes the charge upon them 15 to 20 per cent. more on the average charge on Russian deals.

1310. Do the Danish authorities pretend to levy the dues at a different rate upon Russian and Prussian timber?—Yes, they do.

1311. The Russian and Prussian timber may be different in value, but do they profess to levy more than one per cent. upon Prussian timber?—They are charged on a different scale. Deals from Prussian ports pay at the rate of 36 stivers per shock of 60 pieces. Deals from Russia pay, when under 18 feet in length, 36 stivers per 1,000 pieces, and when 18 feet, and under 21 feet, they pay at the rate of 24 stivers per 60 pieces, and for 21 feet and above, 36 stivers per 60 pieces.

1312. Taking the timber to be of equal quality, what is the difference in effect of those modes of levying the duties?—This, you will observe, is a different scale from the Prussian scale. The lowest rate of duty upon deals from Russia is 36 stivers per 1,000 pieces. The next is 24 stivers for 60 pieces upon a certain length; and the next is 36 stivers for 60 pieces upon the longest size, while it is a uniform rate of 36 stivers upon all deals from Prussia, making Prussian deals pay a higher rate than Russian.

1313. Do you think that is intentional?—I am not able to account for it; I know that it is according to a Sound due tariff, by which we have paid dues for many years.

1314. Mr. *Bramley Moore*.] Suppose deals from Russia of the description you have mentioned came from a Russian port, and deals of precisely the same description came from a Prussian port, what would be the difference of the dues upon those two articles?—I think we reckon the average Sound dues upon deals from Russia to be about 1 *s.* 9 *d.* per standard 100; but when they come from Prussia about 2 *s.* 3 *d.*

1315. For identical articles?—Yes, in quantity; the custom of the trade as to selling deals is that they are always brought to a certain standard of quantity, and the same standard of quantity from Russia would pay perhaps 1 *s.* 9 *d.*, or 1 *s.* 10 *d.*; while from Prussia it would pay from 2 *s.* to 2 *s.* 3 *d.*

1316. *Chairman*.] Does this amount to a premium upon the import of timber from Russia instead of Prussia; is it sufficient for that?—No, I scarcely think it is.

1317. Do you think that the addition which the Sound dues cause to the price of timber is appreciable in the market?—It is an addition to the cost; every charge upon the commerce of the Baltic ports which adds to the cost, of course operates prejudicially to the trade.

1318. Does it not operate just as an import duty here would?—In just the same manner as an import duty would if levied to the same extent.

1319. Do you know anything of the charges not made by the Danish Government, but which arise in consequence of stopping at Elsinore?—We have to pay the agents who clear the ships and pay the Sound dues for us at Elsinore; they charge us three per cent. commission for doing so.

1320. Are there not a great number of agents who are established there for no other purpose than to clear the ships of Sound dues?—A great number.

1321. Do you know what these agents make a year?—It would be three per cent. upon the aggregate amount paid to the Danish government.

1322. Is that the usual rate of commission?—I believe so.

1323. Do you think that there are 30 agency houses in Elsinore?—I am not able to speak to the number; I know them to be a numerous class of men; I never was at Elsinore, and I cannot speak to the number.

1324. Is not there a great competition among them?—Very great.

1325. Have you ever known two commissions charged by two agents for clearing one cargo?—Yes, we know many instances of that kind.

1326. How does that arise?—I suppose it arises in this way: we chiefly employ one house as an agent; there are other houses occasionally who get hold

hold of the captain, and perhaps undertake to pay his Sound dues, and draw upon us for the amount, without any authority, by way of getting business; and hence we often have two bills presented for charges upon the same cargo.

1327. What do you do when the two bills are presented?—We refuse to pay the one drawn by the agent who is not authorised to act for us. Sometimes we pay them when we are not charged by our regular agent, but bills are drawn upon us by parties of whom we know nothing, stating that they have seen the captain of the ship, who employed them to clear the ship through the Danish Custom-house. When they draw upon us for the amount of the dues charged upon the cargo, if the account is correctly charged we pay it in the ordinary course of business, excepting where it has also been charged by our own regular agent, to whom we always pay the amount.

1328. Has every Baltic merchant an agent at Elsinore?—Most import houses employ one regular agent.

1329. The fraud just mentioned therefore seldom succeeds?—It does not succeed; but I do not attribute the practice to a fraudulent intention.

1330. Have you made any calculation of what it is that you have to add to the cost of the voyage for all the extra charges paid upon clearing the cargoes?—That will be a question for a shipowner. I am myself not fully acquainted with the charges upon the ship. Merchants pay three per cent. to the agent at Elsinore, who pays the dues for them on the cargo.

1331. Do you think the Sound dues have any operation upon the American timber trade?—As a charge upon timber, they increase the cost of Baltic produce, and of necessity, to some extent, operate in favour of the colonial timber.

1332. If there is any extra charge arising out of the Sound dues, might not we expect colonial timber to fall in price if they were abolished; is not this duty a sort of premium upon colonial timber?—So far as its effect is felt, it operates in that direction, unquestionably.

1333. Do you think it is sufficient to be felt?—It is rather difficult to say to what extent it may be felt; it is an increase to the cost of all timber from the Baltic to exactly the amount to which it is levied.

1334. Into whose pocket would the advantage go if the dues were abolished; would the consumer have the benefit, or the merchant or the shipowner?—I should say the consumer, as a general principle.

1335. Do you consider that it does raise the price of timber?—It enters into the cost as much as the freight, or as the first cost of the timber, to the extent to which it goes; I can see no difference.

1336. Has the import of timber from the Baltic increased much of late years?—Yes, of late years it has increased, with the exception of the last two years of the war.

1337. Mr. *Liddell.*] Where is timber cheaper, in America, or in the Baltic?—The qualities are so various, that that question is rather difficult to answer; I should say it is cheaper in the Baltic.

1338. Mr. *Mitchell.*] You mentioned that some deals cost 5 *l.* in Russia, and others 10 *l.*; are they not different descriptions of wood?—They are.

1339. Is not the higher-priced red, and the lower-priced white deal?—Yes.

1340. And the price of the one being 5 *l.*, and that of the other 10 *l.*, the Sound dues being 2 *s.* per standard hundred upon both, amount to a per-centage of two per cent. upon white deal, and of one per cent. upon red deal?—Yes.

1341. Mr. *Chancellor of the Exchequer.*] As long as the Sound dues are a fixed amount upon a given quantity, must not the inequality you speak of with reference to the quality of the goods exist?—Yes, so long as the Danish Government levies its charges upon the present tariff.

1342. You mentioned at the beginning of your evidence, as an objection to the present Sound dues, that there was an inequality in their operation, with regard to different qualities of timber; is not that a necessary consequence of the dues being fixed dues upon a given quantity of timber?—Yes.

1343. Do you think that it would be an advantage to the trade, if the Sound dues were levied upon the principle of an *ad valorem* instead of a fixed duty?—I do not know that it would be material to the trade, if the aggregate amount levied remained unaltered.

1344. Would it not be necessary to make a much closer examination of the cargo, in order to levy an *ad valorem* instead of a fixed duty?—In case the duty were levied as an *ad valorem* duty, the Danish Government must be furnished with a valuation of the cargo.

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1345. *Chairman.*] Are you not aware that it professes to be a per-centage duty upon the value now, the value having been fixed at some former time?—We do not understand it so at all.

1346. It has been explained to this Committee that it is levied upon the principle of one per cent. upon certain values, and that those values, varying from a variety of causes, what was intended to be a just *ad valorem* duty has become practically unequal in its operation; is not that so? —Just so.

1347. Do you understand that to be the operation in effect of the Sound dues?—The tariff upon which the Sound dues are now levied on wood goods has been in operation for many years, and I have never viewed it at all with reference to a one per cent. *ad valorem* duty.

1348. Is not that the principle upon which the dues are levied?—It does not appear upon their tariff that that is the way in which they make their charge, with one exception, which is the article of railway sleepers; upon railway sleepers they charge an *ad valorem* duty of one per cent.; with that exception, the dues appear to have no reference whatever to the valuation.

1349. Railway sleepers, upon which their duty is levied, were not in existence in former times when the values were fixed in the arbitrary manner I have mentioned, so that with regard to them, the duty operates as it professes to operate with regard to everything else; is not that so?—Railway sleepers are the only wood goods upon which the Sound dues are charged according to the value, and they are at the rate of one per cent.; all other wood goods are charged on the number of pieces without any reference to the value, and sometimes that amounts to more than two per cent.

1350. Mr. *Mitchell.*] Did not you say that for a certain quantity of timber of one quality you paid 5 *l.*, and that you got the same quantity of another quality for 10 *l.*, and that while you paid one per cent. upon the 10 *l.* value, you paid two per cent. upon the other value?—Precisely; those prices are constantly changing, but the charge at the Sound remains the same. I have given you the two extremes; between those two prices we have others; some are sold at 7 *l.*, perhaps, upon which the duty would operate as $1\frac{1}{2}$ per cent.

1351. At the two extremes there is one per cent. paid upon one, and two per cent. upon the other?—Yes.

1352. Mr. *Liddell.*] You have spoken of the duty upon railway sleepers; has there been a large importation of railway sleepers from the Baltic?—Very large.

1353. *Chairman.*] Can you tell the Committee that the merchants in your trade are desirous of having these dues abolished at once?—There is a strong feeling to that effect.

1354. Do you think that the annoyance and loss occasioned by their collection is sufficient to cause a strong feeling upon the subject?—It is so.

1355. Have you heard any suggestion made as to the best mode of getting rid of these dues?—It has been suggested that the Government of this country might redeem them by a compensation, and that to do so advantageously it should be done before the trade is more extended.

1356. Do you think that the trade with the Baltic is extending, and that therefore the compensation demanded is higher than it would have been some years ago?—Unquestionably.

1357. And that it will be probably more still five years hence?—That is my opinion.

1358. Do you think that the trade has extended this year?—I believe so; I think it has extended the last few years very much.

1359. Mr. *Chancellor of the Exchequer.*] Do you think that the trade has extended generally, or that the trade carried on in British vessels has extended? —The trade generally, without respect to the flag under which it is carried.

1360. Do you think that the proportion of the trade carried on in British vessels is on the increase?—No, I should think not. I should think that the British vessels employed in the Baltic trade are very much displaced by foreign vessels; there has been an accession of foreign vessels, from Swedish and Norwegian ports within the last few years.

1361. *Chairman.*] Does not the number of Prussian vessels very much surpass the number of Swedes and Norwegians?—The Prussians have always been large carriers, but the Swedes are becoming much more so than they were formerly; we have recently employed a great many Norwegian vessels to go voyages to the colonies in North America; the Norwegians are much increasing their commercial shipping.

1362. Mr.

1362. Mr. *Chancellor of the Exchequer.*] Do you think that the displacement of British vessels in the Baltic trade of which you speak is likely to increase? —Yes, I think that is the present tendency, clearly.

1363. What do you conceive to be the cause of that tendency?—The cheaper cost of building the vessels, and the cheaper cost of provisions and of wages in Sweden and Norway; the cheaper cost of management.

1364. *Chairman.*] Are you speaking from any accurate knowledge upon the subject?—I speak from rather extensive observation.

1365. Are steamers built more cheaply in the Baltic than in England?—I am not speaking of steamers, but of sailing-vessels.

1366. Is not the use of steamers in the Baltic trade upon the increase?—It is upon the increase.

1367. Do you know whether there is much difference in the price of provisions for English sailors and foreign sailors?--Yes; I believe it is considerable. The wages of the Norwegian and Prussian sailors are much lower than the wages of our sailors.

1368. Do they also have fewer men on board their vessels than there are in English vessels?—I suppose the number is pretty much the same; I am not aware of any great disparity in that respect.

1369. Do not you know that they have always more men on board than the English have?—I am not able to say whether they have or not.

1370. Mr. *Robert Phillimore.*] Have you employed many Swedish and Norwegian vessels in your trade?—Yes.

1371. *Chairman.*] The timber trade?—Yes.

1372. Mr. *Deasy.*] Do you pay those men less wages than you pay Englishmen?—We do not pay the men; we charter the ships.

1373. *Chairman.*] Do you find them cheaper than British vessels?—We ordinarily give them the same rate of freight; there is a current rate of freight in the market, and it is of no consequence whose ship takes our goods, nor to what country she belongs.

1374. They do not charge a lower rate of freight than the English ships; they are in the same market?—We pay them the same rate of freight.

1375. Mr. *Robert Phillimore.*] You have nothing to do with the payment of the men on board these vessels?—Nothing.

1376. Is the insurance the same for a foreign as for a British vessel?—Yes, ordinarily it is the same, except under particular circumstances; there might be a little difficulty with regard to insuring a foreign vessel that was not known on the register, but ordinarily we make no difference in the premiums of insurance between British and foreign vessels.

1377. *Chairman.*] You do not employ those Norwegian and Swedish vessels because they are cheaper than British vessels?—Not because they are cheaper; they get the same rate of freight as British vessels.

1378. If, as you say, they build cheaper and sail cheaper in the Baltic than they do in England, how is it that you cannot get them cheaper?—Because a Swede is as anxious to get a high rate of freight as an Englishman, and if the current rate of freight be 40*s.* to Quebec, the Swede will get 40*s.* as well as the Englishman; he will not take 39*s.* or 38*s.* because he sails his ship cheaper.

1379. Although the amount of pay is less, they want as much in the market as the English?—Just so.

1380. If they are quite as good, would not the English merchants employ them in preference if their freights were low?—We employ them equally with the British vessels. A Norwegian or Swedish shipbuilder can build a vessel for a smaller sum of money, and man it with seamen at a lower rate, and provision it with provisions at a lower rate, but he goes into the market and gets the same rate of freight as the Englishman.

1381. As a matter of fact, are they cheaper than the English vessels?—No.

1382. The freight is not lower?—The freight is not cheaper.

1383. You seemed to think that the Norwegian and Swedish vessels are displacing the British vessels in the Baltic, because they can navigate cheaper; is that so?—The Norwegian or Swedish owner, sails his vessel at less cost than the English owner can do, and therefore he can make a profit when the English owner cannot, as they receive the same amount of freight.

1384. Is it usual for two rates of profit for the same article to exist in the same market?—Certainly; different rates of profit to the owner of a ship may exist

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exist in the same market. It is obvious that if the Norwegian or Swedish shipowner pays so much less per month to his men and so much less for his provisions, and his ship is employed at the same amount of freight, it must be to him a more profitable trade than it is to the English shipowner, who pays higher wages and higher prices for provisions, and gets the same money in return.

1385. If they build cheaper there than they do in this country, and get more than the average rate of profit in consequence, why do not more people embark in the business?—That is what is being done every day, and therefore the tendency is to have an increase of foreign ships in the Baltic trade.

1386. You say that they are increasing, because there is a higher rate of profit on account of the materials being cheaper; after a certain time, will not the rate of profit be equal in the two countries?—The competition will not equalise the profit between foreign and English ships.

1387. Will not more people embark in the business?—Yes.

1388. And will not the rate of profit in consequence be less?—As compared with the British shipowner, it will not alter the relative position of the foreigner with the Englishman; to us, as merchants, it is a matter of indifference whether we pay our money to the foreigner or to the English owners.

1389. Are not the cargoes to the Baltic being carried now as much in steamers as in sailing vessels?—It is not so with cargoes of timber.

1390. Is there any reason why it should not be so?—The cost of navigation is too great; timber will not bear that addition to freight which is necessary if steamers are used.

1391. Have you any doubt that steamers can be built cheaper in England than in the Baltic?—None whatever.

1392. Mr. *Mitchell.*] Is it not the fact, that timber is not liable to sea damage of any consequence?—No, except from total loss.

1393. Therefore it is not your interest to employ a vessel of so high a class as is employed in the case of articles of higher value, which are liable to sea damage?—It is not so important to us.

1394. Is not the necessary effect of that to put more of the carrying trade in that branch of the trade, into the hands of the ruder class of foreign vessels?—The timber trade does not require first-class vessels.

1395. Mr. *Duncan.*] Cannot you carry on your trade in second-class vessels, whereas you could not do so profitably to yourself in first-class vessels?—Just so.

1396. Mr. *Liddell.*] Is that the reason why the Baltic ships compete so successfully with the English ships in your trade, that it requires an inferior class of vessels?—No; the reason why the Baltic ships interfere with the English ships is because they can be built at a cheaper cost than the English ships.

1397. Do you consider the Baltic vessels to be equal in every respect to the British vessels?—They build in England a superior class of vessels to those that are generally built in the Baltic. The A. 1 ships in this country are now built of a very high class, and they are classed at Lloyd's for 13 years; whereas perhaps a first class foreign ship would not be classed as A. 1 for more than nine or 10 years.

1398. Are not these Baltic vessels equal for the purpose of the timber trade to English vessels?—Quite so.

1399. Have the insurance companies the same confidence in vessels navigated by foreign seamen and built in foreign countries as they have in British vessels?—Ordinarily we do not pay any more for the insurance upon cargoes in foreign vessels than in British vessels.

1400. Mr. *Bramley Moore.*] Has not the British tonnage to the Baltic notoriously diminished since 1849?—Yes.

1401. Up to that period foreign ships were not admitted upon the same terms as English vessels into English ports, and therefore the trade was confined almost exclusively to British bottoms?—Nearly so.

1402. Were not the freights higher then than they are now?—Yes.

1403. Has not the bringing of foreign vessels into competition with British vessels brought down the freights?—It would have that tendency.

1404. Has not it had that tendency?—Increased supply must have that tendency.

1405. Is not it notoriously the fact, that the effect of foreign vessels coming in and offering to carry at lower freights has brought down the British freights to their terms, and made the two equal?—It must operate in that way.

1406. Therefore,

1406. Therefore, when the British vessels brought their freights down to the same rate as the foreign ones, since the foreigners paid less wages and lived cheaply, did not it follow that they made a large profit where the British vessels could not make so large a profit?—That is my view of the matter. *S. West*, Esq. 27 June 1856.

1407. Were not your freights brought down to a level with theirs?—Yes.

1408. *Chairman.*] Do you know that reciprocity treaties between this country and the Baltic States have been in operation since the year 1825?—Yes.

Martin Frederick Bremer, Esq., called in; and Examined.

1409. *Chairman.*] WHAT is your house of business?—I am a partner in the firm of Sack, Bremer & Company, Ship and Insurance Brokers. *M. F. Bremer*, Esq.

1410. I believe you have been settled in London a long time?—Forty-one years.

1411. Are you engaged in trade with the Baltic?—Principally in that trade.

1412. You know that the object of our inquiry is to ascertain the operation of the Sound dues upon the trade of this country; will you give us the benefit of your experience upon that matter?—We think the Sound dues very objectionable, because the ships have been detained there sometimes a long time for clearing business; a whole day has passed before they could be cleared with general cargoes, and a great number of bills of lading. Of late the Danish Government have allowed the ships to pass by, giving a document, either in England, or at the port where they are discharged; that has been the last two years at least.

1413. Is there any arrangement made between the Prussian Government and the merchants of that country to be repaid part of the dues which they pay at Elsinore?—Not to my knowledge; I do not know of it.

1414. Would you have known of it if it had been so?—I think I should have heard of it.

1415. You are a native of Prussia?—Yes, I am. I think I should have heard of it if such an arrangement had existed.

1416. You never heard of a return of about one-third of the Sound dues to vessels entering the Prussian ports?—No; nor do I think it is at all likely to be made.

1417. I believe there are some states or districts in the Baltic which are privileged with respect to the Sound dues; are there not some places of that sort in Prussia and Mecklenburgh?—Yes.

1418. Are there any other states in which such immunities exist?—Not that I know of.

1419. What parts of Prussia are privileged in this way?—As to Prussian ships, I cannot exactly speak; but I know for certain that Mecklenburgh ships belonging to Rostock, and having Rostock flags, and the captains being Rostock citizens, pay for their duty on wheat only 2 ¼ *d.* per quarter, whereas the sum charged on other ships comes to nearly 4 ¼ *d.*

1420. What do you know about the same privilege in Prussia?—There is one place that I know of, called Cammin (it is only a small village) where some exemption is allowed.

1421. How came it to be privileged in this way?—I do not know the particulars; but I know that a ship belonging to a sugar-refiner at Stettin, has a Cammin flag for the purpose of getting this advantage; it comes up to Stettin, through the Sound, at much lower Sound dues than it would have paid if the ship were under the Stettin flag.

1422. Is Cammin the place to which you have referred in the Prussian dominions?—Yes; it is close to Stettin.

1423. You do not know anything about the origin of that immunity?—No I do not; I believe there are two other places which are privileged in Prussia, but I do not know anything about them. I understand Colberg is one of them.

1424. What privileges do these places enjoy, as far as you know?—They have the privilege of loading sugar from here at less Sound dues than other vessels; they used to take sugar from here, and a ship used to come regularly two or three times a year, and to pay less Sound dues than other vessels. The difference upon wheat between a Mecklenburgh and a Rostock ship is 2 *d.* a quarter; as the Mecklenburgh last is 13 quarters, paying one dollar, or about 4 *s.* 6 *d.* per last.

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1425. How is Rostock privileged?—A cargo of wheat coming by Rostock ships, having captains who are Rostock citizens, pays 2¼ *d.* a quarter, and if it is imported by other ships, either Mecklenburgh or English ships, or any other ships, it pays 4¼ *d.*, so that the difference is 2 *d.* a quarter from Rostock.

1426. Are the Rostock ships employed in consequence of this privilege?—The Rostock ships have the preference of the other ships.

1427. Rostock is the capital of Mecklenburgh?—Rostock is the capital of Mecklenburgh.

1428. Are Rostock ships preferred for this reason?—If the captains are Rostock citizens they are preferred; in fact, they have often 2 *d.* extra for their freight, because they save that charge on the Sound dues.

1429. If they got 2 *d.* extra for it, there would be no prefence given between, to Mecklenburgh, over other vessels, unless the freight were less?—Not at all; they would be obliged to take less than 2 *d.*

1430. Do they get more employed in consequence of that privilege?—Rostock ships would get 2 *d.* more freight.

1431. How long has this privilege existed?—It has existed for many years.

1432. Are there very good vessels built at Rostock?—Yes.

1433. Are their seamen good?—Yes; most of their ships are built in clubs; there are a great many part owners in these ships; the captains are always part owners of them.

1434. Have you made any calculation as to what it is you pay on a voyag for Sound dues; upon the ship and cargo together?—We do not pay for the cargo; the merchants pay for the cargo; we paid for one of our steamers going to Stettin and back 8 *l.* 12 *s.* 6 *d.*

1435. What proportion does that bear to the whole expense of the voyage?—It would not bear a great proportion upon steamers, because coals cost upwards of 200 *l.*

1436. Mr. *Duncan.*] What was the tonnage of your vessel?—334 tons net; 462 tons gross measurement, including the engines.

1437. Mr. *Mitchell.*] Of course, if a merchant importing corn in a Rostock ship can save 3 *d.* a quarter on the Sound dues, it would not be for his interest to pay more than 1 *d.* or 2 *d.* extra freight for that ship?—Decidedly not.

1438. Has not this privilege had the effect of throwing that trade into the hands of the Rostock shipowners, as compared with other countries?—Decidedly.

1439. Is it sufficient to confer that privilege upon any ship that a Rostock captain should be on board, if the ship is not a Rostock ship?—No, it must be a Rostock ship, and the captain must be a Rostock citizen; the ship must have a Rostock flag; whether it is built at Rostock or at Wismar does not matter, so long as it is a Rostock flag, and the captain is a Rostock citizen.

1440. Mr. *Duncan.*] Can you state to the Committee how much of the 8 *l.* paid upon your steamer was paid for lights?—About 2 *l.*; say 1 *l.* each way.

1441. Have you a paper containing the whole charges upon the ship?—Yes.

Vide Appendix.

1442. Will you hand it in?—(*The same was handed in*).

1443. Does that include all the items chargeable upon your vessel in one voyage?—Yes, out and in; to Stettin and back again; the light rates were 4½ dollars out and 4½ in.

1444. *Chairman.*] Do you know the opinion that prevails in Prussia about the Sound dues?—They are much against them; they wish to have them taken off; in fact they have been at work for a long time to get them off.

1445. It has been a subject of discussion in the chamber?—Yes; and by both merchants and captains.

1446. Did you say that the merchants and captains have the same wish to abolish the Sound dues?—The same wish; because the merchants have to pay Sound dues upon the cargo, and the captains upon the ship.

1447. Do you know that the captains have an advantage in these Sound dues?—Yes, they have; but they are all part owners of the ships they command, and therefore they have great interest in getting the Sound dues reduced.

1448. What captains are you referring to?—Prussians as well as Mecklenburgh men; they are most all in clubs, and are generally part owners; it is a very rare case in which it is not so.

1449. Mr. *Chancellor of the Exchequer.*] The captains being part owners of the ships which they navigate, their interests concur with the interests of the shipowner

shipowner in endeavouring to abolish the sound dues?—Decidedly; and not only for that, but also because the trade wi l be greatly enlarged if those dues are abolished; because a great part of the trade goes by Hamburgh, and by the Hamburgh Railway, so that the part of the trade which used to go by the Sound to Stettin now goes to Hamburgh.

1450. *Chairman.*] You say that the Prussian shipping is not on the increase; upon what ground do you make that statement?—I have books here showing the number of ships and the tonnage of 1850 and 1856. In 1850 there were 936 ships containing 132,523 lasts; in 1856 there were 902 ships, so that there were 34 ships less than in 1850, but there were 140,048 lasts; there is only 8,000 lasts of increase within the last six years; the Prussian marine has been for nearly 20 years in about the same state; a Prussian last is about 1½ ton English register.

1451. It has not much increased in the course of 20 years?—No.

1452. Could you state the relative proportion of the number of Prussian vessels to those of the other Baltic States?—I know how many there are at Rostock and Lubeck; but I do not know how many there are in Sweden.

1453. Should you say that the Prussian vessels have generally surpassed in number any others belonging to Baltic states?—They have always been more than the Rostock ships and the Mecklenburgh ships; the Prussian ships are about 900, and in Rostock there are only 307, and in Wismar 49.

1454. Have they generally exceeded the Swedes?—The Swedes I am not acquainted with; as to Mecklenburgh and Rostock, they have always exceeded them; Sweden has at present 1,505 ships of 210,000 tons English register.

1455. The Prussians have more carrying trade than any other Baltic country except Sweden, which you do not know?—Yes, I do not know the Swedish trade.

1456. Do you know anything of the charges by a Prussian vessel compared with a British vessel?—They ought to be a little less, because the wages they pay are cheaper; but there is not much difference now; they pay nearly 2 *l.* a month wages, and they generally have more men than the British ships have.

1457. They pay nearly the same wages, and they generally have more men?—Yes.

1458. Has not free trade with England done something to increase the cost of their shipping?—Yes.

1459. Used there not to be a greater difference formerly between the wages of English and foreign sailors?—Formerly the men had 1 *l.* a month.

1460. The wages were lower before they had free trade with England; free trade has tended to equalise matters generally?—Very, considerably, and also provisions.

1461. Would you say that it is a matter of great importance to the Prussian shipping to have the Sound dues taken off?—Decidedly, because the trade to and from the Baltic would increase considerably if they were taken off. There are a great number of goods shipped by way of Hamburgh and Holland of late, which otherwise would be shipped to Stettin. As nearly as I can remember, formerly we used to load about 80 ships a year to Stettin, and now we only load about 35 with general cargoes, and many parcels of wheat are coming from Mecklenburgh to London by way of Hamburgh.

1462. Do you confirm the evidence given here by British merchants and shipowners, that the payment of these dues is attended with great inconvenience, and adding to the cost of freight, and the price of the cargo?—Decidedly.

1463. Is the disposition of the authorities in Prussia, in favour of redeeming those dues?—I do not know how far they have succeeded in their endeavours. It all depends upon the Government in Prussia; it is not like it is in England. The merchants and shipowners must submit to what the Government dictates, and must abide by it.

1464. As far as you know your countrymen, they would not object to pay a sum of money to Denmark in order to be rid of those dues?—I should say not; I should say they would do so.

1465. Is it considered in Prussia that the Danes have by time acquired a right to those dues, and that any state that is under treaty to pay them should redeem them?—I have not been in Prussia lately.

1466. Have you any other information to give us upon the subject of these dues?—I can tell you how the Rostock ships have increased. They have increased considerably of late; within the last 20 years they have increased

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about double. Their trade is principally between Russian ports in the Baltic and Russian ports in the White Sea, and Holland and Belgian; they are principally employed in that trade; of late they have gone to Odessa and the Black Sea, and found good employment there, and that is the reason they have built a great many more ships, because Holland and Belgium have not many ships.

1467. They have not been employed in long voyages?—No; they have built some larger ships of late. They have gone to the West Indies and to Australia; but I do not think the majority of their trade will be in that direction.

1468. Do many of the Rostock seamen go into the American service?—I have not heard of many.

1469. Do the Swedes and Norwegians do so?—They do, but not the Mecklenburghers; they would rather go home again; they are more domestic people than the Norwegians.

1470. Which are considered the best seamen in the Baltic?—The Norwegians are the best, I believe; the Mecklenburghers are very honest people, but they are not so quick. They are more careful, because they never insure their ships, so that they make rather long voyages, compared to the way in which the English ships make their voyages.

1471. Are you an underwriter?—No; I am an insurance broker.

1472. Do you know whether the risks that the vessels run at Elsinore make any difference in the insurance?—No; the underwriters prefer Baltic ships. Their captains are more careful than the English captains; they do not insure their vessels; it is a very rare case that any of them insure, and for that reason they are very careful men; they take care of their own property. This is known to the underwriters at Lloyd's, and therefore, though the ships may not be A. 1, they will underwrite them as cheap as British A. 1 ships, and the London corn-factors will give the Prussian ship the preference to the British ship from the Baltic.

1473. Are they much engaged in the corn trade?—Yes, with the ships.

1474. And those ships are rarely insured?—There are some few exceptions where the captains borrow a little money from the owner; but, generally speaking, they do not insure at all.

1475. Do you know what is the amount that is paid upon corn at the Sound; the Committee have been informed that it was 5 *d.* or 6 *d.* per quarter: is that correct?—It is 5 ¼ *d.* upon all ships except the Rostock ships, which is only 2 ¼ *d.* if the bills of lading are made out in sheffels.

1476. Does not the per-centage vary very much according to the price of corn?—Yes; very much.

1477. Do you consider the Sound dues were intended to be a one per cent. duty?—They were intended to be so originally; but we find that the charge is one dollar per last, which, according to the present rate of exchange, is equal to about 4 *s.* 6 *d.*; whether it is a last from Dantzic, which is 10 ½ quarters, or from Stettin, which is 13 ½ quarters, or from Stralzund, which is 14 quarters, or from Rostock and Wismar, which is 13 quarters, they charge all alike, at a dollar per last. Now, in consequence of that, the Dantzic people complained that they were overcharged in proportion to the others, and they have altered it so far that they allow them to ship 60 sheffels to the last, instead of 56 ½.

1478. They remonstrated with the Danish Government?—Yes, I understood so.

1479. And they have had that alteration made in consequence?—It is a mere trifle; at Stralzund they ship 75 sheffels to the last, and they pay the same dues of one dollar, or about 4 *s.* 6 *d.* per last if the bills of lading are made out in lasts.

1480. You consider they are unequally levied?—Yes; I have a paper here containing the different lasts; a last from Dantzic is 56½ sheffels, or 10½ quarters; a last from Stettin is 72 sheffels, or 13½ quarters; a last from Stralzund is 75 sheffels, or 14 quarters, and all these are charged the same Sound dues; a last from Rostock and Wismar is 96 sheffels, but they are smaller sheffels, so that it is equal only to 13 quarters. They are all charged alike, whether the last is 10½ quarters, or whether the last is 14 quarters, one dollar per last.

1481. What is the last treaty that Prussia had with Denmark upon this subject?—I cannot say what is the last treaty between Prussia and Denmark; the last Sound tariff was published in 1842.

1482. Does that tariff state in any part of it, that they profess to levy one per cent.?—They said that they would only levy one per cent. upon the merchandize

chandise that is not otherwise enumerated, but upon wheat it is a dollar per last. In the old book it was a dollar per last of 80 bushels; in the new book it is a dollar per last of 20 barrels.

1483. Does that apply equally to all countries?—Yes; I believe I explained that ships did not stop at Elsinore now as formerly; formerly ships must stop at Elsinore, and when they have had a great many ships waiting, it has detained them a whole day. But the shipowners abroad remonstrated with the Danish Government, and since that time (I think it is about two years ago), they have allowed the ships to pass by without stopping at all; they have only to send their papers on shore to their agent, and he pays the Sound dues upon the goods and forwards the clearance to the port of destination.

1484. Has this been a matter of general regulation?—I believe it has.

1485. Do you know that to be the case?—I do not.

1486. Is it not the fact that that has been done where they have great confidence in particular houses, but that it is not allowed to everybody to do it?—I believe it is allowed to everybody.

1487. What is the fact now; do the ships stop, or do they not?—They need not stop; they either send the papers on shore, or they send them from England by post, and I have done that frequently.

1488. Mr. *Liddell.*] How long has this regulation existed?—About two years at least, to my knowledge; but I understand that it has been much longer.

1489. Mr. *Mitchell.*] Does it apply to duty upon the cargo?—It applies to the dues upon the ship and cargo, both.

1490. Supposing a cargo was coming from the Baltic, unless some agent at Elsinore made himself responsible for the payment of the Sound dues, could the vessel pass through without stopping?—Yes.

1491. Mr. *Liddell.*] Can you state positively that there are a great number of vessels that pass the Sound every year now which are not required to stop?—I cannot say how many; generally speaking, the captains like to go on shore, because they have perquisites; each captain gets four per cent.

1492. Is it the same whether the ship is going out to the Baltic or coming back?—Yes, I wrote to my agent at Elsinore, asking him if my steamer might pass, and he said, "Yes, send the documents either from London or from Stettin, and I will pay the Sound dues; and there is an end of it."

1493. Mr. *Chancellor of the Exchequer.*] Do you think that the majority of the ships passing the Sound stop at Elsinore, or do not stop?—It depends upon the wind; if the wind is favourable they pass on, if it is not favourable they stop.

1494. *Chairman.*] Can they discharge the cargo until the bill of lading is sent over, or some certificate has arrived to show that they have paid?—Yes, I believe so; in London ships discharge at once.

1495. The bill of lading is sent to the agent?—Yes; the captain generally takes duplicate blank bills of lading with him, and fills them up and sends them on shore, as we have done from England, sending them to Elsinore when they have passed the Sound without stopping.

1496. What evidence has he, when he reaches the port of destination, of having paid the dues: when does he get the bill of lading?—They send it with the account of the Sound dues.

1497. Supposing a vessel is going to St. Petersburg, when does the bill of lading reach the captain?—They send it after him to St. Petersburg.

1498. Can he discharge his cargo without it?—That bill of lading is not of much consequence, it is the receiver's bill of lading which he goes by. I understood that ships going to St. Petersburg must stop and clear at Elsinore.

1499. Are you speaking from knowledge of your own when you say that Prussia does not require any certificate of the payment of the dues?—She does not.

1500. We have had it in evidence, that Russia requires some certificate of the payment of the Sound dues before she allows the ship to enter any of her ports; is not that the case?—There may be a treaty between Russia and Denmark that I am not aware of; our trade is not with Russia.

1501. We have heard that it also is the case with Prussia; is that true?—No, decidedly not; a case occurred with a ship of mine to and from Stettin this spring.

1502. Do you speak generally?—Yes.

1503. Mr. *Deasy.*] Is not that a steamer?—Yes.

1504. Have you ever been in a sailing vessel?—I saw a captain to-day coming from Prussia who has a sailing vessel, he had blank bills of lading with him

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which he filled up and sent on shore at Elsinore; that is all that was required; he did not stop.

1505. *Chairman.*] What security have the Government in that case that the proper charge is paid?—The agent pays it; they are sure to send correct bills of lading because the Danish Government inquires at Stettin where the ship was loaded, what has been shipped, and the consul sees what has been unloaded from that ship, so that they have two checks.

1506. It is said that there are frauds practised by collusion between the agents and captains of vessels and perhaps the merchants also; do you believe that to be the case?—It was so formerly before cockets were sent out to Elsinore.

1507. At this moment, do not the Danish Government pay the captains something?—Yes, 4 per cent.

1508. That is to induce them to disclose the real value of the cargo?—Yes.

1509. Have you any notion that actually the Danish Government receives much less than it purports to levy?—No.

1510. If the agents did not report the cargoes faithfully, or that there was some collusion at Elsinore to pay less, would it not follow that the Danish Government would not receive all that they purported to impose?—They are bound to do so; they are obliged to take the papers to the custom-house.

1511. You do not believe there are frauds practised at Elsinore?—No; formerly they sometimes reported less than they had on board the ship; in fact once a captain was fined for reporting less cargo than he had on board; I think he was fined; but since then they have been very careful; I think it is very seldom that a fraud was committed.

1512. Was that done by paying fees to the custom-house officer?—No; the captain only produced one bill of lading instead of two; at that time they did not require cockets to be produced at Elsinore; it is a great many years ago.

1513. Mr. *Mitchell.*] Do I understand it to be your opinion, that under this new regulation, sailing vessels as well as steamers going into and out of the Baltic, experience no detention by payment of the Sound dues?—None whatever; they may go and come back again if they send the papers either from the port of destination, or send them on shore at Elsinore, there are always boats cruising about, or send them from wherever they can.

1514. Do you mean that sailing vessels passing Elsinore will be allowed to pass Elsinore by the Danish Government without payment of the Sound dues at all?—They must give the agent order to pay the dues for them afterwards.

1515. They must send ashore to their agent?—They may send word from whatever port they are bound to, and may send the document from there.

1516. Supposing a vessel is going out to St. Petersburg from this country with a cargo, has she now a right to pass Elsinore without sending on shore at all, and to go on to St. Petersburg without being detained by the Danish Government, and then send her papers back from St. Petersburg to Elsinore to pay the Sound dues?—In the Prussian ports we do that every day.

1517. What security has the Danish Government that they will not be defrauded?—They do not want any security; they are not afraid of not getting the Sound dues.

1518. Supposing the ship passes through without sending her papers on shore, how do they know what agent is responsible for the payment of the Sound dues?—There is no difficulty about that, because a ship could never pass the Sound a second time if it did not pay the Sound dues. I had a captain who once went through in that way, and he dared never go through again; he was obliged to sell his ship.

1519. How would they know the ship again?—They know the ship easily; there is no difficulty about it; every one knows them as we do our customers.

1520. If the ship passes without sending the papers, and then she arrives at a Prussian port, where no certificate of payment of the Sound dues is required, how is the Danish Government to know whether the ship has paid the Sound dues or not?—The Danish Government gets all the documents; the statement of what ships had arrived, and the statement from England, and they look at their list to see that they have paid for Sound dues; they have both the clearance in England and the arrival in the Baltic; there is no difficulty whatever in that respect.

1521. How is it then that nearly all the ships passing the Sound stop at Elsinore?—They stop to get their perquisites; sometimes the captains like to go on shore. The Prussian captains prefer going through with their ships.

1522. *Chairman.*]

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1522. *Chairman.*] Do you know how many agents there are at Elsinore?—Between 25 and 30.

1523. Do you know how much a year they make upon the average?—It is impossible to know.

1524. Have you heard that it is 1,000 *l.* a year?—I have heard that they must have that at least.

1525. Mr. *Mitchell.*] Supposing your statement to be correct practically, do not the great majority of ships stop at Elsinore notwithstanding?—They have hitherto, but a good many pass by, to my knowledge.

1526. Mr. *Chancellor of the Exchequer.*] Would you consider that the stoppage is voluntary, and not compulsory?—At present it is voluntary; formerly it was compulsory.

1527. Therefore is not it for the interest of the shipowner to make a peremptory condition with his captain that he is not to stop at Elsinore?—In some measure it would; but they can always make an excuse for stopping, if they like.

1528. Might they not make an excuse at any other part of the voyage?—They may do so, but do not receive perquisites at other ports.

1529. Mr. *Liddell.*] Might not it be very unfair to call upon this country to pay for the amusement of the Baltic captains?—The Sound dues must be paid, so long as we are liable to them, whether they stop or not.

1530. Does not the main objection to the Sound dues arise, not so much from the amount, as from the risk and loss of time that is caused by the ship stopping to pay the Sound dues?—It is a fact that they are allowed to pass; formerly they were not; but for the last two years they have been allowed to pass. I asked one of our captains at our office what his practice was, and he said that he had blank bills of lading, which he filled up; he met a boat, and sent them on shore, and he says that he shall do the same again; he passed on without stopping.

1531. Mr. *Chancellor of the Exchequer.*] Are the Committee to understand you to say that the principal grievance of the Sound dues is the money payment of the dues themselves, and not the detention of the ships?—Certainly they find the money payment is much heavier than they fancied. A party has now some cochineal to ship to St. Petersburgh, and the Sound dues amount to about 4 *l.* per ton, and the whole freight is only 4 *l.*; so that they say, We must send it by land, either by way of Hamburg or by way of Flensborg and Tonningen.

1532. *Chairman.*] Do you think many goods are going that way?—Many fine goods, upon which the Sound dues are high.

1533. Are not the transit dues very heavy?—They are much cheaper than the Sound dues.

1534. Have not the Danish Government raised the transit dues very much, upon the Hamburg and Lubeck Railway?—I do not know.

1535. When you speak of going by land, do you refer to the railway from Hamburg to Lubeck?—To the railway from Hamburg to Lubeck, or from Tonningen to Flensborg; the Sound dues is 36 stivers per 100 lb. or about 3 *s.* 5 *d.* per 100 lb. cochineal.

1536. Is not there a railway between Tonningen and Flensborg?—Yes.

1537. Do you think goods will go by it?—Such goods as have to pay high Sound dues will go that way; others will not, because the saving would not pay the freights for other goods by way of Tonningen by rail; of course it is cheaper by sea; but when the Sound dues are very extravagant, then of course they can have it cheaper by rail, *viâ* Tonningen.

1538. If there were no dues at all paid at the Sound, do you think that people would prefer going that way to going by Hamburg and Lubeck?—Certainly; the railway knocks the goods to pieces frequently; in the re-shipping and transhipping, and forwarding them by rail, they are knocked about a great deal.

1539. Have you heard the evidence given in this room this morning?—No.

1540. Is there anything else that you wish to mention to the Committee?—I do not know of anything else; I shall be happy to give the Committee any information that they desire.

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Baltic ports upon that bale of goods?—It would be about 20 *s.*, I should think.

1574. Therefore that bale of goods would be delivered at any of the Baltic ports going from hence to Hamburg, and by railway to Lubeck, and from Lubeck to the coast of the Baltic for 2 *l.* 10 *s.*, which would cost 4 *l.* conveyed by sea?—Yes.

1575. And you are carrying at a rate which you state to be unusually low, in consequence of this competition?—Yes.

1576. Does not the same remark apply to indigo?—Yes; in fact, upon all valuable goods, indigoes, cochineals, and such other goods, the Sound dues are very heavy; a chest of indigo is worth 80 *l.*, and the freight is an average of 10 *s.*

1577. Can you refer to the tariff, and tell the Committee what the Sound dues upon that chest of indigo are?—They are rather over 3 *s.* a cwt., a chest of indigo is four cwt., upon which the dues would be 12 *s.*; making the cost of transit altogether 22 *s.*

1578. How would that operate in sending to Hamburg and Lubeck?—The freight through by that rate would be considerably less than the Sound dues.

1579. In addition to which, they have to pay the freight tothe north?—Yes; the whole freight for goods going up to St. Petersburg perhaps would be equal to the amount of the Sound dues, and one-half of our London freight; but for goods going to the Lower Baltic ports I should think that the Sound dues would cover the expense by the other route.

1580. So that the Sound dues operate directly to throw the carriage of valuable imports to the Baltic upon the railway, to the detriment of the shipowner?—Completely so.

1581. Mr. *Liddell.*] Is not there a high transit duty upon such an article as indigo upon the railway?—No; I think it is a fixed sum per cwt. whatever the article is.

1582. Mr. *Mitchell.*] That arises from the Sound dues being a per centage, and the transit duty being a fixed rate?—Yes.

Mr. *John Temperley* called in; and Examined.

Mr. *J. Temperley.*

1583. Mr. *Mitchell.*] I BELIEVE you have had an experience of many years as a captain in the Russian trade?—Yes, from 1825 to 1852; I think my last voyage was in 1852.

1584. During that time, have you generally made three voyages a year to the Baltic?—During the last three years that I was in the St. Petersburg trade, I made three voyages from London in the year.

1585. In the St. Petersburg trade, in order to render the trade profitable to the parties engaged in it, is not it almost necessary to make a certain number of voyages in the year?—Yes; I could not have lived if my ship had not made three voyages a year. I made up my mind that so long as I continued to make three voyages a year, I would continue in that trade, but that if I failed in the third voyage, I must put my ship into another trade.

1586. Is not any detention of the greatest consequence to the profit of the shipowners?—The third voyage is jeopardised to a certainty if every facility is not given.

1587. What is your experience of the delay caused at Elsinore by the payment of the Sound dues?—Sometimes you arrive at Elsinore with a large fleet of ships at midnight; on a fine night you might proceed on to Copenhagen were it not for the Sound dues, but as it is you cast anchor and are delayed; you cannot land; and during that period while you are delayed, ships will accumulate probably to the number of 100 sail and upwards. And if you do not happen to be the first on shore, you are sure to meet with detention. I have always had many bills of lading (probably not less than 30 bills of lading), upon a general cargo; all those have to be examined, which takes something like three or four hours, and if you do not happen to be among the first, there is no chance of getting through the grounds at Copenhagen before dark, and hence it frequently happens that you have to anchor in the dark, and on the next day you find that the wind is against you, and the current prevailing in the same quarter, by which ships are detained sometimes a week. I have always been

been more fortunate myself than to meet with so great a detention; otherwise I could not have performed the voyages that I did; but I have known vessels that have had to winte rin St. Petersburg, and as to passing by without a clearance from Elsinore to St. Petersburg, you would not be received in the port without your Sound pass, and therefore you might as well wait at Elsinore.

1588. *Chairman.*] Do you say that you have had as many as 30 bills of lading upon one cargo?—Yes; I think I even numbered 40 bills of lading sometimes.

1589. Mr. *Mitchell.*] Must you not obtain a clearance at Elsinore before you can be received at the ports of Russia?—Decidedly; I do not know how it may apply to Prussian ports, but to go through without a clearance to Russia is next to impossible. In the first place, it is a guarantee for your having nothing improper on board, and that you have proper clearances from England, properly attested at Elsinore, and your Sound pass must contain all those clearances which are required as certificates.

1590. Independent of the detention caused to the ship at Elsinore, might not those few days' detention cause you to winter at St. Petersburg, and would not that involve an immense expense to the ship?—It would be better that the ship never entered upon the voyage at all; a loss would be caused to the shipowner of 400 *l.* under the most favourable circumstances.

1591. The ports of the Baltic being closed during four months of the year, is it not very important to avoid being caught in the ice?—Just so; we have to agree with the sailors in making the last voyage in the autumn, that if we have to winter at St. Petersburgh we shall pay them half wages while they are detained there.

1592. Has it often occurred that ships have been detained in the ice?—I have been caught there on three voyages as chief officer, but, fortunately, never as a master, and I know the expenses to be very serious indeed.

1593. Independently of the loss of time at Elsinore, do not you find that other evils follow the detention there?—It sometimes happens that in boisterous weather you are put on shore in your own boat, if you have a good boat that is fit for work, and during the time that you are transacting business with the agent at the Custom-house, your seamen get into such a state that it is absolutely hazardous to leave the shore with them. It has sometimes happened that I have been obliged to employ the shore boats to take my crew off, and disgraceful scenes have occurred with them upon the quays, particularly at the close of the war of 1815; the seamen used to speak of the fights of Nelson, and so forth, which used to enrage the Danes to the utmost, and war used to be declared among them, and it frequently happened that the captains of the ships had to go on board the guard-ship to release their crews.

1594. Have not you also found that great temptations are held out to the captains to buy spirits and provisions, and things that they do not want, at Elsinore, by the agents?—It is a serious matter. I have suffered very much from that very circumstance. On the breaking out of the war, I happened to have a vessel detained; it was a vessel of which, perhaps, the Committee have heard, the "William Brodrick," of London. There was another ship which was detained by the Russian Government in St. Petersburg at the same time, both ships having wintered there. My crew were taken out of the vessel and sent overland by the Russian Government, in order that they should not carry any information as to what was going on in Revel; that was their excuse for so doing. From a very fortunate coincidence, though it was an accident to another party, an American vessel was wrecked just at the time, and the Danish pilot and crew brought my ship home. The pilot was a Dane, and knew how to work the vessel very well. My bill at Elsinore was 57 *l.* upon the homeward voyage. If it had happened that the vessel had been wrecked on the passage between Elsinore and London, I should have suffered very sensibly by the loss of the payments which were advanced to the crew, and so forth, upon the homeward voyage; whereas if I had come direct home, there would have been no expense, under any circumstances. I must have paid the bill drawn upon me.

1595. Do you complain not merely of the detention at Elsinore, but also of the demoralisation of the crew and the unnecessary expenditure which the captains are often involved in there?—Yes. There are many things that they would avoid purchasing, if they did not go there; they fancy they want something, whereas it is not required; that is a great expense to the shipowner,

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owing to the vessels calling there. The absolute port charges levied upon vessels passing the Sound amounted, in the case of the vessel which I spoke of, which was something like 300 tons burthen, to about 10 *l.*, including the local charges. Upon a vessel making three voyages in the year, it is a sensible item in the expenditure of the year.

1596. Besides the unnecessary expenditure involved in it?—Yes; they are involved in certain expenses, which they might avoid, if they were not called upon to pay the Sound dues. I must say that the Danish Government offer every facility to the business, but it is more than they can do; such is the business that they have to attend to, that it is impossible for them to attend to it better than they do. Every facility is given by the Danish Government, but it is a great loss to the shipowner.

1597. Do not 100 vessels sometimes arrive in the Sound at the same time? —Upwards of 100. I have seen the roads so full that it was dangerous to anchor there, and I have been obliged to go some miles off in order to be able to anchor safely.

1598. Mr. *Duncan.*] Is the charge of 10*l.*, which you mentioned just now, upon both the upward and the downward voyage?—It is the charge upon both; 10*l.* includes both passages.

1599. Can you state how much of that 10*l.* goes into the treasury of the Danish Government?—I should think the whole, with the exception of 10*s.* or 20*s.*; there are some things that they do not receive, such as the amount charged to us for church rates; there is a church rate levied upon the British vessels.

1600. Do you wish the Committee to understand that a small, or a large proportion of that 10*l.* goes into the treasury of the Danish Government?—They receive all except a small portion.

1601. How much of this charge of 10*l.* is for lights?—I think about 2*l.* of it is for lights, as far as my memory serves me.

1602. Is not the rest of the 10*l.* paid for agency?—No; it is partly for local dues; there are other local dues besides the lights; there are poor dues, which I believe are paid to the Danish Government for the needy at Elsinore.

1603. Could you conveniently put in a statement of the various items of which this 10*l.* is composed?—I could by referring to my books, but not from memory; if I had thought that documentary evidence could be taken I would have armed myself with it.

1604. Will you hand in a statement to the Committee of the exact items of which that 10*l.* is composed?—I will take an opportunity of doing so.

1605. Mr. *Liddell.*] You can speak from your professional experience as to the state of the lights in the Sound; do you consider the Sound well lighted? —I do; I have no complaint to make upon the score of lighting; I am not so much in favour of the buoys; in fact, they are rather at fault in that respect, and I think that that is allowed to remain as it is, in order to compel parties who are pretty well acquainted with the navigation to take pilots. I have avoided pilots myself; but I should have found the navigation of the Sound much easier if there were buoys instead of a small beacon, which is only visible at a distance of a quarter of a mile.

1606. Do you think that the Danish Government purposely neglects the buoys in that channel, in order to obtain employment for their pilots?—That is my full impression; but the lights are in a good and efficient state.

1607. *Chairman.*] Who would keep up the buoys and lights if we did not pay the Sound dues?—That is a point that I wish to mention. I think that the Danish Government ought to be paid for the buoys and lights; but in order that the vessels might not be detained to pay them, it would be an easy matter to levy them upon the vessels at the various ports which the ships leave.

1608. Do you complain of the way in which the buoys have been kept up? —The buoys are not kept up as they should be.

1609. Have you any proposition to make about the way in which they should be kept up in future?—I should think, as they have just stated, that they should be paid for them; I consider that it is a mere matter of pounds, shillings, and pence with the pilots, for the pilots are all Government officers; they are paid servants of the Government; there is an amount levied upon the

the shipping for pilotage, and hence it is for their interest to make the navigation as difficult as they can, in order to compel parties to take pilots. Mr. *J. Temperley.*

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1610. Is that connected with the payment of the Sound dues and the detention at Elsinore.?—No.

1611. Mr. *Liddell.*] Supposing that the Sound dues were paid off by a fixed sum, do not you think that there is some danger that the Danish Government would cease to keep up the buoys and lights?—I have already stated that they must be paid for the buoys and lights just as our Trinity House is paid, and I do not see any difficulty in their receiving the payments for the buoys and lights in the Sound, in the same way as the Trinity House receive payment for the lights in the Channel.

1612. If they are so careless now that the profits from the Sound dues depend to a certain extent upon their keeping up the navigation, do not you think that they would be still more so if a fixed sum were paid to them in lieu of the Sound dues, and they had no interest in keeping up the lights?—I should say that in paying such an amount to them for the light dues, it would be absolutely necessary to bind them to keep the lights in a good and effective state.

1613. Mr. *Mitchell.*] Do you think that we ought to have some security for the maintenance of the lights?—Yes.

Martis, 1° *die Julii*, 1856.

MEMBERS PRESENT.

Mr. C. P. Villiers.	Mr. Chancellor of the Exchequer.
Mr. Duncan.	Mr. Bramley-Moore.
Mr. Disraeli.	Mr. Liddell.
Lord Stanley.	Mr. Mitchell.

THE RIGHT HON. C. P. VILLIERS, IN THE CHAIR.

Robert Fleming, Esq., called in; and Examined.

1614. Mr. *Duncan.*] WHAT is your occupation?—A Merchant and Shipowner of Dundee; a Partner in the firm of Paton & Fleming, Merchants and Shipowners. *R. Fleming*, Esq.

1615. How long have you been in business?—About 12 years. 1 July 1856.

1616. Have you been requested to give evidence before this Committee as to the effect of the Sound dues upon the trade and shipping of this country?—I am a member of the Chamber of Commerce of Dundee, and I have been requested by the Chamber to appear here and give evidence upon this subject.

1617. Is the firm of which you are a member engaged principally in the Baltic trade?—Messrs. Paton & Fleming are engaged in the flax, hemp, timber, and grain trade connected with the Baltic, and our chief business has been in flax, and we sell occasionally in one year considerably above 10,000 tons of flax goods.

1618. The staple trade of Dundee, I believe, is principally the linen manufacture; can you give any information as to the import of flax material into that port?—The staple trade of Dundee is the linen manufacture, and almost the whole of the flax material used there comes from the Russian and Prussian ports in the Baltic; and if the Committee will allow me, I shall produce statements of the total import of flax goods into Dundee, showing the quantities exported thereto from Russia and Prussia for the years 1846 to 1855 inclusive. I have the same information with reference to Aberdeen, Montrose, Arbroath, Kirkaldy, and Hull, and I have a statement including the total import of flax goods into all those places from 1848 down to 1855, with the exception of the imports in 1855 into Montrose, because the returns of Montrose were not completed when I left. Those statements I should be very happy to produce.

1619. *Chairman.*] Will you hand them in to the Committee?—(*The same were handed in*). *Vide* Appendix.

1620. Mr. *Duncan.*] Can you furnish the Committee with an estimate of the yearly amount of Sound dues paid upon goods imported into Dundee?—The

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amount of Sound dues paid from Dundee for the year from the 31st of May 1853 to the 31st of May 1854, is estimated at nearly 15,000 *l.*; and I have two statements which I shall be very happy to produce to the Committee; the one is a return from the collector of shore dues at Dundee, showing the number of vessels, and their tonnage, which arrived there from the 31st of May 1853 to the 31st of May 1854; those vessels were partly loaded with flax, hemp, timber, and grain. I have also to produce a statement of the estimated amount of Sound dues paid upon flax, hemp, grain, and timber imported into Dundee for the same period, and their quantities, rates, and all other particulars.

1621. Is that an estimate of the Sound dues upon those goods imported into Dundee from 1853 to 1854?—Quite so, from the 31st of May 1853 to the 31st of May 1854; and at the bottom of that statement there is an estimate of the per-centage of the dues that are charged upon flax, hemp, and codilla.

1622. Can we collect from this return the precise amount of dues that is imposed upon those goods?—You can.

1623. Does it operate so as to levy a greater duty than one per cent. on such an article as flax?—The per-centage very much depends upon the price of flax.

1624. The Danish Government profess to impose a duty of one per-centage upon the former values of the articles taxed: can you inform the Committee whether, according to the present value of flax, the duty upon it is more or less than one per cent.?—From the short statement, it is shown that, with regard to flax of the average value of 38 *l.* per ton, which is assumed to be the value of flax imported into Dundee during the years mentioned, the per-centage is 16 *s.* 4 *d.* per cent.; 16 *s.* 8 *d.* upon hemp, and 11 *s.* 8 *d.* upon codilla.

1625. Do you know what is the per-centage of the duty upon grain?—No, I am not able to give a reply to that question; our importation of grain into Dundee is so comparatively trifling that it has not entered into my calculations.

1626. Do you know, in fact, what duty is paid upon grain imported from the Baltic; could we collect it from the return that you have given in?—It could be deduced from this return.

1627. Mr. *Duncan*.] Are you aware that all vessels must clear at the Sound in passing upwards and downwards?—All vessels must clear at the Sound in passing upwards, as they would not be allowed to unload at a Russian port without the Sound pass. In returning they may, however, run through without clearing; but in that case a fine is incurred of about 10 *s.* to 15 *s.*, besides postages for transmitting ships' papers. I have prepared pretty full notes upon this subject which, with the permission of the Committee, I will refer to. The delays ships meet with at Elsinore from having to remain for their necessary papers from the Custom-house is often the cause of many disasters. In fine weather the master may be on shore for two or three hours only, but if the weather is not fine he may be absent five hours, and occasionally much longer. The roadstead in spring and autumn is a very exposed and unsafe anchorage, and frequently serious accidents occur, such as collision, slipping chains, parting from anchors, driving on shore; and sometimes ships are lost, and the crews drowned. A vessel arriving late in the afternoon must come to anchor, and by the time the captain gets his clearance business finished and returns on board and gets under weigh again, it is scarcely possible to proceed through the grounds (channel) with daylight that day, and the attempt to proceed through that dangerous channel during the night very often terminates in the vessel getting ashore; and if assistance be required to get the ship off, a heavy expense is incurred to the owners and merchants. It often happens that during the time occupied in attending to the clearance business a change of wind occurs; and from the peculiar nature of the channel, the direction or course desired to be steered, change of currents, &c., vessels may be delayed for a number of days; whereas if they could have proceeded without having to stop, the voyage might have been accomplished instead of being at anchor. When the captain goes on shore at Elsinore he gives his papers to the agent, who does the Custom-house business. There are many agents, and the captain employs whom he thinks proper, unless otherwise ordered by the owner, or unless the charterer binds him to clear with a particular agent. Each voyage a gratuity of 20 *s.* to 30 *s.* is allowed by the Elsinore agent to the owner, charterer, or captain, according to arrangement; the captain is also allowed half a dozen of wine, or equivalent in money or tea, and if a new ship a china punch bowl. The captain may go on shore with his own boat in fine weather, but in bad weather it is necessary to employ a shore boat, the charge for which varies according to the state of the weather

weather from one to three guineas, and even as high as five guineas. There is another circumstance which renders it almost indispensable to employ shore boats, namely, the risk of the ship's boat's crew, in the absence of the master attending to the clearance business, getting intoxicated. The men have many opportunities while on shore of obtaining spirits, and it is more prudent to keep the crew on board. There is also another class of boats, called bumboats, which come off from the shore for the purpose of buying old ropes, bones, or anything else on board of the ship, and instances have occurred of part of the cargoes having been sold; besides, the same boats take off spirits, tobacco, &c., which are more readily sold when the captain is absent. Each agent in Elsinore keeps a general store for supplying the ships clearing with him, but the prices are usually about 10 per cent. higher than those current at the shops. In settling the amount of clearing dues and cost of supplies the captain gives his draft or bill on the owner at one to three months' date, which bill is transmitted by the Elsinore agent to his correspondent in this country, who collects the money, and for which a commission, varying from two to five per cent., is received by the latter. Should a ship clear on a Sunday, an additional charge of 5 *s.* is made, and when a ship passes downwards without stopping for clearance, a fine is paid, as already mentioned. Perhaps I may be allowed to refer to two letters which have been addressed to the secretary of the Chamber of Commerce of Dundee, confirming the statement which I have just made.

1628. Mr. *Duncan.*] Are those letters from shipowners or people interested in the trade?—Both the letters are from shipowners.

1629. *Chairman.*] May all ships pass the Sound on their homeward voyage without being detained?—Yes.

1630. Is that generally done; are the ships not detained usually in the Sound?—It is seldom done, but it might be done on the payment of a fine, and the expense of transmitting the ship's papers back to Elsinore.

1631. Is it practically the case that the ships stop or not on returning from the Baltic?—Usually they stop on returning.

1632. Do not they, in all cases, stop to deliver their papers?—They are not bound to stop at Elsinore in going downwards.

1633. How do the authorities of Elsinore get their papers if they do not stop?—They are sent from the British port of discharge back to Elsinore, to the clearance agent, who pays the charge, and does the clearance business.

1634. What check is there to fraud in that case?—The Danish Government, no doubt, have returns from the Russian and Prussian ports, and other ports in the Baltic, of the sailing of vessels.

1635. Do you know that there is any check of that kind?—I believe that there is a check of that kind, but I cannot speak to it of my own knowledge.

1636. Is there any notice given to the Danish consul of the arrival of ships in England?—No.

1637. Is there anybody, on the part of Denmark, present at the discharge of the cargo here?—No; but a vessel having passed the Sound, and the owner failing to send back his papers to Elsinore, the ship could not again return to the Sound.

1638. Mr. *Bramley-Moore.*] It would not be necessary for the Danish consul to attend to the discharge of the ships here, seeing that there is always the check of the Customs?—Quite so.

1639. Is not that a better check than their presence?—Quite so.

1640. Mr. *Duncan.*] Will you read the letter you spoke of?—It is a letter to the secretary of the Chamber of Commerce of Dundee. It is dated Dundee, the 17th June 1856: "Sir, I send this with some remarks as to the Sound dues, having been in 1805 master of a vessel in the Baltic trade. Nearly ten years ago the light dues were increased about 6*s.* each voyage. In passing the Sound at Elsinore it frequently happens that a boat from shore must be employed at a heavy expense to land the captain to clear his vessel; the charge for the boat being entirely regulated by an official, according to the state of the weather, and it is from 1 *l.* 1 *s.* up to 5 *l.* 5 *s.*; in extreme cases much higher. I have frequently been compelled to anchor in coming down during the night with a favourable wind, being unable from the large fleet at anchor to run safely through, and in consequence have lost our passage; frequently also anchors and cables are lost, besides getting into collision and running risk of loss of life and property. I have known ships riding in the roads for three days with a fair wind, not being able to weigh anchors on account of a heavy sea and the risk of running foul of other ships. In some cases, the captain and part of the crew are on shore for days,

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days, unable to get to the ship. I have known a small vessel of 100 tons with two anchors, with only the mate and two boys on board. All interested ought to try all legal means to put an end to a system so injurious to our Baltic trade; may not the light dues be paid at the port of discharge, and thus leave a free passage to prevent so great disasters?" The next letter which I shall take the liberty of reading, is also addressed to the secretary of the Chamber of Commerce, and it is dated 24 June 1856: "Dear Sir, I should fain hope that some arrangement would be made, so that the Sound dues on ships and goods will be abolished. I am against vessels stopping at Elsinore to clear, for the following, among other reasons: 1st, That should a vessel be proceeding upwards or downwards, she must remain until the following day, if she arrives after clearing hours; by the delay a fair wind is often lost. 2d. That the master in going ashore to clear is put to considerable expense for a shore boat, or should he take his own boat his vessel is so weakened in her crew, that often damage takes place, and sometimes loss of ship and cargo. 3d. That during the absence of the master, spirits are often sold to the crew by the shore boats coming alongside, and the captain, on reaching his vessel, finds that the crew from liquor are unable to work the ship. 4th. That the winds which generally bring a ship up or down to Elsinore are favourable for her proceeding; but if after she is brought up the wind gets strong, though fair, the crew are often unable to weigh the anchor, so that she must remain. The port charges, light money, translator's fees, &c., on my last vessel that went to St. Petersburgh with coals, and back with wheat, was for the ship 7 *l.* 2 *s.* 4 *d.* in small sums. My captains seldom or ever take a shore boat, and my instructions to them are not to stop to clear in passing downwards, preferring rather to pay the expense in sending out the papers and paying a fine which is inflicted, than delay the vessel by stopping to clear. I have known vessels, by thus proceeding homewards, arrive several weeks earlier; and I would urge on Mr. Duncan to try and get the dues collected at the port of discharge, should it be decided to continue them in whole or in part." The first letter is from Mr. David Jack, formerly a shipmaster for a great many years, and now a shipowner of Dundee. The writer of the second is Mr. John Thain.

1641. Are you aware that the ships are exposed to a great deal of danger while the master is transacting any Custom-house business beyond what you stated just now?—I think that the evidence which I have already given, and the information which is contained in the two letters which I have produced, is sufficient to show that there is danger and loss arising from various causes.

1642. And among others the detention at the Sound, which very frequently loses the passage of the vessel altogether; seeing that the sailing vessels only make three or four passages in the course of the season, is not the loss of a passage irretrievable?—Sometimes the loss of time is of the last importance. The period for navigating the Baltic being confined to six, seven, and eight months in the year, the loss of a single day at the Sound is of great moment to the shipper of the goods as well as to the shipowner.

1643. As a considerable importer of flax, is it your opinion that the Danish Government receive the whole sums charged by the agents at Elsinore upon ships passing the Sound?—I should say that, having in view the gratuities given by the Elsinore agent, the loss of interest on the bills which the captains draw on the owners of ships, at one to three months' date, for the amount of dues, &c., the risk of bad debts, and the commission paid to the correspondents of the Elsinore agents in this country for collecting the bills, the fair inference is that the Danish Government does not receive the sums charged by the Elsinore agents against the owners of British vessels; that such is the case I think the example which I will quote will be sufficient to prove. The charges per tariff upon a vessel passing upwards, coal-laden, reckoning the exchange at 60 *d.*, are light and beacon money, 1 *l.* 2 *s.* 6 *d.*; additional light and beacon money, 2 *s.* 6 *d.*; customs' fees, 15 *s.*; poor's money, 5 *s.*; translator's fee, 1 *s.* 3 *d.*; the total charges per tariff upon a vessel passing upwards coal-laden being 2 *l.* 6 *s.* 3 *d.*

1644. *Chairman.*] Are these dues all charged on the ship?—Yes. I mention a ship loaded in that way, because I have a receipt to produce from one of the houses at Elsinore, who did the clearance business of a vessel passing upward, coal-laden, and I accordingly give this vessel as an instance of the injustice which I am going to point out. I have mentioned that the total charges per tariff upon a vessel passing upwards, coal-laden, amount to 2 *l.* 6 *s.* 3 *d.* But there is actually charged, as will appear by the bill which I shall produce, light money,

1 *l.*

1 *l.* 2 *s.* 6 *d.*; pass money and officers' fees, and expedition, 2 *l.* 8 *s.* 6 ½ *d.*; translator's fee, 1 *s.* 3 *d.*; poor's money, 5 *s.*; additional light money, 2 *s.* 6 *d.*; guardship, 1 *s.* 5 ½ *d.*; or a total of 4 *l.* 1 *s.* 3 *d*; making an overcharge on vessels passing upwards of 1 *l.* 15 *s.* Then I take the charges for tariff for the downward voyage, and I make the light money, 1 *l.* 2 *s.* 6 *d.*; customs' fees, 15 *s.*; translator's fee, 3 *s.* 4 *d.*; poor's money, 5 *s.*; extra light money, 2 *s.* 6 *d.*; making a total for the downward voyage, per tariff, of 2 *l.* 8 *s.* 4 *d.*

1645. Is not what you call light money the sum which the ships have to pay for the lights?—Quite so.

1646. Is that one of the charges that are considered not necessary charges?—We think that none of the items are necessary charges.

1647. Does not the light money go to the Danish Government?—The light money goes to the Danish Government. Now I find that while they charge by the tariff on a vessel passing downwards 2 *l.* 8 *s.* 4 *d.*, as I have already explained, the shipowners are actually charged as follows: light money, 1 *l.* 2 *s.* 6 *d.*; pass money and officers' fees, and expedition, 2 *l.* 8 *s.* 6 ½ *d.*; guardship, 1 *s.* 5 ½ *d.*; poor's money, 5 *s.*; additional light money, 2 *s.* 6 *d.*; or a total as the sum actually charged by the Elsinore agent of 4 *l.*, making an overcharge on vessels passing downwards of 1 *l.* 11 *s.* 8 *d.*, which sum being added to 1 *l.* 15 *s.*, the amount of the overcharge on the upward voyage, gives a total overcharge of 3 *l.* 6 *s.* 8 *d.*, or about 70 per cent. upon the amount of Sound dues paid upon the voyage upwards and downwards. All vessels of 40 tons and upwards pay the same dues by the tariff. It is stated in the tariff of the Danish Government, that an allowance is made to every shipmaster of four per cent. on the amount of dues on his cargo, for the purpose of paying his expenses in going on shore to settle the dues; but this allowance is made through the agents, and no trace can be found of this per-centage being given credit for by them in their accounts against the British shipowners. If the Committee will allow me, I will read an extract from the tariff of the Danish Government.

1648. Are the Committee to understand that the Danish Government do not make an allowance of four per cent., but that it is done by the agent?—As far as I understand it, the Danish Government do allow the four per cent. to the shipmaster for the purpose of paying his expenses in going on shore to settle the dues; but what I have already mentioned is, that, so far as we can trace, this allowance is not given credit for by the Elsinore agent to the British shipowner. An English shipmaster, on going ashore at Denmark, totally unacquainted with the Danish language, puts himself entirely in the hands of the Elsinore agent, and the Elsinore agent pays the dues and receives any gratuities which the Danish Government may give, and the accounts are settled entirely between the Government and the Elsinore agent.

1649. Is the Committee to understand you to say, that you never found this item in the account of the agent with the shipowner at home?—We can find no trace of the per-centage being given credit for by the Elsinore agent in his account with the British shipowner. If the Committee will allow me, I will read an extract from the tariff of the Danish Government applying to the allowance to the shipmasters, and the amount of it; it is at page 14: "Towards indemnifying shipmasters for the expenses necessarily incident upon coming on shore to clear the Sound dues, an allowance of four per cent. upon the amount of the duty payable upon the cargoes and the captains, by the Customs, to every shipmaster who shall have made a true report and manifest upon his cargo."

1650. Do the shipmasters receive that gratuity?—The Elsinore agent must receive it, if what is stated in this translation of the tariff be correct, and I have no doubt it is correct; but the captain, so far as we shipowners can find out, does not receive this per-centage.

1651. Mr. *Duncan.*] As a shipowner, you do not receive it from the captain?—We do not receive it.

1652. *Chairman.*] Do you suppose that it goes into the agent's pocket?—That is the only conclusion to which I can come.

1653. Mr. *Mitchell.*] If you heard, generally speaking, that the Baltic captains are unwilling to give evidence against the Sound dues in this Committee, would you not rather infer that they did receive it?—I have already stated that the Elsinore agents are in the practice of giving gratuities to the shipmasters.

1654. Mr. *Bramley-Moore.*] Have you ever examined any of your captains about that matter?—I have examined several parties recently, but I can find

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no trace of this commission or per-centage allowed by the Danish Government being paid over to the British shipmasters.

1655. Are you not aware of this, that if a ship going there, not being consigned to any particular agent, the parties might arrange and make private bargains with the captain that he should receive so much if he will put himself into their hands?—I believe that it is so, but I am not aware of any money gratuity, excepting 20 *s.* to 30 *s.* being given by the Elsinore agent to the master of a vessel; there are gifts of wine, &c. in addition.

1656. Is this done to a great extent in the Elbe?—I am not sufficiently acquainted with the practice in the Elbe to speak to it.

1657. *Chairman.*] Do not they receive a gratuity?—They do receive a gratuity; each captain receives a gratuity of 20 *s.* or 30 *s.*, unless he is debarred by the owner of his ship from taking the gratuity.

1658. Is that as much as the Danish Government profess to give?—The Danish Government by this tariff profess to allow four per cent. upon the amount of dues upon the cargo to the master, for the purpose of paying his expenses of going on shore to settle his dues.

1659. Would not 30 *s.* be less than that, generally speaking?—Generally speaking it would.

1660. Mr. *Duncan.*] Can you speak to the number of vessels belonging to the east coast of Scotland, which are annually employed in the Baltic trade?—I believe there are about 450 vessels from the east coast of Scotland, annually employed in the Baltic trade. Before passing from a question that was previously put, allow me to make one remark to which I have referred in my notes: I find in the eight years ending 1855, 36,869 British vessels passed the Sound, or an average of 4,609 British vessels annually, and an overcharge of 3 *l.* 6 *s.* 8 *d.* on each of these 4,609 vessels would give a total of 15,363 *l.* 6 *s.* 8 *d.* unjustly charged yearly against the British shipowner.

1661. *Chairman.*] Do not you include the light dues in what you give us of the particulars of overcharge?—In the statement which I made I put down, first, the dues chargeable by the tariff, and particularised those dues, and I made them to amount to 2 *l.* 6 *s.* 3 *d.* for the upward voyage.

1662. Mr. *Duncan.*] Does that sum include the charges made for lights?—It includes light and beacon money.

1663. Do you hold those to be just charges?—They are regular charges. The object of my statement is to bring this fact forward, that by the tariff, a charge of 2 *l.* 6 *s.* 3 *d.* is made by the Danish Government on the upward voyage, and 2 *l.* 8 *s.* 4 *d.* on the downward voyage; whereas, in point of fact, the Elsinore agent, on the upward voyage, charges the shipowner 4 *l.* 1 *s.* 3 *d.*, and on the downward voyage 4 *l.*, and that the difference between the amount which the Danish Government is entitled to receive, and the amount which is charged against the British shipowner, is for each vessel of 40 tons and upwards, 3 *l.* 6 *s.* 8 *d.* on the two voyages.

1664. *Chairman.*] You have read to the Committee a list of what you call overcharges; among those overcharges you mentioned light money and additional light money; do you make any distinction between the light dues and what you call "light money"?—No; I meant by that to show that there was really a difference between the tariff charges and the charges actually made against the British shipowner of 3 *l.* 6 *s.* 8 *d.* I called that an overcharge, as being made by the Elsinore agent.

1665. When you read the particulars of the overcharge you mentioned light money; do you consider light money as an overcharge?—I gave the particulars of the charges per tariff on a vessel passing upwards coal-laden.

1666. Mr. *Duncan.*] What you call the tariff charge does not include the lights?—The tariff charges include lights.

1667. Do you think that the charge for lights is a proper charge against hipping?—It is a proper charge; we do not so much object to light money.

1668. Mr. *Disraeli.*] Do you pay for light money more than is put down in the tariff?—No; apparently we do not.

1669. Is there any overcharge under that head?—There is no overcharge under that head; the overcharge is upon the other items.

1670. Mr. *Duncan.*] Can you give a statement of the charges made by the agent at Elsinore in any particular case?—Yes; I have a ship's account of the charges made by the Elsinore agents on the "Red Rose of Dundee," which amounts on the upward voyage to 4 *l.* 1 *s.* 3 *d.*, and on the downward voyage to 4 *l.*,

4 *l.*, although in point of fact the vessel was only liable to 2 *l.* 6 *s.* 3 *d.* on the upward voyage, and on the downward voyage to 2 *l.* 8 *s.* 4 *d.*

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1671. *Chairman.*] So that if they had paid the dues either at the port of lading, or at the port of discharge, there would be that difference?—Yes.

1672. Was this ship coal-laden?—That vessel was coal-laden going upwards, and with a general cargo coming down.

1673. Will you hand that in to the Committee?—(*The same was handed in.*)

Vide Appendix.

1674. Mr. *Mitchell.*] Is not that a favourable case, because coals do not pay Sound dues?—I am speaking of dues upon the ship, not upon the cargo; if there were a number of bills of lading to be translated, then there would be an extra charge for fees for translation.

1675. Mr. *Duncan.*] Have you any further statement to make to the Committee?—It does not occur to me that it is necessary to state anything further; I would merely repeat the difference between the actual charges and the charges paid by the owners of British ships, which amount to 3 *l.* 6 *s.* 8 *d.*, and taking the average number of British vessels for eight years at 4,609 vessels annually, and the overcharge upon each of those as 3 *l.* 6 *s.* 8 *d*, the total loss to the British shipowner by the system of clearance is 15,363 *l.* 6 *s.* 8 *d.* yearly.

1676. *Chairman.*] Is it not the fact that that sum is no measure of the charge made upon the community of England, because any ship coming into a British port with a cargo from the Baltic, would have to pay those dues?—I am, of course, unable to say what is the practice with reference to foreign vessels.

1677. Is not it a matter of course, that ships pay the Sound dues when they pass the Sound, and cargoes therefore coming from the Baltic to England have to reckon that duty; is there any question that if a cargo coming in a Norwegian or any other foreign vessel to England, passing the Sound, that cargo would have paid the Sound dues?—I should think it would.

1678. Mr. *Mitchell.*] You have given us the average for the last two years of the number of vessels that have passed the Sound; does not that supply a measure of the evident damage sustained by British shipowners from the dues?—Yes; and it is with reference to British vessels only that I spoke, on an average of eight years.

1679. *Chairman.*] How did you get the return of the British vessels passing the Sound which you have produced?—I have had every return sent to me that I could get; of course I cannot speak as to their accuracy, but I believe the numbers I have put down to be substantially correct.

1680. Is there any official account of the number of British vessels trading with the Baltic?—I believe the consul at Elsinore sends to the Government a return annually, but there is a great difficulty in getting accurate returns, either as to the number of vessels passing the Sound, or the amount of dues paid.

1681. Do you know where your returns are brought from?—I could not state with any degree of definiteness.

1682. Mr. *Disraeli.*] Have you any Parliamentary returns upon this subject?—I have seen Parliamentary returns and other returns.

1683. Are they manuscript returns?—No, printed returns; I believe that the figures I have put down are correct, and that they will be borne out by the information in the possession of the Government.

1684. Mr. *Duncan.*] Have you any information to offer to the Committee as to the mode of payment and collection of the dues upon flax?—I will read a sentence from a letter which I have in my hand, from a large exporting house in Prussia, addressed to my partner, in which the writer says, "I cannot ascertain as to the per-centage paid by the Danish Government to the Elsinore houses for collecting the dues, but, as far as I can gather from the shipmasters, these are in the habit of receiving five per cent. from the merchants at Elsinore." That bears upon a question which the Chairman put to me just now.

1685. Who is this letter from?—It is from a house at Memel.

1686. Mr. *Mitchell.*] Are there not a good many flax fields in Prussia?—There are flax fields there as in Russia.

1687. Have not we considerable export trade in yarn into the interior of Germany?—We have.

1688. Has not the Prussian manufacturer, being on the spot, the advantage of getting his flax on the spot, and also the advantage of not paying Sound dues in competition with us?—Yes.

1689. And therefore in our competition with the Prussian manufacturers for the

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the German trade in yarn, we have to sustain the additional burden of the Sound dues?—No doubt we have.

1690. Do you know what proportion the general manufacturing trade of flax yarn in Germany bears to that from this country to Germany?—No, I have no statistics which I could furnish upon the subject.

1691. Is not it large?—It is considerable, but I should not like to speak with any degree of confidence of it.

1692. As regards that trade, which is considerable, have not we to pay Sound dues upon the raw material, and then to send the raw material made into yarn back to Germany, to compete with the German or Prussian manufacturer who does not pay Sound dues, and who has the flax upon the spot?—Yes; I may mention as an indication of the extent of our trade, that I have heard it said that one large manufacturing house sends through Hamburg annually yarn and linen goods to the extent of 60,000 *l.*

1693. Have not you reason to think, that the trade in yarn between this country and Germany through Hamburg, is larger than from any other quarter of the world?—I believe with regard to yarns sent from Leeds it is so, and perhaps also with regard to those from Ireland; but it is not so with regard to the yarns made at Dundee and upon the east coast of Scotland generally.

1694. But you think it is so as regards other parts of the country?—I think it is so as regards Leeds and Belfast only.

1695. When the manufacturers in those places send their yarn to Germany, have not they to meet the competition of the Prussian spinners who have not paid Sound dues for their flax?—No doubt they have.

1696. Therefore the Sound dues upon the flax, amounting to one per cent., are an additional burden upon our spinners in competition with the spinner of Germany and with the Prussian grower?—No doubt they are.

1697. *Chairman.*] Do you know anything of the Prussian Government favouring their own shipowners and merchants, and making compensation to them for the Sound dues?—No; I have no precise information upon that point, and I should not like to offer any evidence that I could not be prepared, if need be, to authenticate.

1698. With respect to the Danish Government, have you any doubt that the dues are levied uniformly upon all vessels?—I should think so, but we find in practice that there is so much mystery and so much discrepancy between the charges of one house and the charges of another house (by houses, I mean clearance agents at Elsinore), that we cannot tell exactly whether the Danish Government has a pretty uniform charge in all cases.

1699. Have you any information with respect to the dues which the Danish shipowners pay?—I have no information upon that point.

1700. Have you any reason to believe that the English are made to pay more than the rest of the nations trading through the Sound, or that the dues are not the same for the foreign shipowner as for the English?—I have a suspicion that the English shipowner pays a much larger amount of the dues than the Prussian shipowner, because I think the Prussian shipowner, being so near Elsinore, will look better to his own interests.

1701. Do you think these overcharges are greater in the agent's account with the English merchant than in the agent's account with the Prussian merchant?—I have never seen an account from an Elsinore agent against a Prussian shipowner, but I have not the least doubt that the charges are greater as against the British shipowner than they are as against the Prussian shipowner.

1702. Mr. *Duncan.*] Have you heard such things surmised, although it has not happened to yourself to experience them?—I have not been led to think of it, but I have no doubt, from what I know of the Prussian trade altogether, that the Prussians would not continue to pay a difference of 3 *l.* 6 *s.* 8 *d.* upon the average of each vessel, as we have been in the practice of doing annually.

1703. Mr. *Mitchell.*] As regards the whole of Germany, and that part of Europe, is not it evident that the English spinner has to sustain the burthen of the Sound dues in competition with the spinners in the Baltic?—Quite so; and, beyond that, he has, of course, to sustain the expense of importation and the expense of exporting yarns made from the flax, &c.

1704. The additional expense of bringing the raw material to this country, and sending the yarn back; has not the English spinner, in competition with his rival, the expense of the Sound dues, which his rival would not feel?—Yes.

1705. Mr. *Bramley-Moore.*] What would that amount to?—I cannot properly put

put an estimate upon it; but I should be glad to give an idea of the expense of importing flax, or any other commodity that the Committee might desire.

1706. You know the value of flax; will you state the average value of flax free on board in Russia, and the expense of importing it into this country, with the amount of the Sound dues?—I can state that the cost of a ton of flax is 36 *l.* free on board in a Russian port, to which must be added, the expense of importation, say about 6 *s.* 6 *d.* per ton, upon the average, for Sound dues, and about 3 *l.* for other charges, but in the 3 *l.* is included a charge of 10 *s.* to 15 *s.* interest for six months, the credit allowed in Scotland.

1707. So that, in point of fact, the English spinner in competition with the German spinner has not only to pay the expense of bringing the raw material to this country and sending the yarn back, but he has also to pay one per cent. in Sound dues upon the cost of the flax?—He pays within a little of one per cent. for the Sound dues.

1708. *Chairman.*] Is the export of yarns from this country increasing?—I am not quite sure.

1709. Mr. *Mitchell.*] Is not the export of yarn to Germany very large?—It is very large. I believe that since the termination of the war a considerable impetus has been given to the German trade, but I am not able to give precise information as to that at the present moment.

1710. Mr. *Bramley-Moore.*] Do you mean linen yarn?—I mean linen yarn.

1711. Mr. *Duncan.*] Is it not the fact that the description of yarn spun at Dundee is not so much adapted for the German market as the Irish yarn?—It is not so much adapted for the German market as the Irish and English made yarns.

1712. Mr. *Bramley-Moore.*] Has not the export of linen yarn increased in consequence of the improvements in the machinery?—Perhaps it has.

1713. Mr. *Mitchell.*] Is not the amount of Sound dues so levied an additional burthen upon the English spinner?—Yes.

1714. You are well acquainted with the Baltic trade; is it your opinion that, calculating the cost of importation of the flax into this country, the amount of the Sound dues is put down as an element in the cost?—There is no doubt that we are in the practice of estimating the Sound dues to a penny in every transaction we enter into.

1715. So that the consumer in this country pays the Sound dues, and not the importing merchant?—Yes, the consumer pays them, unless when the foreign merchant sends the flax to the Scotch markets upon consignment; but in the end the consumer has to pay the tax. The foreign merchant who sends the flax to this country in the first instance pays the Sound dues; but he afterwards obtains payment of the Sound dues from the British consumer.

1716. If a large business in flax is done free on board in Russia by the spinners of this country, and if this flax pays the Sound dues, do not they calculate the amount of the Sound dues as an element of the cost to them?—Yes.

1717. *Chairman.*] Have you not been deputed by the Chamber of Commerce of Dundee to attend this Committee on their behalf?—Yes.

1718. Have they expressed a strong wish that the Sound dues should be abolished at once?—They have.

1719. Have they submitted any plan for their abolition?—They have not submitted any plan; they ask me to appear here and to give evidence, and to give any explanation that might be required.

1720. Would they be satisfied if an annual payment were made to the Danish Government by this country, and if the trade were not any longer put to any inconvenience?—We complain of the dues, but much more so, of the way in which they are levied.

1721. Mr. *Duncan.*] Have the Chamber of Commerce of Dundee thought of any mode of doing away with this system?—Two ways have occurred to the Chamber of Commerce by which the evils I have spoken of might be obviated: the one is, by the British Government purchasing the right to levy the dues; the other is, by their being collected, for the behoof of the Danish Government, in this country. The former plan, that is to say, the plan of the British Government purchasing the rights to levy the dues, would be the best plan; the British Government should pay the money out of the revenues of the country.

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1722. *Chairman.*] They mean that we should compensate the Danish Government for yielding their right to levy the dues?—Yes; the policy of the British Government has been to relieve from dues such raw material as flax, hemp, tallow, &c. I am more anxious that this should be done, because, as I am informed, it is contemplated by the United States Government to do away with their import duties upon flax, which amount to 15 per cent.; and this would alter our trade with America, the Americans being one of our best customers. If the Government will not buy up the right to levy the Sound dues, I have no hesitation in saying that the mercantile interest of Dundee, and the Scottish shipowners, would, if necessary, gladly pay a fair rate at the port of import, rather than be longer subjected to the levy of a kind of black-mail (I can call it nothing else), and to the continuance of so great a hinderance to trade as the collection of dues at the Sound in the manner I have described. If any arrangement, such as I have pointed out, should be made with the Danish Government, they should be bound to keep up the lights and buoys. I think, in making this statement, I express the unanimous opinion of the flax and other manufacturers on the east coast of Scotland.

1723. How would you compel the Danish Government to keep up the lights, if you buy up their right to levy a tax on account of them?—In all civilised countries the lights and buoys on the coast are kept up; and I do not see that it is asking anything more than is reasonable of the Danish Government, that they should do what we, the English, and other civilised countries do; namely, to keep up the lights and buoys, for the protection of the shipping on their coast.

1724. How would you bind them to do that?—I have not the least doubt that, if the Danish Government make a promise to maintain the lights and buoys, they will faithfully perform it.

1725. Lord *Stanley.*] Would not they be interested in doing so on account of their own trade?—Yes.

1726. Have you not therefore the security of their interest for the protection of the lights and buoys?—Yes.

1727. *Chairman.*] Have you heard that the lights are not sufficiently maintained now, and that great complaints have been made at different times?—I believe that the lights have been improved of late years.

1728. When representations have been made to the Danish Government of the incomplete state of the lights, have not the light dues been increased?—I believe so.

1729. So that when they do maintain the lights efficiently, it is from being paid for it?—Yes; but we do not complain so much of the charge for lights and buoys, as of the other items which I have already enumerated.

1730. Is not the mode of paying for the lights and buoys the same as that of paying the other dues on passing the Sound; is not the inconvenience attending it as great as in the other case?—Yes; a money value cannot be put upon the delay, and the danger, and the expenses attendant upon stopping at Elsinore, and the demoralising influence that the system has upon the masters and crews of vessels.

1731. Is not your objection particularly to the mode of payment?—My objection is particularly to the mode of payment, and to the influence which the system has upon masters and crews of vessels; we cannot send our vessels to Elsinore and allow the masters to go on shore for two or three hours, or even for some days, as has been known sometimes to be the case, without incurring great risk to our property.

1732. Is it the case that the ships of some places are allowed to pass without being stopped at Elsinore?—I am not aware that there is any such understanding, and I am not aware of any instance of that kind having occurred.

1733. You have already stated that the ships cannot enter the Russian ports without having paid the Sound dues?—They cannot enter the Russian ports without having paid the Sound dues, and an instance has been quoted to me of a captain of a British vessel being sent back from a Russian port, because the shipmaster could not produce the Danish pass.

1734. Had he passed the Sound without paying?—I do not know the whole of the particulars of that case; but I know that he could not enter a Russian port without the pass. A ship cannot pass upwards without paying the dues.

1735. Do you think that the security that the Danish Government takes to prevent

prevent it is sufficient?—I suppose that the captain is not allowed to pass upwards without paying the dues.

1736. If any ship were to pass without payment would they fire upon it?—Yes; or some other mode of stoppage would be enforced.

1737. Do you know why the Russian Government assist the Danish Government in collecting those dues?—I am well acquainted with the fact that the Russian Government would prohibit the entrance of British vessels into their ports without a pass.

1738. Has that anything to do with the quarantine?—I understand that Elsinore is a quarantine port of Russia, but I am not sufficiently informed to be able to speak particularly about that matter.

1739. Is the pass a certificate of having paid the Sound dues only?—I believe so.

1740. Is it the case in Prussian ports also?—As far as my information goes, it is not necessary that they should have a pass on entering a Prussian port.

1741. Mr. *Mitchell.*] We have been informed that it is the practice for ships to pass the Sound upwards and downwards without payment of the Sound dues, leaving the dues to be collected at the ports where they go to. Suppose a ship sails from any port in the Baltic downwards to any part in the world, and does not pay the Sound dues, is there any security that those dues will ever afterwards be paid to the Danish Government?—The Custom-house returns from the different countries will show to the Danish Government the amount of dues to which they were entitled.

1742. That would not give them a right to collect them?—No; but the Danish Government claim those dues under a convention with the different countries.

1743. Mr. *Duncan.*] Do you remember a vessel that ran down the Sound without paying the Sound dues, and which was returned from Russia on account of not having a Sound pass?—I do.

1744. Can you state to the Committee the amount of Sound dues payable to the Danish Government upon ships and cargoes by this country?—I cannot state with any degree of accuracy the amount of the dues, but I have seen it estimated at about 70,000 *l.* per annum, though I am satisfied, from what I know of the system already explained, that the total sum paid annually by the British shipowner and merchant is much greater.

1745. *Chairman.*] Is that paid to the Danish Government?—I have seen it stated that the Danish Government received 70,000 *l.* per annum,; but the agents appear to make charges much in excess of the sums which they actually disburse to the Danish Government, and I am pretty sure that the British shipowner and merchant pay a much larger sum than 70,000 *l.*

1746. Mr. *Mitchell.*] Did not you say that the amount paid by the British shipowners and merchants was 70 per cent. greater than that received by the Danish Government?—In an earlier part of this evidence I mentioned that there appears to be a difference between the tariff charges and the charges of the Elsinore agent of about say 70 per cent., giving 3 *l.* 6 *s.* 8 *d.* upon each vessel.

1747. So that the addition would be an addition of 70 per cent to the amount of the tax levied by the Danish Government?—I cannot say whether the extra charges upon the cargo are as great as those on the ship, but I know that it holds true with regard to the ship. I understand also that 70,000 *l.* is the estimate of dues upon the cargoes only.

1748. *Chairman.*] Where do you get your estimate from?—I have received various pamphlets, and I have seen various returns, and the correspondence between the minister at Copenhagen and our Government, and from all those particulars I should say that the amount is about 70,000 *l.*

1749. Have you seen what the Danish Government have given in as the amount they receive from the Sound dues covering every charge which they have a right to levy?—I have seen so many papers, that I cannot charge my memory with everything I have seen.

1750. Mr. *Duncan.*] Do not you state that the 70,000 *l.* is the Sound dues paid upon cargoes, not upon vessels?—My understanding is, that the 70,000 *l.* applies to cargoes only, and that there is a charge in addition for the vessels.

1750*. Can you estimate what would be charged upon the vessels over and above that 70,000 *l.*?—Not accurately; but assuming that 4,600 vessels passed the Sound annually on the average during the bygone eight years, the total charge upon

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upon those 4,600 vessels would be about 20,000 *l.* by the tariff, and from 30,000 *l.* to 35,000 *l.* by the accounts of the Elsinore agents.

1751. Are steam vessels likely to be employed in the carrying trade to and from the Baltic, which has hitherto been carried on by sailing vessels?—Steam vessels are likely to be employed; but not being at all interested in steam vessels myself, I am not able to give much information about them. It occurs to me that the vexatious delays and other annoyances which I have referred to will not long be tolerated by the owners of steam vessels.

1752. Are not you of opinion that if the detention at the Sound were still continued, it would effectually do away with the profit to be derived from the speedy conveyance of goods by steam?—Of course the detention to a steam ship at the Sound would very considerably impede the benefits to be derived from the speedy conveyance of goods by steam ships.

1753. Are there any steam vessels employed now on the east coast of Scotland?—I believe there are steam vessels on the passage from Leith, Hull, and Newcastle to the Baltic.

1754. *Chairman.*] Have you any reason to believe that the trade from the east of Scotland to the Baltic is falling off, either in cargoes or in the number of vessels?—The importation of goods from the Baltic is increasing, but owing to the vessels built in this country since the repeal of the Navigation Laws being of a larger tonnage and of a higher class than the ships generally employed in the Baltic trade, there will now be increased employment of foreign vessels, by which, eventually, the chief portion of the Baltic trade may be carried on.

1755. You are not talking of those vessels being built for the Baltic trade?—Very few vessels are now built for the Baltic trade in this country.

1756. Mr. *Mitchell.*] Would vessels of large size be suitable for the Baltic trade?—No.

1757. Take Riga, for instance; could ships of from 180 to 200 tons burthen proceed to Riga without running risks, and without a considerable extra expense?—Yes, the best-sized may be put down at from 180 to 250 tons.

1758. As the class of vessels brought from the Baltic is low, are not the freights generally paid from the Baltic such as would not remunerate a better class of ships?—They would not be remunerative to a higher class.

1759. Mr. *Duncan.*] Is it not the fact you could not employ a vessel of more than 200 tons burthen?—The largest vessels usually employed in the St. Petersburg trade from our part of the coast is about 300 tons, and in the Riga trade they average 200 tons.

1760. *Chairman.*] Do any of the Dundee houses employ foreign ships in the Baltic trade?—We frequently receive goods from the Baltic by foreign vessels, and occasionally we charter foreign vessels to bring goods from the Baltic.

1761. Do you do so on account of the scarcity of British shipping?—Simply because we are occasionally able to charter foreign vessels at lower rates of freight than the British vessels require to be paid, or because the foreign vessel is more convenient than a British vessel for carrying the cargo we have to put in her.

1762. Do you state it as a fact, that you can charter foreign vessels cheaper than British vessels?—Looking merely to the money paid, I believe that the foreign vessels can be had cheaper than British vessels; but looking to the condition of the cargoes delivered by foreign vessels, compared with the condition of cargoes delivered by British vessels, I should say that it is cheaper to send goods in British vessels.

1763. Mr. *Mitchell.*] Does not the captain of a British vessel make a quicker voyage than the captain of a foreign vessel, always exceeding the Americans?—I should say that the British vessel invariably makes the voyage quicker, and (what is more important) brings the cargo in better order.

1764. Mr. *Bramley-Moore.*] We have had evidence exactly to the contrary of that? what is the authority for the statement you have made?—I can speak from my experience as a receiver of flax goods upon the east coast of Scotland confidently to the condition of the goods.

1765. Mr. *Mitchell.*] Are not you consignees of large quantities of goods upon the east coast of Scotland?—We are.

1766. Mr. *Duncan.*] Did not you state to the Committee that you sold as much as 10,000 tons in the course of a year?—In one or two years, we have sold considerably more than 10,000 tons.

1767. Are

1767. Are they goods consigned to you?—Yes.

1768. Mr. *Mitchell.*] Is it not the fact that you do not recover damages for injury done to the cargo, unless it amounts to five per cent.?—It depends upon the terms of the insurance policy.

1769. Are not these the general terms of the insurance?—They are.

1770. Consequently as the damage up to five per cent. falls upon the owner of the cargo, it is his interest, is it not, to look for the vessel that is likely to deliver a cargo with the least damage?—I think so; the goods may be much destroyed, not from sea, but from the want of proper stowage, and yet not sufficiently to enable us to recover the loss.

1771. May not that be caused by cutting open the bales?—By cutting open the bales, and by not paying the attention which the British shipmaster gives.

1772. *Chairman.*] Is linen ever sent by the railway from Lubeck to Hamburg?—It may; but we have yet to learn the influence which that railway system will have upon our trade.

1773. Is it possible that it might come that way if the Sound dues continued?—I do not think it is likely that flax will come that way, but I have reason to think that a great many other articles, before brought by way of the Sound, will be sent by the railway.

1774. Mr. *Mitchell.*] Do you refer to more valuable articles?—The more valuable manufactured articles; but flax and other raw material I scarcely think will come that way.

1775. Do you know of any exports from this country being sent by railway to Lubeck, and other parts of the Baltic, in preference to being sent by sea?—I do not know it from my own knowledge, but I believe it is so.

1776. Mr. *Bramley-Moore.*] You spoke of a higher class of ships being built since the repeal of the Navigation Laws; how do you arrive at that conclusion?—Previous to the repeal of the Navigation Laws the vessels upon our coast were of small tonnage, and they were classed at Lloyd's usually only for seven, eight, and occasionally for nine years; now much larger vessels are built, which class from 9 as high as 13, and I am not quite sure there are not some for 14 years, but they are not vessels employed in the Baltic trade.

1777. Are you speaking of vessels built at Aberdeen? — Aberdeen and Dundee.

1778. Do you know of any classed for 14 years?—I am not quite sure whether there is not a vessel building at Dundee now for 14 years.

1779. The increase of tonnage of the burden of the ship does not apply to the Baltic trade?—No.

1780. Are not there more six and seven year ships now in existence than ever were known before?—There are fewer British vessels of a low class, at least, I should think so, than there ever were before.

1781. Taking the tonnage generally, is not there a great increase in six and seven year ships?—I am not able to give information upon that point as regards foreign vessels, but I think I am warranted in saying that as regards British vessels, there are much fewer British vessels now of a low class than formerly.

1782. Has not the tendency of the repeal of the Navigation Laws been to lower the class of ships in a great measure?—On the contrary; I think it has been to increase the tonnage, and to raise the class of the British shipping.

1783. Are there not more six and seven year ships than ever were known before?—I have said that I think there are fewer vessels of a lower class than there were formerly.

1784. Have you noticed that in Lloyd's book?—I have not referred to Lloyd's book upon the subject, but I have noticed the building of ships at the various ports where I have been, and I think I am warranted in my statement.

1785. *Chairman.*] Is there anything else that you have to say to the Committee upon the subject of its inquiry?—I wish to speak as to the dues upon flax, which is the most important of all our imports; and I want to bring under the notice of the Committee the fact, that the Elsinore agents do not vary very much in their accounts of charges, which are rather over than under the rates specified in the statement produced and already alluded to; sometimes the houses try to extort an unwarrantably high rate of exchange in passing their drafts on the receivers of flax. It cannot be found out in Dundee what per-centage the Danish authorities allow the agents on dues on flax. The agents must, however, receive a per-centage, because they only charge the British importers a commission of

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3 per cent. for doing the clearance business, while they draw bills for the amount of the dues at one to three months' date, thus losing interest and incurring the risk of bad debts; and they have moreover to pay their correspondents in this country a commission of two per cent. or more for collecting the amount of the bills. Many of the shippers of goods make fixed charges for dues in the invoices which they forward to their correspondents in this country, and the shippers who follow this plan settle the dues themselves through their own agents at Elsinore. There is good reason for stating that the proper amount of dues on flax, and possibly other articles, does not reach the Danish Exchequer. It is believed that there is a practice sometimes followed by which false sets of bills of lading are sent by some shippers (such bills of lading being enclosed in a letter and forwarded by the master of the vessel) to the clearing agents at Elsinore; and it is not difficult to imagine the object to be gained by this improper procedure. Under such a system, not only may goods be entered as liable for a lower range of dues than the proper one, but, in point of fact, at least it is so believed, dues are sometimes paid on a smaller quantity of goods than the ships have actually on board. Such practices are not followed by many of the shippers whose high reputation is well known to everyone at all acquainted with the Baltic trade; and there are agents at Elsinore whose standing makes me believe that they are not cognisant of the frauds referred to; such practices are not followed except by very few shippers whose position is not an invaluable one.

1786. Is it in collusion with the agent that that is done?—Such things are done, but how I cannot say.

1787. Does the Danish Government never overhaul the cargo at Elsinore?—No.

1788. Is there anything else that you wish to mention to the Committee?—I may mention, in corroboration of what I have just now said, that a respectable importer of Dundee, knowing I was going to give evidence here, volunteered information to the above effect; and I was lately applied to to be arbiter in a question between a foreign house and an importer of goods with regard to the amount of dues; and when I called upon the foreign house to produce the receipt for the dues which they claimed as having been paid, they failed to give the receipt, and I consequently declined to go on with the reference.

1789. Was that a receipt given to them by the Elsinore agent?—Yes.

1790. What was your inference from that?—That he had not paid the amount of dues which were claimed.

1791. He did not produce any receipt?—There might have been a receipt, but it was a question between the shipper of the goods and the receiver of the goods in this country, and because the shipper did not produce the receipt of the Elsinore agent I declined to go on with the reference.

1792. Do you infer from that that frauds are practised between the shipper and the agent?—In a few cases there may be fraud practised between the shipper and the agent.

1793. In the case to which you refer, the ship must have been stopped at Elsinore, and must have been charged the dues?—No doubt the ship must have been stopped.

1794. So that you do not require any evidence of their having been paid?—No doubt Sound dues, to a certain extent, must have been paid; and that is explained by the supposition that false bills of lading were forwarded, and the dues paid on those false bills of lading.

1795. So that the party in dispute would be unwilling to give the receipt for payment upon a bill of lading that was not true?—Quite so.

1796. Mr. *Duncan*.] As the receipts for the Sound dues were not produced to you, as evidence of their payment, you declined going on?—I declined going on; if there be malpractices in one instance at Elsinore we may infer that others exist.

1797. Mr. *Chancellor of the Exchequer*.] Has the Danish Government any control over the agent at Elsinore, or are they mere private persons without any official authority?—I understand that they have no official authority, and that they are entirely independent of the Government.

1798. *Chairman*.] They do the business with the Custom-house?—Yes,

1799. Is there not a large number of them?—I am aware that there are a good many.

1806. Are

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1800. Are there not nearly 30?—I should think quite as many.

1801. And all living on the remuneration which they derive from the collection of the Sound dues?—The whole of them; I am not aware of any business that they have out of Elsinore, with the exception of their clearance business.

1802. So that the sum of money upon which those 30 houses subsist is an additional tax to the payment of the Sound dues?—Yes.

1803. Do they act under any sense of responsibility to the Danish Government?—I am not aware that the Government have anything to do with them, except to see that they are good subjects.

1804. Mr. *Bramley-Moore.*] May not the Elsinore agents have other business besides the clearing business?—I am not aware; they keep stores to furnish the ships; but if the ships did not require to stop at Elsinore, the masters would not find it necessary to apply to them for supplies.

1805. Mr. *Mitchell.*] Does not Elsinore owe its existence entirely to the Sound dues?—I should think so.

1806. Mr. *Duncan.*] Have not you stated to the Committee that these agents keep stores to supply vessels with, for which they charge generally 10 per cent. more than would be charged in other places?—I have said that at those stores there is a per-centage of about 10 per cent. in excess of the charges paid by the ship-masters at the shops.

1807. Have you heard those charges complained of at any other port than Dundee, or at Dundee by any other correspondents than those whose letters you have read?—I have been in correspondence with various neighbouring ports, with a view of ascertaining what was the feeling with regard to the exactions at Elsinore, and I hold in my hand a letter from a gentleman at Leith, in the Baltic trade, in which he gives a number of details which I shall be glad to read, if permitted; it is just another illustration of the system. I applied to my correspondent at Leith to give me information upon the subject, not being myself sufficiently acquainted with the details. He put my note into the hands of one of his neighbours, another merchant of Leith; and this letter is from that gentleman to my correspondent at Leith.

1808. Mr. *Mitchell.*] Is not he a large manufacturer and a large consumer of hemp and flax?—Yes. This letter is dated 28th of June, 1856, and it states: "I am not aware that the importers of Baltic produce here can urge anything against payment of the Sound dues that is not well or even better known to the Dundee importers. I have always denounced such payments as being nothing else but an imposition on the importers of Baltic goods; a payment that they are compelled to make to a foreign power, for which they get nothing in return. In addition to the payment, the detention of the vessels at Elsinore, by the masters being obliged to anchor, go ashore, and show the contents of their vessels' cargo, losing, I should think, from 12 to 24 hours on the voyage, is a serious evil; the more so as this delay is frequently increased by unfavourable winds setting in during the master's detention on shore, and thus preventing his vessel getting through the intricate navigation of the Sound, it may be, for many days afterwards. Suppose a vessel of 200 to 250 tons, carrying 200 tons of flax and hemp, the average Sound dues on these goods is about 6 *s.* per ton, so that the cargo of such a vessel pays 60 *l.* sterling each voyage home from the Baltic, a monstrous tax, I think, equal to an average of from 1 to 1½ per cent. on the value of the goods, and for which no equivalent whatever is obtained. The ship itself pays somewhere about 6 *l.* or 8 *l.* besides. I do not know what proportion of the Sound dues reaches the Danish Government, nor how it is applied. There is however, I believe, a good deal of plunder by the ship-broker, &c., as it is understood that many of them keep an open and well-furnished table, morning, noon, and night, for the convenience of shipmasters when they go ashore, and on their departing, presents of wine, brandy, or other luxuries are given to them by the broker besides. The Russian Government are, I understand, in some degree implicated with the Danish as to these Sound dues. It happens sometimes that when the wind is strong and fair, a shipmaster on his home voyage goes on without stopping at Elsinore, in which case he must on his arrival here send his ship's papers out to Elsinore, that the Sound dues on cargo and ship may be drawn for. This is not permitted, however, on his outward voyage, as vessels are prohibited from clearing inwards in a Russian port unless the master shows that his ship and cargo have paid the Sound dues as they passed, and it is said that

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instances have occurred, that, in some cases where the shipmaster has gone on without so paying, the Russians have sent a vessel and her cargo back to the Sound to pay these dues before she could be allowed to enter their harbour to discharge her cargo. I have been often much astonished at the merchants and shipowners in this country so quietly submitting to such annoyances and impositions, but I am persuaded these will not be borne much longer. The introduction of steam navigation into the Baltic, which will increase now from year to year, will assist much, I think, in doing away with such absurdities, as it will never do for these vessels, to which time is everything, to lose a day or so, both on the outward and the home voyage on passing the Sound, and that for no other purpose than to pay a tax or subsidy to the Danish Government." The last part of the letter does not bear upon the question.

1809. Do not you come here to represent the whole of the linen trade of Scotland?—I come here deputed by the Dundee Chamber of Commerce, and by far the largest portion of the linen trade in Scotland is carried on at Dundee.

1810. Do you believe that you represent the feelings of the whole of the linen trade in Scotland?—I believe that I represent the whole of the Baltic trade of Scotland.

1811. Mr. *Duncan.*] Is not Dundee the seat of the largest linen trade of Scotland?—It is, as the statement I have put in will show.

1812. Mr. *Bramley-Moore.*] If the stores cost 10 per cent. more at Elsinore than they cost at other places, why should the captains buy their stores there?—I see no occasion whatever for their getting stores at Elsinore, but I presume that the shipmasters are anxious to be upon good terms with the clearing agents, because the shipmaster knows very well that he is to get a gratuity in return.

1813. Does his desire to get presents induce him to buy stores at Elsinore?—That possibly may be his object in buying those stores.

1814. Is there any necessity for a well-regulated ship to have stores there at all?—I think not.

William Johnson, Esq., called in; and Examined.

W. Johnson, Esq.

1815. Mr. *Mitchell.*] I BELIEVE you are a Corn Factor, in London?—I am.

1816. I believe you are the largest importer of oats from the Baltic, in London?—Our firm is one of the largest importers.

1817. And you are the largest dealers in oats in London?—We are.

1818. What is your experience as to the effect of the Sound dues upon the trade in oats with the Baltic?—We find it a very disagreeable impost, and one which we quarrel with on several grounds. First, on account of the Sound dues themselves, we have frequently to pay an increase of freight upon that account. And we also object very much to the mode in which they are levied, as it enhances very much the cost of the cargo, and we get no adequate return.

1819. Does your objection arise from any delay at the Sound, or is it simply from the actual freight?—In some instances it arises from the delay which is caused by the fact that the vessels are obliged to pay the Sound dues, which they do not pay at other places.

1820. Is there a considerable competition between the ports, such as Gottenburgh in Sweden, and other ports lying outside the Sound and those lying inside, for the trade in oats?—A considerable competition.

1821. And I suppose you would have to pay an increase of freight upon those ports inside the Sound, as compared with those outside?—It depends upon the season of the year; in some seasons of the year as much as 9 *d.* a quarter for vessels will be demanded for going inside the Sound as compared with outside the Sound, on account of the delay, and because they would have to pay the Sound dues themselves.

1822. That is independent of the Sound dues, that the importer of the oats pays?—Independent of the cargo.

1823. So that at certain times of the year you, as an importer of oats, would rather pay from 6 *d.* to 9 *d.* a quarter more upon oats lying outside the Baltic, than import them from the inside?—We should have to pay from 6 *d.* to 9 *d.*

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9*d.* a quarter more freight, in order to induce the captain to go through the Sound.

1824. *Chairman.*] That is what he would charge more for his ship to go through the Sound; what would you have to pay upon the cargo, supposing it were charged Sound dues?—The cargo always pays a certain amount of Sound dues.

1825. How much is that upon grain?—I think it is about 1 ½ *d.* a quarter; that is always fixed; we never find it makes any difference whether grain is dear or cheap; I think it is about 1 ½ *d.* a quarter. It makes a difference in the per-centage, which of course varies with the price of grain. The dues are much more upon wheat than upon oats. I think upon wheat they come to nearly 6 *d.* a quarter.

1826. What would they come to on oats?—About 1 ½ *d.* a quarter.

1827. Mr. *Mitchell.*] Is that in addition to the sum of from 6 *d.* to 9 *d.* a quarter which you have to pay shipowners in order to get the vessel to the inside of the Sound; you have to pay 1 ½ *d.* for Sound dues?—Yes, that is what we always pay.

1828. You have, as the importer of the goods, to pay from 6 *d.* to 9 *d.*, and also 1 ½ *d.* per quarter extra, for goods coming from the Baltic?—Yes.

1829. Do not you sell direct to the consumer?—Yes; sometimes we sell to the dealers and principal consumers; to the large dealers in London.

1830. Do not you sell largely to the omnibus proprietors?—Yes.

1831. Do not you add the expense of the Sound dues to the calculation of the cost of the oats?—Yes; often it is forgotten by people who import oats, and the bill afterwards is brought up for the money, which they did not think of. We, of course, take it into calculation.

1832. *Chairman.*] What do you mean by a bill?—A person releases a cargo shipped, and after a week perhaps somebody comes and lays down a bill, and asks him for an amount which he did not know anything about, and he is told that it is for the Sound dues, and he has to pay it.

1833. Does that charge enter into the price of the oats?—Yes.

1834. What do you charge upon oats in England?—One shilling a quarter.

1835. Is it the same upon all grain?—Upon all sorts from all countries. We also find fault with the delay; it is frequently prejudicial to the cargoes; they often get out of condition in consequence of a delay of one day; they cannot clear a vessel at once, on account of the delays, and often a delay of one day occurring loses a week in the voyage, and that week is often of consequence.

1836. Mr. *Mitchell.*] Are steamers often freighted with grain?—Not very often. Sometimes they are, but the freight by steamers is generally too great for grain.

1837. Do not you often get grain from Denmark?—We get a great quantity of all sorts of grain from Denmark; but upon Danish produce they do not charge any Sound dues.

1838. We have heard a statement to the contrary; do you know that to be the fact?—We never hear of any charge made upon Danish corn, and we receive as much Danish corn as we do Swedish.

1839. Do you mean to say that a ship passing the Sound with Danish corn on board does not pay the Sound dues?—I believe it does not.

1840. How do you know that to be the case?—We have never heard of any payment made by the Danish captains, and I have always understood that they do not pay any.

1841. Is a Danish vessel bound to go through the process of clearing?—I believe not.

1842. Do you allude to the Danish flag or to Danish produce?—The rule applies to Danish produce, I believe; but a Danish vessel coming from a Swedish port with Swedish corn would have to pay the Sound dues, but if she were freighted with her own produce she would not have to pay them.

1843. If a Danish vessel comes to you from a Swedish port with corn you are applied to for the Sound dues?—We are.

1844. And if she comes from a Danish port you are not applied to?—No, we are not; we never have any payment to make for Sound dues upon corn from a Danish port, whether it comes in a British or Swedish vessel, or in a Danish vessel.

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1845. *Chairman.*] Do you ever import corn in Danish vessels?—Frequently; as often as in British or Swedish vessels.

1846. Then this is a matter which you must know perfectly well?—Perfectly.

1847. How would it be if a Swedish vessel brought Danish corn?—We are never applied to for Sound dues upon Danish produce; I never heard of Sound dues being either claimed or mentioned upon produce coming from Danish ports.

1848. Are dues paid upon any live stock?—I am not aware of it.

1849. Does not a great amount of live stock come from Denmark now?—Yes; but it comes from this side of the Sound principally, because the cattle come from Holstein, and from that neighbourhood; I do not think that any cattle are imported from the other side of the Sound.

1850. Does grain ever go by rail from Lubeck to Hamburg?—I believe some is sent that way for the consumption of Hamburg.

1851. As there are not any transit duties for carrying grain across the railway, will it not escape the Sound dues if carried that way?—It will escape the Sound dues.

1852. Have you ever had any proposition made to you for avoiding the Sound dues that way?—I have not; the Sound dues would be too trifling to try to evade them in that way; I believe that goods of value, as compared with their bulk, would possibly be sent that way, but grain is too heavy and bulky ever to be sent that way.

1853. Mr. *Mitchell.*] Would the loss of a week be important to you in the importation of corn?—At particular seasons of the year it would; at this season of the year it frequently happens that a week would make a difference of 100 *l.* in the value of a cargo; it also makes a difference in the winter, when the ice is setting in; a vessel is frequently detained by the ice, which is one cause of delay.

1854. Mr. *Chancellor of the Exchequer.*] Are the Baltic oats generally of a good quality?—In quality some are very good, some middling, and others indifferent.

1855. Mr. *Mitchell.*] Do not nearly all the foreign oats consumed in this country come from the Baltic?—Yes, the principal portion of them, except from Archangel.

1856. Are there any other sources of supply except America?—A good deal comes from Holland.

1857. *Chairman.*] Is it the produce of Holland?—Yes; there is a large growth of oats in Holland; and there is a large importation from Riga and St. Petersburg, and all those places; and also from Denmark and Sweden, both within and without the Sound.

1858. I suppose you know the opinions of other persons engaged in the trade of supplying this country with grain from the Baltic; do they complain of the operation of the Sound dues?—They complain of the high charge, and they think it a great imposition that they should have to pay something for which they get nothing.

1859. Mr. *Chancellor of the Exchequer.*] Is it the wish of persons engaged in the Baltic trade, so far as you are acquainted with their views, that the proposals made by the Danish Government for relieving them of the Sound dues, should be accepted?—I have not entered into conversation with them about that; the view, generally, I believe, is that it is a tax that has existed long enough, and they wish to get it done away with; it is an enhancement of the charge, for which they receive nothing in any way.

Mr. *Charles Alcock* called in; and Examined.

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1860. *Chairman.*] I BELIEVE you are a Shipowner and Merchant in Sunderland?—I am.

1861. And you have been engaged in the Baltic trade?—Yes, I have been largely engaged in the Baltic trade.

1862. And for many years?—Yes.

1863. What is your experience as to the effect and operation of the Sound dues?—That it is most injurious to our trade; we feel it as shipowners more than as merchants. We have sailing in 1853 from our port to the Baltic ports 462 British and foreign ships, with a burthen of 82,742 tons; and inwards, with cargoes

cargoes from the Baltic ports, 202 British and foreign ships, the chief part of which are laden with timber, and the remainder with grain, and hemp, and tallow, the burthen amounting in all to 32,897 tons.

1864. Is not there more trade between the Baltic and Sunderland than between the Baltic and any other port?—In the trade outwards, I believe, there is in number of ships, with the exception of Newcastle; our trade has materially increased this year from the opening of the Russian ports; in six days we have had 14 ships pass upwards and downwards together; 11 passed upwards, and three downwards. I have an official list of the Sound dues, by which it appears that 11 passed upwards with a cargo from Sunderland, and three passed down wards with cargoes for Sunderland.

1865. Was that immediately after the peace?—That was in April; so it appears by that return that our trade is very much increasing. The Committee will see by the Sound List that (all British and foreign ships together) the ships leaving the ports of Hartlepool, Newcastle and Sunderland are one-half of the British ships engaged in the Baltic trade with the United Kingdom; 462 British and foreign ships left the port of Sunderland alone in that year 1853.

1866. Mr. *Bramley-Moore.*] Will you state to the Committee the number of ships trading with the Baltic from the other ports which you have mentioned?—I have not the exact number of ships trading from the other ports; I only had the calculation made from the Sound List.

1867. You cannot tell how many there were?—Not exactly; we go by the Sound List.

1868. Did not upwards of 4,000 ships pass the Sound that year?—Yes; in the year 1853, the year of which I was speaking, there were 4,665 British vessels passed the Sound, according to the Sound List. I am speaking of the British ships that passed the Sound that year.

1869. *Chairman.*] Does not the number of 4,665 include ships going both ways?—Yes.

1870. So that in comparing them with the ships that left the ports you have mentioned, you must only reckon something above 2,000?—Yes; there is fully as many from Hartlepool as there is from Sunderland, and fully as many from Newcastle; and if you multiply that number 462 by three, it would be more than one half of 2,000, which was the total number one way.

1871. Have you a Chamber of Commerce at Sunderland?—No; we have a Shipowners' Society in lieu of a Chamber of Commerce, and Mr. Hudson and myself were deputed from that shipowners' society to attend upon this Committee.

1872. What do you wish to convey to this Committee as being their opinion as to the operation of the Sound dues?—We wish to explain that the risk occasioned by clearing at the Sound is very considerable, and that the detention is also very considerable, and that the buoys, and lights, and landmarks are not kept in proper order by the Danish Government, so that we are obliged to take pilots where we should not have to do so, provided the buoys, lights, and landmarks were kept in proper order; also, by the system at present existing we have to employ boats in nine cases out of ten to carry the captains on shore, which is a very serious charge in itself.

1873. The charge for boats has been stated in evidence before this Committee to amount to from one guinea to five; is that so?—Yes; but at the same time we have much more than that to pay; at times I have known it, when the ships were among the ice, to amount to 7 *l.*; the pilotage also is very considerable, especially in the winter; the pilotage upon a vessel drawing 15 feet of water, runs in the summer to about 3 *l.* and in the winter to nearly 5 *l.*; they divide the year into winter and summer months, and according to that division a rule is made by the Danish Government as to what we should pay.

1874. Do you mean to say that you could dispense with pilots if the Sound were properly lighted and buoyed?—I have been through the Baltic, when I was a young man, 15 times without a pilot, with the landmarks as they were.

1875. Are they not now as well maintained as they were then?—It appears by the reports that I have heard, that they are rather better maintained than they were, but still they are not so maintained as to allow a captain to navigate with such ease as he could if there were more lights; for instance, in coming from the Baltic by the route which ships generally take, there are three channels, called the

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the Grounds; the best of them is on the Swedish side, quite independent of the Danish side altogether; but for some unaccountable reason, it is not buoyed or lighted at all.

1876. Are not the pilots all Danes?—Yes. A vessel coming along the further side of the channel can come along the Swedish shore, and keep out of range of the guns. In the channel they usually take, there is only one light. In coming from the Baltic, the first light is at the beginning of the Sound, and then there is no light to direct a ship through the Grounds on either side of the channel. If there were proper lights, it might be as easy to come through the Grounds at night as it is to come up the Swin at night, and there are vessels regularly come up there. At night the narrow part of the channel is called the Grounds, and one side is called the Eastern Grounds, and the other is called the Western Grounds.

1877. Mr. *Liddell.*] Are these grounds shoals?—Yes. If there were lights at the entrance of the passage, which we call leading lights, the same as there are on the English coast, and on the Dutch coast at Rotterdam, where the channel is much narrower, a ship could safely go there at night; it could go through those channels in safety.

1878. Mr. *Bramley-Moore.*] What is the breadth of that channel?—About 400 feet; this is the narrowest part of the Grounds by the west channel; but what we complain of is, that in the first place, the Danish Government have the dues collected at Elsinore, at a point off the castle, where it is extremely inconvenient for ships to bring up; at night time, I have seen 300 vessels there. A former witness has stated that there are a great many anchors and cables lost; and then we have some very heavy averages here that have occurred from that cause.

1879. What is the width of the channel at that point?—It is about three miles; and if a ship should come up in the evening, and the wind changes in the night, it is delayed for a long time. If the dues were collected at a point between Copenhagen and Elsinore, which I can point out to the Committee upon the map, it would be better. There is a beautiful anchorage between Elsinore and Copenhagen. I should be sorry to say anything unfair; but it is my opinion that the Danish Government put it where they did on purpose, the danger is so great; Elsinore harbour is only like beach.

1880. Why should the Danish Government wish to choose a dangerous place?—For this reason, that they get more perquisites. I have no doubt that the damage done to British shipping and merchants is fully six times as much as the Sound dues, that is including detention.

1881. *Chairman.*] When accidents proceed from that cause there are vested interests in the repairs?—Yes, and prescriptive rights.

1882. Mr. *Liddell.*] In certain states of the tide, is there not a strong current running into the entrance of the Sound?—Yes; and that is one reason why I would have the dues collected at the other place which I have mentioned. The current in the broad channel is one mile an hour; in the part which we call "the Narrows," the current runs four miles an hour; I have known it come down with a gale of wind so strongly that we could not bring up to anchor.

1883. *Chairman.*] Under certain conditions of wind and tide, is not a heavy sea produced by their contrary action just at the spot where the ships draw up?—Yes; that has occasioned great loss here.

1884. Mr. *Liddell.*] Do the American vessels ever take that course?—No; by the Elsinore papers we find that an American captain protested against having to pay the Sound dues.

1885. *Chairman.*] But he did pay them?—He did pay them.

1886. Mr. *Bramley-Moore.*] Do not you know that the Americans have agreed to pay the Sound dues for another year?—Yes.

1887. *Chairman.*] What is the next thing that you complain of?—The next thing we complain of is the system of collecting the dues. There is sometimes a complete quarrel among the parties when a captain goes on shore, as to who shall take his ship, unless the owner has a regular agent there.

1888. Do the agents compete with each other?—Yes; I have known them almost get the captains upon their backs, they have been so determined to have them clear with them. There were 20 agents, to the best of my knowledge, at Elsinore, and the competition is very great amongst them; I understand from a Stettin gentleman that they make large incomes every year. The Stettin merchants

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merchants and shipowners have opposed them for many years; and it was understood last year that the Chamber of Commerce had two or three meetings on the question of the Sound dues.

1889. Do you know that the Prussians pay the agents less than the English?—I do; I am not at all astonished at that. The Prussian captains, nearly all, speak the Danish language, and, of course, they have more command over the Danish agents, and can investigate matters, and make better bargains than the English captains generally do.

1890. Can they dispense with the services of the agents?—No; they must be cleared by an agent. As to that matter, I put a question to a Prussian captain, who was employed by me, as to that particular point, whether he could clear without an agent, and he said that he could not do so.

1891. Mr. *Bramley-Moore.*] Can any one go and establish an agency house at Elsinore?—I am not aware as to that.

1892. Are you not aware whether there is anything to prevent any Danish subject from establishing one, or anybody else?—Not at all. I have found that in that country agents are generally sanctioned by the Government, but I am not prepared to say whether they are so at Elsinore or not.

1893. Mr. *Chancellor of the Exchequer.*] Are not the English captains at Elsinore able to speak Danish?—No.

1894. Mr. *Bramley-Moore.*] Do not most of the Danish agents speak English?—Yes, they can speak English, but they will not speak English when it does not suit their own purpose.

1895. Mr. *Liddell.*] Are there not certain fees paid to the agents, called translator's fees?—Yes.

1896. Does not that form part of the account paid on clearing a ship?—Yes; the Danish Government says that the broker's commission is to be three per cent., and that often causes a great deal of unpleasantness between the captains and the agents, for they very often charge more than 100 per cent. on account of dues. For instance, we are led to believe by the treaty that the dues payable upon a ship with coal are 13 *d.*, but the ships are charged 2 *l.* 17 *s.* 3 *d.* more than that in an account, which I will hand in to the Committee.

1897. How do you calculate the dues upon that ship?—The charge is 13 *d.* upon a ship with coals or only in ballast, and there is no charge upon the coals.

1898. What is the date of the treaty to which you allude?—1841; then as to the average time of detention, I have been detained many times for a week, by not getting through the Sound in winter time by this stoppage in clearing.

1899. Was that when you were the captain of a vessel?—That was when I was captain of a vessel, and the same thing happens now. As a merchant I have had ships detained; for instance, if a ship goes up after the time of clearing, which is four o'clock in the afternoon in winter, or even if she arrives at two o'clock, she cannot get clear, so as to run through the Grounds that night, and they have to anchor all the night, so that at any rate the average time of clearing and going ashore is about two hours, but the average time of stoppage is fully one day, taking the average upon the whole year; we complain most of all of the detention and cost of going on shore.

1900. Is not it the case, the steam vessels engaged in the Baltic trade are not compelled by the Danish Government to stop, but may send their papers on shore, and have them transmitted to them by post?—It is not the case; we are engaging now largely with steam; a friend of mine, whom I called on on Saturday, when I got the summons to appear here, has had a steam vessel just now arrived from Cronstadt with grain, and I put it to him whether he could come through either way without clearance, excepting in bad weather, and his answer was, No. I think I heard evidence to the effect that they are allowed to pass down in a gale of wind without clearing; but if they were to attempt to pass down without a gale of wind, or without some other cause, they would be stopped by the guard ship.

1901. *Chairman.*] And under all circumstances is there not a fee paid if you pass without clearing?—Under all circumstances we pay what they call a fine; we have the pleasure of paying for the guard ship; I think 2 *s.* is the amount we pay him for stopping us.

1902. Mr. *Liddell.*] What sort of a vessel is the guard ship?—I have not seen

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seen her for several years; I have been up there since I was a captain several times; she is like a man-of-war brig.

1903. Mr. *Chancellor of the Exchequer.*] Is she armed?—She is fully armed; and the boat is armed which comes off from her, which they term the messenger. The guardship boat comes alongside, if we attempt to pass, and they call the charge for it the messenger's commission; it is called "the guardship and messenger." It is a boat fully armed; there may be a dozen men in her.

1904. *Chairman.*] Have the shipowners' society of Sunderland considered what injurious result may follow from this detention and payment of dues to the British shipping?—The injurious result is, in the first place, that we have 462 ships passing from Sunderland, upon which the charge in this account, which I will put in, amounts to an average of 10 *l.* per ship.

1905. Mr. *Chancellor of the Exchequer.*] Is that payment for Sound dues?—Yes, altogether.

1906. *Chairman.*] What do you include in that 10 *l.*?—Pass-money, officers' fees, expedition, and the translator's fees, and a great quantity of additional officers' fees, and a very strange one, called additional light money. I may mention that this is over and above what the Danish Government charges upon a ship going upwards for lights. I am separating the one from the other. The charge for lights should be 1 *l.*, and the dues on a ship with coals should be 13*d.*, whereas by this account it is 3 *l.* 8 *s.* 4 *d.*, making an extra charge over and above the charge which the Government should charge, of 2 *l.* 17 *s.* 3 *d.*; that is, fully two-fold more than the original charge should be.

1907. Mr. *Duncan.*] When you speak of the original charge you mean the tariff charge?—The tariff charge, which is the treaty charge, I presume.

1908. You do not complain so much of that, but it is the extra charge that you complain of?—We had a large meeting at Sunderland, and we objected to the charge altogether.

1909. *Chairman.*] You have told us of the charge by the tariff, and you have told us of the list of charges actually paid; is not that so?—Yes; there are charges which go to the agency houses, which amount to 2 *l.* 17 *s.* 3*d.*

1910. You object to them both?—Yes.

1911. Mr. *Bramley-Moore.*] What is the 13*d.* that you mentioned?—It is upon a ship in ballast or with coals; should be charged nothing on coals. I have made a calculation as near as I could, and I have no hesitation in saying that the full charges that we are subject to at Elsinore, together with the detention, amount to 400,000 *l.* annually, shipowners and merchants.

1912. Upon the British ships?—Upon the British ships; according to the best calculation, which I think is contained in the pamphlet upon Sound dues, the charge is 75,000 *l.* a year.

1913. Are you alluding to a German pamphlet?—To a translation from a German pamphlet; the Stettin merchants have caused an exact calculation to be got of all charges from Elsinore itself.

1914. Do not the Danish Government put it at 72,000*l.*?—Yes, and we make it out 75,000 *l.*; so that they are very near. The Sound dues should be 1 *l.* 1 *s.* 1 *d.*, and they receive 3 *l.* 18 *s.* 4 *d.* They receive nearly two-fold more than they ought to receive.

1915. *Chairman.*] Do the Danish Government receive that amount?—Cannot tell; but the British shipowners pay it.

1916. You say they receive 70,000 *l.*, and you have said that the British merchants pay nearly 400,000 *l.*; how do you make out that calculation?—I multiply 72,000 *l.* or 75,000 *l.*, which they receive, by 3, that would bring it 216,000 *l.* We pay three times as much as we ought to do; then if we take the same sum for detention, which we may well do, it would be 400,000 *l.* to shipowners and merchants; that is the calculation I made of the whole expense of passing the Sound. If I may make a comparison, the tolls of Dover, Ramsgate, Bridlington, and Whitby, are something about 40,000 *l.*, so that the injury done to the shipowners and merchants is tenfold the amount of the English dues.

1917. Do you import any particular cargoes?—Yes; timber chiefly. I have imported grain largely into Sunderland, but I found that the Sound dues and other charges were heavy, and there was a great deal of risk in it, and I gave over importing grain. For instance, on one cargo I had from Wolgust, the cargo cost 2,000 *l.* within a few shillings, and the Sound dues upon that cargo were 25 *l.*, that is 25 *s.* per cent. One of the complaints that we make against the

the Danish Government is, that they do not charge 1 per cent., but they charge as much above 1 per cent. as they can get.

1918. Mr. *Bramley-Moore.*] Have other people given up importing corn?—Yes; one firm of the name of Robson & Sons, have given over; I do not say that it is altogether from the Sound dues, but I have the amount of the Sound dues that they paid last year, which amounted to 121 *l.*

1919. Has the import of corn from these ports diminished?—It has.

1920. What becomes of it?—I cannot say.

1921. Mr. *Liddell.*] But was this cargo which you described as worth 2,000 *l.* exclusively corn?—Exclusively corn; there is no doubt that when we are obliged to go for corn we should go and get it. I find that the imports of corn, by the Government Import List, in the year 1852, was about 720,000 quarters from the Russian ports alone, and from the Prussian ports it is 218,000 quarters.

1922. Mr. *Bramley-Moore.*] Does not it vary very much; there is no import from Canada last year, and the year before a great deal, and this year it is coming again?—Yes; I recollect my correspondent paid upon one cargo of 500 quarters, 16 *l.* 5 *s.* I am not prepared to state the exact value of the cargo, so as to be able to work out how much it is per cent.

1923. In what year was this?—Last year, 1855; that would be about 60 *s.* per quarter; that is about 25 *s.* per cent. The next charge that we have to complain of is four per cent. being paid to the captains from the Danish Government; the Danish Government orders four per cent. to be paid to the captains, which we complain of, as shipowners, as inducing the captains not to come here to complain; and I should say that it induces them to go ashore, and they often forget to get on board again.

1924. Mr. *Duncan.*] Do you think this four per cent. is really paid to the captains?—Yes, I have no doubt of it.

1925. As a captain, did you receive it?—Frequently; I did not like to do it, but as it was offered me I thought it best to receive it.

1926. Mr. *Bramley-Moore.*] Who pays it?—The agent; the Government agrees to pay it, and the agent pays it to the captain.

1927. Cannot that be a question of arrangement between the shipowner and the captain as to terms, and a question of character?—Yes, of course.

1928. *Chairman.*] Can you state the fact that this per-centage is given?—Yes; then, as shipowners, we say that the Sound dues act most prejudicially to us in the Baltic trade, for in the year 1849 we had 6,885 British ships in that trade; and in the year 1853 we had 4,665; showing a decrease in the number of British ships in that trade of upwards of 2,000 vessels.

1929. Mr. *Liddell.*] What was the difference of tonnage between those vessels?—The difference of tonnage of the Baltic ships is very immaterial; they are nearly about the same size from the average of years.

1930. Is not it the fact, that lately vessels of much larger tonnage have been employed in every trade?—Yes; in every trade, with the exception of the Baltic trade; we only employ our ships in the Baltic trade when we can get nothing else for them to do.

1931. *Chairman.*] Do you think that this decrease is owing to the Sound dues?—Decidedly, in a great part; for frequently, as merchants, we have to go and inquire for ships to bring our cargoes home; the first question a shipowner will ask us is, How do you get on with the Sound dues? you must give more freight. Of course we cannot give more freight than we are offered ourselves, and therefore they object to go; for instance, to give an idea of how much it has fallen into the hands of the Prussians, (for the falling off which I have mentioned is principally attributable to the Prussians), I may mention that in the year 1849 the number of Prussian vessels was 1,361; and in the year 1855 the number was 3,487, showing an increase of Prussian vessels in the Baltic trade of above 2,100.

1932. Mr. *Bramley-Moore.*] Are not you aware that the Navigation Laws were repealed in 1849?—Yes.

1933. Is not that increase owing to that circumstance?—Not at all, in my opinion.

1934. Do you say that the Sound dues caused that increase?—Yes; in most part, if not all.

1935. Mr. *Liddell.*] Were the Sound dues altered in 1849?—No; but our shipowners have lately got such an objection to the Sound dues that they mostly object

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object to going there; the large sum that they had to pay as Sound dues, and the detention at the Sound, causes us to write to Prussian ports to get ships, when we cannot get our own for that trade.

1936. Mr. *Bramley-Moore.*] Is not that because you can get them cheaper than English vessels?—No; we offer our freights to our own shipowners first, and when they give the answer that they object to the high charges of the Sound dues and the detention, we go to foreign vessels.

1937. Do not the Prussians navigate for less money?—In some instances, perhaps, they may, but not generally; as a shipowner, and a man largely connected with shipping, I have no hesitation in saying, that I can compete with all the shipowners in the world. I am not afraid of competing with them. I was one of the shipowners who was in favour of the repeal of the navigation laws, and I am happy to say that if it were to be done to-morrow I should be in favour of a repeal of them now if they were in force.

1938. *Chairman.*] Is not there a great demand for shipping to other ports of the world?—Yes.

1939. Considering the inconvenience and obstruction in the Sound, might not that operate on the shipowners to induce them to perform other voyages. The vessels which were employed in the Baltic trade are now employed in the trade, but they only go when they cannot get other freights.

1940. Have not the freights been very high of late years?—Since the war began they have been very high.

1941. Were not the shipowners doing pretty well in 1853?—They were.

1942. Mr. *Liddell.*] Is not the price of freight asked by the Prussian captains and the Baltic captains regulated by the price asked in this country?—Yes; the Prussian captains are worse to deal with than other captains; they are more alive to the increase of their freight than British captains; they are men who pay a great attention to the owners' interests; they are better educated men generally; the British shipping has increased so rapidly, that we have not been able to get that class of captains for this trade that Prussian owners are able to get.

1943. Mr. *Bramley-Moore.*] Are not they part owners of the vessels they command?—A great many of them are.

1944. *Chairman.*] Is there anything else which you wish to say to the Committee?—I should like to make some remarks about the Russian Government; it is said that the Russian Government have agreed to the capitalization of the Sound dues; as a shipowner of Sunderland I am not at all astonished at it for this reason, that the trade from this country to Russia has greatly fallen off. Strange to say, the whole of the exports to Baltic Russia and ports from Great Britain in the year 1849 was 1,397,179 *l.*; I presume that is independent of the amount of coals, but I do not know exactly whether it is or not; but in the year 1852 it has decreased to 944,730 *l.* showing a decrease in three years of 384,000 *l.* on the export of goods to Russia. By the Government statistical returns, the value of the exports into this country, is nearly 12,000,000 *l.* from Russia alone; I have not the book here, but I get my information from the Government tables of the commerce of the United Kingdom.

1945. Do you include in that estimate, what we export of tropical produce, coffee, sugar, and cotton?—Yes, in all it is only 1,397,179 *l.* in 1849 to the Baltic Ports, to the best of my belief.

1946. Mr. *Bramley-Moore.*] It was 1,397,179 *l.* and it has gone on decreasing to 994,000 *l.*?—Yes, so that the Russians have to pay only nominal Sound dues; the British merchant pays them generally outwards and the British merchant pays them inwards; the Russian Government pays very trifling.

1947. *Chairman.*] Do not they pay as much as the British pay?—They only pay a small proportion.

1948. Mr. *Mitchell.*] If by the proposal which has been made by Denmark, Russia is to bear, in the shape of capitalization, as much as England, do not you think that we shall make a good bargain by accepting it?—I think so.

1949. Mr. *Liddell.*] Do not you believe that the consumer of those articles that we import into the Baltic, virtually pays the Sound dues upon them, and do not you also believe that a great portion of the Sound dues upon the articles coming from the Baltic, falls upon the producer?—No, because we as merchants invariably pay the Sound dues, and then when we sell the goods we try to get the Sound dues of the consumers; but sometimes, and often, we fail.

1950. If

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1950. If the Sound dues were not payable, would not the Baltic producer be able to afford to sell us those goods cheaper?—Yes, it might be so. I have had a good deal of experience as to how it operates upon the goods. I believe I have been asked what the shipowners of the North propose in the place of the Sound dues; they propose the total abolition of them.

1951. *Chairman.*] Do you think that in the North the greatest number of people are agreed in that?—There is no doubt about it; in the North we are determined to get it if possible.

1952. In order to get rid of this detention, would they mind the sum being charged upon the trade in another way?—If they could not do the former they would be glad to do the latter, because the detention and other charges incurred are more than the real charges of the Sound dues.

1953. Would your society think that the wisest plan would be for the Government to impose a tax upon the whole nation to pay off the dues?—There is no doubt of that, for the Prussian Government do pay the same, at least they repay 2½ per cent. to the exporters and importers, I understand.

1954. Do you mean to say that the Prussian Government pay the shipowners and merchants a portion of the Sound dues?—I am not prepared to say they pay the shipowners, but I am nearly positive that they pay the merchants 2½ per cent. upon the amount of exports and imports.

1955. Mr. *Mitchell.*] Do you mean 2½ per cent. upon the invoice cost?—Upon goods coming inwards they do. I am not prepared to say whether they do upon goods going outwards.

1956. Do you mean that you believe that upon imports the Prussian Government pays 2½ per cent. upon the invoiced cost of the goods?—Yes, to the best of my belief it is so; what I have seen in the book to which I have referred, which is a Prussian book, leads me to believe it.

1957. Do they allow anything upon the ship also?—I am not prepared to say whether they do or not.

1958. *Chairman.*] Is there anything else that you wish to state to the Committee?—There is only one thing that I wish to state, which is this: we beg that we may get redress in this matter. The shipowners think that at the present moment they should not be taxed in the way that they were 200 years ago, when the piratical King Helsing demanded the payment of what we call "black mail."

1959. You think that the Baltic charges ought to be got rid of as soon as possible?—Just so.

George W. Hudson, Esq., called in; and Examined.

G. W. Hudson, Esq.

1960. *Chairman.*] ARE you, as well as the last witness, a member of the Shipowners' Society of Sunderland?—Yes.

1961. Have you been deputed with Mr. Alcock to attend this Committee?—Yes.

1962. Have you heard what he has said upon the subject?—Yes.

1963. Are you prepared to confirm his opinions?—Yes.

1964. In what particular trade have you been yourself engaged?—We were in the Baltic trade some years ago, but we have not been in that trade lately.

1965. Are you a shipowner yourself?—Yes, a shipowner and a shipbroker.

1966. Your ships do not go to the Baltic now?—We sent one that way lately; but previous we have not had any for some years.

1967. Mr. *Liddell.*] Up to what year can you speak of the Baltic trade?—I have an account of a ship of ours that passed that way. In 1846, a vessel of ours passed upwards and downwards, upon which we paid Sound dues.

1968. Have not you been engaged in the Baltic trade since 1846?—I think we have had ships there later than that, but I cannot say exactly whether we have been engaged later in the Baltic trade. We have generally been in the East India trade, the Mediterranean trade, and the West India trade.

1969. But to that period you are prepared to confirm the opinion of Mr. Alcock?—Yes, completely so; I have an official account of the import and export trade of Sunderland from the collector of Customs; that corroborates the statement of the former witness.

1970. Will you hand it in?—(*The same was handed in.*)

Vide Appendix.

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1971. You can only speak of the extent of the trade with the Baltic from the Wear?—That is all.

1972. You are not prepared to speak of the extent of trade from the Tyne?—No; the import of the Tyne is probably more extensive than that of the Wear.

1973. Are you aware that the number of vessels engaged in the Baltic trade from those two ports, amounts to more than half of all the vessels engaged in that trade?—I am not prepared to answer that question.

1974. Mr. *Mitchell.*] Is it your impression that it is so?—Cannot answer; I believe that Hartlepool and Seaham, and the ports of Sunderland and Newcastle, do a great deal of trade.

1975. Do not nearly all the ships that bring wood to this country from the Baltic, come from your part of the country?—A large number; there are, of course, other ships, but we have a great proportion of the vessels; we have a vessel that went to Stettin this year, and then proceeded to Riga, and is now loading for London.

1976. Mr. *Liddell.*] Have you been in the habit of employing, within the last few years, any great number of Baltic vessels in the port of Sunderland?—Yes, a great many vessels; we have the opportunity of knowing, because we are not only shipowners, but shipbrokers and Custom-house agents as well, so that a great number of the vessels that go out come through our hands.

1977. Are they employing steamers to a much greater extent than formerly?—They are now; about a month ago there was a vessel in that trade which went to St. Petersburg in ballast, and brought a cargo of wheat to London, I believe.

1978. It has been stated in this Committee, upon former occasions, that steam-vessels are not required to stop, as sailing vessels are, at Elsinore, in order to pay the dues: can you state, from your own knowledge, whether that is or is not the case?—I should much doubt it; but I cannot positively state it because I have not put the question to our steamboat owners, and therefore I have not had the opportunity of making the inquiry; but, judging from the usual mode adopted by the Danish Government, I should say it is not so, because if a vessel attempted to pass they would soon fire into her.

1979. It has been stated to us that a boat is secured, and the papers are sent on shore, and the vessel proceeds, without any delay whatever, on her voyage, and waits at Copenhagen, where she receives her papers by post; is that so?—I am not prepared to say that it is not the case, neither am I prepared to say that it is, because I do not know; but judging from the mode which has been adopted for sailing vessels, I should say that it is not the case, unless they make an exception in the case of steamers; they may have made some specific arrangement with the steamers, of which I am not aware.

1980. Do not you wish to give some evidence as to the rates levied in the Sound upon goods?—There are great complaints as to the inequality of the charges, particularly on wood goods.

1981. Can you give the Committee any idea of that?—I can give you three letters bearing upon the question; they refer to a case where an agent at Elsinore sent an account to merchants with whom we do business; they objected to pay, because they considered that it was a considerable amount more than they had paid before for a similar cargo, and a long correspondence took place upon the subject.

1982. What year are you speaking of?—I am speaking of 1851.

1983. Do you mean that of two cargoes composed of the same material, one was charged a different rate from the other?—Quite so; they refused to pay; the agent drew upon them for the amount; his account was 6 *l.* 4 *s.* 8 *d.*, and when the bill came for that amount they would not accept it; I have the three letters.

1984. Will you have the kindness to produce those letters on a future day?—I will.

Veneris, 4° die Julii, 1856.

MEMBERS PRESENT:

Mr. Disraeli.
Mr. Villiers.
Mr. Mitchell.
Mr. Milner Gibson.
Mr. Bramley-Moore.
Mr. Hutt.
Mr. Robert Phillimore.
Mr. Deasy.
Mr. Duncan.
Mr. Liddell.

THE RIGHT HON. C. P. VILLIERS, IN THE CHAIR.

George W. Hudson, Esq., called in; and further Examined.

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1985. *Chairman.*] YOU were proceeding to state to the Committee what were the inequalities of the dues as they fell upon goods?—Yes; I was going, but, with your permission, I will take the different subjects *seriatim.*

1986. Will you do so?—I gave in an official return about our trade from the Customs. I will begin with No. 2.

1987. The effect of Sound dues on trade?—Yes, on trade and commerce. As shipowners, we, of course, consider them injurious to the British shipowner, as we are compelled to pay an impost for which we do not receive any benefit. We are further liable to great detention in consequence of those dues which we have to pay, inasmuch as there is great detention to vessels in passing. Should a vessel arrive in the afternoon, it generally happens that the ship cannot get her papers, and she is detained till the next day. A passage from Sunderland to the Baltic requiring different winds, it very often occurs that ships undergo great detention. We are also liable to many expenses consequent thereon, such as boat-hire and other matters, which are chargeable to the vessel on account of the captain having to go on shore to report and pay those dues. I may also state, with reference to the detention which arises, a circumstance of which I was informed by a captain just previous to my leaving Sunderland, who had a vessel at the Sound in 1851. He was doing business with us in Sunderland, but he was then in another vessel, which was in the Baltic in 1851. He stated this circumstance to me from his own mouth: In 1851, he brought a cargo of sugar in a vessel called the "Byzantium," from Pernambuco, and went to Stettin. The captain's name was Copeland. On arriving at Elsinore, he asked the question whether he could be allowed to go on shore to transact his business, to which question he was not enabled to get an answer until the next day. On the next day his ship was allowed to proceed through with a quarantine flag flying. I should also mention that the ship, coming from Pernambuco, had called at Cork, and had had a new crew; in fact, the whole of the crew which had come from Pernambuco were changed, and he had a new crew from Cork. Another vessel belonging to the same owners (Currie & Newton, of Liverpool), from Pernambuco, which called last at Cowes, was kept a week under similar circumstances. I put the question to the captain of the first vessel how it was, and he said that the only way in which he could account for it was, that he had friends at court, and the other had not. He was enabled, by having some friends at Elsinore, to get through, and the other was detained a week.

1988. Detained by what?—By the quarantine laws.

1989. That is a new subject; we have not heard anything of the quarantine before?—This was a vessel which came from Pernambuco, and was delayed by quarantine.

1990. Mr. *Bramley-Moore.*] When did she leave Pernambuco?—I am not prepared to say that.

1991. Mr. *Liddell.*] Did you not say that the first vessel got a new crew at Cork?—Yes; except the captain and the chief mate.

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1992. *Chairman.*] The vessel which was detained had sickness on board, I suppose?—Captain told me they were well; both vessels were loaded with the same description of cargo, and both belonged to the same owners.

1993. If she had gone to Stettin or St. Petersburg, would not she have been obliged to produce a clear bill?—Neither vessel was subject to any more detention afterwards. The first vessel which passed through in one or two days was not subject to any more detention than the other which was delayed a week.

1994. They both got quarantine certificates?—Yes; but one had to be at Elsinore a week, and the other got through in one day.

1995. Why were they stopped; was it because they came from Pernambuco?—The only reason the captain assigned was, that he was enabled, from his knowledge of the place and of the people, to put the matter in such a train as to get through, while the other was not.

1996. They both came from the same place?—Yes, and they both belonged to the same owners.

1997. Do you know whether there was the yellow fever or the cholera at Pernambuco when the second vessel left?—I cannot tell.

1998. Mr. *Bramley-Moore.*] When did she leave?—I cannot tell the precise date, but it was in 1851. The captain told me that, if necessary, the thing could be verified by the owners of the vessels.

1999. *Chairman.*] Are you quite sure that the two vessels arrived under the same circumstances?—Yes.

2000. What is your idea; is it that one paid a sufficient fee, and the other did not?—I cannot tell how it was; the only thing that I can suppose is, that one captain seemed to have more friends there than the other, and that in consequence he was enabled to get through more quickly.

2001. So that there is favour shown?—Yes; from that circumstance, I believe that there is favour shown; I know, from my own experience, that in many cases where a person is conversant with the place, and has been there several times, he can get through much more quickly than another can.

2002. Mr. *Liddell.*] By making friends?—Yes; it is natural.

2003. Mr. *Bramley-Moore.*] Did those vessels sail at about the same time?—Yes; it was in the summer, and one vessel sailed very shortly after the other.

2004. Can you say whether those vessels both loaded at Pernambuco, or called at Pernambuco, and completed their loading elsewhere?—I cannot say. The time must have been very near, because the second vessel arrived very shortly after the first one passed through.

2005. Mr. *Duncan.*] Can you state the time of arrival of either of the vessels?—I cannot state the exact month, but it was in the year 1851.

2006. Mr. *Bramley-Moore.*] Did the one which called at Cowes change her crew?—That I am not prepared to say. It is the general practice, I know from experience, to change the crew; many of the men are discharged, and very often a new crew comes on board, and goes to the destination.

2007. *Chairman.*] What is the particular purpose of changing the crew, at Cork, for instance?—We get the men then by what we term "the run."

2008. Mr. *Bramley-Moore.*] Men do not go by "the run" from that part of the world?—No, they go by the month; but they are discharged when they come to England. If the men are agreeable, and the master is agreeable, of course it undoes the agreement which they make. We always say, "to be discharged at the final port of delivery," for our own security; but if we could have men by "the run" at a cheaper rate, and the men were agreeable to be discharged, the captain, of course, would discharge them.

2009. Did you ever know of a vessel which came from Pernambuco by "the run"?—No; several vessels come from Antwerp by "the run" to London, or the port of discharge.

2010. From the Brazils?—I do not know that they come from the Brazils exactly, but from some other parts of the world they may.

2011. *Chairman.*] You have mentioned these facts in order to show that there is something like caprice or corruption amongst the authorities at Elsinore; and I take for granted that you do not know of any other circumstance to explain what took place?—I say that there are some instances where certain men can get facilities where others cannot who are not accustomed to the place, and do not know

know any one perhaps; one person is a stranger there, while another man who has been there, may get his business more quickly done.

2012. Mr. *Duncan.*] Did both those vessels which you have mentioned touch at Cork?—One touched at Cork, and the other touched at Cowes.

2013. Had there been any sickness on board either of the vessels?—Not that I am aware of; the Cork crew were all healthy; so the captain told me.

2014. Mr. *Liddell.*] Have you often heard captains say that they can settle matters?—I would not be disposed to say that I consider that the way in which this captain got through would be through his brokers; what interest the brokers might have with the officials there I cannot pretend to say. The party expressed himself in this manner to me: he said, "Of course from my knowledge of the matter I was enabled so to arrange with my friends as to get through, and the other captain did not."

2015. *Chairman.*] That is one of the inconveniences of being obliged to stop?—Yes.

2016. What takes place there takes place at every other Custom-house, I suppose?—Not exactly.

2017. Mr. *Bramley-Moore.*] And from one captain knowing his business better than the other?—Perhaps so; perhaps one captain had more friends at Elsinore than the other had, or had been more frequently there.

2018. *Chairman.*] Will you go on to the next case?—I was speaking about the inconveniences attending the stoppage. The winds are very variable, and from the same captain I understood that in case of calm weather the current was generally running down, and there being no steam, it caused them to remain until daylight the next morning, and that, in consequence, delayed them, and in some cases, of course, it is of very serious consequence. I may state as a circumstance, that we had a vessel which was loading at St. Petersburg, and in consequence of a snow-storm she did not complete her loading within three days of the time, and the vessel was kept from contrary winds; she was detained about two months and a half in making the passage from Sunderland and back to Hull.

2019. These cases have been of frequent occurrence?—Yes; there are so many different winds to gain a passage, that, of course, a day's detention may be of very serious consequence. The next point is, that houses allow commission; we have repeated applications from brokers at Elsinore, who come over generally every spring to solicit orders. We have got as much as 25 *s.* for every ship which we recommend to do business with a house. My father used to go to sea in his early life, and has been many times at Elsinore, passing through, and he became acquainted with a gentleman there, one of the brokers; he was not doing business with him at the time, but he was very kind to him, and after that, he recommended a great many vessels to him without, of course, getting any fee. After that time, when, perhaps, more brokers got into the business, they came over to England, and solicited orders from the merchants; they would do so from me if I was a merchant, for instance, exporting coals. It is now the general practice to put in a vessel's charter. "The vessel will be cleared by" so and so "at Elisnore, under the penalty of" so and so.

2020. You mean by such and such an agent?—Yes. If I do not choose to accede to those terms, of course I do not get the charter; that is a general thing now among the merchants exporting coals to the Baltic; in fact, it is the invariable rule. I have seen many charters lately, and I have never seen a charter without a stipulation that the vessel is to be compelled to do her business with a certain broker in passing the Sound; consequently the shipowner or the captain is bound to go to this person; he cannot go to any person he chooses, otherwise, he says, "I shall lose the charter." We can get no other charter; it has become so customary, that they will not make a charter without compelling you to adopt that course.

2021. Mr. *Liddell.*] Then the system of feeing the captains would appear to be rather discouraged by that arrangement. Did not the captains formerly receive large gratuities at Elsinore?—They received gratuities from the Government.

2022. Mr. *Bramley-Moore.*] Is not that system of obliging you to employ certain agents common all over the world?—No, it is not usual.

2023. If you charter a vessel to go to the East Indies, or any other part of the world, is not the consignee always named?—Yes; but we are not bound to go

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go to him at all times; we resist it; it all depends upon the agreement. I say, in making my agreement, "I will not go to your agent unless he will do my business free of commission."

2024. Is it not as I have put it four times out of five?—I am not prepared to say that it is.

2025. Are you prepared to say that it is not so?—Yes, as far as I am concerned. We invariably resist it, and I believe I speak the sentiments of the majority of the shipowners. There are circumstances arising, when shipping is in a depressed state, when we are obliged to submit to many things which we resist when there is a demand for shipping; therefore it all depends upon the trade and the demands for ships. But I have myself invariably taken a less rate of freight, and refused to pay those sort of things, if it just made the same amount in the ship's freight.

2026. That makes it as broad as it is long, then?—Yes; shipowners resist those sort of things.

2027. *Chairman.*] Will you proceed with what you have to state?—With regard to the lights and buoys, I may say that I spoke to the same captain, who came from Pernambuco, particularly about the lights, and he said that the lights were very good; but he complained of the buoys which were used; he said they were not very easily seen; they are different from our buoys here; they are a sort of long pole, like a ship's top-gallant yard, upon which pole is fixed a certain number of brooms; they call them broom-buoys, I believe, 1, 2, and 3, according to the position where they are placed. He told me that at times they were not very easily seen, but that with respect to the lights, they were very good. Of course, with regard to those things, the shipowners pay for those lights and those buoys, and those different lighthouses, irrespectively of the Sound dues altogether, and they have not any objection to make to that.

2028. Is it not part of the payments which they make in passing the Sound?—Yes; but it is irrespective of the Sound dues.

2029. They pay those charges at Elsinore?—Quite so.

2030. What do you call beacons which are obliged to be kept up?—A beacon is sunk upon a rock; it is a sort of long pole which they have anchored, where there is a rock or shoal, and upon one of those poles are erected brooms; and, according to the position, so they have them numbered 1, 2, or 3.

2031. Are they not bound to keep them up?—Yes.

2032. Do you know whether they are properly maintained?—The captain said with regard to those things, that they were kept up, but that they were so small, that sometimes they could not be seen.

2033. Mr. *Bramley-Moore.*] I suppose there are none of the modern improved beacons there?—No; they are just a sort of narrow spar, which at a distance is not very easily seen.

2034. *Chairman.*] Under all circumstances, these lights and beacons, and buoys, must be kept up?—Yes; they have been kept up very well, I believe. I particularly asked the question, and the captain distinctly told me that the lights were very good. The next point is with regard to the allowance by the Danish Government for masters; they allow them 4 per cent. upon the amount of duty claimable upon goods which they have on board, which is for the purpose of their giving a correct account of their bills of lading. Latterly there has been more difficulty in getting an account of the cargo, unless the captain chooses to give it, inasmuch as our Government have done away with cockets, which described the quantity of goods on board the ship, and now we get nothing but a victualling bill for the clearance of the ship. The consequence is, that the captain retains his bills of lading, from which bills of lading only, of course, the Danish Government are enabled now to get the amount of the cargo; and in order to get a correct account of that, they give him 4 per cent. But this same captain, who came from Pernambuco, stated to me, that in many cases he did not get what was his due from the Government, as the broker retained a certain amount to pay his fee, which he gave to the party who had recommended the ship to him.

2035. The Government pay it through the agent, do they?—Yes; the captain does not receive it from the Government, but merely through the broker or agent, and he says, "Many times we do not get what the Government allow us."

2036. Has there been any complaint to the Government about that?—I am not aware of it, but this was the person's own statement to me.

2037. Is

2037. Is it an allowed payment which they make to the captains, in order to get a full account of the value of the cargo?—Yes.

2038. If the captains do not get it, I suppose they do not give a correct account?—No; if they do not give any account they do not get paid.

2039. What do the agents give them short of 4 per cent.?—I am not prepared to say; the captain said that they were obliged just to take what the broker chose to pay them; in many cases they have no means of ascertaining.

2040. The shipowner knows nothing of this?—No, the shipowner has nothing to do with it.

2041. It is not within the control of the shipowner?—No.

2042. It is something which the Danish Government have to complain of, then?—I suppose so. It is a sort of stimulus to the captain to give an account of what he has on board. The last matter to which I have to refer, is the rate on different goods which we import, particularly to Sunderland. We complain of the unequal mode in which the dues are charged, particularly upon wood goods, on timber, plank, and such goods as that coming from Stettin and Dantzic, and a great many other ports in the Baltic.

2043. The unequal operation of the dues actually levied?—Quite so. With the permission of the Committee, I will read a tabular statement of dues paid by a firm with whom we do business, and we pay all their duty for them at the Custom-house.

2044. Upon different goods?—Upon wood goods. The quantity is stated in each of the ships, showing the difference. In many cases where there has been a less quantity of loads of timber and plank, they have paid more Sound dues.

2045. Are you prepared to say, therefore, that the Government obtain more from our cargoes than they profess to be entitled to?—No. I am prepared to say this, that the mode of charge is unequal, because they charge so much upon so many pieces of wood, irrespectively of the quality.

2046. I presume that what you mean is, that although they claim 1 per cent., they actually levy more upon certain goods?—I am not prepared to state they charge a per-centage on wood goods.

2047. Then if they levy more than they profess to take, they get more than they ought to receive?—Yes.

2048. Do you think that they ever get less than they ought to receive, from the mode in which the dues are levied?—I do not know. This statement is a statement of dues paid in 1853 by Messrs. Bradley & Potts, merchants, in Sunderland, with whom we do business. I believe in every instance of the vessels that I am about to name, we paid the duty upon the cargoes; I do not think there is one exception. Many of the vessels I know from my own knowledge; there was the "Fleiss," a Prussian vessel; she had on board 255 loads of timber from Stettin, upon which 4 *l.* 8 *s.* 4 *d.* was paid. There was the "Georgine," with 232 loads of timber from the same place, a Prussian vessel, in which case 3 *l.* 12 *s.* was paid. There was the "Lenothean," with 259 loads of timber, upon which 4 *l.* 5 *s.* 6 *d.* was paid. The "Providentia," which vessel was loaded with plank, only having 172 loads on board, paid 4 *l.* 2 *s.* 6 *d.*, being within 3 *s.* of the vessel that had 259 loads on board.

2049. Mr. *Bramley-Moore.*] Can you give the tonnage of the vessels?—I am not prepared to do that.

2050. *Chairman.*] Can you give us any explanation about it?—It was because one was loaded with plank and the other was loaded with timber. They charge so much upon a piece, so that one piece might be a load of timber, and another piece might be half a load of timber, and they would each pay the same.

2051. One is taken in baulk, and the other in plank, I suppose?—Yes.

2052. Mr. *Disraeli.*] Cargoes of plank are very unusual, are they not?—They are very usual.

2053. Notwithstanding they pay a higher duty?—Yes. The "28th of July" had 184 loads on board from Stettin; 3 *l.* 14 *s.* 5 *d.* was paid. There was the "Maria" with 204 loads from the same place, and 2 *l.* – *s.* 11 *d.* was paid.

2054. *Chairman.*] Are there the same differences there as regards plank?—In some of the cases the differences are very much more than in others.

2055. Mr. *Bramley-Moore.*] Can you give two vessels, both loaded with plank, where there is such a discrepancy as you now speak of?—I am not prepared to do that.

2056. One is, so to speak, a manufactured article, and the other is not?—Yes.

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2057. *Chairman.*] What does the tariff profess to do?—The tariff professes to charge so much upon pieces, irrespective of whether they are timber or plank. It says, "Wood used for ship-building purposes, 25 pieces, 36 stivers." Irrespectively of a piece being a small or a large piece, it just pays the same, so that if a person imports a cargo of wood goods, he never knows how to calculate what the Sound dues will be upon it.

2058. Has there been any remonstrance made at different times to the Danish Government?—Yes, I have two cases; one where I have the correspondence of Messrs. Bradley & Potts, merchants, the bill having been sent from Elsinore to them by the broker, which they refused to accept; the consequence was, that a correspondence took place.

2059. With whom?—They wrote immediately to the merchant at Stettin; the Stettin merchant communicated with the broker at Elsinore, and the consequence was that the charge was reduced.

2060. Was there any communication with the Danish authorities?—I am not aware of it.

2061. This is a charge, you say, imposed by the Government, or the Custom-house authorities at Elsinore?—Quite so.

2062. Has there ever been any remonstrance with them about this very unequal way of levying the duty upon timber?—Some merchants have agents at Elsinore, others do not choose to have agents; consequently, whoever the broker may be that does the ship's business, he applies to the merchant for the Sound dues upon his cargo.

2063. That does not enable one to know whether the Government persist in levying dues which are so capriciously or unequally levied?—No, but we have the Danish Government's tariff.

2064. But that does not seem to be consistent?—They charge upon a certain number of pieces; consequently there is a great deal of difference; in this case, where I have the letters, they refused to pay, because they had had a similar cargo of wood before, upon which they had paid much less; and in consequence of their refusal to pay, and this correspondence taking place, the charge was ultimately reduced, and the broker, as an extenuation of the matter, said that he had not done business with them before.

2065. Do you think it was any fraud on the part of the agent?—I am not prepared to say that it was a fraud upon the part of the Government, but I am prepared to say that they were the primary cause of it.

2066. Was it a fraud on the part of the agent?—I believe it was; I say that the mode of collection opens a wide field for fraud, so that the merchant does not know how he is to pay, and the whole matter has been kept for years back in such a state of secrecy, that we have not been able to ascertain what we have had to pay except through the broker.

2067. Mr. *Duncan.*] Then in the invoice of the timber you get so much a load; the number of pieces is not quoted?—That is so; and pieces also; there is so much Sound dues, that is all; they do not give us any particulars.

2068. Mr. *Liddell.*] When you say that the whole matter has been involved for so many years in so much secrecy, is not there a published tariff which is open to everybody, and are not the dues paid according to the rates so marked in the tariff?—No, I am prepared to say they are not.

2069. *Chairman.*] Then your complaint is of the agents, and not of the tariff?—I am prepared to say that the way in which the dues are levied opens such a wide field for fraud, that no person can protect himself from it. If we could do business directly with the Government, and were not to go through the agent, then we could inquire why and wherefore such was the case; but we do business with the broker, and consequently he makes the charge, and if it is a great deal more than it ought to be, the merchant complains, and then if he can get redress he does.

2070. Mr. *Robert Phillimore.*] The broker is of your own choosing, is he not?—No; in many cases he is not, because very often in the charter we are compelled to go to a certain broker.

2071. *Chairman.*] All countries pay the same?—I believe that every one pays the same.

2072. We have heard here that the Prussians look much sharper after their interests than the English?—I do not know; perhaps the Prussians may have more interest with the Danish Government than the English; of course we only speak

speak for ourselves. Sunderland and Newcastle, and Hartlepool, Seaham, and Stockton, do a great deal of business with the Baltic.

2073. Mr. *Robert Phillimore.*] As I understood you, you said that you were compelled to go to a particular broker?—Yes.

2074. Who compels you?—The merchant.

2075. Not the Government?—No.

2076. It is part of your bargain?—Quite so; but I go upon the fees which the brokers give to merchants; they say, "If you export coals, and only compel the vessel to come to me, I will give you a liberal commission.

2077. It is part of your arrangement in the charter to go to a particular broker?—Yes.

2078. It is not with the Government?—No; but if there were no Sound dues we should not have any broker to pay, or anything of that sort.

2079. *Chairman.*] You have no complaint to make of the dues, or of the tariff, only of the mode in which the dues are managed, so far as the Danish Government are concerned?—Yes; upon wood goods it ought to be so much a load, or something of that sort, that the merchant might know that he was not imposed upon; but the trade wishes them entirely abolished.

2080. Then you do not allege against the Danish Government that they take more than they profess to take?—No; I do not allege any fraud against the Government, but I say that they lay open a wide field for fraud, so that the merchant cannot protect himself from the broker.

2081. Mr. *Bramley Moore.*] What is the duty on planks?—Ten shillings a load.

2082. And what is the duty on baulks?—Seven shillings and sixpence.

2083. One is manufactured, and the other is not?—Yes; the difference is very excessive upon the sawn wood with regard to Sound dues on plank.

2084. Mr. *Liddell.*] You complain that the Sound dues are levied by the Danish Government upon each separate article, not according to its weight or size?—Yes; I am now particularly alluding to wood goods.

2085. I think you used the term "piece;" that the due is levied upon the piece?—Yes, so many pieces.

2086. Mr. *Bramley Moore.*] Do you import any staves?—I do not know about staves; the tariff says, that in the case of wood used for ship-building, 25 pieces are to be charged 36 stivers; now of those stivers I believe 46 or 48 go to what we call a specie dollar, which is about 4*s.* 6*d.*

2087. *Chairman.*] Do you wish to refer to any other goods, or to the difference in the mode of charging vessels passing and repassing?—I might mention that I had a letter from my brother this morning, stating the case of Mr. William Hay, a very extensive merchant belonging to Sunderland, who had a similar dispute; he refused to accept a bill; there was a correspondence with a firm of the name of Sievéking & Company, of Fenchurch-street, London, who are very largely engaged in the Baltic trade, and after a good deal of correspondence they at last took Mr. Hay, the merchant's statement of the dues which he was liable to pay, showing that if he had not made resistance in the first instance, he would have paid more than he was justly entitled to pay. Speaking about fees, this is a letter which we have just received, dated the 28th of June 1856; we have a ship now coming from Riga to London with a cargo of wood goods, that went to Stettin with her outward cargo, and this is in reference to fees; and speaking about his house, the writer says, "If you can recommend us any vessels, we shall allow you a favourable commission for the same."

2088. Is that addressed to the merchant?—It is addressed to ourselves; Major, Wright & Company are the parties at Elsinore.

2089. It is wishing you to recommend other people?—Yes; we export coals occasionally; and if we are in a position to send vessels for them to clear, they will allow us a commission.

2090. Does it mean your vessels, and not other vessels?—Any vessels.

2091. What is "a favourable commission"?—As much as we can get; they have been in the habit for a long time of giving 25*s.* upon every ship; we have got 25 *s.*; we have received the money ourselves; therefore I speak from experience; of course, as a body of shipowners, we object entirely to the principle of these dues, because we consider that we get no value received for them, and it is not only the dues, but it is the expense that is consequent upon those dues to which we are liable; if we could pass through the Sound without any stoppage,

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of course we should be clear of commission for doing the ships' business, and of the expense of the captain going on shore, and different other things which are consequent upon the same would be saved; therefore, as a whole, we entirely object to it.

2092. You only seek, then, for the immediate abolition of these dues?—Quite so; when I speak thus, I believe I speak the sentiments of the whole body of shipowners. I do not believe there is one who would not say, Let us have the dues done away with altogether.

2093. How do they propose to get rid of them?—I do not know.

2094. What is the idea; is it that the Danish Government should be indemnified?—No; they do not think that the Danish Government should be indemnified at all; they say that they have usurped a thing which they were not entitled to, and had no right to usurp; we say that the Swedish Government have as much right as they have, because the other side of the coast is the Swedish coast.

2095. Mr. *Hutt*.] The shipowners do not know that these things are secured by treaty?—I suppose they may; but they look at the origin of the dues; we look at all passing tolls, particlarly since the abrogation of the Navigation Laws; and as we are thrown upon the field of competition, we think that all shackles to trade ought to be done away with.

2096. *Chairman*.] Still the burden is the same to all with whom you have to compete?—Yes; I might import a cargo of timber; if I was a merchant, the Sound dues would still come upon me, because I might import this cargo at a time when I should actually sell it at a loss, and still have the Sound dues to pay. The question was asked of one of the witnesses the other day, whether it did not bear upon the consumer of the goods; but I consider that it bears upon the merchant, because he has these Sound dues to pay whether he gets a remunerative price for his cargo or otherwise.

2097. That applies also to the shipowner?—Yes.

2098. Mr. *Bramley Moore*.] That applies equally to the Customs' dues?—Yes; I may charter my vessel, and if there are not the Sound dues, I have not got them to pay; if I import a cargo of timber, I may sell it in a bad market.

2099. *Chairman*.] Do not you think that those risks enter a little into the price?—No. I consider that I should get as much for my cargo, whether I paid the Sound dues or not; it bears particularly upon the merchant.

2100. Knowing the opinions of the merchants and shipowners generally, do you think that they would prefer paying the charge as a specific charge, not at the Sound, but at the port of lading, or at the port of discharge, instead of the way in which it is paid now?—Of course if we cannot get all we want, we are glad to get something, and if we could not get the total abolition of the tolls, if we had to pay, of course we would rather pay the toll at the last port we proceed from out of the United Kingdom.

2101. Have the Shipowners' Society considered any mode which is practicable of paying these dues otherwise than they are paid now, without the inconvenience of the present mode?—It was suggested that it would save the serious inconvenience and a great deal of extra expense consequent upon these tolls, if we could not get the total abolition of them, to pay a certain amount per voyage, or according to the tonnage of the ship at the Custom-house when we clear out; that supposing I clear out a vessel of mine from Sunderland, I should pay whatever dues may be arranged there and then, the same as I pay Trinity lights, and that I should also, at the same time, pay the Danish lights, so that my vessel might pass right through without any stoppage at all.

2102. Where would you prefer to make this payment?—At the Custom-house in England, from which I clear out.

2103. And that it should be remitted to the Danish Government through the Custom-house?—Yes.

2104. What would you do when your goods were consigned to St. Peterburgh, for instance, or any port in the Baltic; where would the Sound dues be paid upon any cargo taken out to the Baltic; could they be paid at the destination?—An arrangement of that kind might be made.

2105. The trade would be ready to pay the charge still if they could pay it in that way?—Quite so; so as to prevent an unnecessary delay, provided we cannot get quit of them altogether. The great object which we have is to prevent

prevent unnecessary delay, and the great expenses consequent upon the collection of the dues, and having to stop in going through. There was a question put to me the last time I was here about steamers. I am now prepared to state, from a letter which I have received this morning, that steamers are required to bring up in going up, but are not compelled to do so in coming down again. A gentleman, a friend of ours, Mr. Stobert, says that his vessel stopped both ways, but that on the next voyage she will not be stopped in coming back; in fact he need not have done so the first voyage, but he was not aware of it. They stop going up, but they need not stop coming down.

2106. You say that they must still stop going up, and you do not know of any new regulation by which they can pass?—This is very recently; because this ship has just come down. In fact, before I came from Sunderland this vessel had just come to Leith, I think, and discharged her cargo, and therefore it is of very recent date.

2107. The question you have referred to, which was put to you last time, supposed that steamers could pass without stopping, going up?—They cannot; so says this owner; it is not more than two or three weeks ago that this took place.

2108. Is that new that they can come down without stopping; was that always the case?—No; they had to stop both ways.

2109. We were told that notwithstanding they may pass, they do stop still?—This is from the owner of a screw-steamer.

2110. What does he say?—That in the first instance he stopped both ways, in the first voyage; that he need not have done so, but was not aware of it; that he was obliged to stop going up, but was not obliged to stop coming down.

2111. Now that he knows of it, he will not stop?—Not coming down, but he will be obliged to stop going up. This is a statement from the gentleman who owns the vessel, and is only of three weeks' date.

2112. Mr. *Deasy*.] Would not the plan which you suggest as a substitution for the present mode of collection, involve some very complicated arrangements between the Custom-house authorities here and the Danish Government?—With regard to the collection of the dues, there was an instance which came under my observation of a captain having, whether through stress of weather or other cause I am not prepared to say, come down without ever calling at Elsinore. The consequence was, that the dues upon this vessel were not paid, and he delivered a cargo at Sunderland; I forget what the description of his cargo was; however, a letter came down to the collector at Sunderland Custom-house, from, I suppose, the Board of Customs, demanding the Sound dues upon this ship, stating that the ship had passed without stopping, and of course had not paid the dues. Coming through the Custom-house, the captain, of course, paid them. He said, that it was stress of weather which obliged him to go through, and that it was not with any intention of passing without paying.

2113. *Chairman*.] But he had not taken any steps to pay?—No, he had not an opportunity; as soon as he was through he was almost at his port; the passage is very rapid after you get through if the wind be favourable.

2114. How soon afterwards did the Board of Customs remind him that he had not paid?—When he was delivering.

2115. Mr. *Duncan*.] Was this a British vessel?—Yes.

2116. Mr. *Mitchell*.] You are probably aware that our Custom-house made an illegal demand; that they had no authority to make the demand?—I cannot say.

2117. *Chairman*.] Do you know the circumstances under which they made the demand?—I cannot tell; they said, "You have passed without paying the Sound dues."

2118. But you do not know whether there was any remonstrance from the Danish Government to the British Government here?—I naturally suppose that there was, because the Customs could not know about it unless there was a communication made either through the broker or through the Danish Government.

2119. How do they pay the dues when they pass now without stopping; you say that they need not stop when they go down?—I am speaking about steamers; sailing vessels do stop.

2120. What new arrangement is there for the payment of the dues now that the steamers do not stop?—They may be paid through the broker.

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2121. But how does the broker know; is there any stoppage at all to hand in papers?—No; the broker gets the necessary information when the steamer passes up.

2122. Of what the cargo will be coming down?—Yes; the captain will give him an account of it, perhaps through the broker at the port of landing to his broker at Elsinore.

2123. He must trust the captain, then, very much?—Of course he must; the Danish Government trust the captain when he gives an account of his cargo.

2124. Mr. *Deasy*.] How does he know going up what cargo he may bring down?—Of course, before he leaves his port of destination, where he loads his cargo, he can soon communicate with the broker as to what he has on board.

2125. Mr. *Hutt*.] Have you any personal knowledge of what you are now speaking of?—I cannot speak particularly about steamers, because the thing is of such recent occurrence.

2126. Mr. *Robert Phillimore*.] You have no personal knowledge?—No; in fact, it has only been very recently that those screw steamers have got into the trade.

2127. Mr. *Duncan*.] A screw steamer must have a general cargo; she does not go to load with planks alone?—There was a steamer that we did business for which went out to St. Petersburg in ballast, and she brought a full and complete cargo of wheat to London.

2128. That may be a solitary instance; but in going out to the Baltic, she does not know what cargo she will bring?—Many of them are chartered.

2129. Those which are so chartered may give an account of what they will be loaded with, but with a vessel going out in ballast for a general cargo it is impossible that she can state what she will be loaded with?—Yes; but the generality of owners fix the cargo of the ship before she goes out.

2130. Mr. *Mitchell*.] Supposing that to be the case, how can they tell to a nicety what cargo they are to be chartered with?—They cannot do it, except they stipulate for a particular cargo; they might stipulate for a cargo of wheat, and nothing else.

2131. Still you could not be positive in going up what exact quantity you would have coming down?—No; but my captain could communicate to the broker at the place of loading after he had loaded what he had taken in.

2132. *Chairman*.] Do you know exactly what the amount of the dues on wheat is now?—We call it about 5*d*. a quarter; it is not 6*d*., and it is a little better than 5*d*. Messrs. Joshua Wilson & Brothers, of Sunderland, are the only parties, I think, who are in the habit of importing a general cargo from the Baltic. They had a vessel in 1853 of about 187 tons; her cargo consisted of 300 casks of tallow, weighing 2,532 cwt. 1 qr. 22 lbs., upon which the Sound dues amounted to 23*l*. 5*s*. 9*d*.; there were 150 mat bags of linseed, 170 quarters, upon which the Sound dues were 1*l*. 12*s*. 8*d*.; there were 123 bundles of hemp, weighing 43 tons, upon which the Sound dues amounted to 10*l*. 7*s*. 3*d*.; and there were 123 bags of hempseed, 42 quarters, upon which the Sound dues were 6*s*. 7*d*. The Sound dues in the whole amounting to 35*l*. 12*s*. 3*d*. upon that cargo.

2133. What was the price of the goods?—I am not prepared to say.

2134. Do you know what is the price of wheat now in the Baltic?—I am not prepared to say.

2135. Mr. *Bramley Moore*.] You import timber yourself, do you not?—We have not imported timber; we are more particularly in the West Indian trade in importing; not much in the Baltic trade; we have exported, but have not imported.

2136. *Chairman*.] Have you any other remarks to make upon the grievance of these dues?—I think I have stated all that I know upon the matter; I am not aware that I have anything else particularly to mention.

2137. I think you have stated that you do not know of any flags which are favoured in preference to others?—No; the only thing which I complain of is, that if the thing was properly defined, and we could know a little more, many of the discrepancies which arise would not take place.

2138. And you do not, I think, say that you believe that the Danish Government levy more than they profess to levy?—No; but it appears that they must do so; by what means I cannot tell; because there is such a difference in many of the charges.

2139. Do

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2139. Do you believe that anybody could ascertain what is the difference between the whole amount which they levy, and the amount which they ought to levy upon a given quantity of goods in the Baltic?—No, I am not prepared to say that; I do not accuse the Government; I accuse them in this way, that the thing is so managed that we cannot guard ourselves from those differences of charges.

2140. Do you know the amount which the Danish Government profess to receive?—No.

2141. If you heard that it was 72,000*l.* a year paid upon our ships and goods, would it appear to you to be very much in excess of what they receive?—I should say not; but I am not prepared to answer that question; it is a thing which I never took into consideration.

2142. Mr. *Hutt.*] When you say that the Danish Government charge more than they are entitled to, do you mean that they do not charge according to the tariff?—I particularly complain about the manner; if timber goods were charged by load, or something of that kind, merchants would not be open to so many cases of fraud as are practiced.

2143. Then what you mean, as I understand, is this, that the tariff is injudiciously framed?—Quite so.

2144. Not that the Government charge in excess of the tariff?—I do not mean to say that they charge in excess of the tariff, but that by the mode in which it is charged, it opens a wide field for imposition upon merchants.

2145. You do not like the tariff?—No.

2146. Mr. *Bramley Moore.*] I do not think that you have established at all the discrepancy which you speak of?—The descrepancy we state is this, that it lays us open to fraud by brokers, for similar cargoes have been charged different amounts.

2147. There is no discrepancy, because you pay more for wood, as deals, than you pay for it in baulk?—They do not say anything about deals in the tariff.

2148. They call them pieces?—Yes. A baulk of timber might be five loads, and I should pay the same if the baulk had 20 feet in it; therefore, as to many of those charges, the merchant, when he imports a cargo, really does not know what he has to pay.

2149. *Chairman.*] You have nothing else to state?—I think there is nothing else which I need mention.

Thomas Wilson, Esq., called in; and Examined.

T. Wilson, Esq.

2150. *Chairman.*] YOU reside at Hull?—Yes.

2151. And are a merchant there?—Yes, a merchant and shipowner; a steam shipowner; all the ships which we have are steam-vessels.

2152. Have you many vessels?—We have six of our own, and we are agents also for the North of Europe Steam Packet Company; we have a great many vessels under our control; we have five steamers regularly trading to the Baltic.

2153. Do you make any use of the railway as agent to the North of Europe Steam Company?—No; we have nothing to do with that. The railway is from Tonningen to Flensborg, across the Danish territory; goods conveyed that way are free of Sound dues. The effect of that is, that upon some of the articles the saving is very enormous; on the article particularly of worsted yarn; a bale, measuring 42 cubic feet, pays for Sound dues 57 *s.*, and the freight from Hull when it is at the full rate, would be 15 *s.*, making altogether 72 *s.*; that is from Hull to St. Petersburg; but, if conveyed by the Tonningen route, it would arrive at St. Petersburg for 46 *s.*, saving 26 *s.* So that the effect of that is, that we are not only very heavily taxed at the Sound, but the Danish Government themselves oppose our trade by the Sound; they give the advantage to this trade by the railway.

2154. Do you mean that there are no transit dues?—I believe there are no transit dues; I am not quite certain of that; but the information which I have is, that a bale which would cost 72 *s.*, conveyed by the Sound, would only cost 46 *s.* conveyed by the railway.

2155. It is rather important to know with respect to the transit dues, because the transit dues might be 26 *s.*?—What the transit dues amount to, I do not know; but if there are any, they are very small.

2156. Do you know to what extent this railway is now succeeding?—No, I do not know particularly; but I have a letter from St. Petersburg, which came a few days ago.

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2157. All the worsted yarn goes that way, I suppose?—A great many valuable goods go that way; indigo, and many valuable goods which pay heavy Sound dues, go that way, for the purpose of saving the Sound dues. One of the vessels belonging to the North of Europe Company, which is trading from Flensborg to St. Petersburgh, had, on her return cargo, 132 poods of potashes, 1,181 poods of wool, and 840 quarters of wheat, to be conveyed by the railway.

2158. All unshipped at Flensborg?—All unshipped at Flensborg, I presume, and reshipped at Tonningen.

2159. With some expense and inconvenience?—Of course there must be expense. Whether the route will answer or not, I do not know.

2160. The merchant has nothing to do with this transit by the railway, has he?—The merchant has nothing whatever to do with it; the North of Europe Company undertake themselves to manage the whole of that.

2161. He only knows the freight?—He only knows the freight. They convey the goods through from England to any port in the Baltic, not to St. Petersburgh alone, at a specific cost; the merchant has nothing whatever to do with it; they manage the whole of the reshipments; the merchant merely ships the goods at the port where he makes the first shipment.

2162. I suppose this is confined to a particular kind of goods; you do not send timber that way, for instance?—No, not anything bulky, timber or iron being too heavy, perhaps.

2163. Or grain, I suppose?—Here is an instance of 840 quarters of wheat having been conveyed that way, the heaviest kind of grain. There is no objection, that I can see, to anything, except timber, wood goods, and iron, or anything which is not of very great value.

2164. Mr. *Hutt.*] I suppose it is the goods which pay the highest amount of Sound dues, which are chiefly sent by railway?—Yes; the only reason that I can see for adopting the route would be for the mere purpose of saving the Sound dues.

2165. Mr. *Mitchell.*] Late in the season would there not also be a considerable saving in the insurance by avoiding the Sound?—I should hardly think there would.

2166. Mr. *Robert Phillimore.*] Late and early?—If the goods chiefly come at the back end of the year direct by steamer, I do not think there would be any saving of insurance.

2167. Mr. *Mitchell.*] Do you think that the underwriters would insure on as low terms in the month of October or November goods coming by steamer past Elsinore to this country, as compared with the route by Flensborg, and then by land to Tonningen?—I should think they would; in the summer-time it would make no difference whatever, the premium is so low; but even at the back end of the year I should be of opinion that the underwriters would charge as much one way as the other.

2168. Would they not avoid all the risks of Elsinore by this new route?—Then they get into other risks, perhaps.

2169. *Chairman.*] It is quite an experiment, and it has not yet been fairly tried?—It has not been fairly tried yet.

2170. Mr. *Liddell.*] Do you know whether valuable goods are sent much by this railway; for instance, such things as indigo?—Yes.

2171. Can you state what the difference in the cost of conveyance of a chest of indigo by railway and by sea would be?—It is about the same ratio as I named relating to worsted yarn.

2172. You told us that the freight and dues on a bale of yarn to St. Petersburgh were 72 *s.*, I think?—Yes.

2173. What portion of that was represented by freight, and what by dues?—57*s.* by dues, and 15*s.* by freight.

2174. Mr. *Bramley Moore.*] In the case of a vessel going from Hull to St. Petersburgh by each route, what is the difference of time?—I should think the direct sea route would be the shortest; I think the delay in unloading the goods and reshipping them by the railway would make it more than going direct.

2175. *Chairman.*] In short, you think that the sea voyage will always be preferred if there is no difference in cost?—If there were no difference in the Sound dues, there can be no question that the sea route would always be preferred.

2176. Mr.

2176. Mr. *Robert Phillimore.*] At all times of the year? —At all times of the year.

2177. Mr. *Bramley Moore.*] Is not there a great objection to the handling of the goods so often; for instance, at Flensborg and Tonningen?—I think it is objectionable.

2178. Do not merchants object to it?—I do not know practically; but if it were a matter of my own, I should object to it. I may also say that there is another route to the Baltic by which the Sound dues can be evaded.

2179. *Chairman.*] Which is that; by the Gotha Canal? —By the Gotha Canal.

2180. Is that in operation?—That is in operation now; small steam-vessels have been running from Hull direct to St. Petersburgh by that route since the peace.

2181. Must not the distance by that route be greater?—It must take a longer time.

2182. Mr. *Bramley Moore.*] How much longer?—I do not know; I should think it would take three or four days longer.

2183. *Chairman.*] Is that a ship canal?—There is a canal at Trolhatta, and then by the lakes; there is only one canal; they go up the river first, then through the canal at Trolhatta, and then through the lake, and they come out near the entrance to Stockholm.

2184. Are that lake and canal navigable by the same ship that takes the cargo?—Yes.

2185. Mr. *Deasy.*] What sized ships go that way?—Small vessels of about 100 tons.

2186. Mr. *Hutt.*] Are they improving the channels; is there any prospect of vessels of a larger tonnage going by that route?—No; no vessels of a larger tonnage can go, on account of the locks which they have to pass through.

2187. They do not contemplate any improvements?—They cannot make any; the nature of the country does not allow of it.

2188. *Chairman.*] What do you say of that route compared with the Sound, supposing no Sound dues are paid in future?—That route could not then be made use of at all.

2189. Do you think that that route has been devised to evade the Sound dues?—Purely to evade the Sound dues; the Trolhatta Canal was constructed purely to save the Sound dues.

2190. Mr. *Mitchell.*] Are you aware that vessels from Russia make use of this canal?—Only the present steamers which are running; I do not know of any others.

2191. You are not aware that sailing vessels from Russia make use of this canal?—Sailing vessels cannot make use of it. The Tonningen Canal is made extensive use of.

2192. *Chairman.*] Could not they make use of the Trolhatta Canal by tugs?—No; it is limited by the draught of the water, and the size of the lock-pits.

2193. You have some information which you can give to the Committee upon the subject of these dues, I believe?—The information which I could give would be what we pay annually; this year, I think, we shall pay about 1,500 *l.* ourselves, and there are several houses in Hull which pay from 1,000 *l.* to 1,500 *l.* each.

2194. That is measuring all the charges?—That is including the whole of the charges; it would not be purely Sound dues, but what is paid at Elsinore. Upon the stoppage at Elsinore I can confirm what has been said by others of the inconvenience of it, but more particularly to steamers, on account of the great expense. I think I am not wrong in calculating, that upon every one of our steamers we should save from 150 *l.* to 200 *l.* a year, merely in the expense of detention, provided the vessels were not obliged to call at the Sound.

2195. These amounts are not what are really the Sound dues?—No; I mean over and above the Sound dues. I calculate the expenses of our steamers to be at least 20 *l.* a day.

2196. What is the expense arising out of the detention at Elsinore, exclusive of Sound dues?—The expense arising is the cost of navigating the vessels.

2197. Do you measure that by any amount which you can give us; can you state any amount which will give one an idea of what that is?—I say 20 *l.* a day; we do not reckon the expense of one steamer less than 20 *l.* a day; I believe it is more.

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2198. Mr. *Hutt.*] How many days do you calculate that your vessel would be detained during the year?—During the year it would be a very small thing to say one week, seven days.

2199. That would be 140 *l.*?—That would be 140 *l.*; and then, of course, we cannot tell what that detention involves; it may involve the loss of a great many days during the year.

2200. *Chairman.*] Some persons have stated that they lose on an average about a day on a voyage by the detention?—In the summer-time we are not detained long, not more than one to two hours in going up; there is not the same dispatch given to sailing ships which is given to steamers.

2201. Mr. *Hutt.*] Does a steamer go up or down the channel, under any circumstances, without being stopped?—Coming down, not going up; going up, they are obliged to stop; coming down they may send their papers on shore, or, if the weather were very bad, they might pass without even sending their papers on shore; they might send their papers from England.

2202. *Chairman.*] They pay the dues, I presume, immediately on landing here, when they have passed without stopping?—We have never had an instance of having to pay the dues, so that I do not know how it is done. Our captains send the papers on shore, and come on without stopping.

2203. Mr. *Hutt.*] Are you aware that the vessels belonging to the London and St. Petersburgh Navigation Company are permitted to proceed straight to St. Petersburgh without stopping?—No.

2204. Mr. *Liddell.*] Do you know when the arrangement was made between the English Government and the Danish Government by which steam-vessels, in coming down, were enabled to pass without stopping?—I do not think there has been any specific arrangement.

2205. It is by mutual consent?—I think it is managed by the agents at Elsinore.

2206. Mr. *Mitchell.*] But you would require to send a boat on shore at Elsinore with the papers of the return cargo, would you not?—Yes.

2207. Therefore it would involve a loss of time?—It involves a small loss of time even by sending the papers on shore.

2208. *Chairman.*] Does a boat come out, or do you send the papers on shore?—A boat comes out.

2209. Do you pay for that?—Yes.

2210. When the weather is bad, I suppose you pay pretty highly?—I believe so, but we have never had an instance of having to pay extravagantly.

2211. Mr. *Liddell.*] There would be surely no great practical difficulty in making a similar arrangement going up the Baltic?—That would rest entirely with the Russian Government; they will not allow of it.

2212. Mr. *Bramley Moore.*] It is their quarantine ground, is it not?—Yes, and also there would not be clearance at Elsinore; they would send the vessel back again if she had not a proper pass.

2213. Mr. *Mitchell.*] Then you get your clearance at Elsinore, and not at Copenhagen?—At Elsinore. The Committee have asked what would be the wish of the merchants generally as to the mode of dealing with the Sound dues; whether to abolish them, or to modify them in some way or other. The proposal, I understand from the Danish Government, is to accept a million of money.

2214. *Chairman.*] It is proposed to capitalize the annual payment?—We might calculate, I suppose, 30,000 *l.* a year for that. My opinion is, that at present, taking what the trade of England pays in one way or another, that is to say, paying and losing money by stopping at the Sound, everything taken into account, it cannot be calculated at less than from 300,000 *l.* to 400,000 *l.* a year; therefore, to capitalize it for a million of money would certainly be a most advantageous thing.

2215. Do you think, then, that the merchants would be ready to pay that sum themselves?—They would rather not, a great deal.

2216. But they would be gainers?—Yes; I think I ought also to confirm what I have heard said by other gentlemen as to the inequality of the charges made by the agents there; I have two accounts here from two houses in Elsinore, one charging us six guineas for what they call port charges for one of our steamers, and the other charging us for port charges 8 *l.* 3 *s.* 9 *d.* for precisely the same thing; and the six guineas is charged upon the largest vessel; the other,

other, which is charged the most, is the smallest vessel. The house which charges us this extravagant rate at the year's end returns us 30*s.* per ship, showing that there is no certain mode of regulating this charge.

2217. How much does the other return which charges six guineas?—To induce us to change our agents there, they offered to us always to make the port charges six guineas per ship up and down, the other having charged us, as I say, 8*l.* 3*s.* 9*d.*, with a return of the 30*s.*, which still makes it higher than the former one.

2218. Mr. *Hutt.*] Are not the port charges regulated by the last Treaty, the Treaty of 1841?—I suppose they must be; but we have no means of checking them; we have to take the account of our agents, and I do not see that we could check them; we should always be in correspondence with them if we did; I have no doubt that there is the means of getting to know what is correct and what is not.

2219. *Chairman.*] You seem to be entirely in the hands of the agents at Elsinore?—We are entirely in the hands of the agents. As has been stated, there are about 20 houses there living out of the very paltry affair of the Sound dues.

2220. Mr. *Hutt.*] Would you have no redress in the event of finding charges which were very much in excess of what is regulated by treaty; is there no party to whom you could address yourself for relief?—I should think so.

2221. Practically you have no knowledge of it?—I have no knowledge of it practically; we do not narrowly look into these accounts; they are sent to us, and we suppose them to be correct. Sound dues on the goods, of course, we do check; we see that that is correct; but upon the ships we take it for granted.

2222. *Chairman.*] Have you ever had occasion to complain to the consul of any account?—No, never.

2223. If there was anything unjust practised upon you in the way of levying duty, you would apply to the consul, would you not?—In all the importations which we have made, the Sound dues have always been correctly charged, according to the tariff, as far as I know. We are large importers of iron, and we pay 2*s.* 6*d.* a ton; it comes to about 2*s.* 6*d.* a ton; that is always charged without any variation. It is said that they assume the Sound dues to be based upon 1 per cent. of the value; but there are not two charges for any article; it makes no difference what the value is; if iron were 30*l.* a ton, or 5*l.* a ton, the Sound dues would be the same.

2224. Suppose it were 15*l.* a ton one year, and 30*l.* a ton another?—It would be precisely the same.

2225. But the per-centage on those different values is different if you pay 2*s.* 6*d.* on each?—Yes, it is quite different; but they make no difference whatever.

2226. Therefore the operation of these Sound dues seems to be that the duty operates very unequally at different times; it is not at all the same rate of duty?—No, nothing of the kind. The same thing, of course, would apply to grain, wheat being at one time 50 per cent. higher than it is at another, but still paying the same Sound dues.

2227. Do you know what is the price of wheat now in the Baltic?—I think we have bought some at about 48*s.*

2228. Mr. *Mitchell.*] That is some time ago, is it not?—No; I think we bought some a little while ago at 48*s.*; I am not quite certain; I am speaking from memory.

2229. *Chairman.*] You calculate the Sound dues at about 5*d.* a quarter, do you not?—About 6*d.*, I think.

2230. You have known wheat much lower in the Baltic than the price you have named, have you not?—Yes.

2231. And the duty was the same?—The duty was the same; it never varied.

2232. Mr. *Mitchell.*] The quality of all the chief exports of the Baltic varies very greatly, independently of the price, does it not?—Yes.

2233. So that a fixed standard of that kind operates as a much larger per-centage upon a low qualitied article, than it does upon a high one?—Certainly, it operates unequally.

2234. *Chairman.*] Would it not almost be impracticable to impose an *ad valorem* duty?—I cannot see how it could be done.

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2235. Mr. *Hutt.*] That was the reason why the tariff was adopted ?—Yes.

2236. *Chairman.*] What is your idea; do you think that we should pay a great deal more or a great deal less if the dues were really imposed upon the principle of an *ad valorem* duty ?—The difficulty which I see would be to levy it at all as an *ad valorem.*

2237. Assuming that you could do it, should we pay more or less to the Danish Government ?—Basing it upon 1 per cent. upon the value ?

2238. Yes.—I should think that we should not pay less; I think it is very probable that we should pay more.

2239. Mr. *Hutt.*] Are there not many articles which in the tariff are charged higher than 1 per cent. ?—Yes.

2240. Mr. *Bramley-Moore.*] Is not an *ad valorem* duty impracticable ?—It is impracticable, I think; I do not think it is possible to levy it by *ad valorem.*

2241. *Chairman.*] Do you think that the exports from the Baltic pay less than 1 per cent. really upon the value ?—I cannot at all speak to that; I have never thought of it, and therefore cannot speak to it with any sort of correctness; it appears to me that if the Danish Government are correct in saying that they levy 72,000*l.* a year, and if we could capitalise it for a million of money, we must be gaining a very large sum, and we should get over these abominable charges made upon us at Elsinore.

2242. Mr. *Hutt.*] You would get rid of all the incidental charges ?—Yes.

2243. *Chairman.*] You have no reason to suppose that we pay actually less than 72,000*l.* a year to the Danish Government ?—I should think that we pay fully that; I should have thought that we paid more.

2244. Mr. *Bramley-Moore.*] You say that an *ad valorem* duty would be impracticable; why would it be impracticable ?—I do not see how you are to ascertain the value.

2245. You could not levy an *ad valorem* duty without discharging the cargo ?—No.

2246. Mr. *Liddell.*] Resting upon the actual value, would it not be part of the price of the thing at the time ?—Sometimes many of the goods from the Baltic will pay very much more than 1 per cent., and at others very much less than 1 per cent.; it is according to the extent of the market. We are also subject to heavy charges for lights and pilotage.

2247. Mr. *Hutt.*] Do you complain of the light charges as being heavy ?—The light charges are very heavy; and, contrary to what the gentleman who preceded me said, our captains report the lights to be very inefficient; if the lights were efficient, there would be no necessity whatever for pilots.

2248. *Chairman.*] Keeping them up must always be an expense, I suppose ?—Yes; and it would have to be paid by the trade, no doubt.

2249. Mr. *Hutt.*] Besides the complaint as to the lights, is there any complaint in respect of buoyage and beaconage ?—No, merely the lighting; the buoyage is very good. But if there was no necessity to call at Elsinore, then the Swedish side might be made use of.

2250. The Swedish side is made use of now, is it not ?—No; it is not buoyed.

2251. There are lights ?—There are lights.

2252. *Chairman.*] Do you know why it is precisely that the Russian Government require a certificate of having paid the Sound dues; whether it has any reference to the Sound dues ?—It arose, I believe, originally from the very great frauds which were committed by the captains in reporting their cargoes at Elsinore in former times; in reporting their cargoes at Elsinore, they reported what they liked to report, not what they had on board the ship; and then when they arrived at their destination, they themselves charged the receivers of the goods the full Sound dues, and pocketed the difference; this went on for a series of years, until at last it was discovered, and then there was some representation made to the Russian Government, and to prevent this fraud they required that the toll-pass from Elsinore should be given in before the ship was allowed to commence delivery.

2253. As far as I understand you, there used to be a fraud at Elsinore ?—Yes.

2254. A fraud in which the Custom-house authorities must have been in collusion with the captain ?—Not at all.

2255. He paid less, did not he ?—The captain only delivered such a number of his bills of lading as he chose; if he had 20 bills of lading, perhaps he would deliver

deliver 10 at Elsinore, and pay the Sound dues merely upon the 10 bills of lading which he delivered; then when he arrived at his port of destination, he would charge the Sound dues upon the other 10, which he had not himself paid.

2256. Then the only check upon him is upon discharging his cargo?—The only check is upon discharging his cargo; but he cannot now commit a fraud.

2257. They do not allow him to enter the port, do they, without sending in an acquittance from Elsinore?—No; but I have known a captain in former times make perhaps 100*l.* or 200*l.* in a voyage by cheating the Danish Government of the Sound dues.

2258. You believe, therefore, that it has entire reference to the payment of the Sound dues, and that there would be no difficulty, supposing they were abolished, in entering the Russian ports?—No, excepting as to the quarantine.

2259. Would the Russian Government still make it necessary for ships to stop at Elsinore?—I should think they would not.

2260. It is a quarantine station?—It is at present; but I should think that that might very readily be altered; there are other places which might be made the station, as well as Elsinore.

2261. Do they require that quarantine pass from vessels coming from this country in Russia?—Not at present, I think; not unless there is some infection.

2262. Then you believe that if the dues were abolished, there would be no occasion to stop at Elsinore at all?—None whatever.

2263. Either day or night?—None whatever; if the grounds were well lighted, there would be no occasion to stop; and it would make a very great difference; I should think that each of our steam-vessels might make one voyage more during the year if they were not obliged to stop at Elsinore.

2264. Mr. *Hutt.*] How long does one of your vessels take to go out and home?—They will go out in about six days, and come home in about the same; about three weeks altogether.

2265. *Chairman.*] Are there passenger steamers which go to St. Petersburgh?—They take passengers.

2266. But they are generally for cargoes?—Generally for cargoes.

2267. But if there were passenger vessels, they would stop the same at Elsinore?—Yes; they would be obliged to stop; they could not pass Elsinore without stopping.

2268. Would they pay merely upon the ship?—Merely upon the ship, if they had no cargo.

2269. Is there anything else which you can tell us on the subject?—I think not; I am not aware of anything.

2270. Are you a member of the Chamber of Commerce at Hull?—I am a member, but not an active one.

2271. There are no interests there which are at all involved in the continuance of the Sound dues, except possibly those of captains of vessels?—None whatever; the captains, of course, would like to keep the per-centage which they get; but I believe that generally they would be glad to be relieved of calling at Elsinore.

2272. Mr. *Liddell.*] You say that they would be glad to retain the per-centage. We have been told to-day that there is now a stipulation in the charter-party that the captain shall go to certain agents; he is compelled to do so?—That has always been the case.

2273. From whom does he get the gratuity if he is bound to go to a certain agent. If, according to the terms of the charter-party, he must go to that agent, there is no object in the agent giving a gratuity?—It is not a gratuity; it is a fixed per-centage from the Danish Government; but the agents also do give the captains some small gratuity; it is a mere bagatelle, not worth the consideration of a man who is at all a respectable man; half a dozen of wine, or a little tea, or something of that kind.

2274. But the Danish Government give the captain a gratuity according to a fixed rate?—Four per cent. upon the amount.

2275. With what object?—The object stated in the treaty is to remunerate him for his trouble of going on shore, and also for giving a correct report of the cargo.

2276. Do you know the date of the treaty in which that appears, to which you

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you have just alluded, with regard to the fixed rate of payment to captains by the Danish Government?—1841, I think.

2277. It is distinctly stated in that treaty, is it?—It is distinctly stated in that treaty.

Anthony George Robinson, Esq., called in; and further Examined.

A. G. Robinson, Esq.

2278. *Chairman.*] CAN you inform the Committee whether ships are now allowed to pass down the Sound without payment?—No; it is illegal to do so.

2279. You are aware that some do so at present?—Some do so either by sending their papers from this country, or putting them on shore in a boat. According to the Danish tariff they are subject to a fine of a specie dollar if the captain himself does not go on shore. A ship passing through without either going on shore, or putting her papers on shore, or clearing, is subject to be fired at, if they choose to do it, and brought back and fined for attempting to pass.

2280. What happens if they are not fired at, and do pass?—They have to send their papers back from this country, or from wherever they go to, otherwise they would be seized if they attempted to go into the Baltic again.

2281. Can they pass without sending their papers, upon paying a fine?—Yes.

2282. Is it understood that if they pay a fine, it is not illegal, and they may pass?—No, it is not so. Of course at the Sound there is a great crowd of ships; but if the officer at the guard ship, or the officer on guard at Cronborg Castle, where there are always guns loaded, sees a vessel passing without stopping, he has authority to fire at her; and if it is proved that a ship has passed the Sound without paying the dues, she is fined.

2283. Mr. *Liddell.*] Is the whole of the navigable channel commanded by the guns of Cronborg Castle?—Yes; it is about three miles across.

2284. Is there not room for a ship to pass?—No, not with a good long gun. If a captain attempted to go on the Swedish shore he certainly would be brought back, because the guard ship would weigh, perhaps, or they would send a boat after him, and bring him back.

2285. *Chairman.*] Are there particular ships which are allowed to pass upon any previous arrangements made with the Danish Government?—The only privilege which we get is to be allowed to send the papers on shore at Elsinore, without stopping, and going on to Copenhagen, and sometimes sending them from Copenhagen.

2286. That is both ways?—Yes.

2287. You have that privilege?—Yes.

2288. Do you mean with steamers only?—Yes; it might be granted on the application of an agent to a ship; but it was with some difficulty that we got that privilege some years ago conceded to us.

2289. But that is the privilege of the St. Petersburgh Steam Company?—It is now general, I think, with steam-boats.

2290. Did you not say that it was the subject of arrangement, some years ago, with your company?—It was.

2291. Do you know that it is general, and that every vessel now may avail itself of this privilege?—Yes.

2292. Then what you prove is, that it is legal to pass up and down?—A vessel cannot proceed on without getting a clearance; she must wait at Copenhagen for clearance.

2293. Then what do you mean by passing without detention?—At Elsinore (Copenhagen is 20 miles from Elsinore), in going up upward bound, for a Russian port, the vessel need not go on, because she would not be admitted into that port. If bound for another port, on the understanding that she will wait for her clearance, they allow her to pass.

2294. Mr. *Mitchell.*] Downwards, you do not mean that that privilege is conceded to sailing vessels?—I think not.

2295. Would not the Danish Government be subjected to the grossest frauds if they were to take it for granted that every paper handed in by a captain when passing downwards was a correct account of his cargo?—Certainly.

2296. Suppose that vessels were allowed to pass downwards, and to pay the Sound dues on their arrival in another country; take the case of countries like Spain,

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Spain, what security would the Danish Government have for the payment of the Sound dues?—I should think very little, or none; practically, you are not allowed to pass without doing something. And further, where we have a cargo on board without a recognised agent of the parties there, we are obliged to pay the Sound dues, or to guarantee the Sound dues, and collect them from the people as we best can.

2297. *Chairman.*] You have no privilege in entering Russian ports, have you?—None.

2298. You must produce the pass like others?—We must produce the pass.

2299. Do you know anything else which would detain ships if the payment of the Sound dues at Elsinore were abolished?—Nothing; if those dues were abolished the steam-boats would go right through, and save considerable delay.

2300. What is it with respect to the quarantine authorities that the Russian Government require?—They require a bill of health from Elsinore.

2301. Would they not require that in future?—I should think that that could be got here, because in taking a cargo from this country, for example, cotton on board a ship, we are obliged to get a quarantine certificate, signed by the Danish consul here, which is produced there in order to give it a pass. That document might as well be taken on to St. Petersburgh as a fresh document granted at Elsinore.

2302. Do they require a quarantine pass from all vessels entering any of their ports?—Yes.

2303. What is that founded upon?—I do not know.

2304. It is not required in Prussian ports, is it?—No.

2305. Or in any other Baltic ports?—No, only the Russian. I presume it is on account of the close connexion existing between the Danish Government and the Russian Government.

2306. That would relate to a certificate of the Sound dues being paid, but we are talking of the quarantine pass?—It saves the Russian Government, I suppose, establishing quarantine places of their own, and it is in order to check smuggling, perhaps, as they cannot trust their own officers. If a ship was put into quarantine, and lay in quarantine in a Russian port, a ship would go into quarantine for the purpose of smuggling.

2307. People are not kept at Elsinore, are they?—The ships have to perform quarantine.

2308. How long?—It depends upon the cargo which they have got in, and upon circumstances.

2309. A ship going from this country to St. Petersburgh does not stop in quarantine, does it?—If we took out cotton from this country, I think we should have to perform five days' quarantine, if we did not bring a certificate from here.

2310. But a great number of vessels taking cotton or sugar do not load here; they stop at Southampton, and then go on, do not they?—In loading the cotton from this country, it is for the purpose of certifying that it is not from any infectious port.

2311. Do you mean to say, that if cotton was brought straight from America to St. Petersburgh, they would be in quarantine four or five days?—No; not from America.

2312. Mr. *Mitchell.*] Would they, with sugar from Cuba?—No; I do not think that they would put a ship with sugar on quarantine; but I think, if a ship was loaded with cotton from the Brazils, they might.

Veneris, 11° *die Julii*, 1856.

MEMBERS PRESENT.

Mr. Villiers.	Mr. Liddell.
Mr. Duncan.	Mr. Mitchell.
Mr. Milner Gibson.	Mr. Hutt.
Mr. Chancellor of the Exchequer.	Mr. Cardwell.
Mr. Bramley-Moore.	Mr. Robert Phillimore.

THE RIGHT HON. C. P. VILLIERS, IN THE CHAIR.

Andrew Buchanan, Esq., called in; and Examined.

A. Buchanan, Esq.
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2313. *Chairman.*] ARE you the Minister representing this country at Copenhagen?—I am.

2314. Have you in that capacity become acquainted with the desire of the Danish Government to negotiate with other states respecting the Sound dues?—I have.

2315. Is that desire founded upon an opinion that it is politic on their part to make arrangements with those other states for the abolition of those dues?—It is.

2316. Did they invite the persons representing different states to meet at Copenhagen, and consider provisions for that purpose?—They did.

2317. Did you attend that conference?—I did.

2318. Were the views which the Danish Government entertained upon that subject fully expressed in that conference?—No, the Danish Commissioner did not enter at all into the reasons for calling us together, he considered that had been done already; he merely said that he was ready to give us information as to the amount of dues which had been levied at the Sound, and as to the manner in which it should be divided between the different states interested.

2319. Were there any statements made there as to the respective payments made by the different states?—Yes, there were; a series of tables were laid before us, showing what each state should pay towards the capitalisation of the Sound dues; those tables are now, I believe, before the Committee. The Commissioner stated that there were two ways of doing so, either by ascertaining the amount of duty paid by each state upon its exports, and fixing the share of the indemnity to be apportioned to it upon that amount, or by fixing it upon the amount of dues paid upon its imports, but that a more just and equitable plan would be, that the amount of dues upon the exports and imports of each state should be taken into consideration, and that they should pay accordingly.

2320. Was there some specific proposition made then?—There was no proposition made at our first meeting, there was merely information given as to the amount of the dues levied by Denmark, and as to the sum which that amount would make capitalised at 4 per cent., but no proposition was made. At the second meeting there was a specific proposition made.

2321. Was there any question, either at the first or at the second meeting, as to the accuracy of the data upon which they had proceeded, and upon which they allotted to the different states their portion?—There was no question about it. The director of the Sound Custom-house, who is the Commissioner for Denmark, stated that he could assure the Conference that the data were perfectly correct, and that they had been drawn up under his own eye and under his direction.

2322. Were there any doubts expressed in the Congress as to the accuracy of them?—None whatever.

2323. Have you any reason to believe that they are not correct?—Not the slightest; I believe they are accurate. In fact, the Director of the Sound Custom-house

house has assured me, that if any Government should like to examine these data, and could send a commissioner for the purpose, as far as he was concerned, he would be ready to open his books for examination.

2324. Do you know in what way the accounts were kept?—Merely from what I have heard from him; he states that the entries in the accounts show the port from which each vessel has come, and the port to which she was bound, the nature of the cargo, and the amount of the duty levied upon each article in the cargo. In fact, I believe that the bills of lading are copied into the books, or at all events, the substance of the bills of lading.

2325. There is always a reference to where the ship is bound?—There is always a reference to where the ship is bound, and where the ship has come from.

2326. In calculating, for instance, what this country has to pay, the calculation is not confined to the number of ships and the cargoes contained in British ships that pass the Sound, but it is the destination of the cargo that is taken into consideration?—It is the destination of the cargo that is taken into consideration, and the port from which it comes.

2327. Do I understand you correctly, if the cargo was coming to England in a British or Russian vessel, it would be entered as bound for England?—It would be entered as bound for England.

2328. And charged upon the consignee?—And charged upon the consignee; the agent would draw upon the consignee for the Sound dues.

2329. So that the account upon our side is the mere amount of the charge upon all the produce brought into this country from the Baltic?—It is not the charge upon all the produce brought into this country from the Baltic; half of what is brought into this country is charged to us, and half of what has gone from this country is also charged to us.

2330. How do they enter cargoes that come to the Baltic after stopping in England, but which are not laden in England?—That I am afraid is a matter of detail upon which I am unable to express an opinion.

2331. Have you by means of this matter being brought under your attention been led to consider what the operation of those dues upon British trade is?—They are a burden upon trade by the detention of the ship at Elsinore, by heavy duties being levied upon our commerce, and by other expenses being entailed upon it.

2332. Have you had an opportunity of looking at the evidence which has been given before this Committee upon this subject?—I have seen the evidence laid before the Committee.

2333. As far as you have any information upon the matter, can you confirm the correctness of the evidence that has been given?—I can generally with regard to the detention, and the expenses incidental to the detention.

2334. And that the stoppage at Elsinore occasions injurious delays?—Yes, it occasions a delay. There may be a change of the wind, which would occasion a long delay. Vessels can only pass Copenhagen with a leading wind.

2335. We have heard of the various charges which are incidental to the detention occasioned by the agents there, who undertake the clearing of those vessels; have you reason to know that they are considerable?—I believe the agents charge 3 per cent. commission upon their advances, and a small commission upon the ships; at least, I have been told so; and as far as I can ascertain, I believe they also make considerable profits upon supplies furnished to the ships.

2336. Are there agency houses at Elsinore?—Yes.

2337. Are not there a good many of them?—There are about six English houses of note. There are four or five others, and perhaps 20 Danish or foreign houses besides. Altogether there are about 30, as I understand.

2338. It is a profitable business?—I have been told that houses doing a good business may make as much as 2,000*l.* a year; but it is difficult to obtain any correct information upon a subject of that kind.

2339. Did you say that they were in the habit of supplying provisions to the ships?—I have been told so. I believe there is a brewery established at Elsinore, for brewing porter, which I am told is for the use of the ships.

2340. Is not that detention altogether unnecessary, except for the payment of the Sound dues?—Yes.

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2341. Can you give us any account of the mode in which those dues are levied; are you acquainted with the treaty of 1841, which binds us now to the payment of the dues?—Yes.

2342. Do you know the history of that treaty?—In 1840 very heavy dues were levied; much heavier than are levied now. The Swedish Government resisted the payment of those dues, and they paid the money under protest. It appears that the tariff included some articles upon which dues were levied, according to the treaty of Christianople, according to a fixed tariff; and there were other goods which the Danes admitted had paid an *ad valorem* duty of 1 per cent. from the time of the conclusion of the treaty of 1701 between Holland and Denmark. I think the Danes endeavoured to prove that that treaty had terminated, and that they had a right to levy higher duties, according to ancient usage, upon all other articles which were not enumerated in the tariff of Christianople. After a long correspondence, Sweden began to pay under protest. Denmark appealed to England. England took the Swedish view of the question, and recommended Denmark at the same time to consent to a revision of her tariff generally, upon the principle of an *ad valorem* duty of 1 per cent. A negotiation consequently took place in London, in which the dues upon all unenumerated articles were reduced to what was supposed to be an *ad valorem* duty of 1 per cent., or nearly so; and arrangements were made for amending the tariff of enumerated articles, some of them being higher than was originally intended, and others being oppressively high upon commerce.

2343. What was the difference between what are called enumerated articles and those which were called unenumerated?—The difference was that there was a fixed rate of duty upon the enumerated articles, a rate fixed in 1645.

2344. Are we to understand that the precise rate that was fixed at that distant period was then agreed to continue in 1841?—I think it was, as a general rule.

2345. Were not there many articles in 1841 that were not known to commerce in 1645?—There were many articles which were not known to commerce in 1645, but those were unenumerated articles, upon which heavy duties were levied by Denmark; they were greatly reduced (many of them 50 per cent. in 1841).

2346. May not the duties upon enumerated articles which are specified have reference to former value?—It is supposed so; but there is nothing in the treaty of Christianople to show that the duties enumerated were rated as *ad valorem* duties. I believe that according to tradition and from collateral evidence that the original rate was an *ad valorem* duty of the 100th penny; but that there is nothing in the treaty to show that it was an *ad valorem* duty.

2347. Was a subsequent treaty entered into in 1701?—Yes. In that treaty it is stated that all articles not enumerated in the tariff of Christianople shall pay an *ad valorem* duty of 1 per cent. But the Danes endeavoured to prove that this treaty had terminated, in which they signally failed, and the provisions of the treaty were subsequently maintained.

2348. Are we to understand that in the treaty of 1841 all unenumerated articles were rated according to their then values?—All the unenumerated articles ought to have been rated according to an *ad valorem* duty of 1 per cent.

2349. With reference to what period was the value taken?—According to that period, I should say.

2350. That is to say 1841?—Yes. The rates of duties were fixed in 1841; but those duties were, I believe, fixed upon the principle of an *ad valorem* duty on the values of the time.

2351. Is there not this difference, that whereas the values of enumerated articles were not considered in 1841, the values of unenumerated articles have reference to that period?—The values of unenumerated articles had reference to that period.

2352. Mr. *Hutt*.] Was not there some alteration in the duties upon enumerated articles?—There was some alteration in enumerated articles, but that was rather a matter of agreement. I have no doubt that if the tariff was revised now, Denmark would consent to alter the rates of duty on the articles enumerated in the tariff of Christianople, but it would be as a matter of agreement, and not as a matter of right. She would make concessions.

2353. There was some dispute upon the point whether the tariff of Christianople was not adjusted to an *ad valorem* duty of 1 per cent.; did the maritime countries claim

claim the right of paying 1 per cent., and did not Denmark insist upon their paying the fixed duty?—No, I do not think that was exactly the subject of dispute. I have seen a note addressed to the Danish government, in which no objection appears to have been made to the legality of the tariff of Christianople. I am almost certain that in the note in which we recommended Denmark to revise the tariff, we acknowledged that the tariff of Christianople could be maintained.

2354. There is no objection to the Treaty of Christianople, but there is some dispute about the meaning of the treaty?—Yes.

2355. *Chairman.*] There has been no question under the treaty where the goods are enumerated?—No.

2356. A mere reference to the tariff decided that?—Yes, I should say so.

2357. Do you know of any dispute having arisen about it?—No; I never heard of any dispute.

2358. Do you know how far, generally speaking, those duties upon enumerated articles are in excess of 1 per cent.?—I should think that, upon a great many of our important articles of commerce, the duties are in excess of 1 per cent., and that even upon unenumerated articles they are in excess of that rate.

2359. Does the same tariff apply to other countries?—To all countries, inasmuch as the same tariff has been adopted by almost all the leading powers of Europe.

2360. Has it been adopted by Prussia?—It has.

2361. It has been stated here that the operation of the tariff upon Prussian produce amounts generally to 2½ per cent.; is that so?—I believe there was a statement made in the Chambers at Berlin to that effect, but I never saw it; and I do not know upon what grounds they came to that conclusion.

2362. What are the precise grounds that are stated on the part of Denmark now for reviewing this matter and proposing to all the States to abolish those dues?—The principal reason is the intention of the United States government to decline paying the Sound dues.

2363. Is that since you have been at Copenhagen?—Since I have been at Copenhagen. They had objected previously to my being at Copenhagen, but since I have been there, they have terminated their treaty of commerce with Denmark, by which they are bound to pay the Sound dues, or rather in which they indirectly acknowledge their existence. It is the only treaty they have with Denmark upon the subject.

2364. Can you tell us what are the terms upon which the question now rests between Denmark and the United States; what are the relations which now exist between the two countries upon the subject?—I believe at this moment the United States are ready to pay Denmark a fair indemnity for the abolition of the dues, upon the principle that the dues have been levied for lights and other purposes essential to commerce. They will not object to pay a fair indemnity; but they will not pay it upon the principle that it is for the abolition of the Sound dues.

2365. Does she offer to pay a sum down so as to be perfectly free from the Sound dues?—Yes. America has not offered it, I believe, officially, but I understand from the Danish government that she is quite ready to treat with them for that purpose. In fact, I have been assured of that by the United States Minister at Copenhagen.

2366. Do you think that Denmark will feel herself obliged to treat with the United States?—Yes, or to endeavour to prevent her passing the Sound. She must either go to war or treat.

2367. That might be the state of things within a limited time if they do not make some agreement with America?—I believe Denmark declines treating separately with America, until she sees whether she can carry out her negotiations with the other powers; but if she fails in those negotiations, she may be obliged to treat with America separately.

2368. Has she it in her power, looking to her relations on this matter with other countries?—I should think she has that power; it is my personal opinion that she has. If she offers to free the Sound to us upon the same terms that she enters into with others, I do not see how we could object to her making a separate arrangement with America or any other power.

2369. Might not it be considered a privilege or favour given to one country which would bring her under the favoured nation clause with regard to others?—I hardly think that the favoured nation clause would cover that case.

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2370. Seeing that she has made the same proposition to ourselves?—Seeing that she has made the same proposition to ourselves.

2371. Is it not matter of necessity for her to decide the matter in some way?—It is necessary for her, as far as America is concerned, to decide the matter: America has extended the period for settling the question until the 14th of June next, stating at the same time that she trusts that before that period has expired, a satisfactory arrangement will be come to. I believe the terms which she used to Denmark were, that until that time she would have recourse to no other means than negotiation for settling the question.

2372. Is there any other country that has refused to pay the Sound dues?—I am not aware of any other.

2373. Do you know how far the Baltic States are ready to accede to the terms offered by Denmark?—Russia has already acceded, and also Sweden and Norway and Oldenburgh.

2374. In fact, is there any other state besides ourselves that has not given its acquiescence in these propositions?—There are other states besides ourselves.

2375. Mr. *Hutt.*] Have all other states agreed to them?—The only states which have acquiesced, are Russia, Sweden, Norway and Oldenburgh.

2376. In fact, are there not a great many other states that have not signified their acquiescence in them?—Yes; I believe that Prussia and Holland will be in a great measure guided by what we shall do.

2377. And the states of Germany?—Yes; though in fact the great mass of the trade is carried on by the states which I have mentioned.

2378. Has not Hamburgh a trade to the Baltic?—Yes, but I do not think it stands for a large amount; we should pay nearly one-third; Russia would pay nearly one-third; and the other one-third would be made up principally by Sweden, Norway, Prussia, and Holland.

2379. And France?—France would pay something, but not a very large amount.

2380. *Chairman.*] Is there any other mode which the traffic has of passing from the German Ocean into the Baltic Sea except through the Sound or through Danish territory?—It might go through Sweden.

2381. You mention Sweden; is there any route which you think likely to succeed for carrying the trade through Sweden?—There is a canal through Sweden; but as the Swedes are very anxious to get rid of the Sound dues, I cannot conceive that the canal can have any influence upon the traffic through the Sound.

2382. Then, in fact, as long as the Danes can enforce those Sound dues, or can induce other countries to pay them, we must pay this tribute to Denmark?—I think so, according to treaties.

2383. Do they impose dues over any other lines of communication to the Baltic?—They do; they have transit dues through Holstein and Lauenbourg.

2384. Do you know whether those dues have been imposed with a view of protecting the Sound in any way?—I think there is no doubt that they have been imposed for that purpose; the original duty was, I think, 9 *d.* upon the cwt., which was reduced to 4½*d.* in 1840; it was originally imposed in 1839.

2385. The Danish Government have the fullest right to do that?—I think so.

2386. Has there been any interference by other states on account of the imposition of those dues?—Lubeck protested against the dues being imposed upon the transit of goods from Hamburgh to Lubeck, alleging that she had ancient treaties which guaranteed her a free right of way by that route. She appealed to the German confederation, and the German confederation would have interfered if Denmark had not come to an amicable arrangement for 28 years with Lubeck, reducing the duty to 4½*d.* per cwt. instead of 9 *d.*

2387. Is there any other country which you know of which has treaties with Denmark, which admits of her goods passing through her territory free of transit dues?—Heavy goods from Russia do not pay transit duty proceeding from the Baltic to the Elbe, but I cannot state that there is any treaty upon the subject. It has been said there is an old convention, but if it exists, it has not been published. Territory having been ceded to Denmark by the Emperor of Russia, who was the prince of Holstein-Gottorp, it is said that an engagement was come to by Denmark that she would allow Russian produce to pass through that territory without paying transit dues. If there is a convention with Russia upon the subject, it is a secret one.

2388. Would not it be a peculiar advantage to any country which could pass through

through that territory free of duty, if other countries were to pay transit dues? —It would be an advantage to that country over others.

2389. But all the countries are bound to pay the Sound dues?—All countries are bound to pay the Sound dues.

2390. Did not you say it is notorious, in Copenhagen, for instance, that those transit dues were imposed for the protection of the Sound dues?—It is.

2391. Mr. *Cardwell.*] Do you think that, if those transit dues are imposed for the purpose of protecting the Sound dues, it is consistent with the spirit of the most favoured nation clause in our treaty, with respect to the Sound dues, to exempt other nations, and not to exempt us from the payment of the duties imposed upon the overland transit?—The duty is not avowedly for the protection of the Sound dues.

2392. Have not you stated that, in your opinion, it is so?—I have no doubt that it is so; but we have no right to say so, unless Denmark avows it.

2393. But is it not the fact that it is so?—It is so, practically, certainly.

2394. Do you consider that it is observing the spirit and the intention of the most favoured nation clause, to open a side-door by which other people may evade the Sound dues, and to keep the door closed against us?—That is a question of international law which I would rather not decide.

2395. Mr. *Milner Gibson.*] Is it not the fact that those goods are not exempt as the produce of a particular country, but only as goods of a certain description? —I think so.

2396. And therefore the most favoured nation clause would not apply to this case?—Certainly not; I believe that it is quite certain that the goods would not come at all if there was a transit duty levied upon them. The Representative of Lubeck at Copenhagen has told me that those goods could not bear any transit duty. I mentioned to him that the Danish Government would probably, in place of their present duty, levy a lower transit duty upon all goods; and he said, if such a plan were carried out, it would entirely preclude heavy goods passing by railway.

2397. Mr. *Cardwell.*] Do you think that if it should turn out, upon an analysis of the tariff, that certain classes of goods were those which England principally carries, and that certain other classes of goods were those which some other particular country principally carries, it would be consistent with the spirit and meaning of the most favoured nation clause to revise the tariff in favour of the class of goods in which we were not interested, while maintaining it against the class of goods in which we were interested?—If the tariff merely referred to goods; if it merely imposed duties upon a particular class of goods, I do not see how it could violate the most favoured nation clause, because injurious to the interests of the country which produced the goods.

2398. *Chairman.*] Do you know of any arrangement with any other country to carry their goods free from those dues?—No.

2399. Is it part of the system of foreign countries to levy transit dues?— It is.

2400. Do you know what the rate of those dues generally is?—I believe it is about 1 *d.* upon the cwt.

2401. Do you know whether the dues are much in excess of that upon the railway from Lubeck to Hamburgh?—Yes; they are 4 ½ *d.* on the cwt.

2402. Do not the Danes derive considerable revenue from the transit dues? —It is not very great; I have a statement here of the amount they have levied during the last four years; I think it amounts, for the whole monarchy, to about 22,000 *l.* a year.

2403. Do they levy dues upon produce passing from one port of Denmark to another?—No, they do not; on goods which have paid transit dues going from Altona to Kiel, if they proceed to Copenhagen, the transit dues would be deducted from the import dues.

2404. Is it the fact that Danish produce does not pay the Sound dues?— Produce shipped from Denmark does not pay the Sound dues. The produce of the country, or foreign produce, which is imported into a Danish port, and reshipped there, does not pay the Sound dues; goods which have been cleared at a custom-house in Denmark do not pay the Sound dues.

2405. Produce shipped to England from Denmark does not pay Sound dues? —Produce shipped to England from Denmark does not pay the Sound dues.

2406. Is that the case with other produce in Danish vessels?—Certainly not.

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2407. Mr. *Mitchell.*] Do goods going to Denmark pay the Sound dues?—I think they do; but as I did not come prepared to give information upon this subject, I do not like to speak positively upon that point.

2408. Do Danish vessels pay the Sound dues?—Danish vessels pay the dues.

2409. *Chairman.*] Do you know what would happen if the Sound dues were abolished with respect to the transit dues; was there any intention expressed by the Government upon that subject?—I have a positive assurance that they would be reduced, but not abolished altogether.

2410. Was there any question upon that subject at the Congress at which you attended?—It was not mentioned there.

2411. Will that Congress meet again?—I do not suppose that there is any probability of its meeting again, unless a sufficient number of the powers of Europe are likely to accede to the Danish proposals.

2412. What was the ground of the adjournment of the Congress?—We adjourned to report to our respective Governments the Danish proposals.

2413. Mr. *Mitchell.*] How many meetings had you?—Two.

2414. Mr. *Cardwell.*] Were you authorised in any way to commit your Government to any particular course?—No; I was merely instructed to attend, and hear what was said, and report it to the Government.

2415. Did not you in December last then transmit to Lord Clarendon a memorandum upon the subject of those dues, in which it is mentioned that in the year 1839, when Denmark proposed to capitalise the dues, her proposal was that the powers whose ports were situated within the Baltic should pay the whole amount of the capitalisation?—I believe that such a proposal was made in 1840 or 1839.

2416. It being then the opinion of the Danish Government that the burden of those dues fell mainly upon those powers?—I believe that the Prussian Government and also the Swedish Government were particularly anxious at that time to get rid of the Sound dues; but Russia, who paid the greater proportion of the Sound dues, said that she did not consider the Sound dues a grievance, and that she had no wish to see them abolished. Upon this occasion, Russia has been willing to come to an arrangement, on account of the difficulty that Denmark has with America; but her representative distinctly stated at our first meeting, that he came there upon the invitation of the Danish Government, but without any previous wish on the part of his own Government to negotiate for an abolition of the dues.

2417. Do you imagine that this feeling on the part of Russia arises from any natural fondness which the Russian Government have to taxes of this kind, or from some political motives which we might not be able to appreciate?—The Russian Government find the system convenient, because all vessels coming to Copenhagen perform quarantine at Elsinore, and also because the bills of lading produced at Elsinore, are a check upon those produced afterwards at the Russian ports.

2418. Mr. *Milner Gibson.*] Is it the fact that they have offered to pay to Denmark the sum she asks from them for the abolition of the Sound dues?—Yes.

2419. Mr. *Cardwell.*] That is to say, that the former proposal of Denmark contemplating that nearly seven parts in ten should be paid by Russia, Russia expressed no anxiety to carry out that proposal; but now a proposal having been made by which little more than three parts in ten should be paid by Russia, and by which England, who under the first proposal was to pay nothing, should pay more than Russia under that new arrangement, the feeling of Russia has been entirely changed?—It may be said that the feeling of Russia is changed on that account, but we must also recollect the other incident which has occurred, and that it is absolutely necessary that some arrangement should be come to in consequence of the position which the United States have assumed.

2420. *Chairman.*] Did Russia think the former proposition just?—Russia did not think the former proposition just; but, independently of the justice or injustice of the present proposition, I consider that her willingness to accept it arises from the necessity of coming to some arrangement which did not exist in 1839.

2421. Mr. *Cardwell.*] Then if England should, upon the whole view of the case, be of opinion that the proportions now proposed to be paid by Russia and England respectively were not fair as regards England, and were to propose that England should pay less, and Russia should pay more, may there not be some hope that, under the pressure of the American difficulty, Russia may be disposed

disposed to give an equitable consideration to that case?—I cannot hope that she would.

2422. *Chairman.*] Russia is not herself pressed by America?—Russia is not pressed by America.

2423. Mr. *Cardwell.*] I understood you to say that the reason why Russia had changed her mind since 1840 was not exclusively on account of the difference of the proportion which she was now asked to pay, but also by reason of the American difficulty; is not that so?—Yes; but at that period Russia declared that she never would enter into an arrangement by which the Baltic Powers alone should compensate Denmark for the abolition of the Sound dues, as she considered it unjust; and on this occasion, when the question was mooted, she stated, that if it were proposed that all the powers of Europe were to pay their share, she would listen to the proposal, but that she would treat upon no other terms.

2424. Upon a full investigation of the subject it might turn out that the original proposal was too high as against Russia, and that the present proposal is too high as against England, and that some intermediate figure might be more just as respects this country; do not you think that Russia might be expected to listen with consideration to such a proposal?—My own opinion is that she would not.

2425. Would not the fact of her not caring much about the payment of the dues, her commercial system being very different from ours, furnish a reason which would influence her in favour of the continuance of the present system?—Exactly.

2426. *Chairman.*] Has not she fewer ships engaged in proportion to her commerce in the Baltic trade than any other European nation?—Yes.

2427. Mr. *Cardwell.*] But although she has fewer ships, do not the cargoes upon which the greater part of that duty is paid, consist in a large proportion of the raw material produced by Russia, and a considerable amount of the articles of consumption which go to be consumed in Russia?—As long as Russia levies export duties on her own produce, I do not think that that consideration is of much importance.

2428. As long as Russia continues to maintain the old exclusive system of commercial policy, you think she will be comparatively careless about abolishing the Sound dues?—I think so.

2429. *Chairman.*] Is it not the fact that she is content to come into the terms proposed by the Danish Government?—She is.

2430. Mr. *Mitchell.*] Are you aware that the export duty in Russia upon large bulky articles exported is heavier than the payment of the Sound dues?—I cannot say. I am aware that Russia does levy export duties upon her produce.

2431. *Chairman.*] Have you any information as to the extent to which the produce of Russia comes to England?—Speaking from recollection, having resided in Russia, I think I have heard it estimated that three-fifths of her produce comes to England.

2432. Mr. *Liddell.*] You stated, just now, that Prussia was waiting to be guided by England in this matter; did I not gather from the statement you made that there was a period in which Russia was anxious to capitalise the dues?—She is anxious to come to an arrangement now, but as to the terms, I believe she will be guided in a great measure by the decision of England.

2433. Was she present at the Congress?—She was present at the Congress.

2434. And she made no proposal?—She made no proposal.

2435. Did Russia make any proposal?—No; the only proposal that we received was made by Denmark; but Russia subsequently accepted that proposal.

2436. Mr. *Bramley-Moore.*] Did she not accept it conditionally upon its being accepted by other nations?—Yes.

2437. *Chairman.*] Do you understand that Denmark, if she were free from this difficulty with the United States, would wish to abolish the Sound dues?—I think she would prefer retaining them, because she makes a great sacrifice of revenue by the proposal which she has made to us.

2438. Would she not rather revise her tariff, reducing considerably some of the dues?—I believe that a large party in Denmark would prefer to revise the tariff; they are of opinion that they would eventually lose little by its revision. It was believed she would lose 25 per cent. in revenue by the reductions in 1841, but the revenue soon recovered itself.

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2439. In fact, it is rather for other states to consider the policy of allowing her to make terms with one state only?—Decidedly.

2440. Would she have any objection to make an arrangement with the United States, and go on receiving the Sound dues from other states?—I think not.

2441. Mr. *Liddell.*] Then the difficulty with America is really at the bottom of the proposal which Denmark has made?—Yes.

2442. Do you state that as your opinion?—I state that as my opinion.

2443. Mr. *Chancellor of the Exchequer.*] If Denmark were to contract with America to give up the duty upon American ships, would not that exemption upon American ships have a tendency to throw the carrying trade into that class of vessels?—It would throw it entirely in the hands of American ships.

2444. In that case would not Denmark lose the Sound dues upon other vessels?—If an American vessel carried goods from Hull to London, the goods, I believe, ought to pay the Sound dues as English goods.

2445. Do you think that the flag would not cover the goods?—I think it ought not to do so.

2446. Would the effect of a separate agreement with America be, that the American flag would only cover American goods?—The Sound dues on goods are charged to the consignee or the exporter; generally to the consignee.

2447. Mr. *Cardwell.*] Is the Committee to understand you to say that an American ship would still be subject to all the vexations of being hauled up at the Sound?—That would be a difficulty, certainly.

2448. Unless that continued against America, could a charge upon cargoes carried in American bottoms be made?—The American would not submit to detention at all; and it would be a difficult thing for the Danes to ascertain what goods had passed in an American ship.

2449. Mr. *Bramley-Moore.*] Supposing an American ship pass the Sound, could she discharge in a Russian port without having paid the dues?—Not under the present arrangement.

2450. Do you know anything of any Return made by Prussia of the Sound dues to the vessels trading with her ports?—I have been positively assured that a large portion of the dues are returned by Prussia.

2451. *Chairman.*] Is it one-third of the amount paid?—I have heard that it is one-third; I do not think that it is a proportion of the dues, but that a certain sum is paid annually.

2452. Do the Government pay it to the consignee of the cargo?—I do not know how it is paid, but I believe that it is paid. Prussia had demanded exemptions for Stettin and other ports, which under old treaties, as members of the Hanse, or as Swedish towns, they had at one time enjoyed.

2453. Are you aware that the Sound dues are mortgaged for a loan in London?—I am.

2454. Did anything take place at the Congress as to the application of the money to the payment of the loan, in case the Sound dues were redeemed?—Nothing whatever.

2455. That subject was passed over altogether?—It was. Nothing took place as to the objects to which the money should be applied at the Conference.

2456. Had you anything to do with the return which was laid before the House of Commons of the vessels which have passed the Sound from 1845 to 1854?—These returns are made by the Consul at Elsinore. They do not pass through my hands.

2457. Why has the tonnage been left out in the Return since 1852?—I do not know how the tonnage is obtained. There is no Register in the Custom-house of the Sound dues, as to the tonnage of vessels; I am not acquainted with the returns which have passed through the Consulate at Elsinore.

2458. Mr. *Chancellor of the Exchequer.*] If I understand the matter correctly; if Denmark refuses the offer now made by the United States, she refuses it at the risk of war; and if she, on the other hand, comes to an arrangement with the United States, then the United States vessels will have an exemption from the Sound dues?—They will.

2459. How far do you understand that the exemption will go; will it exempt vessels from paying anything, or will it merely apply to the dues now levied upon the vessel, independently of the cargo?—I suppose it would exempt the vessel from being charged any dues, because what the Americans object to is the right of Denmark to levy dues upon what they consider an open sea.

2460. Do

2460. Do not the Americans claim a right of navigating the Sound free, without being stopped?—Exactly.

2461. Do you believe that it would be possible for the Danish Government to levy the Sound dues upon cargoes carried under the American flag, if the Americans purchased an exemption from the Sound dues?—I think they would find it difficult to do so.

2462. If one nation possessed an exemption, would not other nations find themselves almost under a necessity of coming to an arrangement with the Danish Government?—I think they would; but at the same time the exemption would act also another way. The Danes would be in great difficulty, as they could not prevent commerce being carried on without paying any Sound dues.

2463. The Danes might lose the Sound dues upon other vessels, but, in the meantime, would not the vessels of other powers be virtually excluded from the Baltic trade?—They would.

2464. The question would be, which could hold out the longest?—Yes.

2465. Mr. *Cardwell.*] If American ships were allowed to pass, even if Russia assisted Denmark by putting restrictions within the ports of Russia upon a cargo not coming from an American port, would it not be very easy, by a transfer at a Russian port, to ship in American vessels?—If Russia were to support Denmark, her simple course would be to maintain her present regulations, that no ship should enter a Russian port which had not been cleared at the Sound.

2466. Mr. *Mitchell.*] Would that course be available in the case of exports from the Baltic?—Not if an American ship had once got into a Russian port.

2467. In the case of exports from the Baltic, no check of that kind could be devised by Russia, however willing she might be to do so?—No.

2468. *Chairman.*] Have you any doubt that the shipping interest now engaged in the trade would not tolerate one country monopolising the carrying trade, but would immediately press their Government to obtain an exemption for them?—Certainly.

2469. It would not be a difficult thing to avoid payment of the Sound dues if we could make up our mind to do so; but we are bound by treaty not to do so?—Yes.

2470. We are bound by treaty to pay them?—Yes.

2471. And we consider that as an obligation?—We must either pay them, or make some arrangement for their abolition.

2472. Mr. *Hutt.*] If the United States claim the right of going through the Sound without paying the Sound dues, should not we have a right to go through under the same circumstances?—I think not, if the United States obtained that right by compensating the Danish Government. If Denmark offered us freedom from the Sound dues upon the same terms, I think that we could not object to their granting it to America. But that is a question of international law for a lawyer to decide.

2473. America, I understand, proposed to obtain a free passage of the Sound by capitalising the light dues?—Yes, by paying a sum to Denmark; they will find some terms which will suit both parties. The Americans will maintain their principle, and the Danes theirs. The Danes will maintain that an indemnity has been paid for the Sound dues, and the Americans will say that they had not paid on the Sound dues, but on the light dues.

2474. Mr. *Chancellor of the Exchequer.*] Would the Americans pay a sum proportionate to the sum demanded from England and Russia?—I have been assured that they would. I have no doubt that they would.

2475. Mr. *Cardwell.*] Is not the number of their ships in comparison to the number of English ships so small, that the sum paid for them would be small in comparison with the sum paid by England?—Yes.

2476. So that America would, in point of fact, purchase immunity for the great increase of trade which she may reasonably expect for the future for a capital sum calculated upon the smallness of her trade in times past?—Yes, but if all other nations commuted their Sound dues, America would gain no advantage by it.

2477. But observe the bearing of this upon the favoured nation clause in our treaty. We having long had a great share of the carrying trade in the Baltic under that favoured nation clause, whereby we have the right of refusing to pay the Sound dues, if other nations are not equally charged with the Sound dues, then, in the case supposed, America, who has heretofore had only a small trade being

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being required to capitalise that charge upon that small claim, and becoming free, and we being required to capitalise upon our heretofore large trade, in order to obtain the same immunity, would that be a substantial compliance with the favoured nation clause of our treaty?—I do not think that the relative interests of each nation can be taken into account in a question of this kind.

2478. Even supposing it should be a non-violation of the letter of the treaty, does not it appear to you to be a violation of the spirit of the treaty to allow a nation with a small trade to capitalise, and to obtain exemption, leaving a nation with a large trade uncommuted, and the nation with the small trade, by its exemption, converting the trade into a large trade?—Not if she offered us exemption at the same time. She says, "Circumstances render it necessary for me to commute these dues, and I am willing to give the same terms to all." If we do not choose to commute, I do not think we should have any right to say that others shall not do so.

2479. Mr. *Bramley-Moore.*] Is not a different offer made to England and to the United States; inasmuch as the United States is a rich nation with a small trade, she can easily commute, and may by that commutation convert her small trade into a large trade; whereas England having a large trade, is asked to pay for that a larger sum?—Yes; but I do not think that the general clause of a treaty is intended to be applied to the peculiar circumstances of each nation; it must have a general bearing.

2480. *Chairman.*] Would not the principle be exactly the same, supposing we agreed to pay a compensation for the dues, and America, being offered to do the same, refused; should we submit to be told that we were not to carry as much trade as we had, because America would not pay her share of the compensation?—Certainly not.

2481. Mr. *Mitchell.*] In these questions it is assumed that the trade of America with the Baltic will increase; are you aware whether it is at all upon the increase at present?—Not that I am aware of.

2482. Mr. *Milner Gibson.*] Does the American Government now pay the Sound dues under protest?—I believe she does.

2483. Are you aware whether there is any arrangement with the Danish Government that the money so paid shall be returned to America when the treaties are completed, with other powers for the abolition of the Sound dues?—I do not think any arrangement has yet been come to as to that; but I have no official information upon the subject. No arrangement had been made when I left Copenhagen. I believe that the Americans pay under protest, subject to an arrangement to be made in the course of the next twelve months.

2484. Is not that stated in the correspondence upon the subject?—I do not think that it is exactly stated in the correspondence; I do not know anything upon the subject officially.

2485. If there should be such an arrangement that they were to receive the money back again, they would not practically be paying the Sound dues now?—If there should be such an arrangement it would be so.

2486. Was there any representative of the United States at the Conference at which you attended?—There was no representative of the United States there.

2487. Supposing the Sound dues abolished, do you consider that there will be any security that the lights and buoys will be kept up by the Government of Denmark?—I think that the interests of the Danish trade will induce them to do so; all their principal ports being Baltic ports, except the port of Altona.

2488. Do you think, that if they receive no payment for the dues for the lights and buoys from the trades of other nations, still Denmark would keep those lights and buoys in a good state of repair?—I think she would, for the interest of her own commerce.

2489. Can you tell the Committee upon what principle the whole of the payment for the Sound dues of Europe was calculated?—They ascertained the amount which they receive annually, and they capitalised it at 4 per cent.

2490. Is a permanent annuity of a sum of money to be given?—I have made out a statement on the subject. The amount set down for England is 72,289*l.* If you multiply it by 25, it will give the sum of 1,807,224*l.* Instead of that sum they will accept 1,125,206*l.*, leaving a balance of 682,018*l.* in our favour, which, if deducted from the capital of the dues levied on goods, gives a reduction of 40 per cent., or, if deducted from the whole amount of dues, a reduction of 37½ per cent.

Vide Appendix.

2491. Will you hand that paper in?—(*The same was handed in*).

2492. *Chairman.*]

2492. *Chairman.*] Upon what principle did they propose that reduction?—They did not state any principle. In confidential communications with the Danish Commissioner and with the members of the Danish Government, I frequently mentioned to them that they ought to make a reduction in the amount charged for Sound dues, in consideration of many articles being overtaxed in the tariff, and also in consideration of their right not being a territorial one, but a right originating in treaties, which would cease if the treaties were terminated by war.

2493. Do you think that that is a fair reduction, and that we might proceed upon it, and that we should get as much justice in that way as if we were to go to the particulars of the tariff to discover the extent of the duty?—Forty per cent. is a large reduction.

2494. Do you know if similar reductions were made to other States?—It is a general reduction upon the whole. I have merely extracted from the tables the amount charged to England.

2495. Were those who met in Congress satisfied with it?—I think so, from what I have heard. The Swedish Government considered the proposal an exceedingly moderate one, and I believe that they would not have objected to pay a higher amount.

2496. Are the Sound dues of importance to Denmark?—They are of considerable importance to Denmark.

2497. Have you ever seen the Danish Government's accounts?—I have seen the Danish Government's accounts.

2498. Do they furnish any clue as to the accuracy of the return of Sound dues?—They do; I have compared the accounts with the tables, and I have found that they are nearly the same. The Danish Government's accounts are made up for the financial year, from the 1st of April to the 31st of March, and the tables submitted to the Conference are made up for the calendar year, so that it is impossible that they should entirely agree; but they meet so nearly that I should have no doubt that the latter are entirely correct.

2499. What is the whole amount that they get from the Sound dues?—In round numbers you may call it 220,000 *l.* or 230,000 *l.* a year.

2500. Mr. *Chancellor of the Exchequer.*] Is that the net value; is that exclusive of the expenses of collection?—The expenses of collection do not appear in the tables at all; the expenses of collection are paid by dues, which are called Customs and expedition dues; but as the Danish Government will not incur those expenses hereafter, they do not ask an indemnity for those dues, and therefore they do not appear in their Returns.

2501. Do all the expenses of collection fall upon the ship and upon the owner of the goods?—Yes; therefore that is a further advantage which we shall get by redeeming the dues.

2502. *Chairman.*] They lose nothing by that?—Nothing, and therefore they do not return the amount of the expedition dues, because they do not mean to ask for an indemnity for them.

2503. Mr. *Mitchell.*] Have you any idea what the amount of that is?—I should think it is at least equal to the amount of the light dues.

2504. What is the amount of the light dues?—The amount of the light dues upon our shipping is about 4,000*l.* a year.

2505. Mr. *Liddell.*] When you stated that in round numbers, you considered the total annual receipts of the Danish Government to be 220,000*l.*; did you include the dues upon the cargo and the light dues?—Yes.

2506. Mr. *Cardwell.*] Do you know the whole sum that the Danish Government derive from the light dues?—I think it is about 150,000 dollars.

2507. *Chairman.*] Do you know what we pay, because it was stated that we pay one-third of the light dues?—Our proportion of the light dues is nearly 26 per cent.

2508. That is one-fourth?—That is about one-fourth.

2509. Our shipping pays one-fourth of the whole amount received for light dues?—Yes, and if we look at the proportion of our shipping which passes the Sound, it appears to be a fair estimate; as from the tonnage of the ships, they must always pay the highest charge for light dues.

2510. Mr. *Bramley-Moore.*] Is not our tonnage in the Baltic declining?—It has declined since 1849. If a vessel of 10 tons passes the Sound, its name appears in the Sound list. If we take into consideration that one-fourth of the

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the ships that pass are British ships, and that all these ships pay the higher rate of light dues, I do not think that 26 per cent. is an exaggerated statement.

2511. Mr. *Duncan.*] Do not all vessels above 40 tons pay the same?—Yes, but vessels under 40 tons pay less; and those vessels' names appear in the Sound List. It is quite clear that all our vessels must pay the higher rates.

2512. Mr. *Hutt.*] The plan made by Denmark is not a plan for commuting the Sound dues only, but the light dues also?—It is a plan for commuting the whole.

2513. Therefore, would not the lights upon the coast of Denmark be placed upon a footing different from those of any other state, because they would not be maintained by the state itself?—I do not think we should be able quite to say that they would not be maintained by Denmark.

2514. Do not you think we should insist upon Denmark keeping the lights in good order?—Yes, we should have that right, inasmuch as we have paid for them, but we should not have a greater right to do so than we have now; we have a right now to insist upon there being lights, as we pay for them, and we should have the same right to insist upon that, when we had paid a compensation for the light dues.

2515. Are not those lights now established by treaties?—Yes.

2516. And Denmark has no discretion over them; she is required by treaty to maintain them?—It is so with regard to certain lights which she agreed to establish in 1841; but there are many lights respecting which no particular engagements have been contracted by her.

2517. In 1841, was not Denmark bound by treaty to establish three additional lights?—Yes.

2518. But previous to that, was not she bound by treaty to maintain the light?—Yes, certainly.

2519. To maintain certain lights, as well as buoys and beacons?—Yes, certainly.

2520. The lights and buoys and beacons are no longer under the jurisdiction of Denmark, as those of other nations are, with respect to any other state in the world?—Perhaps not exactly so.

2521. Mr. *Chancellor of the Exchequer.*] Will you have the kindness to explain how the sum of 67,900 *l.* is obtained; is it calculated upon an average of years?—It is calculated upon an average of nine years.

2522. Do you remember which is the first year taken?—It is an average of years from 1842 to 1847, and from 1851 to 1853; there were three years omitted on account of the Danish War, not upon the principle that they reduced the amount of dues levied, but because it would alter the shares of each state.

2523. Do you think it is fair to calculate the present navigation in the Baltic upon an average, including the years from 1842 to 1847?—It was thought that the only years from which a calculation could be fairly made, were those effected by the present tariff.

2524. Taking that number of years, and the average payment for cargoes in your vessels and other vessels going both ways?—Yes, the average of the dues levied upon cargoes both ways.

2525. Exclusively under the English flag?—No, not exclusively under the English flag; but the average of the dues levied upon the cargoes of all vessels going from an English port to a Baltic port, and of all vessels going from a Baltic port to an English port.

2526. If a Prussian vessel imported goods into England and paid the Sound dues, would the dues paid by the ship be included in the 67,000 *l.*?—Half the dues paid upon the cargo would be included. Half would be charged to Prussia, according to the special arrangement, and half to England.

2527. With regard to vessels entering the Baltic, would you take exclusively goods carried in English vessels, or would you take goods coming from any English port?—Goods coming from any English port. If that arrangement was not made, Russia would not pay at all, because her proportion of ships is very small; we carry a great proportion of her goods. If the charge was all upon the ships, we should have to pay for the goods carried for Russia.

2528. Has not the principle of calculation been to consider the country from which the goods are imported, and not the flag under which the goods have been carried?—Precisely.

2529. *Chairman.*] Is not that upon the principle that it is the consumer in this

this country that pays the dues?—Yes; the consumer and the producer. The great object was to propose an arrangement in which all the Powers would agree. They felt that if they were to propose that the indemnity for the dues should fall upon the consumer, one nation would object; and if it were proposed that it should fall upon the exporter, another nation would object; and they thought that the only way of arriving at a practicable arrangement was to divide it between them.

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2530. Mr. *Chancellor of the Exchequer.*] Have they no reference to the ships in which the goods were sailed?—None whatever.

2531. Mr. *Mitchell.*] In the calculation, are not the years 1848 and 1849 left out?—Yes; the years in which Denmark was at war with Prussia. I do not think that the amount of goods that passed the Sound was diminished in those years, but Prussia did not appear as a carrier.

2532. The proportion that was borne by Prussia in those years, upon that principle, would have been smaller than it now appears?—Yes, exactly so.

2533. *Chairman.*] Can you tell us who drew out the memorandum, signed "E," contained in the correspondence laid before the House of Commons?—That memorandum was drawn up by the Swedish Consul-general at Elsinore, who signed the Convention by which Sweden accepted the tariff of 1841. He was present at Elsinore when the tariff was revised, and he is well acquainted with the statistics of the Sound, having lived at Elsinore for many years. There is no person more competent to form an opinion upon the subject than he is.

2534. Mr. *Robert Phillimore.*] Are you in favour of the principle of redemption or not?—I am in favour of getting rid of the Sound dues as an advantage to my own country. I think we ought to get rid of the Sound dues if possible.

2535. Would you get rid of them by the method of redemption, or by any other method?—I do not know any other method by which we could get rid of them without violating our engagements.

2536. Would you prefer the redemption spread over a term of years or an immediate redemption?—That is a question for the convenience of the Government.

2537. Mr. *Milner Gibson.*] You mentioned that the transit dues were imposed in 1839; are you aware that the English Government entered a protest against their adoption at the time?—I am not personally acquainted with what passed in 1839.

2538. Have you not perused the correspondence between the Danish Government and our Foreign Office upon the subject?—I have, but not lately.

2539. Mr. *Mitchell.*] From what you have heard, should you say that it was an exaggerated statement of the loss to British shipowners and merchants caused by the detention of the ships at Elsinore, to say that it formed a tax upon them equal to the tax of the Sound dues?—Yes. It is difficult to form an opinion, because I do not know what they pay. There is no doubt that the ships are exposed to a great expense, as well as inconvenience, by the detention there. A case occurred to myself during the war. Several transports arrived at Copenhagen with troops on board. The captains had landed, and said they could not get through the grounds; and upon my own responsibility I was obliged to hire steamers for their being taken through, because I felt it was important that they should get to their destination. A merchant vessel would be exposed to the same inconvenience.

2540. Mr. *Hutt.*] Have you thought of the practicability of paying the light dues in this country, or at the port where the vessel arrives?—I understand that is considered impracticable.

Mr. *Joseph Berridge*, called in; and Examined.

Mr. J. Berridge,

2541. *Chairman.*] I BELIEVE that you have addressed a letter to me as Chairman of this Committee?—I did.

2542. And you alleged that you had some information respecting the object of this inquiry?—Yes. I have furnished you with a paper, in which I have given you the heads of it.

2543. Will you be so good as to state what it is you are able to tell the Committee upon the subject of the operation of the Sound dues?—The operation of the Sound dues generally creates a very great detention in point of time, and frequently a great risk from bad weather and from delay.

2544. Have you been engaged in the Baltic trade?—I have been engaged in the

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the Baltic trade, inasmuch as I lived at Elsinore from 1801 to 1809, and from 1814 to 1819. The first seven years I was in a shipping agent's house, with the understanding that I was to become a partner, and the last five years I was a partner in another house for two years.

2545. You have been an agent at Elsinore?—I have been an agent at Elsinore.

2546. Can you confirm what has been said with respect to the detention at Elsinore, that it is considered an impracticable proposal; is it much longer than is necessary?—Yes, and it is attended, in autumn and in spring particularly, with very considerable risk in bad weather, and with much expense; and if it should happen that the captains of the vessels bring their own boats on shore with their own crews, and bad weather arises while they are detained on shore, then there is some risk to the vessel lying off; for the vessels must lie a long way in the offing.

2547. Have you ever heard of agents supplying ships with provisions?—Yes, it is quite a considerable thing. A great portion of their profit arises from that, particularly from the trade in spirits.

2548. Do not the ships bring out their spirits and provisions on board?—Yes; but they have their spirits cheaper there, and they also get fresh meat and bread occasionally cheaper. Spirits are much cheaper.

2549. Are there many other expenses that are really unnecessary which the ships incur there?—I have heard the evidence of Mr. Buchanan, but only in part; he is not aware that a considerable commission is paid upon the Sound dues over and above the commission nominally charged, inasmuch as if the actual exchange in Copenhagen should happen to be eight and a half dollars to the pound, they charge in drawing for their dues, very likely, eight; so that he has, certainly, five per cent. more upon the sum charged in that way in the shape of exchange. Then, again, I beg leave to call the notice of the Committee to this fact, that for all laden ships having general cargoes, it frequently happens that there are a great number of bills of lading: all the accounts are made out at the Danish Custom-house at Elsinore from the bills of lading; that is to say, there is a separate note for each consignee, and if the bill of lading contains different articles, the duty on each article is specified; therefore, if there be 40, 50, or 60 bills of lading (which is seldom the case in coming from the Baltic, I have known as many as 60 myself, with a large cargo of manufactured goods, a general cargo), it takes a long time, and therefore there is an unnecessary detention. Then, again, in bad weather, it happens very often that the captain, with his crew, being on shore, cannot get off on account of the badness of the weather, and there is a detention of the ship; and I have known that to be even of one or two days' duration in bad weather. Then there is the expense of boat hire to get those men off; the Danish boatmen make a heavy charge in cases of that kind; they naturally avail themselves of the pinch of the moment, and they charge, very likely, 50 dollars. And accidents occur also from slipping cables, when they cannot get under-weigh on account of bad weather; that is a great cause of inconvenience. I heard the remark, that the duties were always paid by the receiver; that is not the case, because a cargo of wheat, the consignment of which is to the agent at Elsinore, may be drawn for upon Hamburgh, or upon the parties in England. It is impossible for the Danes, or for any Government, to say what is English property, and what not. I should say that England has a much larger interest in this matter than any other nation, inasmuch as her consignments, are greater. And, moreover, there is a point that appears to me to be totally overlooked; I may say that two-thirds of all the cargoes to and from the Baltic are insured in England; and therefore the interest of England is much greater than that of any other nation.

2550. Do you refer to produce coming from the Baltic?—Both to that coming from and going to the Baltic, and to ships also. I heard also the remark that there were *ad valorem* duties on goods coming from the Baltic: I know of none, for all the goods coming from the Baltic have a specific duty, and are charged with a specific duty; they are almost all in the enumerated list, whether that duty would be 1 per cent., or less than 1 per cent., or more, I am not prepared to say; but all the heavy goods of Russia and Prussia are charged per ton, or per quantity in fact. Principally on the ground of the detention, and for the avoidance of maritime risks, I am strongly in favour of the abolition of the Sound dues, even at a large rate; not by capitalisation and purchase, but by an annual payment.

2551. Paid

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2551. Paid by the state here?—Paid by the state here; otherwise who guarantees the maintenance of the lights on each side of the Cattegat?

2552. Do you think it could be charged upon a particular branch of trade?—It should be charged upon each of those branches of trade; but otherwise, who guarantees that Denmark will maintain the lights?

2553. Will you state your opinion upon the question of how Denmark should be indemnified; whether the sum paid by this Government should be a capital sum, or an annual payment, and whether a rate should be made on the trade to bear the charge of redemption?—I should say that the Government should pay an annual sum, and then that the Government itself should charge upon the particular trade interested in it a certain duty.

2554. Do you see any inconvenience in charging it upon the trade?—No.

2555. How would you collect it?—In the same way that any other duty is collected at the Custom-house.

2556. The duties collected at the Custom-house are charges upon produce, but in this case the same produce may come from other parts of the world; how do you meet that difficulty?—It may come from other parts of the world, but this difference would be made: that if it is going, we will say, for consumption in Russia, the owner of the goods will eventually pay it.

2557. Supposing you import tallow from Australia and tallow from Russia, you only intend to charge the tallow which comes from the Baltic?—Yes, that only.

2558. Are you not aware that that is not the way the Customs duties are charged?—No, but there is a possibility of making a specific charge upon a trade of this kind.

2559. Do you believe that there would be no inconvenience to trade in consequence of that?—None whatever.

2560. Is it your opinion that we could not bind the Danish Government to maintain the lights, unless we paid them so much annually?—I think an annual payment is the best plan.

2561. Mr. *R. Phillimore.*] Do you think it is the best plan, because the Danish Government would not otherwise maintain the lights?—I do not say that the Danish Government would not otherwise maintain the lights; but it would not be so much their interest to maintain them efficiently.

2562. Would not it be their interest to maintain them for their own trade?—The trade of Denmark itself, I think, is not sufficient to induce them to maintain the lights efficiently.

2563. *Chairman.*] Is that the reason of your recommending an annual payment for the particular purpose of maintaining the lights?—Yes; and the possibility of Russia succeeding to the Danish crown, in which case England might have to pay the money over again.

2564. Might not we redeem the charge for the other dues independently of the light dues?—I have always thought that originally these dues were charged for the maintenance of those very lights; during the whole time that I was in Denmark, I never had any reason for thinking anything else.

2565. Mr. *R. Phillimore.*] Is not that a matter of history?—Yes.

2566. Was not it a seignorial right originally?—Yes; but they cannot maintain that, because the Belts are open.

2567. *Chairman.*] Has not the number of agency houses at Elsinore much increased since your time?—Not much. Mr. Buchanan stated that there were six English houses; to my knowledge there are 16. I have here what is called the mercantile calendar (*producing the same*).

2568. Mr. *R. Phillimore.*] Are you conversant with the effect of the new tariff?—No; it is since my time.

2569. *Chairman.*] What is that calendar?—It is an account of the duties and the shipping of Denmark at the various ports, and mercantile houses.

2570. Mr. *Liddell.*] Is it an official document?—It is an official document. This is for 1852. There is a list of the number of agents now residing at Elsinore.

2571. *Chairman.*] It has been stated here that many of these agents make 2,000 *l.* a year; is it within your knowledge that the annual profit of that business is so large as that?—There are not many of them who will make that sum; but some two or three will.

2572. Mr. *Mitchell.*] Could you form any estimate of what are the average annual

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annual profits made by all those agents?—I should say 1,500 *l.* a year would be the very outside. I know some who must make 5,000 *l.*; but then it may be argued that the whole of that is not from the ship agency business.

2573. *Chairman.*] But is not it connected with the detention of the vessels at Elsinore?—It is mostly connected with that detention. Very few of them have any other trade; I do not think there are five of them who have.

2574. Do you know what proportion of the amount charged by the Government they actually receive. It has been stated that the Danish Government do not get more than 60 per cent. of the money paid at Elsinore?—I should say the Government got much more. The officers of the Sound Custom-house are mostly paid by fees; there are fees paid to translating officers, fees to inspectors, and fees of various descriptions; and if those fees do not suffice to pay the whole of the officers, they go a great way towards it. I should think that in the room of 60 per cent., the Danish Government got more than 80.

2575. Do you think that they get that proportion of what the trade pay at Elsinore?—Yes, (in Sound dues).

2576. Would not those fees appear to be considerable according to the estimation of the profits of the agents?—Yes; but the profits of the agents are derived mostly from supplies to the ships, and not from the Sound dues.

2577. Mr. *Mitchell.*] Which supplies would not be furnished to the ships if they were not detained at Elsinore to pay the Sound dues?—No; certainly not.

2578. Mr. *R. Phillimore.*] The supplies are furnished in consequence of the detention?—Yes.

2579. *Chairman.*] What is the population of Elsinore?—The population, I believe, is from 7,000 to 8,000.

2580. Mr. *R. Phillimore.*] Are there any merchants there who are not agents?—Some three or four of them.

2581. Are you speaking of English merchants?—I think there are no Englishmen at Elsinore who are not agents.

2582. Mr. *Mitchell.*] What is the number of agents at Elsinore by your list?—About 40.

2583. If they make upon an average 1,500 *l.* a year, would not that be a tax upon the trade of 60,000 *l.* a year?—No; for that would not fall on England, and again, part of that would be the just profit upon their goods transactions.

2584. Mr. *R. Phillimore.*] Do not these goods transactions arise out of the detention at Elsinore?—Yes, they do.

2585. Are you connected at present with any house at Elsinore?—Not at all.

2586. Then you are speaking principally from your knowledge acquired during the time you were there?—Yes: I left there in 1819 or 1820.

2587. You are not enabled to give the Committee much information as to the state of things after 1819?—No; I heard Mr. Buchanan say that the trade might go through Sweden. I beg leave to differ most strongly from that opinion. I know of no mode of its going through Sweden. The Götha Canal could not act in that way. No Baltic trade of any magnitude could go that way.

2588. Do you say that the goods could not pass through Sweden is on account of the size of the canal?—Yes.

2589. What amount of tonnage could pass by the canal?—I cannot positively say, but I am quite convinced that no ships of any size could pass through.

2590. Could ships of 70 or 80 tons pass through?—Yes.

2591. What tonnage could not go through?—I should think that ships of 200 tons could not go through. I cannot positively say so; but I should think not.

2592. Do you know what is the average of the tonnage which passes the Sound?—I should suppose that the average tonnage of vessels going to and from the Baltic would be full 200 tons; because there are vessels of 300, 400, and 500 tons; but there are a great number of Dutchmen, Danes, and Swedes that are smaller.

2593. What is the average tonnage of our vessels that go through the Sound?—The average tonnage of our vessels going through the Sound would be fully 200 tons.

2594. What time does the transit by the Swedish canal take?—I cannot say.

2595. *Chairman.*]

Mr. *J. Berridge.*

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2595. *Chairman.* Are there any further observations which you wish to make to the Committee?—I think not; I think that I should refer to my letter to Lord Clarendon.

2596. Have you stated here all that is included in that letter?—Yes; any observations that are contained in that letter I hold myself bound by.

Martis, 15° *die Julii,* 1856.

MEMBERS PRESENT.

Mr. Villiers.	Mr. Duncan.
Mr. Bramley-Moore.	Mr. Hutt.
Mr. Liddell.	Mr. Mitchell.

THE RIGHT HON. C. P. VILLIERS, IN THE CHAIR.

Thomas Matthias Weguelin, Esq., called in; and Examined.

T. M. Weguelin, Esq.

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2597. *Chairman.*] WHAT is your firm?—J. Thomson, T. Bonar & Co.

2598. Yours is a Russian house, I believe?—Yes, we chiefly trade with Russia.

2599. I presume that you have had occasion to consider the operation of the Sound dues on that trade?—I have often heard the subject discussed.

2600. Can you inform the Committee whether it is attended with much inconvenience to your trade?—I think the inconvenience very great to the shipping; they are detained very often 24 hours, waiting for the declaration of the ship and cargo, and they may frequently lose a wind, and I think there are other objections with regard to the calling of the shipping at Elsinore. The captains get ashore, and very often they are detained there longer than their business requires.

2601. Mr. *Hutt.*] It is unfavourable to ship discipline?—I think very prejudicial.

2602. *Chairman.*] This has been brought under your observation; have you had occasion to hear also that vessels have been sometimes detained as long as 24 hours before they get clear?—Yes, I have heard of it constantly; and I can remember that not many years ago that happened to myself before steamers were used in the navigation of the Baltic; the captain called there, and procured spirits, and was drunk all the way up to St. Petersburgh. I believe that is still not uncommon.

2603. The ship was not lost?—No; luckily it was fair weather; but that is the objection of calling at those ports.

2604. Is not 24 hours a considerable detention in such a voyage as that?—Yes; it may be of great importance.

2605. What is the length of the voyage?—About three weeks; from a fortnight to three weeks by sailing vessels.

2606. Is it the same for returning?—About the same; it is a very quick voyage to be made in 10 days, and it is about an average, I think, of three weeks.

2607. That detention would arise to steamers as well as sailing vessels, would not it?—Yes; I do not mean to say that it is always a detention of 24 hours; but it may so happen.

2608. Are not steamers navigated at a much greater expense than sailing vessels?—Of course.

2609. And, therefore, the effect of the Sound dues would be felt more now than it was formerly as steamers are more employed?—Yes, I should say that the detention of shipping at Elsinore really is rather a grievance.

2610. Do you know anything of the other inconveniences that have been mentioned here; the superfluous charges made by the agents?—Not personally; I have not had experience in ships of my own, but I can well understand that it is a very objectionable thing to have a ship calling at a place of that description; there must be always charges run up against the ship.

2611. Are you not enabled to give the Committee any precise idea of the extent of those charges beyond what are legitimately required?—No, I have no case that I could give to the Committee exactly.

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2612. Can you inform us whether the dues themselves are levied upo any fixed principle, and whether they fall injuriously upon any particular class of goods?—They have always appeared to me to be arbitrary; that is to say, not governed by the value of the goods exactly.

2613. Are they not levied differently according as they are upon enumerated or unenumerated articles?—We always examine the account by the tariff which is called the Sound Dues Tariff.

2614. You have not discovered any fixed rule upon which they are levied?—No, I cannot say that I have; the dues are of so small importance that it is not a matter which I have very narrowly examined, as far as regards the charge upon the goods imported from Russia.

2615. It purports to be one per cent., does not it?—I had n o ea that it was fixed upon that principle; I should say in many cases it must be much less than one per cent.

2616. What goods are you referring to?—Upon tallow I should think it is less than one per cent.

2617. You are referring to goods exported from Russia?—Goods exported from Russia and imported into England.

2618. Mr. *Hutt.*] Do you ever import any corn?—Yes.

2619. Is the duty upon corn less than one per cent.?—It varies, of course; but I should say it is very much less than one per cent. The whole amount of dues levied upon Baltic produce imported into England is, I believe, under 80,000 *l.* a year, and the importation must be very considerably more than 8,000,000 *l.*

2620. *Chairman.*] Are you referring to dues paid upon goods in British vessels, and entered at Elsinore as English goods?—No; I am referring to goods under whatever flag they may be imported from the Baltic into Great Britain.

2621. Do you suppose that, in the case of a Swedish vessel bringing Russian produce, it would be entered at Elsinore as English goods, or goods exported into England?—The dues are paid on the goods, and an account is transmitted by the agents to their agents in London; they free the goods, and present the bill upon the parties owning the goods. The ship has nothing to do with the payment of the Sound dues upon the goods.

2622. The agent, then, is the person who knows about the destination of the goods is?—He is the agent of the merchant.

2623. And he draws upon the consignee?—He draws upon the consignee.

2624. Mr. *Duncan.*] Can you state the tariff charged upon flax and hemp, and codilla?—I think I have some accounts of those very articles. Upon 16 bundles of hemp, weighing 995 ship pounds, the charge is 16 rix-dollars, the value of which sum in pounds sterling is 4 *l.* 3 *s.*

2625. What is the value of that quantity of hemp?—It would be 500 *l.*

2626. Then upon a quantity of hemp worth 500 *l.* you pay a tax of 4 *l.* 3 *s.*?—Yes, including the commission; the commission and postage are the only charges extra. I have an account of flax here, but I am afraid I cannot tell the value; there are various kinds of flax. I have here white flax codilla, three tons and a half, the Sound dues upon which are one specie rix-dollar and 38 stivers; and then, again, about 28 tons of flax, upon which the charge is 31 specie rix-dollars, 32 stivers.

2627. What would that be in English money?—That would be about 7 *l.* upon the value of the 28 tons of flax.

2628. Supposing flax to be worth 32 *l.* a ton, that is 900 *l.*, upon which you pay 7 *l.*?—About that. Here is one on copper; the weight was about 68 tons, upon which the charge was 55 *l.*

2629. On what value?—About 6,700 *l.*; it comes somewhat under one per cent.; copper being a valuable article. It was about 1 *l.* a ton, copper being worth 100 *l.* or 120 *l.* a ton; it is about the same per-centage as upon flax and hemp.

2630. *Chairman.*] Do you know how long it is since we imported copper from Russia?—We imported a quantity during the war even. This which I have referred to, is copper from Russia by the Eagle, imported the 26th December 1855; it was bought before the war.

2631. How long have we been in the habit of importing copper from Russia?—We have always imported copper from Russia; ever since the discovery of the copper mines in Siberia.

2632. Is copper named in the tariff?—That I am not aware of.

2633. Are

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2633. Are you aware that there are some of the articles which are enumerated in the tariff, with specific duties attached to them?—I am not.

2634. And that there are others which are called unenumerated articles, upon which we are told that an *ad valorem* duty of one per cent. is imposed?—Yes.

2635. Is copper among the enumerated articles?—I am not aware,

2636. Have you ever imported copper?—I have.

2637. Do you know how it is rated?—I received an exact account of 7,500 ingots of copper, weighing 1,341 *c.* 24 *s.*, upon which the duty is 223 specie dollars, 26 stivers, which is reduced to rix-dollars 461, making at 28 ¾, 55 *l.* 4 *s.* 6 *d.*

2638. Can you tell us whether that is charged by weight, or according to the value?—No, I cannot. Our practice is always to refer to the tariff of the Sound dues to check it; we do not take notice much of the principle upon which it is levied, understanding that the tariff has been approved by the different Governments interested in it.

2639. Are you aware that the tariff that used to exist was revised in 1841, when a fresh treaty was made between this country and Denmark?—No, I was not aware of that.

2640. What is your view as to the way in which these dues fall; do you consider they fall upon the country that imports the produce?—Certainly.

2641. Do you consider that their operation upon Russian produce coming to this country is that the importer pays, and that they fall upon the consumers of the produce?—I should say that it falls upon the goods, and naturally upon the consumer.

2642. What is the produce chiefly imported from Russia?—Tallow, hemp, flax, corn, seed, and wood, all articles of very general consumption.

2643. Would you not say, peculiarly so?—Peculiarly; the consumption is not confined to particular classes; for instance, tallow is consumed by every class.

2644. You would say that any diminution of the price of that article would be felt generally by the consumers?—I think it would be felt by the great body of the consumers in Great Britain.

2645. Do you know what proportion of the produce of Russia that is exported from the Baltic comes to this country?—I can only state my impression to be that it is fully one-half.

2646. It has been stated to be 3-5ths; do you think that correct?—I do not think that excessive.

2647. Do you know what proportion of the imports into Russia come from England?—Not a very large proportion comes direct from England; but a great proportion of their imports is derived from British capital; the sugars that are sent, for instance, to Russia, are purchased by British merchants, and re-sent up there.

2648. In fact, we convey their produce?—Yes.

2649. Do you consider that the Sound dues which are directly charged upon the goods fall upon the consumers?—I do.

2650. You may draw a distinction between ships and goods, inasmuch as the Russian consumer does not pay the charge upon the ship, but the British shipowner?—Inasmuch as an increase of the freight is a charge upon the ship, it must fall upon the consumer; it must fall upon the goods carried in that ship.

2651. But in distributing the dues between the Russian and English public, would not you say that the Russian consumer does not pay the dues that fall upon the ship when the produce comes from some other country?—The Russian consumer would have to pay the dues which fall upon the ship for all goods imported by that ship, because it would be an element in the charge of freight; and of course the ship having to pay a certain amount of dues, would charge a higher freight.

2652. But whereas the agent transmits his account to a Russian consignee, and he does not include in that account what has been paid by the ship, does not that make a distinction?—The incidence is different; the ship pays a certain portion, and the goods pay a certain portion.

2653. In the one case it is the British shipowner that pays, and in the other the Russian importer?—The British shipowner pays in the first instance, but the British shipowner of course charges a higher freight in proportion.

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2654. Mr. *Liddell.*] In the event of the Sound dues being abolished, do you think there is any probability that the Baltic producer might ask a higher price for his produce?—I think it could hardly affect the price; the value of the Sound dues is not very great, and the price depends more upon the demand and the supply.

2655. Are there not a certain number of Baltic articles that keep almost a monopoly of price in the market; are there not certain descriptions of Baltic timber with which no other foreign timber can compete?—I should hardly suppose there is a monopoly, or anything approaching to a monopoly, even in timber; the Baltic timber is very much preferred to others, but I should suppose that Norwegian timber imported from this side of the Sound would be equal in quality to it.

2656. Is it not very superior to any timber of a similar kind that can be obtained from America?—It is; the red deals are superior, and generally preferred to American timber.

2657. *Chairman.*] Have you anything to do with the importation of timber; do you know how the duty is levied?—No; timber is not an article imported from St. Petersburgh much.

2658. Are you aware of the duties being levied unequally upon Russian and Prussian timber?—I cannot say.

2659. Mr. *Mitchell.*] What is your general opinion as to the incidence of the Sound dues as a tax upon the imports from the Baltic to this country, whether it falls upon the producer, or the exporting merchant, or the consumer, or, if divided among them, in what general proportion does the tax fall?—I conceive that it falls in the ordinary manner upon the consumer, and I think that in importing merchandize, it is a charge which must add to the price of the merchandize, and to that extent must fall upon the consumer.

2660. In your long experience as a merchant at St. Petersburgh have you not invariably in your calculations of the cost of articles to be delivered into this country included the Sound dues as a specific charge?—Always; it is an element in the price.

2661. So that you have regulated your own price in this country by a calculation based upon the payment of the Sound dues?—Entirely.

2662. And if the Sound dues were abolished, you would reduce the price to the same extent?—To the same amount.

2663. Taking the general competition of the Baltic and other countries into account, is it your impression that, supposing the Sound dues were abolished in the case of exports, the Russian producer would be enabled to get the advantage of it, and not the British consumer?—In certain seasons he might; but in others I think there are so many competing producing markets now, that I conceive that it would resolve itself into a question of supply and demand of all the world to this country, rather than that the price would be fixed by the alteration of a charge so small in extent as that of the Sound dues.

2664. Has Russia the exclusive supply of any product?—No; certainly not.

2665. During the war, did we derive the supplies which we generally got from Russia from other parts of the world?—We derived substitutes for those supplies. Not that we had derived from Russia the same articles; for instance, for hemp, we have imported a great deal of various Indian fibres, which took the place of hemp; but we have also imported a great deal of Italian hemp, and we have imported tallow from South America and from Australia. Our chief supplies of flax, I believe, are derived from the Baltic; a great deal of flax comes from the Baltic.

2666. Under those circumstances, is it likely that they would increase the price merely upon being relieved from the payment of the Sound dues, if they were exposed to competition?—I think it would hardly tend much to the advantage of the producer there; my own opinion is, that it would rather relieve the consumer than the producer.

2667. The producer knowing that the consumer now pays the price of the article, plus the Sound dues, the Sound dues being reduced, would the producer lay them on to the price of the article?—Of course he would lay them on if he has the power of getting an extra price; but my doubt is, whether the markets would be so affected as to enable him to get that extra price.

2668. He has not a market so exclusive as to enable him to do it?—

2669. Mr. *Mitchell.*] Your opinion is, that a large amount of the Sound dues would

would fall to the benefit of the consumer, and not of the producer?—That is my opinion.

2670. Mr. *Liddell.*] You have told us that there is certain competition in other places for the supply of the English market with articles produced in Russia; take the case of tallow; can you tell us what proportion the amount of tallow exported from Russia bears to the whole amount of tallow imported into this country?—I should think that they are as two-thirds to one-third; the Russian tallow being the proportion of two-thirds to one-third to that coming from other quarters.

2671. Does not the largest proportion of imported tallow come from Russia?—The largest proportion.

2672. Mr. *Bramley-Moore.*] Does not it fetch a higher price than the produce from other quarters?—No; I think that Australian tallow is as valuable as the Russian tallow.

2673. Mr. *Mitchell.*] What would be your estimate, taking the total consumption of tallow in this country, of the total consumption of foreign tallow, as compared with the home produce?—I suppose the home produce must equal, if it does not exceed, that derived from importation.

2674. *Chairman.*] Do the Russians impose an export duty upon all their produce?—They do.

2675. For the purpose of revenue?—For the purpose of revenue.

2676. Mr. *Mitchell.*] I think there is a larger amount of export duty in many cases than the Sound dues?—Considerably.

2677. Mr. *Bramley-Moore.*] With regard to the production of tallow at home, has not that been very much affected by the rise of price of late years?—I believe that the production of tallow at home depends very much upon the seasons, and very much upon the quantity of tallow produced by each beast; it makes a material difference whether the beast dies fat or lean.

2678. Mr. *Mitchell.*] Has not foreign tallow an active competition to sustain with that produced at home?—It has.

2679. *Chairman.*] Have you any opinion as to the prospects of our trade with the Baltic; do you think it is increasing, or will increase?—No; I do not think it will increase much.

2680. Has it not increased of late years?—It has not.

2681. Taking the time before 1853, has it not increased?—No; I think it has not increased taking the time before 1853, with the exception of corn; the trade has increased in corn from the abolition of the Corn Laws; but in other articles I think it has remained stationary for many years.

2682. Has not there been a reduction of the duty on timber?—In the timber trade there has been an increase.

2683. Do you mean then that the general consumption here has not much increased?—Yes, it has. There has been an increase in linseed, which is a novel article rather; but in tallow, hemp, and flax, which are the principal articles of Russian production, I should say the increase has been on the average of years hardly appreciable.

2684. Mr. *Mitchell.*] Has that arisen rather from the extra consumption of those particular articles in France and Germany and other countries who have taken more of the produce of Russia which we use?—Yes, that is possible.

2685. *Chairman.*] You speak only of the North of Russia?—Yes.

2686. Do not we import linseed from the south?—We do. The trade in linseed is almost a new trade in Russia. I should think it does not date for crushing purposes much above 18 or 20 years; the supply of seed from Riga is older.

2687. Do you know anything about the export of coals to the Baltic, whether the export of coals has fallen off of late years?—It has very much increased.

2688. Has not it enormously increased?—It has very much increased. The consumption of coals in Russia has increased for the purposes of manufacture, and for steamers and things of that kind; and also for household consumption.

2689. Do you know anything of the export of iron for railways?—That of course is on the increase, because they have railways in progress, which they cannot supply from their own iron works, and they must get it from this country.

2690. Do you know anything of the export of machinery?—The export of machinery has also increased very much. They profess to make engines in Russia, but at the same time they get a law passed, which allows them to import parts of engines, and then they import all the parts and put them together in Russia, which is called making an engine.

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2691. So that the law is evaded, and we send out complete machinery?—I think we only send out the parts, but it is in reality complete.

2692. Under those circumstances would you adhere to the opinion that our trade in the Baltic is not likely to increase?—That is rather a large question. The increase of trade with Russia depends very much upon Russia's means of paying for it; the exchanges generally speaking are now rather favourable to Russia; during the shipping season they become rather favourable to Russia. If our trade increases very much, it must be by their reducing the duties on the articles which we import.

2693. Are you aware of the calculation that has been made by the Danish Government of what we pay for Sound dues?—I have seen a table of that sort.

2694. It is about 72,000 *l.* a year?—It is about 72,000 *l.* a year upon goods imported into this country from the Baltic through the Sound.

2695. And that also includes what the ships have paid?—That makes about 7,000 *l.* or 8,000 *l.* in addition.

2696. From your knowledge of what is paid by Baltic vessels, can you form any opinion as to the probable accuracy of that return?—I do not think it excessive by any means.

2697. Have you any reason to think that it is under what is paid?—There is an impression abroad that the Danish Government have not returned the whole amount of their receipts.

2698. Do you mean of their receipts from this country, or generally from all other states?—Generally; I cannot say that there is any foundation for that, but there is generally an impression that they have received more from those Sound dues than what they have publicly stated.

2699. This would hardly be the moment for making an incorrect return; seeing that it is proposed to capitalize that annual payment, would she not make it as large as she could?—I think so; and therefore I am rather inclined to think that that impression is incorrect.

2700. Mr. *Mitchell.*] Is it your opinion that it would be for the interest of this country, as a nation, to capitalize the Sound dues upon that estimate?—Provided you get rid altogether of the annoyance of ships being stopped at Elsinore it would; for I conceive that you would only spread the incidence of the tax by capitalizing it upon the whole mass of consumers of this country, instead of its falling, as it does now, upon a certain portion of those consumers who consume Russian produce; but inasmuch as Russian produce is of such general consumption, the different incidence of it is of very little importance.

2701. Supposing that by capitalizing the tax you got rid of the detention at Elsinore, is it your opinion that in a national point of view it would be for the interest of this country to make a fair compromise with Denmark?—I decidedly think so; I think it would be a great advantage to avoid the stoppage at Elsinore, provided the Danish Government undertook the lighting and buoying of the passage, and so on (which they do now), without the detention of the vessels.

2702. Mr. *Liddell.*] Do you think there is any danger, if we were to indemnify Denmark, by paying down a large sum of money for those dues, she might not raise a considerable revenue by a transit duty upon goods passing by her railways?—I should hardly think so, as far as Russian produce is concerned; they would never be carried by the railway; it never would pay for transhipment, nor can I understand exactly of what nature the goods would be that would cross the land by rail.

2703. Are there not a great number of goods carried at this moment by the Hamburgh and Lubeck line?—I should think very few of any importance are carried by that line to the Baltic.

2704. And again by the Tonningen and Flensborg line; is not that extensively used in the conveyance of certain articles?—They are carried that way for the consumption, I presume, of Denmark, but not for the supply of the countries in the Baltic.

2705. Mr. *Mitchell.*] Do not you ship indigo to the Baltic?—I do.

2706. Have you never tried the transit by railway in preference to shipping; that is to say, transit by steamer to Hamburgh, and afterwards in another steamer to St. Petersburgh?—Never; I should say that the damage in unloading the vessels and shipping upon the railroad, and the risk and damage, loss of weight, and risk of breaking in the various modes of conveyance over land, would far outweigh

outweigh any advantage you would get in avoiding the Sound dues, besides the expense of transit.

2707. Are you aware that the Sound dues upon indigo are very heavy?—Indigo is a valuable article.

2708. Is indigo one of the articles in the tariff?—I conceive so.

2709. The rate with reference to the value is very high?—Yes; that is a charge upon the Russian consumer.

2710. *Chairman.*] Do you send goods by railway?—No.

2711. Do you import them by railway?—No.

2712. Why is not flax, or hemp, or indeed tallow, sent by railway, seeing that they pay no transit duty?—There would be no object in their doing so.

2713. Do not they pay Sound dues?—They do pay Sound dues; but the expense of unloading the flax or the hemp, and then conveying them by the railway, and again reloading them on the other side in order to bring them to England, would far outweigh the Sound dues charged upon them.

2714. But the fact is undisputed that the transit duties were imposed for the protection of the Sound dues, which must arise from an apprehension on the part of the Danish Government that goods would go by railway if they did not impose the dues?—I suppose that is so; but I do not think that, practically speaking, even if there were no transit duties upon the railway, bulky articles of Russian produce, or Baltic produce, generally speaking, would be carried by any Danish railway.

2715. Would that generally apply to manufactured goods, or fine goods of that sort, sent from this country to Russia?—We send very few now.

2716. It was stated before this Committee, that British produce coming either from England or from the British dependencies to the amount of a million and a half are shipped to Hamburgh, and are then put upon the railway, and reshipped at Lubeck; do you think that an accurate statement?—I should have thought it very much in excess as regards Russia. I should have thought it even in excess as regards the Baltic generally; but there may be that amount to the Baltic generally.

2717. Do you differ in opinion from another witness, who stated that if there were no transit dues and no Sound dues, the trade would chiefly go by Hamburgh and Lubeck?—I do; I think that the trade would be carried direct in that case.

2718. Mr. *Mitchell.*] Have you made any shipments of goods to St. Petersburgh since the war?—I think not.

2719. Has your attention been turned to the difference between sending by railway and avoiding the Sound dues, and sending by ship?—No; my attention has not been turned to that.

2720. Mr. *Duncan.*] Could you put any money value on the loss sustained by British vessels from the detention at Elsinore?—You may take it on the average as nearly one day in 21; I should think it is an addition to the voyage very often of a day.

2721. Do not you very frequently find that the captain loses his passage by that detention of 24 hours?—Frequently he loses his wind, and of course is detained.

2722. Would you think that it is equal to the amount of the dues paid upon the ship at the Sound?—It is very difficult to estimate the value of despatch; I attach a high value to it.

2723. Could you give the Committee any opinion as to the money value of the detention?—If you take it as one day, in a voyage of an average of three weeks, and you reckon the interest upon the goods which is lost during that day, and also the charges upon the ship, which are increased, I should say that it would amount to a very considerable sum.

2724. Would you think it equivalent to the other charges upon the vessel?—I should think so.

2725. *Chairman.*] Have you not a steamer of your own?—I have not one in that trade at present.

2726. Do you know what the cost of navigating a steamer is per day?—I cannot speak off-hand upon it; it depends upon the tonnage.

2727. Is it 20 *l.* for the steamers employed in the Baltic trade now?—£. 20 is not in excess.

2728. Then that would be 20 *l.* lost in a day?—Yes; but a steamer is not detained so long as a sailing vessel. I do not mean to say that the lowest time that a vessel

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a vessel is detained is 24 hours, but rather that you may take as the average detention 24 hours.

2729. Does not it depend upon the cause of detention; are there not a variety of causes which have been mentioned; for instance, a great number of ships arriving at the same time, or the vessel arriving at a time when the custom-house authorities are not attending, which would apply to steamers as well as to sailing vessels?—Yes, the arrival at night of course would cause detention. I should think that the average is 24 hours' detention to all vessels passing the Sound.

2730. Mr. *Duncan.*] Suppose a steamer going out with a general cargo, it must have various bills of lading, and the more numerous the bills of lading the greater the detention; is not that so?—Certainly.

2731. Mr. *Liddell.*] What is the amount of Sound dues paid upon British ships?—I think it is about 7,000 *l.* or 8,000 *l.* a year.

2732. Mr. *Bramley-Moore.*] Supposing 4,000 vessels at 5 *l.* each, which would be a moderate estimate of the expense caused by the detention, that would come to 20,000 *l* alone; therefore at a most moderate calculation the mere detention would be 250 per cent. more than the actual dues on the ships; is not that so?—Yes.

2733. Would you consider 5 *l.* an excessive allowance on each vessel?—No, I should think it comes to that.

2734. Do you think that that would be an under-estimate?—Yes. There is no doubt that the detention is of more importance than the dues; the dues are in some measure a charge for lighting and buoying the passages, and the various advantages given to shipping by the Danish government.

2735. *Chairman.*] Supposing those dues were to be redeemed, and that the Government were to seek to recover what would be so paid to the Danish government by a charge upon the trade, do you think that that could be done without great inconvenience?—I think it would be very objectionable; it would amount to levying a small duty, a fractional duty we will say, upon various articles now perhaps almost free of duty; upon hemp it would be the merest fraction per ton.

2736. That is upon articles coming from the Baltic?—That is upon articles coming from the Baltic; it would cause great difficulty and annoyance in levying.

2737. Do not all those things pay some duty on entering England?—Yes, they pay 1 *s.* a ton.

2738. Mr. *Mitchell.*] Do not hemp and flax pay a duty at the present moment?—I think they pay 1 *s.* a ton.

2739. *Chairman.*] Might not corn and timber have a small additional tax to pay to cover this charge for a certain number of years, to indemnify the Government for any payment immediately made?—I think it would be a great annoyance to the trade; I question much whether it would be effective, or whether the Government could raise the duty very satisfactorily in that way.

2740. Is not it the fact that it would be very small, and not worth evading on goods which actually now pay the duty, which are entered at the Custom-house, and have to be valued?—No doubt.

2741. Mr. *Mitchell.*] Would not it be a differential duty upon hemp, flax, and tallow, and so forth, coming from the Baltic, as compared with that coming from other countries?—Yes, it would.

2742. *Chairman.*] Is not that, more or less, the operation of the Sound dues?—That is the operation of the Sound dues.

2743. Mr. *Mitchell.*] Do not you, from your experience, find that the rates generally from the Baltic being low, the great object of the British shipowner is to make as many voyages as possible to the Baltic in the year?—Certainly, everything in the sailing of ships profitably depends upon despatch.

2744. For instance, if a sailing ship could not make three voyages in a year to St. Petersburgh, would it pay?—I should say certainly not. If it only made two voyages to St. Petersburgh in the course of a year, it would be a losing concern.

2745. Is not it the third voyage which decides the question of profit or loss?—Certainly.

2746. Mr. *Liddell.*] In the event of this money being paid in the first instance from the public resources of this country, in what shape should it be levied?—I think the only shape in which they could levy it would be as an import duty upon the goods coming from the Baltic.

2747. Would

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2747. Would the trade make any serious objections to that tax, or would the advantage they derived from freedom from this duty be an equivalent to them for it?—I must distinguish between the shipowner and the merchant. The shipowner would derive considerable advantage from avoiding the detention of the ship; to the merchant it would be of little importance, except that he gains somewhat by avoiding the detention of his goods at Elsinore.

2748. So that it becomes, in fact, more a shipowner's question than a merchant's question?—I think it does.

2749. Do you think that it is fair to tax the country at large for a payment made, for the benefit of a certain class, namely, the shipowners?—The shipowner, considering the charges which he has to bear, must be remunerated for them in the freight which he charges; the freight is a charge upon the goods, and the charges upon the goods are borne by the consumer; so that eventually the thing is much the same. However you burden the freight, at last it must be paid by the consumer.

2750. We have had it in evidence that the Sound dues form an almost imperceptible item in the freight charged in the Baltic; is not that so?—No doubt; but it must be considered in looking to the charges of sailing ships to the Baltic, and of course the freight at which the ship can be profitably sailed must depend upon the charges which it is exposed to.

2751. In the event of the Sound dues being abolished, the freight would be less?—Yes.

2752. Mr. *Mitchell.*] Would not more ships be willing to go to the Baltic in consequence of the abolition of the Sound dues upon ships, and in consequence of avoiding the detention?—I think so; more in consequence of avoiding the detention, than of freedom from the Sound dues.

2753. Mr. *Duncan.*] May not the detention at Elsinore make all the difference, whether the vessel should make two or three voyages in the season?—It may, certainly.

2754. So that is a question whether the trade is worth following on account of the detention?—It certainly is so.

2755. *Chairman.*] Are you aware of any advantage which Russia has by any arrangement with Denmark in passing the Sound; does she pay less dues than other states?—No; my impression is, that the dues levied upon produce going into Russia are rather heavier than the dues paid upon Russian produce outwards.

2756. She has no privilege in that respect?—I think not.

2757. Do you know anything of the agents at Elsinore?—I am acquainted with our own agent.

2758. Are you aware that there are nearly 40 there who live entirely by that business?—I am aware that there are a great many. Perhaps I might be allowed to say that I think that in case the Sound dues were capitalised, you would deprive many of those men entirely of their occupation; and I think it might be decidedly represented to the Danish Government that in the opinion of this country some compensation should be made to them.

2759. Mr. *Mitchell.*] By the Danish Government?—By the Danish Government.

2760. *Chairman.*] They live upon the trade which is obliged to stop at Elsinore?—They live upon the trade which is obliged to stop at Elsinore. They established themselves there upon the understanding that the dues were levied by treaty, and that of course they would not be abolished

2761. They have a vested interest in their continuance?—They have a vested interest in them.

2762. By a mercantile circular for 1852, they seem to be 50 in number; is that the case?—I was not aware that there were so many as that.

2763. We have been told that their profits average somewhere about 1,000 *l.* a year each; does not that give some idea as to the excessive charge made upon the trade over and above what is claimed by Denmark?—Yes; I think the charges are objectionable in many cases. They have a great deal to do in following up averages; and the trade is by no means, generally speaking, satisfied with the conduct of the agents at Elsinore when ships get into difficulties. I think that, occasionally, more is made of those difficulties for the profit of the agents than is advisable.

2764. Will you state what you refer to in saying that the trade are not satisfied

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satisfied with the conduct of the agents with regard to averages?—What I mean is, that in the case of vessels getting into distress, many agents at Elsinore are very apt to make a profit by that distress, rather than to expedite the vessel as quick as they might otherwise do.

2765. What power have they for that purpose; how does any ship in distress become dependent upon any agent at Elsinore?—Vessels get ashore at various places not far from Elsinore; Elsinore is the nearest port from whence the agent supplies them with money, and being the consignee of the ship at Elsinore, he conceives himself empowered to deal with the vessel under those circumstances, and assumes that authority over the ship he is the consignee of, I think, for that purpose in cases of difficulty.

2766. Then in proportion to the risk you are obliged to pay?—Yes; advantage is taken very often of those circumstances.

2767. Mr. *Bramley-Moore.*] Is not it the fact, that, in repairs, the more money they have to spend, the more commission they get?—Yes, it is their interest to increase the amount of expenditure.

2768. Is not that the case all over the world?—Yes. I may state that there are exceptional cases, where certainly the agent at Elsinore is of great use in controlling the charges of local persons where a vessel is stranded, and it falls into the power of persons who would themselves impose very much upon the captain; in many cases the agent at Elsinore has been of great service to the underwriter in controlling those parties.

2769. Mr. *Mitchell.*] Generally speaking, have not the agents at Elsinore rather a bad name in the world at large?—I think they have.

2770. *Chairman.*] And the services even in this respect are only consequent upon the ship having been obliged to stop at Elsinore?—Yes. I think that, being the consignees for the Sound dues, they are looked upon as representing the owners of vessels in those particular waters.

2771. But if the dues were not paid, might not the same thing occur if the ship was in circumstances of distress which had arisen from any other cause than the compulsory detention?—It is very true they might, and there is no doubt that the agent acting for a merchant has an interest in attending to the business of that particular house; and if one of the vessels belonging to that house, with a valuable cargo, falls into distress, the merchant very frequently profits very much by the exertions of the agent in getting it free,

2772. Is there any other observation which you wish to make upon this subject?—No, I have nothing further to say upon it.

Andrew Buchanan, Esq., called in; and further Examined.

A. Buchanan, Esq.

2773. *Chairman.*] I BELIEVE that you wish to explain an answer given by you to a question put by a Member of the Committee at their last meeting, with respect to the motives which Russia had in refusing the proposition made by Denmark for the abolition of the Sound dues in 1839, and accepting them last year?—Yes; Russia was at war with us when she accepted the proposal made to her this year. She acceded to the principle of the capitalization of the dues on the 2d of February; she had agreed to pay the amount asked for before the end of the month of February. It may therefore be surmised that she may have had political motives for accepting. She may have wished to induce Denmark, by her readiness to meet her views upon this question, to remain neutral in the event of war being continued in the Baltic.

2774. What was the state of affairs in 1839?—She was at peace then with all the world; in 1839 it was intended that if the Baltic powers granted a compensation to Denmark for the Sound dues, they should indemnify themselves by laying dues upon the trade in their own ports, but I do not think that changes essentially the character of the two proposals; for it is open to any power, if it agree to the present proposal, to levy dues upon its own trade equivalent to those which are now paid at the Sound.

2775. Would not it be impossible for England to levy duty upon goods coming from the Baltic under the most favoured nation clause?—There is a doubt, I believe, upon that point; probably it would require to be done under a general arrangement with the Baltic States; I believe the Board of Trade consider it would be impracticable to levy such dues in English ports.

2776. Take

2776. Take the case of tallow from Russia; without the consent of Russia to such an arrangement, could any extra duty be levied upon tallow coming from Russia than could be levied upon tallow coming from South America?—I am not prepared to answer that question, as I am not sufficiently acquainted with our present engagements to Russia.

2777. Supposing we had not a treaty with Russia, could we levy a *bonâ fide* duty upon tallow coming from that country higher than upon tallow coming from other places?—It would probably require to be part of some general arrangement.

2778. I understood you, at the last meeting of the Committee, to say that Russia refused the proposal in 1839 because she thought it unjust to herself; was not that so?—She did, I believe.

2779. And there is nothing inconsistent in her acceding to the proposal now made, the proportion which she is required to pay being much less than it was then?—There is nothing inconsistent in her doing so.

2780. Who did the proposal of 1839 originate with?—With Prussia, I think, but I am not quite sure. I should wish to make an observation with regard to one thing that I said in my evidence on the former day. I was asked whether the flag would cover the goods; as the dues are levied upon the goods, I was under the impression that it might do so; but subsequently, after referring to the treaty of 1841, I have changed that opinion; from the provisions of that treaty, I conclude that goods will enjoy the privileges of the ship that carries them.

2781. Mr. *Mitchell.*] Supposing that America refused to pay any Sound dues at all; do you think that in the case of American vessels being loaded at St. Petersburg, and bringing goods to this country, the goods would not pay the Sound dues?—I should think not; at least it is stated in the treaty of 1841, that goods laden in British vessels will pay such and such dues, and I therefore conclude that goods would enjoy the privileges of the ship that carries them.

2782. *Chairman.*] Is there nothing more distinct than that upon the subject in the treaty?—I think not.

2783. You are referring to the treaty of 1841?—Yes.

2784. From that you infer that the flag covers the ship?—Yes.

2785. Do you know anything about different states which have certain privileges; as, for instance, Mecklenburgh?—I am not sufficiently acquainted with the treaties to be able to speak of these privileges.

2786. If your construction of the treaty be correct, and if a Rostock ship with the Russian flag pay no dues at all, and she could therefore carry any goods from any other country, would not she have all the carrying trade to the Baltic?—I think that any privilege which exists under old treaties must be confined to vessels going to or coming from certain ports. It is difficult to express an opinion upon this subject without having all the treaties before one, and studying the question thoroughly.

2787. Mr. *Bramley-Moore.*] Are those places of importance?—I think not; Rostock is an important place.

2788. Mr. *Mitchell.*] Is not Rostock a large exporting place?—Yes, but I do not think that Cammin is an important place.

2789. Is not Rostock one of the largest importing places in the Baltic?—It is an important commercial place.

2790. Mr. *Duncan.*] In the event of the Americans refusing to pay the Sound dues, would it not be dangerous to our shipping?—It would drive us out of the trade entirely; the Danes would lose the Sound dues, and we should lose the carrying trade of the Baltic; but our merchants would have their goods carried without paying the Sound dues.

2791. Mr. *Mitchell.*] Supposing, for instance, that the freight for flax or hemp from the Baltic were 45*s.* a ton, and that the Sound dues on that article were 7*s.* a ton, and that you would save those Sound dues if you employed American ships; would not this difference of 15 per cent. in the freight have the effect of driving the British ships from the market?—Entirely.

2792. Mr. *Liddle.*] Have the Danes a large mercantile navy?—They have a considerable mercantile navy.

2793. *Chairman.*] Did not you state at the last meeting of the Committee that there were only six English agency houses at Elsinore?—I stated that there were six principal houses, and four or five others; but I did not make that assertion as positively correct. The day I left Copenhagen, from whence I came to

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London on a few hours' notice, I endeavoured to ascertain how many houses there were, and I stated the result of my inquiries; but I could procure no positive information on the subject.

2794. It has been communicated to me as Chairman of this Committee that there are 16 English houses, and that in all there were 40 or 50 agency houses in Elsinore; are you prepared to say whether that is correct?—I think it is overstated, from information which I received from a person who ought to have been acquainted with the subject.

2795. Mr. *Duncan.*] Are you aware of any remuneration paid by Government to any of those houses at Elsinore?—No, I am not.

2796. Then the remuneration that they receive is from the vessels?—I believe so; the 4 per cent. paid by the Government is always a gratuity to the captains of vessels, and they must be aware that they have a right to it, because it is referred to in the tariff.

Mr. *J. Berridge.*

Mr. *Joseph Berridge*, called in; and further Examined.

2797. *Chairman.*] HAVE you anything further to say to the Committee?—I think that the sum of 72,000*l.*, which was stated to be the sum received from England for the Sound dues, is very small compared with what I have known to be paid. I should say the commutation of 72,000*l.* is very small; again, I think with reference to the agents at Elsinore, that though they certainly do charge high for their own services, those services are more than counterbalanced in cases where they keep the boatmen and other people within reasonable bounds; they do as much benefit in that way as their charges come to. I have also a chart to show the inapplicability of the passage through Sweden. It is a chart of the East Sea, and of the Cattegat.

2798. Do not vessels go through Sweden?—Very few. In using this passage, they would have to bring large cargoes from the lower ports of the Baltic, and carry them up to Stockholm, in order to carry them through a country 450 miles in length: the charges of that journey would be enormous; they had better pay five Sound dues.

2799. Do you think that the route through Sweden could never answer?—Never.

2800. Mr. *Bramley-Moore.*] What sized vessels could go through by that route?—I am not prepared to say; I should think only small vessels. It is perfectly impracticable, and I am afraid lest the notion should get expression.

2801. *Chairman.*] Will you show the chart to the Committee.—(*The Witness showed the same to the Committee*).

LIST OF APPENDIX.

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APPENDIX.

Appendix, No. 1.

PAPER delivered in by *Richard Parke*, Esq., 20 June 1856.

LIST of CASUALTIES which have occurred from VESSELS being detained at *Elsinore*.

SHIPS' NAMES.	VOYAGE.	Year when Lost or Stranded.	WHERE LOST OR STRANDED.	Cargo or Ship.	RESULT.
Jacoba - - -	Riga to Hull - -	1851	assistance off the Humber - -	general cargo	average.
Echo - - -	Gefle to London -	1851	- - loss of anchor and chain in Elsinore Roads.	- ditto -	average.
Paragon - -	Cronstadt to Lynn -	1851	- - ditto - - - - -	seed - -	average.
Emelie - -	Stettin to Hull -	1851	put into Farosund leaky - -	wheat - -	average.
Wanderer - -	Hull to Dantzig -	1852	ashore near Elsinore - - -	coals - -	average.
Twende Brodre -	Stockholm to Hull -	1852	assistance off the Humber - -	wood - -	average.
Two Brothers -	Wyberg to Hull -	1852	thrown deck-load overboard - -	wood - -	average.
Collingwood - -	Dantzig to Hull -	1852	- - loss of anchor and chain in Elsinore Roads.	wood - -	average.
George & Mary -	Holmsund to Hull -	1852	- - ditto - - - - -	wood - -	average.
Castine - - -	Pillau to Hull - -	1852	put into Farosund, heavy weather -	wood - -	average.
Lagarthæ - -	Uleaborg to Hull -	1852	put into Norway, bad weather -	wood - -	average.
Charlotte Henriette	Stettin to Hull - -	1852	struck by a sea, put into Norway -	wood - -	average.
Emmanuel Giebel -	Petersburg to London	1852	- - ashore near Elsinore, throwing deck-load overboard.	wood - -	average.
Enightleit - -	Riga to Hull - -	1852	put into Norway, bad weather -	wood - -	average.
Welget - - -	Hull to Uleaborg -	1852	lost in Gulf of Bothnia - - -	general cargo	lost.
Ranger - - -	Stettin to Goole -	1853	- - lost anchor and chain in Elsinore Roads.	seed - -	average.
Borneo - - -	Cronstadt to Hull -	1853	ashore near Lyskie - - -	wood - -	average
Royal William -	Hull to Petersburg -	1853	ashore on Bornholm - - -	ship - -	lost.
Bellona - - -	Memel to Hull -	1854	lost at Donnanook - - -	wood - -	lost.
Clarinda - -	Memel to Hull -	1854	- - ashore on Oeland (lost anchor, chain, &c.)	general cargo	average.

Appendix, No. 2.

Appendix, No. 2.

PAPERS delivered in by *Edgar Alfred Bowring*, Esq., 17 June 1856.

No. 1.

SOUND DUES STATISTICS.

CARGOES of British Ships passing the *Sound* in 1852.

1.—From United Kingdom to Baltic.

	Number of Ships.		Number of Ships.	Total.
Coals	1,009	Slates	20	
Salt	146	Dye-woods	4	
Iron	120	Cement	7	
Sugar	29	Other articles	31	
Cotton	125	Ballast	176	
Herrings	156			
General cargoes	122	Total		1,945

2.—From Foreign Ports to Baltic.

Sulphur	9	Coffee	4	
Oil	2	Wine	6	
Salt	5	General cargoes	2	
Cork	2	Other articles	4	
Sugar	19	Total		53

3.—To United Kingdom from Baltic.

Corn and Grain	390	Zinc and Iron	43	
Beans and Peas	21	Sleepers	32	
Flax	285	General cargoes	15	
Hemp	160	Staves	16	
Linseed	128	Ballast	40	
Timber	570	Other articles	19	
Tallow	114			
Bones and Oilcake	50	Total		1,883

4.—To Foreign Ports from Baltic.

Provisions (to Newfoundland.)	6	Rye	1	
		Deals	2	
Barley	1	Total		10
		General Total		3,891

Official Total - - - - - - 3,902.

No. 2.

SOUND DUES (REVENUE FROM).

		£.	Rix-dols.	Authority.
	1645 - - - stated at	36,000 =	320,000	Various so
	1720 - - - - -	54,707 =	486,284	
	1804 - - - - -	113,937 =	1,012,773	
	1835 (first time in budget) about	179,000 =	1,590,000	
	1837 - - - about	213,750 =	1,900,000	
Dues on goods and light dues in Sound and Belts - -	1842 - - actual revenue	220,897 =	1,963,532	Table laid by Danish Government before the Congress at Copenhagen.
	1843 - - - - -	241,069 =	2,142,838	
	1844 - - - - -	259,873 =	2,309,981	
	1845 - - - - -	257,648 =	2,290,204	
	1846 - - - - -	235,941 =	2,097,253	
	1847 - - - - -	265,259 =	2,357,864	
	1848 (war) - - - -	256,648 =	2,281,318	
	1849 (war) - - - -	277,193 =	2,463,943	
	1850 (war) - - - -	273,214 =	2,431,242	
	1851 - - - - -	260,345 =	2,314,179	
	1852 - - - - -	248,050 =	2,204,890	
	1853 - - - - -	287,602 =	2,556,163	
	1854 (war) - - - -	184,021 =	1,635,746 *	
	1842–1854 - - (average)	251,389 =	2,234,574 †	

* Estimated in Budget at 2,115,400 rix-dollars.

† Average for nine years of peace only, is - - *Rix-d.* 2,248,579 = £. 252,965

N. B.—The Total Annual Revenue of Denmark varies from £. 1,600,000 to £. 1,900,000

No. 3.

VESSELS passing the *Sound* in various Years.

Years.	British.	Total.	Per-centage Proportion of British to Total.	Tonnage. British. Gross.	Tonnage. British. Average per Vessel.	Tonnage. Total. Gross.	Tonnage. Total. Average per Vessel.
	No.	*No.*	*Per cent.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*
1785 -	2,537	10,268	25	- -	Not given.		
1790 -	3,771	9,742	39				
1814 -	2,319	8,186	28				
1820 -	3,597	10,926	33				
1825 -	5,186	13,160	39				
1830 -	4,274	13,212	32				
1835 -	2,472	10,255	24	470,727	190	1,594,202	155
1840 -	4,071	15,662	26	733,139	180	1,972,524	126
1845 -	3,645	15,950	23	- -	Not given.		
1846 -	4.407	18,710	23				
1847 -	5,500	21,536	26				
1848 -	6,721	16,587	40	1,157,130	172	2,644,448	160
1849 -	6,876	18,960	36	1,183,938	172	2,960,286	156
1850 -	5,464	19,121	28	939,725	172	2,399,578	125
1851 -	4,794	19,944	24	849,571	177	3,359,641	168
1852 -	3,902	17,563	22	- -	Not given.		
1853 -	4,665	21,586	21 ½				
1854 -	2,032	16,368	12				
1855 -	2,415	15,787	15				

N.B.—Our Consul commenced sending Returns in 1831.

Appendix, No. 3.

Appendix, No. 3.

PAPERS delivered in by *T. R. Arnott*, Esq., 24 June 1856.

(No. 2.)

British Ship - - - 265 Tons: 9 Men.

SHIP'S ACCOUNT at *Elsinore*.

UPWARD CLEARANCE.				DOWNWARD CLEARANCE.			
Light Money - - *Sp. Rd.*	4	24		- - - - *Sp. Rd.*	4	24	
Pass Money, Officer's Fee, and Expedition - - - -	9	34		- - - - - -	9	16	
Translator - - - -	–	12		- - - - - -	—		
Stamp paper - - - -	—						
Searcher - - - - -	—						
Guard Ship - - - -	–	14		- - - - - -	—		
Fine (Sunday clearance) - -	1	–		- - - - - -	—		
Extra - - - - - -	–	–		British Poor Money - -	1	–	
Additional Light Money - -	–	24		Copy - - - - -	–	8	
Sp.	16	12		*Sp.*	15	–	
= £. *Sterling.*	4	1	3	= £. *Sterling*	3	15	5

	£.	s.	d.		£.	s.	d.
				Upward Account (first column)	4	8	3
Port Charges, as above - -	4	1	3	Downward Port Charges (as above) - - - -	3	15	5
Pilotage - - - - -	—						
Boat-hire - (sometimes 1 *l.* or 2 *l.*)	-		-	- (sometimes 1 *l.* or 2 *l.*) -	—		
⅛ Anker Gin - - - -	–	5	–	- - - - - -	—		
„ Cognac - - -	-		-	- - - - - 1 gall.	–	12	6
„ Corn Brandy - -	—						
Lbs. Beef - - - -	-		-	- - - 124 lbs., at 50/	3	2	–
„ Flour - - - -	—						
„ Bread - - - -	—						
Vegetables - - - -	-		-	- - - - - -	–	6	–
Water - - - - -	—						
Postages - - - - -	—						
Stores for the Crew - -	—						
Cash to Captain - - -	-		-	- - - - - -	4	11	5
6 lbs. Chicory, at 4 *d.* - -	–	2	–	- - - - 6 lbs.	–	2	6
Carried to next column - £.	4	8	3	£.	16	18	1

SOUND DUES.

On Memel Timber, &c.:

This cargo delivered—
367 Loads Timber.
3¼ Std. Deals.
8 $\frac{98}{144}$ fathoms Lathwood.

745 ps. Fir Timber - - *Sp.*	23	14
117 Redwood Deals - -	1	23
11 fathoms Lathwood - -	–	33
	25	2
Commission, 37 - - -	–	36
Postage - - - - -	–	6
at 55 *d.* - - £. 6. – 8 - - - *Sp.*	26	16 stg.

Appendix, No. 3.

(No. 3.)

2044.

(Obliterated Stamp for Foreign Bill.)

A. Van Deurs & Co.

Elsinore, the 2d of June 1856. For £. 7. 19. 2. Stg.

At sight pay this First of Exchange to the order of Messrs. Wm. Jameson & Son with Seven Pounds Nineteen Shillings and Two-pence sterling value in account, and place the same to account of Sound Dues specified on the back.

A. Van Deurs & Co.
Hy. Borrier.
J. L. Peterson.

To Messrs. C. Allkerson & Co.
Newcastle.

(Endorsements.)

Order.

Newcastle.
Drs.

To Sound Dues.

1856.

June 2d. Per the Lord Raglan, Captain John Hart, from St. Petersburg.

100 Casks Tallow.

Gs. Pds.	2,743	11	
Net	2,468	38	
Sps.		30	42
R. Dols.		61	72
Commission and Postage		2	32
R. Dols.		64	8/2
at 29 ½ *d.* - - £.	7	19	2

For *W. Jameson & Son,*

Wm. Atkinson.

Rec[d] 10 June /56.

Appendix, No. 4.

RETURN of the IMPORTS of the following ARTICLES in each of the last Ten Years, distinguishing the Quantities Imported from the *Baltic*, as far as possible (i. e. *Russia*, *Prussia*, &c.), viz. Tallow, Hemp, Flax, Flax Seed, Corn, Wood and Timber, Bristles, Pitch, and Tar.

—	YEARS.	QUANTITIES IMPORTED INTO THE UNITED KINGDOM.					
		From Countries or Territories, the Ports of which lie wholly or chiefly within the Baltic; viz.				From other Countries.	From all Parts of the World.
		Northern Russia (comprehending the Ports on the Baltic and on the White Sea).	Prussia.	Mecklenburg.	The Three specified Territories, conjointly.		
		Cwt.	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*
Tallow	1846	840,181	- - -	- - -	840,181	271,637	1,111,818
	1847	744,069	- - -	- - -	744,069	355,206	1,099,275
	1848	988,503	1	- - -	988,504	509,855	1,498,359
	1849	866,327	- - -	- - -	866,327	599,302	1,465,629
	1850	841,673	- - -	- - -	841,673	398,969	1,240,642
	1851	775,280	626	- - -	775,906	445,160	1,221,066
	1852	571,849	- - -	- - -	571,849	477,854	1,049,703
	1853	824,853	54	- - -	824,907	350,847	1,175,754
	1854	57,648	253,079	- - -	310,727	438,994	749,721
	1855	66	644,695	205	644,966	307,356	952,322
		Cwt.	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*
Hemp, Undressed	1846	620,656	7	- - -	620,663	262,231	882,894
	1847	542,857	- - -	- - -	542,857	268,708	811,565
	1848	536,400	11	- - -	536,411	309,360	845,771
	1849	636,938	178	- - -	637,116	424,777	1,061,893
	1850	600,519	- -	- - -	600,519	448,116	1,048,635
	1851	664,572	216	- - -	664,788	628,624	1,293,412
	1852	537,129	660	- - -	537,789	530,366	1,068,155
	1853	813,188	3,447	- - -	816,635	421,237	1,237,872
	1854	20,539	366,220	- - -	386,759	824,538	1,211,297
	1855	943	370,712	- - -	371,655	896,023	1,267,678
		Cwt.	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*
Flax, Dressed and Undressed.	1846	740,396	86,858	- - -	827,254	319,838	1,147,092
	1847	681,167	141,845	2	823,014	229,075	1,052,089
	1848	1,085,732	119,777	- - -	1,205,509	258,152	1,463,661
	1849	1,352,275	180,747	- - -	1,533,022	273,651	1,806,673
	1850	1,240,766	263,271	- - -	1,504,037	318,881	1,822,918
	1851	818,676	135,825	- - -	954,501	239,683	1,194,184
	1852	949,907	165,300	- - -	1,115,207	293,507	1,408,714
	1853	1,287,983	242,383	31	1,530,397	352,977	1,883,374
	1854	185,798	667,879	- - -	853,677	449,558	1,303,235
	1855	1,730	943,730	- - -	945,460	347,975	1,293,435
		Qrs.	*Qrs.*	*Qrs.*	*Qrs.*	*Qrs.*	*Qrs.*
Seeds; Flax and Linseed.	1846	256,794	44,441	- - -	301,235	204,906	506,141
	1847	118,190	36,848	- - -	155,038	284,474	439,512
	1848	298,949	62,046	- - -	360,995	438,655	799,650
	1849	436,834	87,273	- - -	524,107	102,388	626,495
	1850	320,796	80,433	- - -	401,229	207,755	608,984
	1851	270,382	58,179	5	328,566	301,905	630,471
	1852	215,064	54,575	- - -	269,639	529,763	799,402
	1853	378,320	57,848	- - -	436,168	599,167	1,035,335
	1854	26,460	116,267	- - -	142,727	685,786	828,513
	1855	3,249	139,900	- - -	143,149	613,802	756,951

—	YEARS.	QUANTITIES IMPORTED INTO THE UNITED KINGDOM. From Countries or Territories, the Ports of which lie wholly or chiefly within the Baltic; viz. Northern Russia (comprehending the Ports on the Baltic and in the White Sea).	Prussia.	Mecklenburg.	The Three specified Territories, conjointly.	From other Countries.	From all Parts of the World.
		Qrs.	*Qrs.*	*Qrs.*	*Qrs.*	*Qrs.*	*Qrs.*
Corn, viz. Wheat -	1846	41,235	359,891	87,763	488,889	943,702	1,432,591
	1847	380,246	490,435	60,549	931,230	1,725,225	2,656,455
	1848	195,177	522,049	146,077	863,303	1,717,656	2,580,959
	1849	47,311	614,906	138,427	800,644	3,044,734	3,845,378
	1850	68,809	832,731	125,227	1,026,767	2,712,228	3,738,995
	1851	35,213	696,174	147,846	879,233	2,932,775	3,812,008
	1852	26,949	451,938	120,544	599,431	2,460,837	3,060,268
	1853	251,971	1,144,702	163,771	1,560,444	3,354,986	4,915,430
	1854	21,041	672,842	132,485	826,368	2,604,859	3,431,227
	1855	- - -	536,123	179,573	715,696	1,952,006	2,667,702
		Qrs.	*Qrs.*	*Qrs.*	*Qrs.*	*Qrs.*	*Qrs.*
Corn, viz. Barley -	1846	1,812	58,417	15,609	75,838	295,003	370,841
	1847	35,734	48,506	21,087	105,327	667,356	772,683
	1848	4,946	170,392	21,360	196,698	857,576	1,054,274
	1849	47,219	342,147	22,052	411,418	969,590	1,381,008
	1850	12,329	267,133	17,854	297,316	738,587	1,035,903
	1851	42,510	145,894	18,037	206,441	623,123	829,564
	1852	5,997	54,207	15,580	75,784	549,756	625,540
	1853	3,511	9,076	4,853	17,440	806,628	824,068
	1854	806	7,408	1,162	9,376	543,596	552,972
	1855	- - -	1,291	356	1,647	347,463	349,110
		Qrs.	*Qrs.*	*Qrs.*	*Qrs.*	*Qrs.*	*Qrs.*
Oats - - -	1846	238,174	35,437	1,827	275,438	513,901	789,339
	1847	959,378	81,642	1,518	1,042,538	663,170	1,705,708
	1848	161,051	68,410	5,282	234,743	732,313	967,056
	1849	239,828	171,999	442	412,269	854,837	1,267,106
	1850	277,602	88,255	500	366,357	788,116	1,154,473
	1851	488,001	35,773	3,780	527,554	670,975	1,198,529
	1852	304,448	24,693	2,239	331,380	657,907	989,287
	1853	370,059	4,079	872	375,010	653,399	1,028,409
	1854	143,140	23,437	1,929	168,506	846,443	1,014,949
	1855	- - -	28,134	779	28,913	1,004,814	1,033,727
		Loads.	*Loads.*	*Loads.*	*Loads.*	*Loads.*	*Loads.*
Wood and Timber; viz. not Sawn or Split - - -	1846	145,835	260,421	- - -	406,256	842,851	1,249,107
	1847	59,059	294,699	- - -	353,758	677,309	1,031,067
	1848	58,666	174,042	- - -	232,708	696,033	928,741
	1849	41,419	117,470	- - -	158,889	659,020	817,909
	1850	27,180	136,230	27	163,437	704,742	868,179
	1851	47,768	271,097	- - -	318,865	783,204	1,102,069
	1852	28,297	173,590	1	201,888	722,082	923,970
	1853	47,279	330,295	3	377,577	802,588	1,180,135
	1854	2,281	293,266	267	295,814	920,395	1,216,209
	1855	11	261,573	3	261,587	646,928	908,515
		Loads.	*Loads.*	*Loads.*	*Loads.*	*Loads.*	*Loads.*
Deals, Battens, Boards, &c., Sawn or Split	1846	147,826	52,873	7	200,706	575,127	775,833
	1847	140,430	71,296	5	211,731	650,024	861,755
	1848	173,763	49,740	33	223,536	641,057	864,593
	1849	173,545	35,006	6	208,557	601,226	809,783
	1850	117,160	39,757	9	156,926	637,252	794,178
	1851	184,400	48,481	7	232,888	776,820	1,009,708
	1852	189,729	48,460	3	238,192	880,158	1,118,350
	1853	255,855	94,369	13	350,237	995,156	1,345,393
	1854	25,721	90,028	78	115,827	1,146,634	1,262,461
	1855	318	69,083	45	69,446	865,133	934,579

(*continued*)

—	YEARS.	QUANTITIES IMPORTED INTO THE UNITED KINGDOM.					
		From Countries or Territories, the Ports of which lie wholly or chiefly within the Baltic; viz.				From other Countries.	From all Parts of the World.
		Northern Russia (comprehending the Ports on the Baltic and on the White Sea).	Prussia.	Mecklenburg.	The Three specified Territories, conjointly.		
		Lbs.	*Lbs.*	*Lbs.*	*Lbs.*	*Lbs.*	*Lbs.*
Bristles - - -	1846	1,904,711	55,984	- - -	1,960,695	274,087	2,234,782
	1847	1,278,570	33,085	- - -	1,311,655	236,326	1,547,981
	1848	1,804,924	17,337	- - -	1,822,261	242,478	2,064,739
	1849	2,141,505	39,466	- - -	2,180,971	323,705	2,504,676
	1850	1,954,590	37,362	- - -	1,991,952	313,733	2,305,685
	1851	1,684,773	76,290	- - -	1,761,063	477,647	2,238,710
	1852	1,459,303	75,416	- - -	1,534,719	418,769	1,953,488
	1853	2,477,789	22,508	- - -	2,500,297	736,762	3,237,059
	1854	47,600	772,754	- - -	820,354	987,411	1,807,765
	1855	- - -	1,578,003	- - -	1,578,003	953,004	2,531,007
		Cwt.	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*	*Cwt.*
Pitch - - -	1846	15,131	- - -	- - -	15,131	2,878	18,009
	1847	12,570	- - -	- - -	12,570	10,767	23,337
	1848	16,641	- - -	- - -	16,641	2,324	18,965
	1849	10,761	- - -	- - -	10,761	2,234	12,995
	1850	3,199	- - -	- - -	3,199	2,493	5,692
	1851	8,449	- - -	- - -	8,449	1,527	9,976
	1852	5,016	- - -	- - -	5,016	1,946	6,962
	1853	4,924	- - -	- - -	4,924	1,429	6,353
	1854	4,539	2	- - -	4,541	2,905	7,446
	1855	- - -	91	- - -	91	846	937
		Lasts.	*Lasts.*	*Lasts.*	*Lasts.*	*Lasts.*	*Lasts.*
Tar - - -	1846	9,897	- - -	- - -	9,897	2,692	12,589
	1847	9,656	- - -	- - -	9,656	1,715	11,371
	1848	9,534	- - -	- - -	9,534	3,075	12,609
	1849	11,439	2	- - -	11,441	3,765	15,206
	1850	9,082	- - -	- - -	9,082	3,015	12,097
	1851	11,860	- - -	- - -	11,860	3,920	15,780
	1852	10,577	63	- - -	10,640	2,267	12,907
	1853	11,531	2	- - -	11,533	2,973	14,506
	1854	4,042	162	- - -	4,204	7,940	12,144
	1855	- - -	139	- - -	139	14,990	15,129

Note.—The foregoing Return is of necessity so framed as to show the importations from the Baltic by approximation only, a more precise exhibition of their amount being inconsistent with the plan of the statistical records, inasmuch as these exhibit the trade with each country, or territorial division of the world, under a single head, irrespectively of the distinction of ports. Thus the imports from the Swedish and Danish ports lying within the Sound are excluded from the view here afforded of the importations from the Baltic, being merged under the general heads of Sweden and Denmark respectively; and, on the other hand, the imports from Archangel and the ports on the White Sea, are unavoidably included with those from the Baltic ports, under the general head of Northern Russia.

Office of the Inspector-general of Imports and Exports,
Custom House, London, 25 June 1856.

John A. Messenger.

Appendix, No. 5.

Appendix, No. 5.

Elseneur, d. 21 April 1856.

Schiff "Queen," *Stettin* nach *London.*

Capt. R. Wills. Debet.

An *A. Van Deurs & Co.*

für Clarirungs-Unkosten im Sunde.

An Rosenobel für's Schiff	Spec. Rthlr.	—	
„ dito für die Ladung		—	
„ Feuergeld & Directeurgebühr		4	24
„ Zollgebühr & Expedition		8	24
„ Inspecteur (ohne Zollpapiere)		1	6
„ Translateur		—	
„ British Poor-money		1	0
„ Tonnen- & Hafengeld		—	
„ Extra Armengeld		—	
„ Mulct (Nicht an hands)		1	0
	Spec. Rthlr.	16	6
„ Additionelle Zollsporteln		0	10
„ dito Feuergeld		0	24
	Spec. Rthlr.	16	40 it.
	oder Rthlr.	33	64
„ Wachtschiff & Bothe		0	24
„ Consulat		—	
„ Lootsgeld		—	
„ Bootheuer		4	48
„ Gesundheitspass		—	
„ Contant		—	
„ Briefporto		—	
	Rthlr.	38	40/
Eingehonde Rechnung vom 7 April		39	24
	Rthlr.	77	64/
	à 9 f. £.	8	12/7*d.*

pp. *A. Van Deurs & Co.*
H. Borreis.

Appendix, No. 5.

Elseneur, d. 7 April 1856.

Schiff "Queen," *London* nach *Stettin*.

(*MS. illegible*), 2143 5/8 Qrs.

Capt. R. Wills. Debet.

An *A. Van Deurs & Co.*

für Clarirungs-Unkosten im Sunde.

An Rosenobel für's Schiff	Spec. Rthlr.	—	
„ dito für die Ladung		—	
„ Feuergeld & Directeurgebühr		4	24
„ Zollgebühr & Expedition		8	24
„ Inspecteur (ohne Cocket)		1	6
„ Translateur		–	32
„ British Poor-money		1	–
„ Tonnen- & Hafengeld		—	
„ Extra Armengeld		—	
„ Mulct (Durchgesegelt)		2	24
	Spec. Rthlr.	18	14
„ Additionelle Zollsporteln		–	10
„ dito Feuergeld		–	24
	Spec. Rthlr.	19	–
	oder Rthlr.	38	–
„ Wachtschiff & Bothe		–	24
„ Consulat		—	
„ Lootsgeld		—	
„ Bootheuer		—	
„ Gesundheitspass		—	
„ Contant		—	
„ Briefporto		—	
„ Telegraph Depeche nach Hamburg		1	–
	R.	39	24

pp. *A. Van Deurs & Co.*
H. Borreis.

Appendix, No. 6.

Total Imports of Flax Goods into *Dundee*; showing the Quantities Exported thereto from *Russia*, *Prussia*, and all other Foreign Ports; also the Quantities Exported from the *Baltic* Ports, with the Per-centage of Imports from the latter, from 1846 to 1855, inclusive.

	From Russia.	From Prussia.	From all other Foreign Ports.	Total.	Of which Exported from Baltic Ports.	Per-centage from Baltic Ports.
1846 - - Tons -	14,066	3,262	2,328	19,656	14,574	74·14
1847 - - " -	13,468	4,379	2,103	19,950	14,042	70·39
1848 - - " -	21,193	4,483	1,938	27,614	24,218	87·70
1849 - - " -	27,441	4,915	2,285	34,641	28,283	81·64
1850 - - " -	31,303	6,204	1,589	39,096	31,423	80·37
1851 - - " -	20,609	5,154	1,228	26,991	21,801	80·77
1852 - - " -	17,713	5,310	991	24,014	20,776	86·51
1853 - - " -	30,687	9,045	2,054	41,786	33,658	80·55
1854 - - " -	2,983	20,487	2,972	26,442	21,943	82·98
1855 - - " -	- -	21,780	2,843	24,623	21,780	88·45

Total Imports of Flax Goods into *Aberdeen*; showing the Quantities Exported thereto from *Russia*, *Prussia*, and all other Foreign Ports; also the Quantities Exported from the *Baltic* Ports, with the Per-centage of Imports from the latter, from 1848 to 1855 inclusive.

	From Russia.	From Prussia.	From all other Foreign Ports.	Total.	Of which Exported from Baltic Ports.	Per-centage from Baltic Ports.
1848 - - Tons -	1,487	79	83	1,649	1,566	94·97
1849 - - " -	1,739	180	109	2,028	1,569	77·36
1850 - - " -	1,468	243	149	2,860	1,591	55·63
1851 - - " -	1,014	155	41	1,210	1,169	96·61
1852 - - " -	1,824	- -	- -	1,824	1,679	92·05
1853 - - " -	2,165	57	6	2,228	1,979	88·82
1854 - - " -	- -	849	127	976	849	86·89
1855 - - " -	- -	958	- -	958	958	100·00

Total Imports of Flax Goods into *Montrose*; showing the Quantities Exported thereto from *Russia*, *Prussia*, and all other Foreign Ports; also the Quantities Exported from the *Baltic* Ports, with the Per-centage of Imports from the latter, from 1848 to 1855 inclusive.

	From Russia.	From Prussia.	From all other Foreign Ports.	Total.	Of which Exported from Baltic Ports.	Per-centage from Baltic Ports.
1848 - - Tons -	4,021	443	- -	4,464	4,065	91·06
1849 - - " -	4,948	606	154	5,708	4,970	87·07
1850 - - " -	4,041	697	246	4,984	3,659	73·41
1851 - - " -	3,223	- -	- -	3,223	2,733	84·79
1852 - - " -	3,781	656	152	4,589	3,528	76·87
1853 - - " -	4,392	468	- -	4,860	3,720	76·54
1854 - - " -	579	1,935	- -	2,514	2,056	81·78
1855 - - " -	—	—	—	—	—	—

Appendix, No. 6.

TOTAL IMPORTS of FLAX GOODS into *Arbroath*; showing the Quantities Exported thereto from *Russia*, *Prussia*, and all other Foreign Ports; also the Quantities Exported from the *Baltic* Ports, with the Per-centage of Imports from the latter, from 1848 to 1855 inclusive.

	From Russia.	From Prussia.	From all other Foreign Ports.	TOTAL.	Of which Exported from Baltic Ports.	Per-centage from Baltic Ports.
1848 - - Tons -	4,698	1,067	- -	5,765	5,704	98·94
1849 - - „ -	5,833	1,277	- -	7,110	6,441	90·59
1850 - - „ -	3,624	1,495	- -	5,119	4,863	94·99
1851 - - „ -	2,132	401	- -	2,533	2,533	100·00
1852 - - „ -	3,876	597	- -	4,473	4,019	89·85
1853 - - „ -	3,507	381	- -	3,888	3,333	85·72
1854 - - „ -	- -	2,204	198	2,402	2,204	91·75
1855 - - „ -	- -	3,663	- -	3,663	3,663	100·00

TOTAL IMPORTS of FLAX GOODS into *Kirkcaldy*; showing the Quantities Exported thereto from *Russia*, *Prussia*, and all other Foreign Ports; also the Quantities Exported from the *Baltic* Ports, with the Per-centage of Imports from the latter, from 1848 to 1855 inclusive.

	From Russia.	From Prussia.	From all other Foreign Ports.	TOTAL.	Of which Exported from Baltic Ports.	Per-centage from Baltic Ports.
1848 - - Tons -	4,365	595	209	5,169	4,220	81·63
1849 - - „ -	4,756	978	288	6,022	4,454	73·96
1850 - - „ -	4,016	2,521	104	6,641	5,031	75·75
1851 - - „ -	3,336	411	- -	3,747	2,781	74·22
1852 - - „ -	4,248	824	97	5,169	3,345	64·71
1853 - - „ -	4,476	1,338	383	6,197	3,806	61·41
1854 - - „ -	1,599	2,305	67	3,971	2,439	61·42
1855 - - „ -	- -	4,105	119	4,224	4,105	97·18

TOTAL IMPORTS of FLAX GOODS into *Hull*; showing the Quantities Exported thereto from *Russia*, *Prussia*, and all other Foreign Ports; also the Quantities Exported from the *Baltic* Ports, with the Per-centage of Imports from the latter, from 1848 to 1855 inclusive.

	From Russia.	From Prussia.	From all other Foreign Ports.	TOTAL.	Of which Exported from Baltic Ports.	Per-centage from Baltic Ports.
1848 - - Tons -	8,846	140	4,550	13,536	8,542	63·10
1849 - - „ -	11,111	644	5,433	17,188	11,333	65·93
1850 - - „ -	7,159	2,189	7,195	16,543	8,854	53·52
1851 - - „ -	4,654	786	5,855	11,295	5,249	46·47
1852 - - „ -	7,267	222	7,601	15,090	7,049	46·71
1853 - - „ -	8,404	599	9,097	18,100	8,080	44·64
1854 - - „ -	1,129	3,238	9,767	14,134	3,944	27·90
1855 - - „ -	- -	7,691	9,062	16,753	7,691	45·81

Appendix, No. 6.

TOTAL IMPORTS of FLAX GOODS into *Dundee, Aberdeen, Montrose, Arbroath, Kirkcaldy,* and *Hull;* showing the Quantities Exported thereto from *Russia, Prussia,* and all other Foreign Ports; also the Quantities Exported from the *Baltic* Ports, with the Per-centage of Imports from the latter, from 1848 to 1855 inclusive.

	From Russia.	From Prussia.	From all other Foreign Ports.	TOTAL.	Of which Exported from Baltic Ports.	Per-centage from Baltic Ports.
1848 - - Tons -	44,610	6,807	6,780	58,197	48,315	83·02
1849 - - „ -	55,828	8,600	8,269	72,697	59,033	81·20
1850 - - „ -	51,611	13,349	9,283	74,243	55,421	74·64
1851 - - „ -	34,968	6,907	7,124	48,999	36,266	74·01
1852 - - „ -	38,709	7,609	8,841	55,159	40,396	73·23
1853 - - „ -	53,284	11,888	11,690	76,762	54,279	70·71
1854 - - „ -	6,290	31,198	12,951	50,439	33,615	66·64
1855* - - „ -	- -	38,197	12,024	50,221	38,197	76·55

* *Note.*—In 1855, the Imports into Montrose are not included.

Appendix, No. 7.

Appendix, No. 7.

ACCOUNT of the REGISTERED TONNAGE of VESSELS and their CARGOES Imported at *Dundee* from *Baltic* Ports in One Year, being from 31 May 1853 to 31 May 1854.

FLAX, HEMP, &c.

PORTS.	No. of Vessels.	Tons Register.	Flax.	Hemp.	Flax Codilla.	Hemp Codilla.
			Cwts.	*Cwts.*	*Cwts.*	*Cwts.*
Danzig - - -	1	97	95	- -	448	—
Konigsberg - -	16	2,785	25,004	- -	9,341	—
Libau - - -	13	1,705	19,094	- -	3,201	—
Memel - - -	81	14,354	183,670	1,991	7,025	24
Narva - - -	18	1,690	16,693	- -	6,130	—
Pernau - - -	16	2,979	26,280	- -	14,583	—
Petersburg - -	98	17,250	171,575	14,946	36,146	—
Pillau - - -	5	744	7,678	- -	1,433	—
Revel - - -	9	880	6,018	- -	3,672	—
Riga - - - -	84	13,693	165,102	22,339	15,384	5,295
TOTAL - - -	341	56,177	621,209	39,276	97,363	5,319

TIMBER.

PORTS.	No. of Vessels.	Tons Register.	Loads.
Danzig - - - - -	5	982	1,285
Memel - - - - -	15	2,460	2,932
Narva - - - - -	2	168	280
Stettin - - - - -	15	2,078	2,469
TOTAL - - -	37	5,688	6,966

Appendix, No. 7.

GRAIN.

PORTS.	No. of Vessels.	Tons Register.	Wheat.	Pease.	Oats.	Flour.
			Qrs.	*Qrs.*	*Qrs.*	*Qrs.*
Danzig - - -	4	350	2,093	—	—	—
Libau - - -	8	913	318	720	—	—
Memel - - -	1	176	101	23	—	—
Pillau - - -	2	328	1,030	122	—	—
Riga - - -	5	999	1,189	- -	1,221	—
Rostock - - -	2	124	850	—	—	—
Petersburg - -	3	899	3,155	—	—	—
Konigsberg - -	13	1,990	4,897	347	—	—
Stettin - - -	7	1,016	6,606	- -	17	828
TOTAL - - -	45	6,795	20,239	1,212	1,238	828

Shore Dues Office, Dundee, 17 June 1856.

Sn. Robertson, Treasurer.

Appendix, No. 8.

Appendix, No. 8.

ESTIMATED Amount of SOUND DUES on FLAX, HEMP, &c., Imported into *Dundee*, from 31 May 1853 to 31 May 1854.

	£. s. d.	£. s. d.
FLAX:		
Tons - - - 31,060.		
$\frac{1}{3}$ - - - 10,353 at 8 *s.* - - - - -	4,141 4 –	
$\frac{2}{3}$ - - - 20,707 at 5 *s.* 4 *d.* - - - -	5,521 17 4	
HEMP:		
Tons - - - 1,964 at 5 *s.* 4 *d.* - - - - -	523 14 8	
CODILLA:		
Tons - - - 5,134 at 2 *s.* 4 *d.* - - - - -	598 19 4	
The above brought by 341 vessels of the register tonnage of 56,177 tons, at 7 *l.* 10 *s.* per vessel - - - - -	2,557 10 –	
		13,343 5 4
GRAIN:		
Wheat - - Qrs. - - 20,239 at 6 *d.* - - - -	505 19 6	
Pease - - „ - - 1,212 at 2½ *d.* - - - -	12 12 6	
Oats - - „ - - 1,238 at 1¼ *d.* - - - -	6 9 –	
The above brought by 45 vessels of the register tonnage of 6,975 tons, at 7 *l.* 10 *s.* per vessel - - - - - -	337 10 –	
		862 11 –
TIMBER:		
Loads - - - 6,966 at 3 *d.* - - - -	87 10 10	
The above brought by 37 vessels of the register tonnage of 5,688 tons, at 7 *l.* 10 *s.* per vessel - - - - - -	277 10 –	
		365 - 10
	£.	14,570 17 2

PER-CENTAGE of DUES:	Total Value.	Sound Dues Rate.
Flax, assuming average value 38 *l.* per ton - - -	£. 1,180,280 - - -	16 *s.* 4 *d.* per cent.
Hemp „ „ 32 *l.* per ton - - - -	62,848 - - -	16 *s.* 8 *d.* per cent.
Codilla „ „ 20 *l.* per ton - - - -	102,680 - - -	11 *s.* 8 *d.* per cent.

N.B.—Of the vessels above mentioned, the following were British vessels, viz.:

192 of 34,930 tons, flax, hemp, and codilla laden;
23 of 4,309 tons, grain laden;
3 of 782 tons, timber laden;
the remaining vessels being foreingers.

Appendix, No. 9.

Appendix, No. 9.

SHIP'S ACCOUNT.

Capt. *J. Archibald* and Owners of the "Red Rose," of Dundee, to *Rainals, Deacon* & Co., Elsinore, 17 May 1855. *Drs.*

UPWARD CLEARANCE CHARGES.			
To Light Money	*Sp.* 4	24	
– Pass Money, Officers' Fees, and Expedition	9	34	
– Translator	–	12	
– Stamp Paper	–	–	
– Searcher	–	–	
– Guardship	–	14	
– Fine	–	–	
– Extra	1	–	
– Additional Light Money	–	24	
	Sp. 16	12	
	£. 4	1	3

DOWNWARD CLEARANCE CHARGES.			
To Light Money	*Sp.* 4	24	
– Pass Money, Officers' Fees, and Expedition	9	34	
– Translator	–	–	
– Stamp Paper	–	–	
– Searcher	–	–	
– Guardship	–	14	
– Fine	–	–	
– Extra	1	–	
– Additional Light Money	–	24	
	Sp. 16	–	
	£. 4	–	–

From *Charles Alcock*, per "Jane Isabella"—Account.

Charges on this ship upwards should be,	£.	s.	d.
Lights	1	–	–
Dues on Ship with Coals	–	1	1
	£. 1	1	1
Is by this Account	3	18	4
	£. 2	17	3

The overcharge therefore is enormous.

Appendix, No. 9.

COALS UP.

Elsinore, 5 May 1856.

Captain *Joshua Wright*,
Ship " Jane Isabella,"

Dr. to *Edward Permin.*

To Charges in the Sound, viz.:—

		Upwards.			Downwards.		
Light Money	*Sp. Rdl.*	4	24		4	24	
Pass Money, Officers' Fees, and Expedition		9	26		9	26	
Translator's Fees for B/L		–	32		–	–	
Searcher		–	–		–	–	
British Poor Money		–	–		–	–	
Stamp Paper		–	–		–	–	
Bill of Health		–	–		–	–	
Guardship and Messenger		–	12		–	12	
Extra for Sunday		–	–		1	–	
Additional Officer's Fees		–	10		–	10	
Additional Light Money		–	24		–	24	
	Sp.	15	32		16	–	
	Rdlr.	31	32		32	–	
At 2 *s.* 6 *d.*	£.	3	18	4	4	–	–

Together	£.7	18	4
Pilot upwards	3	5	5
Boat-hire, ditto	1	12	6
Pilot downwards	2	5	7½
Boat-hire, ditto	1	3	4
Goods as per Account	7	10	–
	£.23	15	2½
Paid	4	3	–
	£.19	12	2½

14 days L. *Thomas Briggs*, Esq., Sunderland.

Ed. Permin.

Appendix, No. 10.

Appendix, No. 10.

PAPER delivered in by *George Hudson*, Esq., 1 July 1856.

PORT OF SUNDERLAND.

TRADE with the *Baltic* in the Year 1853.

	NO. OF SHIPS.	TONNAGE.	DESCRIPTION OF GOODS.
Cargoes from the Baltic - - -	179	29,580	Wood goods.
	* 19	2,650	Hemp.
	* 1	187	Hemp, tallow, &c.
	* 2	144	Grain.
	* 1	36	Cattle, bones.
	202	32,597	
Outwards, with cargoes of coals -	462	82,724	

* CONSIGNEES:

1 Wilson & Brothers.	2 J. Anderson & Sons.
1 Gray & Co.	1 Brown.
2 Greenwek & Son.	2 J. Hay.
1 A. Spence.	13 Order.

Bill of Entry Office, Custom House, Sunderland, 30 June 1856.

(E. E.)
W. Robinson.

Appendix, No. 11.

Appendix, No. 11.

PAPERS delivered in by *A. Buchanan*, Esq., 11 July 1856.

STATEMENT respecting Share assigned to *England* of proposed Capitalization of Sound Dues.

	£.
Annual Amount of Dues on Goods - - £.67,963 + light dues £.4,326 =	72,289
If Capitalized at 4 per cent., or redeemed at 25 years' purchase, we have for	
Dues on Goods - - - - - - - - - £.1,699,072	
And for Light Dues - - - - - - - - 108,152 =	1,807,224
From which if proposed Indemnity is deducted - - - - - -	1,125,206
There will be a Balance of - - - - - - - - - - £.	682,018

Which if deducted from the capital of the Dues levied on Goods, gives a reduction of 40 per cent., or if deducted from the whole amount of Dues, a reduction of 37½ per cent.

RETURN of the Number of Vessels, specifying the different Nations, and the Aggregate Tonnage of each Flag or Nation, which passed the Sound at *Elsinore*, for the Years 1845 to 1854, inclusive.

NATIONALITY of VESSELS.	1845.		1846.		1847.		1848.		1849.		1850.		1851.		1852.		1853.		1854.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
British	3,645	- -	4,407	- -	5,500	- -	6,721	1,157,130	6,876	1,183,938	5,464	939,725	4,794	849,571	3,902	- -	4,665	- -	2,032	
Danish	1,254	- -	1,347	- -	1,830	- -	1,241	- -	1,154	- -	1,285	- -	1,538	- -	1,464	- -	2,095	- -	1,898	
Norwegian	2,122	- -	2,479	- -	2,808	- -	1,997	- -	2,888	- -	2,545	- -	2,887	- -	3,020	- -	3,393	- -	3,328	
Swedish	1,607	- -	1,859	- -	2,087	- -	1,951	- -	2,175	- -	2,028	- -	2,303	- -	2,100	- -	2,007	- -	2,583	
Russian	815	- -	899	- -	820	- -	981	- -	1,200	- -	1,159	- -	1,009	- -	946	- -	1,202	- -	166	
Prussian	3,105	- -	3,580	- -	3,342	- -	1,281	- -	1,363	- -	2,400	- -	2,691	- -	2,319	- -	3,487	- -	3,095	
Austrian	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	1	
Mecklenburg	986	- -	1,177	- -	1,213	- -	307	- -	338	- -	1,014	- -	1,059	- -	771	- -	1,103	- -	873	
Lübeck	109	- -	105	- -	119	- -	60	- -	40	- -	103	- -	129	- -	136	- -	139	- -	111	
Hamburg	22		37		45		10	- -	8	- -	38	- -	79	- -	46		73		61	
Bremen	32		63		73		11	- -	6	- -	31	- -	33	- -	22		36		11	
Oldenburg	128		164		258		55	1,487,318	74	1,776,348	216	1,459,853	203	2,510,070	183		230		79	
Hanoverian	778		986		1,150		227	- -	305	- -	511	- -	737	- -	545		743		497	
Dutch	874	- -	1,278	- -	1,647	- -	1,689	- -	1,975	- -	1,833	- -	2,002	- -	1,691	- -	1,875	- -	1,460	
Belgian	8	- -	6	- -	13	- -	9	- -	13	- -	6	- -	6	- -	2	- -	22	- -	11	
French	319	- -	214	- -	480	- -	149	- -	365	- -	317	- -	289	- -	283	- -	345	- -	81	
Spanish	8	- -	6	- -	10	- -	8	- -	4	- -	4	- -	- -	- -	6	- -	4	—	—	
Portuguese	- -	- -	- -	- -	10	- -	- -	- -		- -	3	- -	- -	- -	2	- -	18	- -	12	
Italian	58	- -	43	- -	50	- -	20	- -	56	- -	61	- -	44	- -	48	- -	50	- -	23	
American (United States)	80	- -	60	- -	81	- -	140	- -	120	- -	103	- -	131	- -	76	- -	96	- -	46	
South American	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	2	—	—	
Greek	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	1	- -	1	—	—	
Total	15,950	- -	18,710	- -	21,536	- -	16,857	2,644,448	18,960	2,960,286	19,121	2,399,578	19,944	3,359,641	17,563	- -	21,586	- -	16,368	

Not specified.

Note.—This Return is compiled from the annual returns furnished by Her Majesty's Consul at Elsinore, and it is stated that the tonnage of vessels passing the Sound cannot be more generally specified.

A. W. Fonblanque.

Statistical Department, Board of Trade,
5 June 1856.

Appendix, No. 12.

BETRAG DES TRANSITZOLLS, ELBZOLLS, UND STECKNITZZOLLS.

Calendar Year.	Transit. Kingdom.	Transit. Sleswig.	Transit. Holstein.	Transit. Lauenburg.	Transit. Total.	Elb.	Stecknitz.
	R. s.	R. s.	R. s.	R. s.	R. s.	R. s.	R. s.
1852 - - -	6,456 70	2,227 21	32,931 14	123,761 35	165,376 44	74,842 31	3,729 32
1853 - - -	6,309 92	890 28	43,251 85	131,893 27	182,345 40	69,740 70	3,268 –
1854 - - -	6,618 6	1,152 12	54,948 92	150,121 53	212,840 67	77,543 41	2,750 20
1855 - - -	7,053 –	1,000 –	44,918 36	179,463 25	232,434 61	81,909 33	2,762 5
Total - - -	26,437 72	5,269 61	176,050 35	585,239 44	792,997 20	304,035 79	12,509 57
Annual Average - -	6,609 42	1,317 39	44,012 51	146,309 83	198,249 29	76,008 92	3,127 38
Annual Additional Fees - -			5,500		5,500 –		
Total - - -					203,749 29		
About - - - £.					22,600 –		

Appendix, No. 13.

Captain *John Temperley*, the "*Odessa*," *Dr.* to *Mullens, Knox & Howden.*

Appendix, No. 13.

For Upward Sound Port-charges.—Goods.

Light Money and Director's Fee - - - - - -	*Sp. Rdl.*	4 24
Pass, Officers' Fees, and Expedition - - - - - - - -		9 24
Searcher and Assistant - - - - - - - - - - -		—
Translator, Bills of Lading - - - - - - - - - -		2 –
Guardship - - - - - - - - - - - - -		– 6
Stamp Paper for the Bond - - - - - - - - - -		– 12
Extra Poor Money - - - - - - - - - - -		—
Bill of Health - - - - - - - - - - - -		2 8
Consul's Certificate for ditto - - - - - - - - - -		– 36
Additional Light Money } 1842 - - - - - - - - -		– 24
Additional Fees - - }		– 10
	Sp. Rdl.	20 –
	£.	5 –

Elsinore, 16 August 1851.

Appendix, No. 13.

For Downward Sound Port-charges, from St. Petersburg.

Light Money and Director's Fee	Sp. Rdl.	4 24
Pass, Officers' Fees, and Expedition		9 24
Searcher and Assistant		—
Translator, ten Bills of Lading		1 8
Guardship		– 6
Extra Poor Money		—
Bill of Health		—
Consul's Certificate for ditto		—
Additional Light Money } 1842		– 24
Additional Fees } 1842		– 10
	Sp. Rdl.	16 –
	£.	4 –

Elsinore, 15 September 1851.

Per Mullens, Knox, & Howden.

Note.—Vessels are subject to pay extra poor money Sp. Rd. 1. if wanted to be cleared on Sundays or holidays all day, and on work days out of Custom-house hours.

The searches fee Sp. Rd. 1. and assistant 6 stivers is paid by vessels arriving in ballast without a clearance or victualling bill from the port of departure, and which must stipulate that the vessel is in ballast, and name the port she belongs to; in case the latter is omitted the register must be produced.

By the quarantine regulations, no boat is, under a penalty of 25 silver dollars, allowed to land on any part of the coast except at the harbour, where a quarantine officer is stationed.

Captain *J. Temperley*, the "Odessa," of *London*.

Dr.

		£.	s.	d.
18 May.	To Port-charges	4	7	–
	Boat-hire	–	17	6
	Postage of three letters, 1*s.* 6*d.*	–	4	6
	3lbs. Cavendish, at 2*s.*	–	6	–
	3lbs. Salt	–	–	7
	1lb. Soap	–	–	5
	4 Frocks, at 4*s.*	–	16	–
	3 pairs of Stockings at 1*s.* 6*d.*	–	4	6
	Potatoes and Vegetables	–	9	–
	1 pair of Braces	–	–	6
	2lbs. Soda at 2½*d.*	–	–	5
	28lbs. Salt	–	2	–
	168lbs. Beef, at 30*s.*	2	10	5
	26½lbs. Butter at 11*d.*	1	5	6
	36½lbs. Cheese at 3*d.*	–	9	2
	Bread	–	1	–
	£.	11	14	6
30 June.	To Port-charges	3	18	4
	2 Boxes Cherry Brandy	2	8	–
	4lbs. Cavendish, at 2*s.*	–	8	–
	21lbs. Salt	–	1	6
	100 Segars	–	4	6
	1 Frock	–	4	–
	206lbs. Beef, at 30*s.*	3	1	10
	14lbs. Butter, at 9*d.*	–	10	6
	Potatoes and Vegetables	–	6	–
	Postage of a letter	–	1	6
	£.	22	18	8

Cr.

	£.	s.	d.
By Primage up	5	15	4
„ ditto - down	–	15	4
Bill, two months, due on Messrs. Smith, Sunduis & Co., London	16	8	–
£.	22	18	8

(signed) *Fenwick & Co.*

Appendix, No. 14.

To the Right honourable the Earl of Clarendon, Her Majesty's Secretary of State for Foreign Affairs, &c. &c. &c.

The MEMORIAL of the Liverpool Chamber of Commerce.

Humbly showeth,

THAT your memorialists have long had under their consideration the subject of the tolls levied by the Crown of Denmark on ships and their cargoes passing the Sound, at Elsineur, and in the year 1853 memorialized Her Majesty's Government on the subject. That the amount annually paid by British commerce for such toll is very large, and is a heavy burden on the shipping and trade of this kingdom, and from the natural increase of our commerce must ultimately become, if it is not now, absolutely intolerable. That whatever may have been the origin of this toll, it is clear that no equivalent or service is now rendered by the Danish Government in return; and it is contrary to the principles of justice that money should be paid for which no consideration whatever is given.

That notice has been given by the Government of the United States of its intention no longer to allow the payment of this toll to be made by the shipping of that country; that should the ships and commerce of the United States be alone freed from the exaction of the toll, the natural effect will be to give an advantage to the carrying trade of that country in the Baltic, which must be in a corresponding degree detrimental to the shipping of Great Britain employed in the same trade; and that while one nation is exempt from the toll, it would be manifestly unjust not to place others in the same position.

That your memorialists do not object to the separate charge levied by the Government of Denmark for lighting and buoying, because an equivalent is rendered, although such charge is not enforced by this and other countries for similar services, except on vessels entering their ports; but they would submit to your Lordship the propriety of an arrangement being come to, whereby such toll may be collected at the port of clearance or of destination, in order that the ships shall not be compelled to interrupt their voyage for the convenience of the Danish Government.

Your memorialists, therefore, humbly pray your Lordship to take such steps as may be considered necessary by Her Majesty's Government, to put an end to the Sound dues levied by the Government of Denmark on British goods and shipping.

And your memorialists will ever pray.

Signed on behalf of the Liverpool Chamber of Commerce,

(signed) *Edward Heath*,
President.

REPORT.

SOUND DUES.

Ordered, by The House of Commons, *to be Printed,*
22 *July* 1856.

[*Price* 2 *s.* 4 *d.*]

380.

Under 2 *lbs.*