

Commercial Intelligence Department, India

REVIEW

OF THE

TRADE OF INDIA

IN

1907-08

C. W. E. COTTON, I.C.S.

OFFGO. DIRECTOR-GENERAL OF COMMERCIAL INTELLIGENCE



CALCUTTA

SUPERINTENDENT GOVERNMENT PRINTING, INDIA

1908

PRICE EIGHT ANNAS

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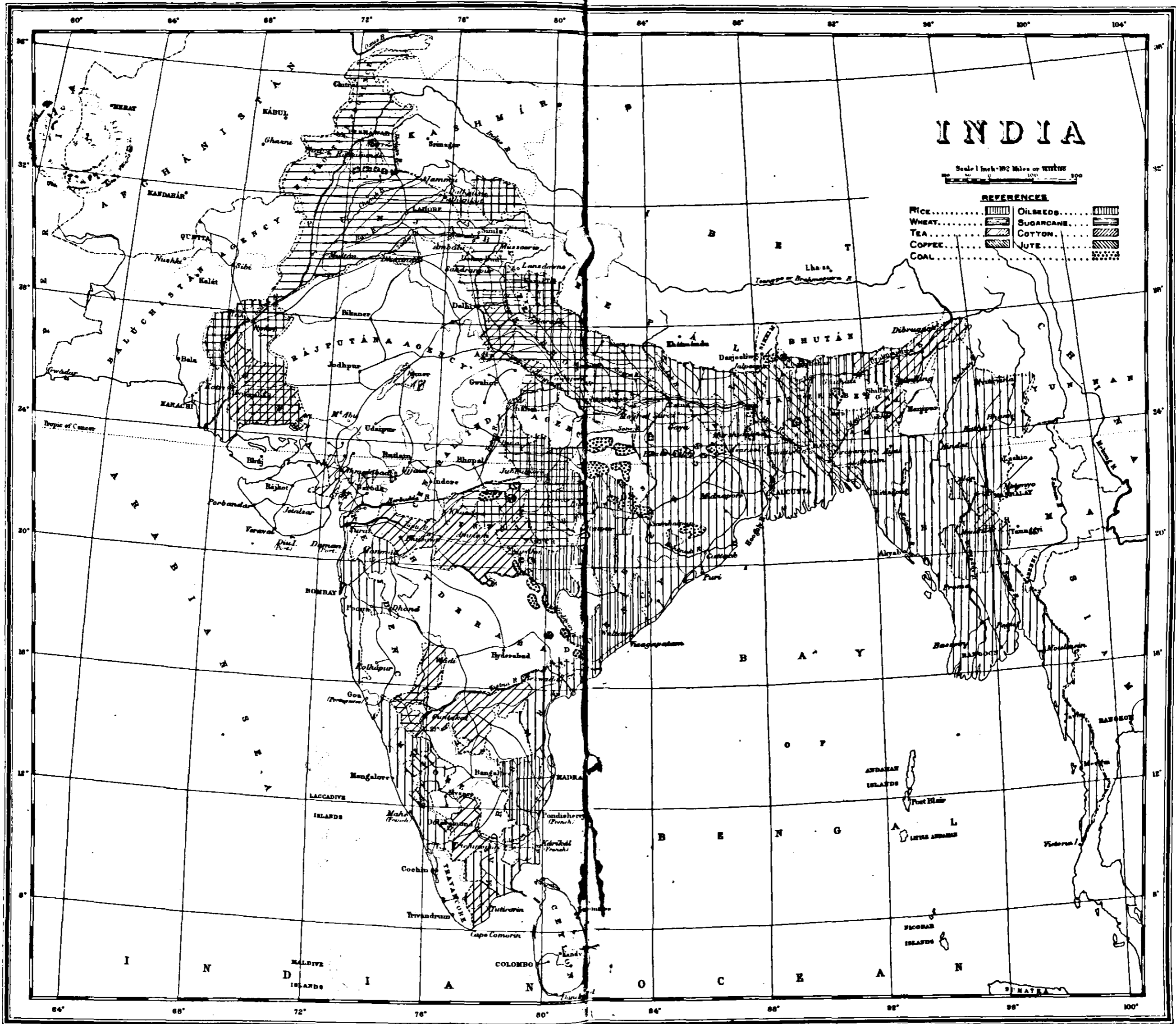
NOTE

All sums of money in this Review are stated in rupees and their equivalents in pounds sterling.

For 1898-99 and subsequent years a pound sterling is equivalent to R15. The rupee is divided into sixteen annas, and the anna is, therefore, at the current rate of exchange equal to one penny.

A sum of R1,00,000, ordinarily termed a lakh, is equivalent to £6,666-13s. 4d. and a crore of rupees, which is 100 lakhs, is equal to £666,666-13s.-4d.

The simplest method of conversion is to multiply the number of rupees by 2 and put a decimal point to the left of the unit figure and then divide by 3, the quotient being the sterling equivalent in pounds and decimals. If it is desired to reduce these decimal figures to shillings and pence, the first two decimal figures should be divided by 5 to furnish the number of shillings, and the remainder to two places divided by 4 to find the number of pence.



INDIA

Scale 1 inch = 100 Miles or 160 Kilometers

REFERENCE

- | | | | |
|-------------|--------------------|----------------|--------------------|
| RICE..... | [Diagonal lines /] | OILSEEDS..... | [Diagonal lines \] |
| WHEAT..... | [Horizontal lines] | SUGARCANE..... | [Vertical lines] |
| TEA..... | [Cross-hatch] | COTTON..... | [Dotted] |
| COFFEE..... | [Vertical lines] | JUTE..... | [Diagonal lines /] |
| COAL..... | [Dotted] | | |

Entered at the Survey of India 1910

REVIEW

OF THE

TRADE OF INDIA

For the official year ending March 31, 1908

India being a country where, in spite of the extension of irrigation, agriculture continues to be largely dependent upon the rains and the people in turn dependent on agriculture, a report on her annual trade would be incomplete if it contained no reference to the past season and its crops. In this particular instance it is the more necessary because, judged by the total figures of seaborne trade and of the import trade in particular, it might be assumed that the year under review was one of unparalleled commercial activity—a view which, however true of the first six months, would be absolutely opposed to the facts as regards the latter half of the year. The spring (rabi) harvest of 1907 had been generally indifferent, particularly in Northern India, and when the failure of the south-west monsoon occurred famine conditions declared themselves over a large area. The United Provinces in particular and the contiguous Native States, where the rainfall was less than half the normal, suffered severely, and the eastern districts of the Panjab, the northern half of the Central Provinces and parts of Bengal, Bombay, and Madras were affected in a lesser degree, the distress extending over 133,000 square miles, bearing a population of 49 millions.

The expenditure on famine relief and loss of Imperial revenue was budgetted at 461 lakhs (£3,073,000) in 1907-08 and 524 lakhs (£3,493,000) in 1908-09, but large as these figures are, they afford only a partial gauge of the intensity of the famine and its effect on trade, for the rains were either excessive or in defect all over the country, and there was not a single staple crop harvested during the statistical year the outturn of which was not seriously curtailed. The effect in some cases of this shortage does not appear in the year under review, the wheat crop, for example, which provided the bulk of the foreign shipments in 1907-08, being the exportable surplus of the 1906-07 harvest, and this also applies to cotton and oil-seeds; but jute and rice come into commercial consideration within the statistical year in which they are reaped. Agricultural prospects were to some extent improved by good rain in December and January which saved part of the spring harvest of wheat and oil-seeds in Northern India, but the fall was generally too late to remedy the restricted extent of the original sowings.

It was more than unfortunate that the unfavourable character of the season should have declared itself just when the United States of America was passing through a great financial crisis, for not only did this close a profitable outlet for Indian exports, particularly in gunnies and hides, but also caused a drain on the world's reserve of gold which completely upset the tael and dollar exchange in

the Far East and temporarily destroyed the stability of the trade with China. The market weakness incidentally revealed that India like America was suffering, though not to the same extent, from the effects of overtrading which had tempted many petty merchants and small capitalists to increase the volume of their business beyond prudential bounds. The bank rate rose and continued high up to the close of the year; exchange, in sympathy with the premium on gold elsewhere, fell below the parity of 1s 4d, and though imports continued to pour in, they were met by no corresponding internal demand, and stocks, particularly of piece-goods, began to accumulate rapidly, in spite of falling prices. The commercial situation when the statistical year closed was therefore in some respects unsatisfactory, but external elements of weakness having almost entirely disappeared, a return to healthy market conditions seemed to depend chiefly upon the sufficiency of the present monsoon, and it is satisfactory to be able to record here that everything points at present to its being abundant. If these hopes materialize, it will be found that the expansion of India's commerce has suffered only a temporary set-back. No better indication of its progressive growth and hopes for the future is to be found than in the elaborate programmes of expenditure either contemplated or in course of execution to increase trade facilities at all the principal ports.

There are several other features of the year's trade which deserve mention, as they are for the most part imperfectly disclosed in the statistics. The rise in the price of all the principal food grains, and particularly of rice, continues and is not entirely attributable to seasonal adversity, though no complete solution of this interesting economic problem has yet been propounded. The great increase in the number of prospecting licenses issued during the year, particularly in the Central Provinces, indicates that the mineral wealth of the country is being more systematically exploited, and, in this connection, the fact that the great iron and steel industry at Sini, of which such sanguine hopes have been expressed, is being financed almost entirely with Indian capital is of peculiar interest.

Though industrial progress outside established grooves seems as yet to reveal more promise than performance, the advance during the year is none the less considerable, but several ventures too ambitiously or too hastily conceived have proved commercial failures.

It is in Bombay and not in Bengal that the true "swadeshi" movement has achieved the most concrete results.

The map of India prefixed to this Review is intended to illustrate the principal sources of specific products. The areas of production of the staple crops of British India, namely, rice, wheat, oil-seeds, sugarcane, tea, coffee, cotton, and jute, are indicated by hatchings—horizontal, vertical, and diagonal from right to left—in two colours, black and red, and the location of the principal coal-fields is marked with black dots. For want of data no information is given as regards Native States, and the districts in which the area under the selected crop is less than 10 per cent of the total cropped area have been left blank. The chief railway systems are indicated by thin black lines.

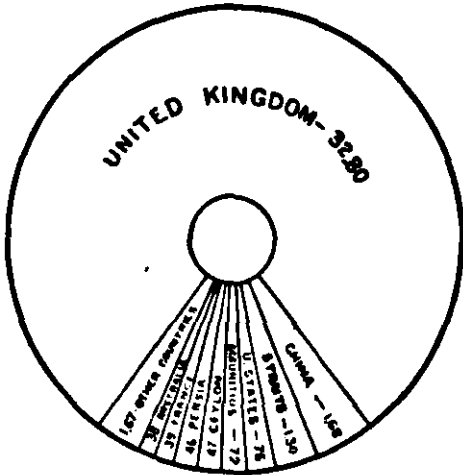
GENERAL SUMMARY OF TRADE

In the following statement the value of the trade of India for the year ending March 31, 1908, is compared with the value of the trade in each of the preceding two years. The values are stated in rupees with equivalents in

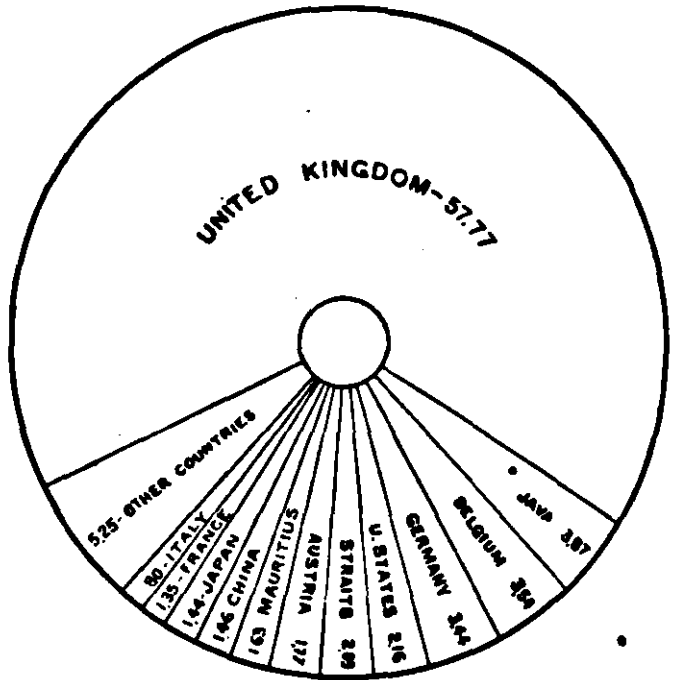
IMPORTS.

INDIA'S PRINCIPAL SUPPLIERS.

1882-83
TOTAL VALUE, £ 40,627,470

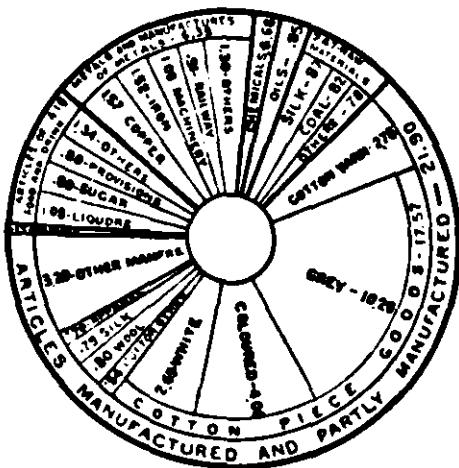


1907-08
TOTAL VALUE, £ 86,570,892

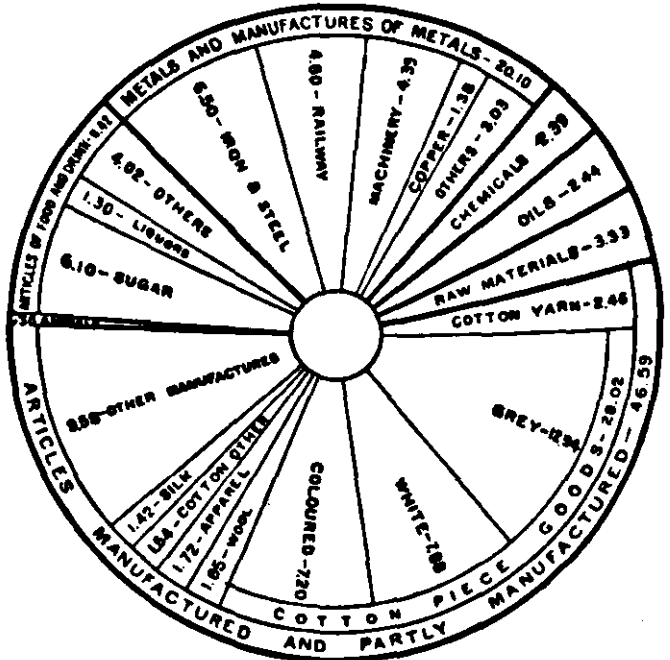


PRINCIPAL ARTICLES OF TRADE.

1882-83
TOTAL VALUE, £ 40,627,470



1907-08
TOTAL VALUE, £ 86,570,892



VALUES GIVEN IN MILLIONS (£ STERLING).

pounds sterling and exclude Government transactions in both merchandise and treasure.

	1905-06		1906-07		1907-08	
	₹	£	₹	£	₹	£
Imports—						
Merchandise	1,03,08,40,705	68,722,714	1,08,30,75,818	72,205,055	1,29,85,63,374	86,570,892
Gold	14,74,29,715	9,828,648	18,47,07,817	12,313,854	20,73,46,032	13,823,069
Silver	6,17,83,175	4,118,878	8,73,02,741	5,820,136	12,08,58,260	8,057,217
Total, imports	1,24,00,53,595	82,670,240	1,35,50,85,676	90,339,045	1,62,67,67,666	108,451,178
Exports—						
Indian merchan- dise	1,58,18,92,231	105,459,482	1,73,08,20,132	115,388,009	1,73,42,12,335	115,614,156
Foreign mer- chandise re- exported	3,52,88,100	2,352,540	3,48,40,390	2,322,693	3,76,64,189	2,510,946
Gold	5,29,09,830	3,527,322	3,67,73,424	2,451,561	3,38,49,127	2,256,608
Silver	1,15,87,739	772,516	2,03,56,652	1,357,110	2,06,13,154	1,374,210
Total, exports	1,68,16,77,900	112,111,860	1,82,27,90,598	121,519,373	1,82,63,38,805	121,755,920

The grand total of imports and exports combined was, therefore, ₹345'31 crores (230'2 millions sterling) as against ₹317'79 crores (211'86 millions sterling) in 1906-07, the increase being one of ₹27'52 crores (18'34 millions sterling) or 8'7 per cent. This includes some ₹3'77 crores (2'51 millions sterling) of foreign merchandise re-exported, but excludes some ₹2'7 crores (1'8 millions sterling) of material imported by Government for State Railways.

Two **Circular Charts** have been inserted to illustrate graphically the importance of staple articles and each group of articles under imports and exports, and to exhibit the progress made in the past twenty-five years in the volume of trade in these articles and groups. The year 1882-83 was a normal year so far as the foreign trade of India was concerned. The values have been reduced to pounds sterling at the rate of 19'5 *d* per rupee in 1882-83, and of 16*d* per rupee in 1907-08.

IMPORTS

Imports contributed 98'7 per cent of the grand total increase in trade with a total value of ₹162'68 crores (108'4 millions sterling) as against ₹135'51 crores (90'3 millions sterling) in the previous year, the advance in this case being one of ₹27'17 crores (18'1 millions sterling) or 20 per cent.

Imports of merchandise increased from ₹108'3 crores (£72'2 millions) to ₹129'86 crores (86'57 millions sterling). The largest class of imports is that of **Articles Manufactured and Partly Manufactured**, in which the total has this year advanced to ₹69'89 crores (46'59 millions sterling). The increase of ₹10'68 crores (7'12 millions sterling), representing about 18 per cent of the previous year's figures, was chiefly contributed by **cotton manufactures** (₹712'5 lakhs=£4,750,000), **woollens** (₹71'55 lakhs=£477,000), **apparel** (₹47'06 lakhs=£314,000), and **silk manufactures** (₹30'98 lakhs=£206,000).

Metals and manufactures thereof shewed a net increase of 750'1 lakhs (£5,000,700) or 33 per cent over the figures of 1906-07. Of this sum ₹315'14 lakhs (£2,101,000) was contributed by **Metals**, which had a value of ₹1,319'14 lakhs (£8,794,000). **Railway materials** increased by ₹304'24 lakhs (£2,028,000) to ₹720'08 lakhs (£4,800,500), and **Machinery** by ₹79'52 lakhs (£530,000) to ₹658'53 lakhs (£4,390,000). **Hardware and Cutlery** also contributed an increase of 51'20 lakhs (£341,000).

Under **Articles of Food and Drink** there was an increase of **₹141.89 lakhs** (£946,000) or 9 per cent. The imports of **Sugar and Salt** advanced by **₹48.89 lakhs** (£326,000) and **₹13.44 lakhs** (£89,600) to **₹922.70 lakhs** (£6,151,000) and **₹80.21 lakhs** (£534,700) respectively. **Provisions** rose from **₹242.33 lakhs** (£1,616,000) to **₹274 lakhs** (£1,827,000) and **wheat** from **₹11.39 lakhs** (£75,900) to **₹16.63 lakhs** (£110,900), shewing an increase of **₹31.67 lakhs** (£211,000) and **₹5.24 lakhs** (£35,000) respectively.

Raw materials, etc., advanced by **₹60.57 lakhs** (£403,800) to **₹500.39 lakhs** (£3,336,000), due mainly to a rise of **₹41.35 lakhs** (£275,700) under **Silk** and **10.78 lakhs** (£71,900) under **coal and coke**.

The imports of **Oils** advanced from **₹2.77 crores** (1.85 millions sterling) to **₹3.66 crores** (2.44 millions sterling), **Mineral Oils** with a value of **₹3.15 crores** (2.1 millions sterling) accounting for **₹72.76 lakhs** (£485,000) of the difference.

Chemicals, Drugs, Medicines, etc., advanced by **₹48 lakhs** (£320,000) to **₹358.85 lakhs** (£2,392,000), of which **cigarettes** accounted for an increase of **₹15.22 lakhs** (£101,500), **alizarine and aniline dyes** of **₹9.72 lakhs** (£64,800), and **camphor** of **₹4 lakhs** (£27,000).

The transactions in **Treasure** were of extraordinary dimensions as in the previous year, though **Imports of Treasure** fell from **₹44.58 crores** (29.72 millions sterling) to **₹42.28 crores** (28.19 millions sterling), the difference being **₹2.30 crores** (1.53 millions sterling) or 5.2 per cent. There was a decrease of **₹7.91 crores** (5.27 millions sterling) or 45.5 per cent in imports on Government account, but larger imports on private account which rose from **₹27.2 crores** (18.13 millions sterling) to **₹32.82 crores** (21.88 millions sterling), equal to 20.6 per cent of the previous year's figures.

The descriptions of **gold and silver** imported were in **lakhs of rupees** and **thousands of pounds sterling** :—

	Gold		Silver	
	₹	£	₹	£
Bullion	10,73.89	=7,159	17,45.29	=11,635
Sovereigns	9.66	87 6,446	...	...
Government of India				
rupees	...	...	1,20.84	806
Other coins	34.50	230	2,87.06	1,914

EXPORTS

Exports represented 52.9 per cent of this grand total, and amounted to **₹182.63 crores** (121.75 millions sterling) as against **₹182.28 crores** (121.52 millions sterling) in the previous year. The increase was, therefore, one of **₹35 lakhs** (£233,000), representing an advance of .2 per cent on the figures for 1906-07.

The **exports of Indian merchandise** rose from **₹173.08 crores** (£115.4 millions) to **₹173.42 crores** (115.61 millions sterling), the increment being **₹34 lakhs** (£227,000) or .2 per cent.

The only notable decrease is that of **₹5.3 crores** (3.53 millions sterling) in **Class VI.—Raw Materials and Unmanufactured Articles**, which represents about 44 per cent of the total exports of Indian merchandise. The total value in this class was **₹76.23 crores** (50.82 millions sterling) or 6.5 per cent less than

in the previous year. In 1906-07 **Jute** exports had for the first time exceeded **cotton** in value under equal conditions, but in the year under review, the values of raw jute fell to R17'97 crores (11'98 millions sterling), while those of cotton rose to R25'70 crores (17'13 millions sterling), as against R26'84 crores (17'89 millions sterling) and R21'98 crores (14'65 millions sterling), respectively, in the previous year. The decrease in Jute amounted to 33 per cent on the figures for 1906-07, while the increase in Cotton represents an advance of nearly 17 per cent. **Seeds** (almost entirely oil-seeds) amounted to R16'81 crores (11'21 millions sterling), which represents 9'7 per cent of the exports of Indian merchandise, and marked an advance of R3'79 crores (2'53 millions sterling) or 29 per cent on the figures for 1906-07. These figures of export exceed even those of 1904-05, the previous record year. **Raw hides** which had a value of R6'41 crores (4'27 millions sterling) and showed the largest single advance in 1906-07 declined by R2'09 crores (1'39 millions sterling) or 32'6 per cent to R4'32 crores (2'88 millions sterling). **Raw skins** also declined by R1'75 crores (1'17 millions sterling) to R2'73 crores (1'82 millions sterling).

Articles of Food and Drink showed an increase of R4'44 crores (2'96 millions sterling), the total value being about R44'67 crores (29'78 millions sterling), as against R40'24 crores (26'83 millions sterling) in the previous year. Noticeable increases in this class occurred under the head of **Tea**, 44 lakhs (£293,000), **Rice**, R181 lakhs (£1,206,040), and **Coffee**, 12 lakhs (£80,000), while **Wheat and Wheat-flour**, which had declined to R7'84 crores (5'23 millions sterling) in 1906-07, rose to R9'14 crores (6'09 millions sterling), or by 17 per cent.

The total value of **Exports of Indian Articles Manufactured and Partly Manufactured** rose by R1'44 crores (96 million sterling) or 3'8 per cent and amounted to R39'8 crores (26'2 millions sterling). Under this class **Jute goods** again took the first place as in the preceding two years with a total value of R18'3 crores (12'2 millions sterling) as against R15'72 crores (10'48 millions sterling) in 1906-07, equivalent to an advance 16'4 per cent. **Cotton manufactures** declined from R12'17 crores (8'11 millions sterling) to R10'77 crores (7'18 millions sterling), the fall amounting to R1'40 crores (93 million sterling) or 11'5 per cent, chiefly under the head of **Yarns** which fell by R1'42 crores (95 million sterling) to R8'97 crores (5'98 millions sterling). **Piece-goods** fell slightly by R1'62 lakhs (£10,790) to R1'64 crores (1'09 million sterling), but **Other Cotton Manufactures** rose by R3'8 lakhs (£25,000) to R15'61 lakhs (£104,000). The exports of **Lac** continue to increase, and in the past two years grew by nearly R77'5 lakhs (£516,700) or 25 per cent to a total of R3'88 crores (2'59 millions sterling). The exports of **Hides and Skins, raw and tanned**, dropped from R15'34 crores (10'23 millions sterling) to R10'95 crores (7'3 millions sterling), the fall being one of R4'39 crores (2'93 millions sterling) or more than 28'6 per cent.

Chemicals, Drugs, etc., have declined by R51'95 lakhs (£346,000) or 4'5 per cent from R11'56 crores (7'71 millions sterling) to R11'04 crores (7'36 millions sterling).

The increase in the exports of **Metals and Manufactures thereof** from R97'55 lakhs (£650,000) to R1'11 crores (£740,000) is more than accounted for by an advance of R15 lakhs (£100,000) in the total value of **Manganese Ore** R85'89 lakhs (£573,000).

In exports of **Oils** there has been a marked rise of R15'95 lakhs (£106,000),

R10.35 lakhs (£69,000) of which was in mineral oils and R5.61 lakhs (£37,000) in vegetable oils. The total value amounted to R85.82 lakhs (£572,000) as against R69.86 lakhs (£466,000) in 1906-07, R81.68 lakhs (£545,000) in 1905-06, and R1 crore (£667,000) in 1904-05.

Exports of Treasure amounted to R544.62 lakhs (£3,630,800), of which gold was worth R338.49 lakhs (£2,256,600) and silver R206.13 lakhs (£1,374,200). Gold produced in Indian mines was exported to the United Kingdom to the value of R314.02 lakhs (£2,093,300) against R323.37 lakhs (£2,155,800) in 1906-07. This is sent in the form of bars to London for assay and represents about 90 per cent of the exports of this metal from India. The export of silver coins, mostly Government rupees and British dollars, amounted to R199.67 lakhs (£1,331,100) mainly directed to the Straits, Ceylon, Arabia, Mauritius, and East Africa.

RE-EXPORTS

In the **Re-exports of Foreign Merchandise** there has been also a rise of R28.24 lakhs (£188,000), or slightly over 8 per cent, bringing the total value to R37.77 crores (£2.51 millions) as against R3.48 crores (£2.32 millions) in 1906-07. The largest single item in this class is as usual **Cotton Manufactures** (including **Twist and Yarn**) with a total of R1.48 crore (£987,000), being more by R17 lakhs (£113,000) than in 1906-07, by R7.44 lakhs (£49,600) than in 1905-06, and R14.04 lakhs (£93,600) in 1904-05. In **Metals and Hardware** there was a fall of R7.83 lakhs (£52,000), bringing the total value to R34.27 lakhs (£228,000). **Raw Wool** has risen by R3.18 lakhs (£21,000) to R32.77 lakhs (£218,000), **Apparel** by R2.36 lakhs (£16,000) to R19 lakhs (£126,000), and other articles by R20.66 lakhs (£138,000) to R1.11 crore (£740,000). In **Oils, Provisions, Sugar** there were declines of R.87 lakh (£5,800), R1.42 lakhs (£9,500), and R4.54 lakhs (£30,000), respectively.

IMPORTS OF MERCHANDISE

There was an astonishing increase in the total value of imports of merchandise, the figures for 1907-08 being 129.86 crores (£86,571,000) or 21.55 crores (£14,366,000) in advance of 1906-07, equal to an advance of approximately 20 per cent.

The following statement compares the value of the imports in 1907-08 with the annual value of imports in the preceding four years and with the average annual value of each of the four preceding quinquennial periods:—

	R	£	Variation, taking 1882-83 as 100
1882-83	50,00,30,405	40,627,470	100
Average 1883-84 to 1887-88	55,74,22,027	42,324,612	111
„ 1888-89 to 1892-93	66,27,15,651	45,783,701	132
„ 1893-94 to 1897-98	70,90,02,563	42,038,119	142
„ 1898-99 to 1902-03	75,13,53,955	50,090,264	150
1903-04	84,82,32,930	56,548,862	169
1904-05	96,67,82,884	64,452,192	193
1905-06	103,08,40,705	68,722,714	206
1906-07	108,30,75,818	72,205,055	216
1907-08	129,85,63,374	86,570,892	259
Average 1903-04 to 1907-08	104,54,99,143	69,699,943	209

The principal articles of import into India and their values during the last two years are shown in the following statement :—

	1906-07		1907-08	
	R	£	R	£
1. Cotton manufactures—				
<i>Grey piece goods</i>	18,70,74,000	12,471,600	19,41,88,000	12,945,900
<i>White</i> "	7,37,95,000	4,919,700	11,82,51,000	7,883,400
<i>Coloured</i> "	9,55,74,000	6,371,600	10,79,98,000	7,199,900
<i>Yarn</i>	3,22,32,000	2,148,800	3,69,32,000	2,462,100
<i>Other sorts</i>	2,05,00,000	1,366,600	2,30,56,000	1,537,000
TOTAL	40,91,75,000	27,278,300	48,04,25,000	32,028,300
2. Iron and steel	7,56,82,000	5,045,460	9,75,16,000	6,501,000
✓ 3. Sugar	8,73,81,000	5,825,400	9,22,70,000	6,151,300
4. Railway material	4,15,84,000	2,772,200	7,20,08,000	4,800,500
5. Machinery and mill-work	5,79,00,000	3,860,000	6,58,53,000	4,390,200
✓ 6. Hardware and cutlery	2,65,35,000	1,769,000	3,16,54,000	2,110,300
• 7. Mineral oil	2,42,69,000	1,617,900	3,15,45,000	2,103,000
✓ 8. Woollen manufactures	2,05,22,000	1,368,100	2,76,76,000	1,845,100
9. Provisions	2,42,33,000	1,615,500	2,74,00,000	1,826,600
✓ 10. Apparel	2,11,23,000	1,408,200	2,58,30,000	1,722,000
✓ 11. Silk manufactures	1,82,50,000	1,216,600	2,13,49,000	1,423,200
12. Copper	1,39,31,000	928,700	2,06,34,000	1,375,600
13. Spices	1,43,93,000	959,500	1,56,17,000	1,041,100
✓ 14. Glass and glassware	1,21,14,000	807,600	1,44,52,000	963,400
15. Instruments and apparatus	1,19,87,000	799,100	1,36,33,000	908,800
✓ 16. Carriages and carts	92,46,000	616,400	1,18,00,000	786,600
✓ 17. Spirits	98,69,000	657,900	1,10,44,000	736,200
✓ 18. Paper and pasteboard	80,11,000	534,000	99,24,000	661,600
19. Silk, raw	56,80,000	378,600	98,15,000	654,300
20. Drugs and medicines	78,06,000	520,400	90,92,000	606,100
21. Aniline and alizarine dyes	74,93,000	499,500	84,65,000	564,300
✓ 22. Tobacco	69,33,000	462,200	84,36,000	562,400
23. Timber	79,28,000	528,500	80,25,000	535,000
✓ 24. Salt	66,77,000	445,100	80,21,000	534,700
25. Chemicals	68,76,000	458,400	79,28,000	528,500
26. Matches	63,13,000	420,800	73,77,000	491,800
27. Cotton	45,89,000	305,900	70,95,000	473,000
28. Precious stones and pearls	93,38,000	622,500	69,57,000	463,800
29. Paints and colours and painters' materials	56,75,000	378,300	62,37,000	415,800
30. Beer	60,27,000	401,800	61,11,000	407,400
31. Coal	48,60,000	324,000	59,35,000	395,600
✓ 32. Stationery (excluding paper)	40,40,000	269,300	44,38,000	295,800
33. Horses	44,89,000	299,300	38,33,000	255,500

The most interesting features of the above list, which generally shews advance everywhere, are the high percentage of increases under **Silk, raw**, and **Railway material** (73 per cent each), **Iron and steel** (29 per cent), and **cotton manufactures**, particularly white and coloured piece goods, (17 per cent).

The value of each of the seven classes in which the articles are grouped in the trade accounts was in thousands of rupees and of pounds sterling:—

	1903-04		1904-05		1905-06		1906-07		1907-08	
	R	£	R	£	R	£	R	£	R	£
I Animals living (mostly horses)	53,63	357	59,28	395	49,41	329	46,56	310	44,10	294
II Articles of food and drink	11,69,47	7,796	13,08,65	8,774	14,58,61	9,724	15,71,53	10,477	17,13,42	11,422
III Metals and manufactures of metals	16,31,13	10,874	17,13,50	11,423	17,85,67	11,905	22,64,19	15,095	30,14,30	20,095
IV Chemicals, drugs, medicines, narcotics and dyes	2,75,08	1,834	2,80,41	1,869	2,97,27	1,982	3,10,86	2,072	3,58,85	2,392
V Oils	3,60,41	2,403	3,49,31	2,329	2,44,46	1,630	2,76,78	1,845	3,65,61	2,438
VI Raw materials and unmanufactured articles	3,88,92	2,593	4,22,41	2,816	4,86,13	3,241	4,39,82	2,932	5,00,40	3,336
VII Articles manufactured and partly manufactured	46,03,68	30,691	55,34,27	36,895	59,86,85	39,912	59,21,02	30,474	69,80,95	46,593

I.—ANIMALS, LIVING

This head is comparatively insignificant, consisting chiefly of horses imported for remount purposes, hacks, carriage horses, polo ponies, and a few high priced thoroughbreds.

The trade in horses, imported mostly from Australia and the Persian Gulf, has steadily declined in recent years—from Rs 55.48 lakhs (£369,800) in 1904-05 to Rs 38.33 lakhs (£255,500) in the year of report. This, it is feared, cannot be ascribed to more successful horse-breeding in India but to the increasing popularity of the motor car. Average value in 1907-08 was Rs 460 (£31) per head as against Rs 453 (£30) in the previous year.

The trade in other animals is inconsiderable, the only noticeable item being the import from South America last year of 1,500 mules valued at 3 lakhs of rupees (£20,000).

II.—ARTICLES OF FOOD AND DRINK

The values in rupees and pounds sterling during the last three years of the principal articles in this group have been:—

	1905-06		1906-07		1907-08	
	R	£	R	£	R	£
Sugar	7,77,45,199	5,183,013	8,73,81,114	5,825,407	9,22,70,442	6,151,363
Provisions	2,38,56,186	1,590,412	2,42,33,411	1,615,561	2,74,00,093	1,826,673
Liquors	2,01,78,125	1,345,208	1,85,67,661	1,237,844	2,00,49,118	1,336,608
Spices	1,10,05,884	733,725	1,43,92,903	959,527	1,56,16,955	1,041,130
Salt	65,71,870	438,125	66,77,390	445,159	80,21,186	534,746
Tea	18,34,928	122,328	16,14,880	107,658	22,73,457	151,564

Fruits and vegetables—The total value of the trade is Rs 15 lakhs (£100,000) against Rs 9 lakhs (£60,000) in 1906-07, shewing an increase of 66 per cent. Of this increase cocoanut kernel or copra, chiefly imported from Ceylon and the Seychelles, accounts for Rs 1.65 lakhs (£11,000) and 'Other sorts' Rs 4.15 lakhs (£27,600), which includes fresh fruits and vegetables.

The oversea import of fresh fruit is comparatively small, and confined to mangosteens and pine apples from the Straits and apples from South Australia, but until cold storage on a large scale is established at the larger ports the trade is unfortunately not capable of any great expansion.

Liquors are distinguished in the accounts under the sub-heads, malt liquors, spirits, and wines. In all three classes there was an increase in total values, and except in the case of malt liquors, in quantity imported also. The following statement summarises the trade of the last two years:—

	1906-07			1907-08		
	Gals	R	£	Gals	R	£
Malt-liquors	4,926,513	60,58,336	403,889	4,889,171	61,38,973	409,265
Spirits	1,488,361	98,69,497	657,966	1,60,292	1,10,44,021	736,268
Wines	329,344	26,39,828	175,988	247,077	28,66,124	191,075

In **Beer** the decline is one of 0·7 per cent in quantity, but there is an increase of 1·4 per cent in value, and an increase in specific value of 2·4 per cent. The United Kingdom did 91·4 per cent of the beer trade in 1907-08, while Germany contributed about 7·7 per cent and other foreign countries about 0·9 per cent. The total receipts were 4,879,908 gallons as compared with 4,916,294 gallons in 1906-07, and to these should be added the figures of production in Indian breweries amounting to 5,610,121 gallons in 1907 as compared with 5,599,930 gallons in the previous year, in order to arrive at an approximate estimate of the consumption of beer in India.

The factor of indigenous production is even more prominent in respect of **spirits**. The following statement shows the totals in gallons of all spirits including liqueurs and methylated and perfumed spirits imported from the several principal countries, and the quantity issued from distilleries in India during the last three years :—

	1905-06	1906-07	1907-08
From United Kingdom	827,511	766,686	815,860
„ France	280,702	256,472	306,473
„ Germany	197,912	193,575	210,112
„ Other countries	315,367	271,628	327,847
TOTAL	1,621,492	1,488,361	1,660,292
Issued from Indian distilleries	9,288,013	8,258,233	9,052,738

The imports were restricted in 1906-07 owing to enhanced rates of duty under the Indian Tariff (Amendment) Act, I of 1906.

The potable spirit imported from "other countries" is chiefly Colombo arrack, rum from the Straits and Java, and gin from Holland.

The quantities of the principal descriptions of potable spirits imported were (in gallons) :—

	1905-06	1906-07	1907-08
Whisky	649,395	592,514	635,834
Brandy	406,123	333,957	399,603
Gin	79,088	68,575	77,139
Rum	75,725	65,579	71,433
Other sorts	175,119	143,125	147,496
TOTAL	1,385,450	1,203,750	1,331,505

The decline in the imports of **wines**, which but for interruption in 1905-06 had been going on for some years, was temporarily checked in the year under review, a quantitative increase of 5·4 per cent being accompanied by a rise of 8·6 per cent in total value to R28·6 lakhs (£191,000). The difference in percentage marks a rise of 3 per cent in the average value per gallon, which is now R8-4-1½ (11s 1·3d) against R8-0-0½ (10s 8½d) in the previous year.

Provisions—This term as applied to foreign merchandise covers a number of heads, and several of these are of a very comprehensive character, though of relatively small amount. **Dried fruits**, for instance, represent a value of R84·9 lakhs (£566,000) and consist mainly of **almonds and dates**, but the term covers many other fruits imported in smaller quantities. **Dates**, the largest single item under Provisions, represent a total value of nearly R50·5 lakhs (£336,000) with a quantity of 49,952 cwts, representing an advance of 4·4 per cent in value and of 4·3 per cent in quantity. The specific value of the article remained the same as last year, *i.e.*, R5·94 or 7·92 shillings per cwt. The trade in **salted fish** rose in quantity to 240,043 cwts, and increased in value to R27·18 lakhs (£181,200).

The import of foreign biscuits increased from R22'78 lakhs (£151,900) in 1906-07 to R25'02 lakhs (£166,800) in 1907-08, and continues to compete with 'swadeshi' biscuit factories in meeting the demand, which is of comparatively recent growth, but enlarging year by year, for this class of article. Canned and bottled provisions increased by 9'5 per cent from R24'96 lakhs (£166,400) to R27'33 lakhs (£182,200), and Farinaceous foods from R26'36 lakhs (£175,800) to R30'36 lakhs (£202,400) or by 15 per cent.

The comprehensive category of "Other sorts" of provisions increased to R33'3 lakhs (£222,000), which marks an increase of R1'04 lakh (£6,900) or 3'2 per cent, while the value of the whole class increased from R242'33 lakhs (£1,615,500) to R274 lakhs (£1,826,600).

Salt—The successive reductions of salt duty in India have resulted in a steady growth in consumption (save for a temporary set-back in 1905-06) as is illustrated by the table below:—

	DUTY		Consumption Tons	Increase (+) or decrease (-) per cent
	British India excluding Burma	Burma		
	R	R		
1902-03	2-8 and 2	1	1,346,830	+3'05
1903-04	2	1	1,381,344	+2'56
1904-05	2 and 1-8	1	1,437,499	+4'07
1905-06	1-8	1	1,417,961	-1'36
1906-07	1-8 and 1	1	1,488,747	+4'99
1907-08 (estimated)*	1	1	1,629,411*	+9'45

In 1907-08 the imports of salt increased in quantity by 19'4 per cent and in value by 20'1 per cent, the figures being 558,684 tons and R80'21 lakhs (£535,000) as compared with 467,949 tons and R66'77 lakhs (£445,100) in 1906-07, and 464,531 tons and R65'72 lakhs (£438,100) in 1905-06. This seems to point to the abandonment of the boycott which had been maintained with some success for the preceding two years. The price of Liverpool salt *ex-warehouse* in Calcutta was R63 per 100 maunds (8,229 lbs) in April 1907, rose to R80 in May, gradually receded to R50 in August, and remained at that figure at the close of the financial year.

The following table shows the quantities of salt imported from each foreign country during the last three years:—

	1905-06 Tons	1906-07 Tons	1907-08 Tons
From United Kingdom	201,530	220,917	197,327
„ Germany	48,162	63,900	68,443
„ Spain	27,686	60,068	85,966
„ Turkey, Asiatic . . . . .	...	5,600	9,936
„ Aden	95,677	59,718	79,290
„ Arabia	72,239	35,158	81,450
„ Persia	1,666	1,879	...
„ Egypt	17,561	20,692	36,234
„ Other countries	10	17	38
TOTAL	464,531	467,949	558,684

There was a considerable decline (23,590 tons or 10'7 per cent) in the imports of Liverpool salt to be set off against larger imports from Spain. Germany also improved its position, but the most remarkable increase is in the figures for Aden and Arabia, which together were 69'4 per cent larger than in 1906-07, and but slightly below the figures for 1905-06. There was also a larger import from Egypt, now a manufacturing country and not merely an entrepôt, where the Government monopoly has recently been abolished.

Spices—The quantity of spices imported into India in 1907-08 shewed an insignificant increase from 128,156,418 lbs to 128,863,048 lbs, but there was an increase in value from R144 lakhs (£960,000) to R156 lakhs (£1,040,000), representing a rise in specific value of 8 per cent. **Betelnuts** did not occupy so prominent a share of these imports as in the previous year, there being a decline in quantity from 53,452 tons to 50,687 tons and in value from 115.35 lakhs (£769,000) to 106.13 lakhs (£707,500). The Straits Settlements contributed 87 per cent of the total, and of the receiving ports Calcutta took 61 and Madras nearly 23 per cent. There was a large increase in the imports of Zanzibar **cloves** amounting to 54 per cent in quantity from 1,829 tons to 2,814 tons and 59.8 per cent in value from R15.29 lakhs (£101,900) to R24.44 lakhs (£162,900), with a rise of 4 per cent in specific value despite an exceptional crop in the two islands.

Other spices which have shown marked increases are **pepper** and **ginger**. The former has risen from 1,061,826 lbs, valued at R4.20 lakhs (£28,000), to 3,785,973 lbs, valued at R10.34 lakhs (£68,900), the increased percentages being 256.6 and 146 respectively. The specific value has, therefore, declined by 31.1 per cent. **Ginger** increased from 1,026,344 lbs, valued at R1.70 lakhs (£11,361), to 2,052,786 lbs, valued at R3.77 lakhs (£25,100), both the quantity and value having more than doubled those of the previous year.

Sugar—The world's sugar trade during the twelve months under review was, on the whole, uneventful, and distinguished by the absence of any great fluctuations of prices. There were, however, several disquieting features which deserve record. The year opened with a limited demand for sugar in the United Kingdom owing to the conviction of refiners that the import duties upon the article would be abolished or reduced, but prices began to improve when the appearance of the Budget negated these fears, and it became evident that the world's consumption was going to exceed expectations and the but slightly increased sowings of beet on the Continent were not sufficient to provide for all the requirements of the campaign. At the end of April the price for first products beet 88 per cent analysis f. o. b. Hamburg had stiffened to 9s 5d, and in May the rate had further advanced to 10s. 2½d owing to unfavourable season reports from all the beet growing countries of the Continent except Austria and the prospects of shortage of supplies for refineries in the United States of America and this market stability was maintained until the end of September.

In October-November a spell of weather favourable to the Continental beet crop brought prices down again to 9s 2½d, but from this point there was a partial recovery as it became clearer that the beet production of the Continent would be some 200,000 tons less than that of the previous campaign, and the year 1907 closed with beet at 9s 11½d per cwt. The new tariff opportunely attracted to Canada large quantities of sugar which the markets of the United Kingdom and the United States were unable to absorb owing to the financial crisis. Meanwhile it had been agreed by the parties to the Brussels Convention that His Majesty's Government should be exempted with effect from September 1st, 1908, from the obligation to enforce the penal clauses against the imports of bounty-fed sugar, a request which had at one time created apprehensions that the Convention would not be renewed, while the adhesion of Russia was secured on terms which are generally regarded as satisfactory, her exports between September 1st, 1907, and September 1st, 1909, being limited by protocol to 300,000 tons, and to 200,000 tons thereafter, subject to a maximum of 1,000,000 tons during the currency of the Act of 1902 and Additional Act of 1907.

IMPORTS

The prospects of the Cuban cane crop dominated the market in the early months of the calendar year, and as the effects of the autumn drought there became apparent, estimates of the total production had to be seriously curtailed, and with renewed reports of increased beet requirements in America, a marked advance in prices occurred in March, and the closing price for 88 per cent prompt beet f. o. b. Hamburg was 11s 4d as compared with 9s 3d twelve months earlier.

Mr. F. O. Licht's estimates of the supply of beet and cane for the current campaign (ending August 31, 1908), which includes the stocks carried over from the previous year, are 6,575,000 tons and 5,227,500 tons respectively, but the latter figures do not include the total production of India, but only her exportable surplus which is given as 15,000 tons only. The total production of potential sugar in India—from cane and palm—has been estimated at 5,000,000 tons, but it is doubtful whether this represents on a liberal estimate more than 1,000,000 tons commercially available. Recent experience has confirmed Mr. Noël Paton's estimate that the outturn of raw sugar per acre under cane in India does not exceed 1.25 tons, as compared with 2 tons in Cuba, 3.44 tons in Java, and 4.02 tons in Hawaii. It is remarkable that in a cane-growing country like India the price of imported beet should continue to dominate the market, even when the imports of cane sugar continue to advance at its expense and represent in the year under review no less than 92.1 per cent of the total. As a producer, it would seem that India is losing rather than gaining ground. She is far behind all other cane-growing countries in acreage outturn, and unless this is improved the erection of more factories for the scientific crushing of cane to supersede the wasteful and primitive methods of manufacture from *gur* will not be sufficient to prevent increased competition on the part of imported sugar, and particularly of cane sugar, from the adjacent markets of Java and Mauritius. This is clearly illustrated in the table below, which shews the arrivals of cane and beet sugar in each of the last five years, though it must be remembered that the countries of shipment are not in all cases identical with the country of production and refinery:—

	1903-04 Cwts	1904-05 Cwts	1905-06 Cwts	1906-07 Cwts	1907-08 Cwts
Cane—					
Mauritius	2,616,655	1,823,675	2,013,012	2,310,023	2,600,099
China	348,898	285,027	130,628	51,279	61,921
Java	1,335,548	2,091,508	1,686,003	3,304,366	6,507,754
Straits	229,993	211,040	150,875	40,745	37,896
United Kingdom	585,412	70,896	106,360	109,775	16,532
Other countries	368,872	351,163	176,051	110,660	26,639
TOTAL	5,485,378	4,833,309	4,262,929	5,926,848	9,250,841
Beet—					
Austria Hungary	299,259	1,441,240	2,340,717	1,617,168	695,172
Germany	7,205	176,488	712,440	2,001,316	78,507
United Kingdom	81,865	50,452	177,682	67,267	9,360
Other Countries	194,408	48,308	202,423	118,091	11,021
TOTAL	552,737	1,716,488	3,433,262	3,803,834	794,060
Total sugar, excluding molasses and confectionery	6,038,115	6,549,797	7,696,191	9,730,682	10,044,901
Value	{ R 5,77,23,413 £ 3,848,227	{ 6,71,08,487 4,473,899	{ 7,50,02,109 5,000,141	{ 8,18,28,277 5,455,218	{ 8,79,19,287 5,861,286

The imports of sugar of both kinds together expanded by 314,200 cwts in quantity and R60.91 lakhs (£406,000) in value. This represents an increase

of 3.2 per cent in quantity and 7.4 per cent in value with a net increase of 4 per cent in specific value.

In **cane sugar** the increase was one of 3,323,993 cwts or 56.1 per cent in quantity and Rs 317.48 lakhs (£2,116,500) or 65.3 per cent in value, but the specific value increased by 6 per cent only.

In **beet sugar** the decrease amounted to 3,009,774 cwts or 79.1 per cent in quantity and Rs 256.57 lakhs (£1,710,500) or 77.3 per cent in total value, the rise in specific value being 8.6 per cent.

The imports from Java of refined sugar were more than double the record quantity received in 1906-07, and from this source came 62.7 per cent of the entire arrivals, much of which would have in the ordinary course been earmarked for consumption in the United States of America. Mauritius accounted for 27.4 per cent, as compared with 24.6 per cent in the previous year. The shipments from the Straits consisted almost entirely of accumulations of China sugar.

The fall in the imports of beet was to a large extent accounted for by the shortage of crops in Germany and Austria-Hungary, particularly the former, whose share declined from 21.7 to 8.2 per cent of the total. Austria-Hungary imported nearly a million cwts less than in 1906-07, and her share fell from 17.53 to 7.2 per cent.

The Indian sugar crop which came into commercial consideration during the statistical year was that harvested in 1907-08, and it may be of interest to compare the estimated acreage and production with that of the previous five years according to the annual forecasts. The area increased, but owing to failure of rain, all but the irrigated crops suffered severely, and the outturn which, it should be remembered, represents *gur* (molasses) and not refined sugar was 14 per cent lower than in 1906-07.

	Acres	Cwts
1902-03	2,207,829	38,135,680
1903-04	2,114,592	37,439,720
1904-05	2,244,800	43,380,000
1905-06	2,111,000	34,510,000
1906-07	2,351,800	44,106,000
1907-08	2,620,700	41,038,000

The prices of beet and Java sugar at Bombay, Karachi, and Calcutta at the beginning of April and November 1907, January and April 1908, were as follows:—

			Bombay		Karachi		Calcutta	
			per cwt	per cwt	per cwt	per cwt	per cwt	per cwt
Beet	April 1907		9 9 0	9 2 0	9 0 3			
		November "	10 0 0	9 11 0	9 3 0			
	January 1908		9 12 0	9 10 0	...			
		April "	11 1 0	10 8 0	10 14 3			
Java	April 1907		9 14 0	...	8 14 11			
		November "	10 0 0	9 5 6	8 15 2			
	January 1908		9 11 6	9 8 6	9 5 9			
		April "	11 0 0	10 8 0	10 12 2			

The monthly arrivals in India in the last twelve months of cane and beet (quantities and values) and the average values were as follows:

		CANE			BEET						
		Quantity Cwts	Value R	Average value R	Quantity Cwts	Value R	Average value R				
April	1907	470,905	28,89,862	259,324	83	11.1	85,365	6,80,284	45,352	80	10.6
May	"	449,955	39,83,095	265,600	89	11.8	77,761	7,22,780	48,185	93	12.4
June	"	376,624	33,06,418	220,428	88	11.7	45,558	4,44,850	29,923	98	13.1
July	"	832,777	72,38,563	482,571	87	11.6	119,503	11,78,347	78,557	98	13.7
August	"	819,818	70,35,948	469,063	86	11.4	84,019	8,02,725	53,515	93	12.7
September	"	912,896	80,01,909	533,460	88	11.7	19,990	1,84,508	12,301	92	12.3
October	"	1,354,577	1,18,00,154	786,677	87	11.6	18,465	1,29,298	12,620	103	13.7
November	"	984,464	83,59,301	557,287	85	11.3	27,610	2,75,657	18,377	100	13.3
December	"	910,120	77,86,587	519,106	86	11.4	32,149	4,88,672	32,578	94	12.5
January	1908	925,562	81,25,721	541,715	88	11.7	89,834	8,59,832	57,384	96	12.8
February	"	530,198	46,67,886	311,199	88	11.7	68,372	6,53,124	43,342	93	12.7
March	"	682,935	62,00,394	413,359	91	12.1	105,434	10,38,372	69,225	98	13.7
TOTAL		9,250,244	8,03,96,838	5,359,789	87	11.6	794,060	75,22,440	501,497	93	12.7

a.—The imports of foreign tea, which includes tea from Ceylon, increased in quantity by 45·8 per cent to 3,910,714 lbs and in value by 40·8 per cent to R22·73 lakhs (£151,500). The imports from the United Kingdom increased from 18,752 to 66,394 lbs.

The average value of the imported tea declined by about 3 per cent to annas 9 pies 4 ($9\frac{1}{2}d$) per lb. which is yet a higher price than the general quality of the imports would seem to warrant. In teas from Ceylon the advance of price from 6 annas ($6d$) to $7\frac{1}{2}$ annas ($7\frac{1}{2}d$) per lb is noticeable, but for China teas, the average rate fell by nearly 8·4 per cent to annas 12 ($1s$) per lb. The imports from Ceylon increased by 608,831 lbs or about 75 per cent to 1,421,700 lbs, while black tea from China increased by 165·8 per cent to 404,368 lbs, and green tea by 22·4 per cent to 1,116,800 lbs. Estimates of re-exportation must be taken with some reserve, for it is known that, more especially on the land routes, foreign tea and Indian tea are not always accurately distinguished. Subject to this reservation it is estimated that 991,305 lbs were re-exported by sea and 461,104 lbs by land, making a total of 1,452,409 lbs, of which 89 per cent was black tea. This represents 22·6 per cent of the imports by sea and land. On the average of the last five years it would appear that as much as 4,526,000 lbs of foreign tea are yearly retained for consumption in India.

III.—METALS AND MANUFACTURES OF METALS

The imports of **Hardware and Cutlery** represent 10·5 per cent of the total imports of metals and manufactures of metals. From the following statement it will appear that they have increased in value by R51·19 lakhs (£341,300) or 19·3 per cent in the last year:—

	1905-06		1906-07		1907-08	
	R	£	R	£	R	£
Cutlery	24,05,128	93,675	14,06,040	93,869	18,29,627	121,975
Agricultural implements	8,29,758	35,317	10,55,914	70,394	13,27,178	88,408
Other implements and tools	13,24,443	88,296	16,56,825	110,455	19,52,151	130,210
Enamelled ironware	13,23,689	88,246	18,78,939	125,264	24,48,803	163,254
Sewing machines	10,88,095	72,406	11,79,722	78,648	11,43,312	76,223
Unspecified hardware	1,76,88,215	1,112,548	1,93,55,395	1,290,373	2,29,52,162	1,530,144
TOTAL	2,26,57,329	1,519,488	2,65,35,058	1,769,003	3,16,54,563	2,110,304

Enamelled ironware maintains the premier place among the specific classes with an increase of 30·3 per cent over the figures of the previous year, and its expansion has peculiar interest as marking the extent to which the high prices of copper and brass have led the common people to replace their distinctive domestic utensils with this class of imports. Of this trade Germany is credited with 60·7 per cent as against 68 per cent in 1906-07, and Austria with 29·7 per cent.

The value of imports of **cutlery** increased by R4·21 lakhs (£28,100) or by about 30 per cent, and of **Agricultural implements** by R2·71 lakhs (£18,100) or by 25·7 per cent, but the latter is a market capable of almost indefinite expansion. The value of **unspecified hardware** increased by R35·96 lakhs (£239,700) or by 18·6 per cent, and this head covers **Lampware** which stood at R26·88 lakhs (£179,200), an increase of R3·3 lakhs (£22,000) or of 14 per cent. The expansion in this item points to eventual substitution of mineral for vegetable illuminants by the common people.

In the **hardware and cutlery** trade the share of the United Kingdom, taken as a whole, declined from 65·9 per cent to 62·8 per cent, though it showed an increase in value of R23·97 lakhs (£159,800). The share of Germany increased by R15·83 lakhs (£105,500) or, by 37·3 per cent, and now represents 18·4 per

cent of the total. Greater accuracy has been attained in classification of goods as to country of origin, but it is possible that she ought to have been credited with some of the shipments from Belgium. The two countries conjointly increased their total by some ₹17.62 lakhs (£117,500) and now hold 23.8 per cent of the trade as against 21.8 per cent in the previous year. Austria-Hungary representing 5.1 per cent of the whole increased by ₹3.76 lakhs (£25,000) or 29.8 per cent, but Russia's share as for the last three years has been practically negligible.

The imports of **Metals** represent 10.2 per cent of the total value of imported merchandise. In 1907-08 the quantity increased from 547,629 tons to 648,062 tons, and the total value rose from ₹1,004 lakhs (£6,690,000) to ₹1,319 lakhs (£8,793,000). The quantitative increase amounts to 18.3 per cent and the increase in total value and in specific value to 31.4 and 11 per cent respectively. That such an advance should be accompanied by an increased demand in so large and composite an item of trade is perhaps one of the most striking indications which the year's statistics provide of India's economic development.

Brass is in increasing demand, and the total imports in 1907-08 amounted to 21,733 cwts valued at ₹12.96 lakhs (£86,400), against 11,138 cwts valued at ₹7.56 lakhs (£50,400) in the previous year. The increase in quantity was as much as 95.1 per cent, while the specific value declined by 12 per cent in sympathy no doubt with the fall in copper values during the year.

Copper—Not since 1887-88, when the Société des Metaux had temporarily cornered the world market, was the price of copper so high as at the beginning of the year under review, and this was chiefly due to the manipulation of powerful operators in America who succeeded by increasing the output of the mines and offering diminishing quantities for sale to create the impression that consumption was outstripping production. When the accumulation of an enormous unsold stock was disclosed at a time of great monetary stringency, the effect upon prices was sensational, and the year, which had opened with Chili bars at £106-10 per ton, closed with a quotation of £60-15.

The Indian demand for the metal is comparatively small, in fact annually less than 1/10th of the world's estimated production. The advance recorded in the imports of the year under review should be attributed to the extending use of electricity in India rather than to any intensification of the demand for the metal for domestic utensils which is peculiarly sensitive to the effects of seasonal adversity.

Wrought copper represents 82 per cent of the whole copper imports. It increased in quantity by 31.1 per cent and in value by 31.6 per cent, the rise in specific value being only 0.2 per cent. The actual receipts amounted to 258,897 cwts and ₹170.06 lakhs (£1,133,700) as compared with 197,416 cwts and ₹129.24 lakhs (£861,600) in the previous year. The imports of **unwrought copper** came to 55,759 cwts and ₹35.41,784 (£236,119)—an increase of 324 per cent in quantity and 279 per cent in value, the average value being ₹63.52 (£4-4-8½) against ₹70.97 (£4-14-7½) in 1906-07. The bulk of the shipments was received in the latter part of the year when the collapse of prices attracted Indian buyers, and the imports from April 1908 onwards have continued on an unprecedentedly large scale.

India's potentialities as a producer of copper are yet to be seen. Prospecting operations are in progress in Singbhu'n (Bengal), and diamond drilling has proved the persistence of the copper lodes to depths over 1,000 feet, but it is still

doubtful if their richness and thickness are sufficient throughout to warrant the capital outlay necessary for systematic mining.

Iron and Steel—Up to the time of the crisis in October, activity in the iron and steel industries of the world had been remarkably well maintained. The three countries which control the output and distribution of these metals are the United States, Germany, and Great Britain, and for reasons which it is unnecessary to detail, the price of Cleveland warrants has for upwards of thirty years been recognised as the barometer of the trade. The rates per ton of Cleveland pig iron No. 3 during the twelve months under review are therefore worth examining and given below:—

	£	s	d		£	s	d
April 1907	2	14	6½	October 1907	2	15	10½
May "	3	0	0	November "	2	12	6
June "	3	1	6	December "	2	9	9
July "	2	17	6	January 1908	2	8	9
August "	2	17	6	February "	2	8	0
September "	2	15	3	March "	2	10	9

The early part of the year was marked by a sustained American and Continental demand, but the fall in values which began in July gave some premonition of prospective weakness, and though the depletion of stocks continued long after the crash, this was only in consequence of prior contracts entered into, for there were general indications of restricted future demand in all the great industries which require these metals—particularly in shipbuilding.

America endeavoured to meet the situation by greatly reducing her output, but the German Steel Syndicate declined to admit the existence of any serious depression, and her proportionate share of the world's production of pig iron in 1907-08 is therefore much higher than before.

The following statement gives the total values of the Imports of iron and steel into India distinctly and conjointly in each of the last five years:—

	Iron		Steel		Total	
	R	£	R	£	R	£
1903-04	3,38,07,892	=2,253,859	2,62,10,257	=1,747,350	6,00,18,149	=4,001,209
1904-05	3,78,51,121	2,523,408	2,34,03,379	1,560,225	6,12,54,500	4,083,633
1905-06	3,40,76,911	2,271,794	3,23,62,181	2,157,479	6,64,39,092	4,429,273
1906-07	4,31,83,326	2,878,889	3,24,98,703	2,166,580	7,56,82,029	5,045,468
1907-08	4,96,68,718	3,311,248	4,78,47,141	3,189,809	9,75,15,859	6,501,057

The imports of iron increased by R64.85 lakhs (£432,300) or by over 15 per cent, and of steel by R153.48 lakhs (£1,023,200) or by 46.9 per cent. The share of iron has been 50.9 per cent, and that of steel 49.1 per cent, of the total trade.

The Indian market was generally steady and demand well maintained to the very close of the year, though the easier prices prevailing in Europe are said to have encouraged latterly some speculative buying. The price of iron bars (Swedish rolled) in Calcutta in April 1907 was R8-8-0 (11s 4d) per cwt, and the usual trade depression of the monsoon months was extended until December when the rate rose from R7-12-0 to 8-6-0 (10s 4d to 11s 2d) and in January to R9-8-0 (12s 8d), but there was some weakening in March, and the closing price for the year was R9 (12s).

From the statement below it will be seen that the arrivals from the United Kingdom increased by 13,017 tons or 3.9 per cent and now represent 56.3 per cent of the total quantity imported, as compared with 63.8 per cent in 1906-07. Her share in the total value was 63.2 per cent or R617.08 lakhs (£4,113,900) as against 70.5 per cent or 534.24 lakhs (£3,561,600) in 1906-07. In iron she

decreased her shipments by 1,236 tons or about 0.6 per cent, but in steel she increased her shipments by 14,253 tons or 11.5 per cent, while Germany and Belgium increased largely in both—in iron by 15,810 tons and in steel by 37,430 tons.

	Total			United Kingdom			Germany and Belgium		
	Iron tons	Steel tons	Total tons	Iron tons	Steel tons	Total tons	Iron tons	Steel tons	Total tons
Bars	38,884	99,146	138,030	8,269	11,851	20,120	29,251	86,808	116,059
Sheets and plates	3,658	77,584	81,242	478	48,963	50,441	3,174	27,417	30,591
galvanised	93,813	...	93,813	91,707	...	91,707	1,738	...	1,738
tinned	17,348	...	17,348	17,294	...	17,294	...	...	...
Hoop	3,611	20,239	23,850	2,222	14,555	16,777	1,386	1,953	3,339
Angle, bolt, and rod	4,277	...	4,277	731	...	731	2,888	...	2,888
Angle, channel, and spring	...	24,257	24,257	...	14,201	14,201	...	16,057	16,057
Beams, pillars, girders, and bridgework	8,517	52,671	61,188	8,091	27,951	36,042	404	24,717	25,121
Pipes and tubes	28,470	...	28,470	25,316	...	25,316	1,197	...	1,197
Nails, screws, rivets, and washers	15,543	...	15,543	3,233	...	3,233	8,597	...	8,597
Other sorts	61,429	67,437	128,866	52,233	19,224	71,457	7,103	20,560	27,663
Total for 1907-08	275,545	341,334	616,879	209,574	137,745	347,319	55,738	171,542	227,280
Total for 1906-07	261,095	262,631	523,726	210,810	123,401	334,211	39,928	134,112	174,040

The galvanised sheets and plates shipped from Great Britain decreased by 1,574 tons. In this class the continent of Europe scarcely competes, but in plain sheets and plates Germany and Belgium increased by 7,961 tons, and the United Kingdom by 1,648 tons. The imports of tinned plates increased by 2.8 per cent in quantity and by 47.6 per cent in value which stood at R41.58 lakhs (£277,200), the specific value rising by 3.4 per cent. In beams, pillars, girders, and bridgework the imports from the United Kingdom increased by 4,565 tons and in respect of angle, channel, and spring her shipments were larger than those of Germany and Belgium by 4,144 tons. Imports of pipes and tubes declined by 14.8 per cent in quantity, but increased by 6.2 per cent in value. The total imports of pipes and tubes were R54.37 lakhs (£362,500), of which the United Kingdom contributed R46.25 lakhs (£308,300), Belgium R2.34 lakhs (£15,600), and the United States R5.35 lakhs (£35,600).

The receipts (values only) of iron and steel in the six maritime provinces have been as follows:—

	1906-07				1907-08			
	Iron		Steel		Iron		Steel	
	R	£	R	£	R	£	R	£
Bengal	2,18,62,212	1,437,481	1,57,47,950	1,049,863	2,62,60,312	1,750,687	1,86,95,449	1,246,363
Bombay	92,54,483	616,964	1,04,97,640	699,843	92,14,118	614,275	1,33,48,825	889,920
Madras	40,13,620	267,575	11,79,383	78,625	55,70,809	371,327	19,01,305	126,754
Sind	9,92,784	65,185	34,87,044	232,470	12,36,568	82,440	51,18,765	341,251
Burma	65,62,170	437,178	13,68,361	91,224	66,17,641	441,176	81,71,126	544,742
E. B. and Assam	7,08,075	53,205	2,18,316	14,554	7,69,240	51,283	6,11,670	40,778
TOTAL	4,31,83,326	2,878,889	2,24,98,703	2,166,580	4,96,88,718	2,317,248	4,78,47,141	3,189,810

Bengal imported R46.98 lakhs (£313,000) under iron and R29.47 lakhs (£196,000) under steel more than in 1906-07. Bombay shows no advance under iron, but the import of steel rose by R28.51 lakhs (£190,000). Sind also imported R16.32 lakhs (£108,700) of steel more than in the previous year. The imports of steel into Burma also improved by R68.02 lakhs (£453,500). Madras imported iron worth R15.57 lakhs (£103,800) more than in 1906-07.

Lead was, like most other metals, affected by the American crisis, and the London rate for spot foreign lead, which had risen to £19-12-6 in April 1907 and £21 in October, fell to £18-10-0 in November, £14-10-0 in December, and at

the close of the official year was quoted no higher than £13.45 per ton. Indian consumption was considerably extended, without quite reaching the level of 1905-06; the imports increased from 202,455 cwts and R15.8 lakhs (£105,000) to 223,072 cwts and R20.5 lakhs (£137,000). The increase is by 20.1 per cent in quantity and 29.6 per cent in value, the average price per cwt having risen from R15-7-2 (£1-0-7½) to R16-10-5 (£1-2-2½) per cwt or 7.9 per cent. The United Kingdom supplied sheets for tea chests to the value of R9.31 lakhs (£63,400) as compared with R7.8 lakhs (£52,000) in the previous year, while the imports in this class from other countries fell from R96,600 (£6,440) in 1906-07 to R84,800 (£5,650) in 1907-08, the explanation being that while the price of the British sheet rose only from R15-11-1 (£1-0-11¼) to R16-13-4 (£1-2-5½) per cwt, that of the foreign article rose from R12-11-5 (16s. 11½d) to R15-12-10 (£1-1-1) per cwt.

Tin is used in certain industries that are now exceptionally active; but the price of tin is, apart from speculation, subject to more violent fluctuations than that of copper for the total volume of production and consumption is smaller and a comparatively slight increase or decrease in either has a proportionately greater influence. In May 1907 the price per ton in London for Straits tin was about £191, and in July it was just short of £200, but in August a steady decline set in; and from £158 in October to £134 in December, bottom was eventually touched with £118 in January. Again there was a recovery, and in the last month of the official year the price quoted was £134. Bolivia is coming into prominence as a new source of the metal, but the limit of production seems to have been reached in Malaya whence India takes most of her supplies. Her imports rose from 20,336 cwts and R29.44 lakhs (£196,000) to 32,450 cwts and R43.54 lakhs (£290,300), the increase being 59.5 per cent in quantity and 48 per cent in value, the specific value having declined by 7.3 per cent only. The imports of unwrought tin from the Straits amounted to 28,819 cwts valued at R38,72,316 (£258,15.1), as against 17,485 cwts and R25.67 lakhs (£171,000) in 1906-07.

Machinery and millworks—The total of the various classes of machinery imported into India in the last three years has been (in thousands of rupees and of pounds sterling):—

	1905-06		1906-07		1907-08	
	R	£	R	£	R	£
Textile	2,48,98	= 1,660	2,27,45	= 1,516	2,63,29	= 1,755
Steam-engines and parts	1,00,34	669	1,31,13	874	1,37,73	918
Electrical	23,78	158	27,04	180	29,71	198
Mining	7,46	50	6,21	42	7,76	52
Other sorts	1,12,00	747	1,87,17	1,248	2,20,04	1,467
TOTAL	4,92,56	3,284	5,79,00	3,860	6,58,53	4,390

The steady increase under all heads emphasises the growing industrial activities of the country. The figures for 1907-08 mark a total advance of R79.53 lakhs (£530,200) equivalent to 13.7 per cent on the figures of the previous year. Bombay continues the premier port of import, with a share of 44.7 per cent and an increase of R36.3 lakhs (£242,000), chiefly under Textile machinery. In Bengal the features of the year were increased demand for steam engines for mill work (particularly jute mills), pumping, and mining machinery, and in Madras there were marked increases under electrical and textile heads.

The values of imports into the five principal maritime Provinces (in thousands of rupees and of pounds sterling) and the percentage of total imports during the year were as follows:

	Rs.	Per cent
Bombay	2,94,19	44.7
Bengal	2,65,95	40.4
Madras	44,93	6.7
Burma	37,39	5.7
Sind	14,99	2.3

Railway Material.—The progressive expansion in the imports of railway material continues, and the figures have again attained the highest level on record. In the last five years they have been as follows (in lakhs of rupees and thousands of pounds sterling):

1903-04	1904-05	1905-06	1906-07	1907-08
563.70 (£3,758)	561.54 (£3,744)	673.89 (£4,493)	849.29 (£5,662)	988.74 (£6,592)

The increase in the twelve months under review is equivalent to 16.4 per cent. These figures include rolling stock and comprise imports for private lines (R720.08 lakhs=£4,800,500 against R415.84 lakhs=£2,772,200 in 1906-07) and for State Railways (R268.66 lakhs=£1,791,100 against R433.45 lakhs=£2,889,600 in 1906-07). Detailed comparisons with the totals of previous years are vitiated by the transfer of railway administrations, from time to time from one to another class. It may be noted that during the twelve months 985.16 miles of railway were opened, while 2,457.16 miles were under construction or sanctioned on the 31st March 1908. On the same date the total length of line open in India was 30,286.65 miles.

Chemicals.—The year was on the whole one of continued high values in the chemical trade, and the total value of the imports into India in 1907-08 was R79.3 lakhs (£528,600) as against R68.7 lakhs (£458,400) in 1906-07. **Bleaching materials** rose to R3.56 lakhs (£23,700) as compared with R3.39 lakhs (£22,600) in 1906-07, and **Disinfectants** to R3.97 lakhs (£26,500) as against R2.75 lakhs (£18,300) in the previous year. **Caustic Soda** advanced from R7.03 lakhs (£46,900) to R8.94 lakhs (£59,600) to meet the growing demands of match and soap factories. **Bicarbonate of Soda** also improved from R4.28 lakhs (£28,500) to R5.15 lakhs (£34,300), while **Soda, other sorts**, chiefly for washing clothes on account of its greater cheapness than Fuller's earth (*Sajimdti*), showed a remarkable increase from R1.18 lakh (£7,900) to R6.53 lakhs (£43,500), of which Bengal took R5.49 lakhs (£36,600). The comprehensive heading **Other Sorts** this year represents 37.5 per cent of the total in place of 43 per cent in 1906-07.

Drugs and Medicines.—The year under review opened with comparatively high prices in the drug trade generally, but there was a marked fall in values in the last six months. The total value of the imports of **Drugs and Medicines** into India advanced by 16.4 per cent, that is to say, from R78.06 lakhs (£520,400), which is the largest total previously recorded in any one year, to R90.92 lakhs (£606,100).

The quantity of **camphor** imported rose from 851,049 lbs to 1,191,921 lbs or by 40 per cent, but the value rose only from R22.99 lakhs (£153,300) to R27.05 lakhs (£180,300) or 17.7 per cent, there being a decline of 16.2 per cent in specific value, due chiefly to the menace of the synthetic substitute, but in part also to increased production not only in Formosa but also in Southern China. What further headway will be made by synthetic camphor, most of which has

hitherto been absorbed by manufacturers of celluloid, to a great extent depends upon the level of prices: it can scarcely compete with the natural product if these further decline. So far as is known there have been no imports into Calcutta or Madras as yet of synthetic camphor, and though the first shipments to Bombay from Germany mysteriously came *via* Singapore, the market professed no difficulty in distinguishing it from the natural product.

The total value of Quinine imported in the year under review rose from R6'28 lakhs (£41,900) to R7'21 lakhs (£48,100) or by 14'8 per cent, while a slightly higher quantitative advance of 15'2 per cent was recorded, bringing the total to 82,079 lbs. The figures for production of quinine and quinine bark in India during the past six years have been as follows:—

	Production of bark lbs	Sulphate of Quinine manufactured in Bengal Government factory lbs	Sulphate of Quinine manu- factured in Madras (includes manufacture from imported Java bark) lbs
1902-03	1,440,397	11,927	15,711
1903-04	1,052,146	12,315	16,093
1904-05	866,811	13,069	12,920
1905-06	1,300,071	15,778	16,328
1906-07	1,163,950	16,065	20,448
1907-08	988,948*	27,564	20,546

Proprietary and Patent Medicines have increased from R17'4 lakhs (£116,000) to R18'83 lakhs (£125,500). Other sorts have also risen from R20'83 lakhs (£138,900) to R25'85 lakhs (£172,300).

Tobacco.—The decline, which was chronicled last year in the imports in foreign cigarettes, has not been maintained, though prices have further risen. The figures of quantity shew an increase from 2,912,841 lbs to 3,634,192 lbs, equal to 24'7 per cent, and total values have advanced from R45'97 lakhs (£306,500) to R61'2 lakhs (£408,000), specific value shewing a percentage increase of 6'7. Though it is estimated that the total imports of cigarettes amounted to some 1,400 millions, only the fringe of the market which is at present satisfied with the indigenous 'biri' has been touched. Cigarette factories have recently been opened at Monghyr (Bengal) and at Karachi, and considerable shipments coastwise came from the latter port and from Bombay to Calcutta. Of the total of R61'2 lakhs (£408,000), R43'37 lakhs (£289,100) came from the United Kingdom and R11'65 lakhs (£77,700) from the United States, but these figures do not correctly represent the proportion of English and American-made cigarettes imported. From Egypt R3'59 lakhs (£23,900) were received, chiefly cigarettes of good quality as is shewn by the average value R6-5-2 (8s 5½d) per lb, as compared with R1-14-2 (2s 6d) from the United Kingdom, R1-1-1 (1s 5d) from the United States of America, and R1-3-0 (1s 7d) from Japan and the Straits Settlements. A lb. of cigarettes represents about 400 cigarettes of low quality, or 300 of the superior grades. Imports of leaf from Sumatra and Borneo are chiefly for the coverings of "Trichinopoly" cheroots, of which only the cheapest sorts are manufactured entirely from Indian grown tobacco. Imports of Manila cigars, chiefly *via* Hongkong, amounted to 29,883 lbs, valued at R1,08,504 (£7,234).

Dyes.—The year under review shows a further increase under imports of aniline and alizarine dyes, which are gradually capturing even the internal markets. The quantity rose from 11,736,744 lbs to 12,957,817 lbs—(aniline 6,651,355 lbs and alizarine 6,306,462 lbs) or 10'4 per cent and the value from R74'93 lakhs (£499,500) to R84'65 lakhs (£564,300) or approximately 13 per

* Incomplete.

cent. The average declared value per lb of aniline remained practically stationary, at 12 as 5 pies (15 0, $\frac{1}{3}$ d) per lb, while that of alizarine rose from 7 as 11 pies (7 $\frac{1}{3}$ d) to 8 as 5 pies (8, $\frac{1}{3}$ d). Bombay continues the principal port of entry, her share representing nearly 74 per cent of the total.

V.—OILS

Under this head the only item of importance is mineral oil, a market of very considerable interest and importance. The Petroleum market all over the world is exceedingly active, and consumption seems to be advancing at a greater ratio than supply. The total value of all mineral oils imported from Foreign countries into India in 1907-08 was 315.45 lakhs (£2,103,000) as compared with 242.7 lakhs (£1,618,000) in 1906-07, a rise of 30 per cent. Of this total kerosene is responsible for no less than 78.7 per cent, but a view of the trade would be incomplete and one-sided which omitted from consideration and comparison the factor of indigenous production, and the table below accordingly shews the quantity and value of imports coastwise from Burma along with the foreign imports, the unit in all cases being one thousand:

	Quantity			Value					
	1905-06	1906-07	1907-08	1905-06		1906-07		1907-08	
	gals	gals	gals	R	£	R	£	R	£
Russia	7,761	2,249	9,377	27.04	180	9.24	61	34.68	231
United States	22,333	28,836	24,278	96.24	642	1,21.87	812	1,19.97	800
Borneo	5,193	1,422	7,944	13.17	88	5.56	24	21.10	141
Straits Settlements	10,391	6,213	6,088	26.58	177	16.13	107	15.60	104
Sumatra	8,294	10,797	2,041	15.54	103	33.87	226	7.06	47
Roumania	...	3,512	15,699	...	...	11.45	76	49.85	332
Other Foreign Countries	15	2	4	11	1	7	1	5	...
Total Foreign Countries	50,946	53,038	65,431	1,78.68	1,191	1,96.19	1,308	2,48.26	1,655
Coastwise from Burma	47,159	61,834	63,530	1,62.34	1,082	2,19.50	1,463	2,26.72	1,511

From these figures it will be seen that excluding Burma's unascertainable internal consumption of indigenous oil, India in the last three years absorbed some 113.9 million gallons of kerosene per annum. In 1905-06 Burma oil represented 48 per cent of the total imports, and in 1906-07 53.8 per cent, but fell again in 1907-08 to 49.2 per cent.

The imports of foreign kerosene oil have advanced by 23.3 per cent and the specific value by 2.4 per cent, while the quantity of shipments from Burma to India proper only increased by 2.7 per cent.

Russia, which in 1904-05 supplied 53 per cent of imported kerosene, furnished in 1906-07 only 4.2 per cent and in 1907-08 14.3 per cent. Her share amounts in the year under review to 9,377,000 gallons with a value of R34.68 lakhs (£231,200) as compared with 2,249,000 gallons with R9.24 lakhs (£61,600) in 1906-07, but a recovery to the conditions prevailing prior to the disturbances in Baku must necessarily be slow.

The United States has not maintained the proportion (54 per cent) of the total imports she held a year ago, and Roumania has stepped into second place with imports of 15,699,682 gallons, worth R49,85,483 (£332,365), equivalent

to 24 per cent of the total, but this does not imply the entry of new competitive interests but is explained by the accident of shipping convenience. Sumatra has fallen back from 10,797,500 gallons to 2,040,552 gallons and Singapore, which is only an entrepôt for kerosene from the Far East, from 6,213,400 gallons to 6,088,100 gallons. Borneo on the other hand has increased its direct imports from 1,422,600 gallons to 7,943,693 gallons.

Bulk oil in 1907-08 amounted to 49,489,900 gallons or 75.6 per cent of the whole—of which Roumania contributed 31.7 per cent, America 20 per cent, Russia 17 per cent, and Borneo 16 per cent.

Imports of foreign **case oil** aggregated 15,940,800 gallons, as compared with 13,826,200 gallons in 1906-07; of this America supplied 90.4 per cent, Russia 6 per cent, and Sumatra 2.7 per cent.

The following are the **average prices** of the leading descriptions of case oil in Calcutta during the last three years:—

		1905-06	1906-07	1907-08
		R a. p.	R a. p.	R a. p.
<i>American</i> —				
	Chester . . . per case	4 2 9	4 7 6	4 8 8
<i>Russian</i> —				
	Ram "	3 9 7	3 15 10	4 4 10
<i>Burma</i> —				
	Victoria . . . per 2 tins	2 11 6	3 3 6	3 7 10
	Gold Mohur "	2 14 6	3 10 1	3 13 0
<i>Borneo</i> —				
	Cobra "	2 11 11	3 5 4	3 8 11
<i>Sumatra</i> —				
	Silver-light . . . per case	4 13 8	4 14 0	5 12 0

It will be noticed that there has been a steady hardening of rates during the triennium, but, it is believed that, thanks to the competition of rival interests, India yet enjoys the benefit of prices 25 per cent lower than any other country in the East.

The imports of **Fuel oil**, chiefly from the Straits and Borneo, rose from 352,312 gallons to 1,250,115 gallons, which is still below the figures for 1905-06. Of this Bombay took 690,179 gallons, Madras 350,218 gallons, and Bengal 209,718 gallons.

In imports of **other mineral oils**, mainly for lubricating, there was a large increase of 31.6 per cent from 9,796,897 gallons in 1906-07 to 12,893,550 gallons in 1907-08, while the quantity drawn by India proper from Burma rose from 3,006,900 gallons to 4,051,400 gallons.

VI.—RAW MATERIALS AND UNMANUFACTURED ARTICLES

Coal—A cogent illustration of India's industrial expansion is to be found in her increasing absorption of coal. While indigenous production has been rapidly progressing, export has declined, and yet the imports of foreign coal are yearly larger. In 1907-08 the measure of advance is 19.9 per cent in quantity and 22.1 per cent in value: the net increases being 51,145 tons and R10.75 lakhs (£71,600) respectively. The average value of all coal imported rose by 1.8 per cent.

The consignments from the United Kingdom in the year under review amounted to 215,100 tons, which are slightly below the figures for 1906-07 (222,100 tons) but greatly in excess of those for 1905-06 (137,000 tons), and this increase is probably attributable to the rise in price of Indian coal at a greater ratio than Welsh coal, accentuated by the abolition of the export duty by His Majesty's Government and a fall in freights between Cardiff and Bombay which has made the import of Welsh coal increasingly profitable. The figures

which are given below are taken from the Price Current of the Bombay Chamber of Commerce—to illustrate the comparative price per ton of Cardiff and Desharghur (Indian) coal at that port from 1906 onwards, and in the last column is worked out the proportion borne by the price of Cardiff coal to that of Indian coal, the latter being taken as 100 in each year. It will be seen that this proportion has tended steadily to diminish.

	Indian					Cardiff					Proportion
	Rs.	s.	p.	¢	d.	Rs.	s.	p.	¢	d.	
1906	13	0	0	(0	17 4)	18	12	0	(1	5 0)	144
1907	15	11	0	(1	0 11)	21	11	0	(1	8 11)	138
1908	16	6	0	(1	1 10)	22	3	0	(1	9 7)	135

The imports from Natal, owing chiefly to convenience of freight, increased from 75 to 35,349 tons and from Australia from 25,863 to 50,290 tons.

The imports of coal as Government stores amounted to 1,477 tons only against 5,083 tons in 1906-07 and 6,976 tons in 1905-06.

Cotton—After a year's decline the imports of cotton rose to 157,529 cwts, i.e., increased by 41,331 cwts or 35.6 per cent. The value increased to ₹70,95,518 (£473,035) or by ₹25,06,551 (£167,103) or 54.6 per cent. The average value rose by 14 per cent. The imports are chiefly of long staple cotton and finer counts, and about 82 per cent of the total quantity imported is American, and of this 128,297 cwts were received *via* the United Kingdom, only 1,457 cwts being imported direct. From Persia 6,522 cwts were received as against 7,789 cwts in the previous year, and from Egypt 15,447 cwts as compared with 6,266 cwts in 1906-07.

Precious Stones and Pearls, unset—The figures as recorded in the trade accounts cannot be considered complete, as it is well known that large quantities of precious stones and of pearls in particular are imported and exported by post. Further, there are great fluctuations in recorded values. The imports of precious stones in 1907-08 were valued at ₹69.57 lakhs (£463,800), as compared with ₹93.38 lakhs (£622,560) in 1906-07, and ₹134.1 lakhs (£894,000) in 1905-06. The imports from Arabia, Bahrein Islands, and Aden, which consist chiefly of pearls, fell from ₹78.95 lakhs (£526,300) to ₹63.35 lakhs (£422,300), as was only to be expected, the market all over the world being very depressed. Of the precious stones found in India the ascertained productions of rubies in Burma amounted to 334,535 carats valued at ₹14.26 lakhs (£95,100), against 326,855 carats valued at ₹14.33 lakhs (£95,500) in 1906, shewing an increase of 2.3 per cent in quantity, but a fall of 45 per cent in value and of 2.8 per cent in specific value. The manufacture of rubies by the action of radium upon corundum has not yet been advanced so far commercially as to affect the price of the natural stones, but the market like that for diamonds has been very dull since the American crisis. The value of diamonds obtained from the mines in Central India amounted to ₹41,772 (£2,785) only in 1907, against ₹77,400 (£5,160) in the preceding year.

Silk—An unusually large world's crop in 1907-08 scarcely sufficed to make good the deficiencies of stocks caused by the shortage of two preceding years, and until the financial depression in October reached the Continent, the demands of increasing consumption maintained prices at a satisfactory level. Then came a tremendous fall accentuated by bear speculations on the Yokohama exchange, but at the close of the year prospects were more favourable, as the accumulations of unsold silk had been considerably reduced and the financial outlook generally improved. India, however, benefited little from the fluctuations. Her imports of silk rose by 44.2 per cent in quantity from 1,422,467 lbs in 1906-07 to 2,050,839 lbs in 1907-08, and by 72.8 per cent in value from ₹56.8 lakhs

(£378,600) to R98·15 lakhs (£654,300) despite a rise in the specific value per unit of 19·8 per cent. Bombay's share amounted to R80·28 lakhs (£535,200) and that of Burma to R17·52 lakhs (£116,800). Direct imports from China increased from 1,049,567 lbs in 1906-07 to 1,733,323 lbs in 1907-08 or 65·2 per cent, and from the Straits Settlements fell from 220,118 lbs to 169,050 lbs or 23·2 per cent.

Wood—The imports by sea of unmanufactured wood (which includes timber, firewood, and ornamental wood) rose in the year under review to R82 lakhs (£546,700), the figures for 1906-07 being R80·92 lakhs (£539,400). The timber trade, if not so active as in 1905-06, when 109,421 cub. tons valued at R82·21 lakhs (£548,000) were imported, shews improvement on the figures for 1906-07, with 99,557 cub. tons and R80·25 lakhs (£535,000) against 94,721 cub. tons and R79·28 lakhs (£528,500). There was, however, a fall in the average value of 3·7 per cent. The value of **teak** imported represents 71·2 per cent of the whole. 58,095 cub. tons of teak were imported from Siam valued at R54·42 lakhs (£362,800) and from Java, the variety of which is known as *djatti*, 4,579 cub. tons valued at R3·72 lakhs (£24,800).

The trade in **timber other than teak** advanced from 33,025 cub. tons in 1906-07, valued at R18·56 lakhs (£123,700), to 36,611 cub. tons, valued at R21·84 lakhs (£145,600), representing a rise of 17·7 per cent in value and 6·2 per cent in average value. The imports from the United States shewed a recovery from 93 cub. tons valued at R2,372 (£158) to 5,817 cub. tons worth R2·81 lakhs (£18,700), but the figures are still considerably lower than those for 1905-06.

VII.—ARTICLES MANUFACTURED AND PARTLY MANUFACTURED.

Cotton goods—The imports of cotton goods into India shew a remarkable advance on any figures previously recorded, though they have not quite kept pace with the general expansion of trade, and the proportion borne by values to those of total imports has fallen from 38 to 37 per cent. The development is significant as an embargo on foreign cloth was the keynote of the boycott movement, and coming, as it does, after a year of decline seems to foreshadow its ultimate failure. In this connection the changes in marks and nomenclature adopted by many importers in deference to the new spirit were perhaps sufficient to satisfy where they did not deceive. The Lancashire textile industry was particularly active during the statistical year, and despite the rise in the prices of raw material, the market for yarns was exceedingly active and profitable, and the export trade to India in cotton textiles was less affected by the financial crisis and high Bank rate than that to the Continent and remained until the close of the year remarkably brisk. But on this side conditions were not altogether healthy, and the debauch in trading, particularly in Calcutta, was the less justifiable as famine conditions had declared themselves in the United Provinces, one of the most important up-country markets, the prices of food grains being abnormally high and the export trade, save in rice, practically stagnant. It is not surprising that there should have been during the last few months a concurrent fall in prices and accumulation of stocks, and even if the agricultural outlook improves, the outlook for 1908-09 is distinctly unpromising.

The figures of imports of cotton yarn and of woven and other cotton goods in the last twelve months (stated in thousands of rupees and of pounds sterling) compared with those of the previous five years give no indication of this, more particularly when the increase in the coastwise shipments of piece goods manufactured in Bombay to other parts of India valued at R387·6 lakhs

(₹2,584,000) as compared with ₹246.6 lakhs (₹1,644,000) in 1906-07 is simultaneously considered.

	Yarn		Woven and other goods		Total	
	₹	₹	₹	₹	₹	₹
1902-03	2,29,76	= 1,532	28,14,88	= 18,766	30,44,64	= 20,298
1903-04	2,14,21	1,428	28,86,85	19,246	31,01,06	20,674
1904-05	2,48,76	1,658	35,55,92	23,706	38,04,68	25,364
1905-06	3,42,54	2,283	39,01,77	26,012	42,44,31	28,295
1906-07	3,22,32	2,149	37,69,43	25,129	40,91,75	27,278
1907-08	3,69,32	2,462	44,34,93	29,566	48,04,25	32,028

The increase is therefore one of ₹712.5 lakhs (₹4.75 millions) or 17.4 per cent.

In Yarns the decrease was one of 357,551 lbs or about 1 per cent in quantity, but the value increased by ₹47 lakhs (₹313,000) or 14.5 per cent, the specific value having risen by about 15.7 per cent. The quantities imported in the last six years are here stated in millions of lbs :—

1902-03	33.68	1905-06	45.78
1903-04	28.01	1906-07	37.67
1904-05	30.58	1907-08	37.31

Yarns from the United Kingdom, which represent about 91 per cent of the whole, fell by 3.5 per cent from 35,207,000 lbs to 33,946,000 lbs, which, however, largely exceeds the imports in 1904-05. The value of twist and yarn, white, was ₹206.44 lakhs (₹1,376,300) and of coloured ₹162.88 lakhs (₹1,085,900). Of white (total imports being 20,828,111 lbs) 97 per cent was British, and of coloured (total imports being 16,487,626 lbs) 83.1 per cent came from the United Kingdom, 5.5 per cent from Italy, 4.2 per cent from Austria-Hungary, and 3.9 per cent from Belgium. The imports of 40 s mule receded in quantity from 9,675,000 lbs to 9,041,088 lbs but increased in value from ₹67.45 lakhs (₹449,700) to ₹72.14 lakhs (₹480,900).

It is of interest to compare the imports of coarse, medium, and fine yarns with the production of similar lines by mills in India, the unit being 1,000 :—

	1906-07		1906-07		1907-08	
No. 1 to 25—Imported	2,476	'54 per cent	2,539	'48 per cent	2,380	'41 per cent
Indian	634,088	99.45	603,096	97.58	579,309	97.59
	638,164	88.15	605,635	88	581,689	88.58
No. 26 to 40—Imported	23,697	42.77	23,609	37.27	23,037	39.04
Indian	45,092	57.23	49,115	65.73	56,032	70.06
	78,788	10.29	74,724	10.86	82,010	11.91
Above 40—Imported	5,222	23.64	6,461	21.97	7,420	23.4
Indian	1,139	16.36	1,421	19.03	2,207	28.6
	6,961	7.6	7,882	11.14	10,177	13.81
	722,913	100	688,441	100	671,776	100

It will be seen that the proportions borne by the different groups to the total consumption remain remarkably constant, but the production of counts between 26s and 40s in Indian mills shows a disproportionate advance at the expense of foreign imports.

The imports of cotton fabrics represent 34.1 per cent of the total imports of private merchandise against 34.8 per cent in 1906-07. The value increased from ₹37,69,43,294 (₹25,129,553) to ₹44,34,93,011 (₹29,566,201) or by ₹6,65,49,717 (₹4,436,648), the difference being equal to 17.6 per cent. In

ascertaining the changes of specific value calculations must be confined to **piece goods**, as some of the other descriptions are not stated in yards. Under this head imports amounted to 2,531,733,000 yards and R4,204.36 lakhs (£28,029,100) as against 2,318,200,000 yards and R3,564.43 lakhs (£23,762,900) in 1906-07. The increase is one of 213.53 million yards and R639.93 lakhs (£4,266,200), which marks an increase of 9.2 per cent in quantity and 17.9 per cent in value with a rise of 7.8 per cent in specific value. These ratios of course vary but little in respect of different subheads. For example, the average value of grey goods rose by 7 per cent, that of white goods by 8.05 per cent, and that of coloured goods by 8.8 per cent.

The following statement shows in **millions of yards** the relative importance of these three classes in the course of the last nineteen years. It will be noticed that, whereas the figures for grey goods show a marked decline in the last two years, they exceed considerably those for 1904-05 :—

	Grey (unbleached)	White (bleached)	Coloured, printed or dyed	Percentage of grey in total.
Average 1889-90 to 1893-94	1,223.47	368.63	374.17	62
" 1894-95 " 1898-99	1,209.77	418.59	351.49	61
" 1899-1900 " 1903-04	1,204.53	369.69	430.57	57
1904-05	1,210.16	584.3	493.92	53
1905-06	1,348.84	572.75	541.65	55
1906-07	1,298.48	494.97	524.75	56
1907-08	1,253.79	733.53	544.41	49.5

The decline in greys was one of 3.4 per cent, while bleached goods increased by 48.2 per cent and coloured goods by 3.7 per cent. Bengal, where there are but two weaving mills, took 939,738,000 yards or 74.9 per cent of the total of imported grey goods as against 900,552,000 yards or 69 per cent in 1906-07.

The extent to which the cotton piece goods of the three main classes are derived from the United Kingdom is illustrated below in **millions of yards** from the figures of the last three years :—

	1905-06		1906-07		1907-08	
	Total	From United Kingdom	Total	From United Kingdom	Total	From United Kingdom
Unbleached goods	1,348.84	1,337.01	1,298.48	1,289.34	1,253.79	1,247.38
Bleached "	572.75	561.85	494.97	486.32	733.53	721.99
Coloured "	541.65	516.32	524.75	500.44	544.41	517.8

Britain therefore supplies 99.5 per cent of the grey goods, 98.4 per cent of the bleached goods, and 95.1 per cent of the coloured goods. The two former mark a fractional advance and the latter an equally fractional decline.

Besides these there are certain subsidiary classes of goods imported, the principal descriptions of which and the values of the respective trades in **thousands of rupees and of pounds sterling** being :—

	1905-06		1906-07		1907-08	
	R	£	R	£	R	£
Handkerchiefs and shawls in the piece	34.96	= 233	36.22	= 241.5	40.59	= 270.6
Hosiery	63.02	420.1	56.13	374.2	67.27	448.5
Sewing thread	25.61	170.7	26.41	176.1	28.46	189.7
Other manufactures	82.82	552.1	86.23	574.9	94.24	628.3

The trade therefore increased by R25.57 lakhs (£170,400) or by 12.5 per cent as compared with a net loss of R1.42 lakh (£9,500) in the previous year. The United Kingdom supplies 81.9 per cent of **handkerchiefs and shawls**

and 86·9 per cent of **sewing thread**. But in the **hosiery** trade nothing is so remarkable as the steady advance of Japan, which during the last six years has raised its proportionate share by direct shipment from 3·4 per cent to 57 per cent, representing an increase of values from R1,09,380 (£7,292) in 1902-03 to R38,39,240 (£255,949) in 1907-08. It may also be surmised that the R2·78 lakhs (£18,500) of hosiery credited in the accounts to Hongkong and the Straits Settlements was largely, if not wholly, Japanese in origin.

Silk Goods—There was a very appreciable increase after two lean years in the imports of silk goods. The total value was R213·48 lakhs (£1,423,000) against R182·5 lakhs (£1,216,000) in 1906-07, a difference of nearly R31 lakhs (£207,000), being a percentage increase of 17. **Silk piece goods** continue to represent about two-thirds of the total, the figures being R142·18 lakhs (£947,900), and the shipments of Japan, which rose from R59·19 lakhs (£394,600) in 1905-06 to R72·29 lakhs (£481,900) in 1906-07, increased by R13·95 lakhs (£93,000) to R86·24 lakhs (£574,900). The imports from China rose from R33·4 lakhs (£222,700) to R42·45 lakhs (£283,000), and the Far East is altogether responsible for 91 per cent of the total. Goods manufactured of **silk mixed** with other materials rose from R30·78 lakhs (£205,200) to R47·94 lakhs (£319,600) or by 55·7 per cent. **Silk yarn, noils, and warp** amounted to R22·7 lakhs (£151,300), and **other sorts** including thread for sewing to R65,776 (£4,385).

Woollen goods—The year opened with great activity in the British woollen trade, despite high prices for raw material, and when the Continental and American demand slackened, manufacturers were fortunate in finding abundant orders from India for the cheaper lines, which explains the large expansion in imports recorded. Sales, however, have been latterly affected by famine conditions, and the proportion of unsold stocks at the end of the year was considerable. The total value increased from R205·22 lakhs (£1,368,100) to R276·76 lakhs (£1,845,100) or over 34·8 per cent. Of the total increase of R71·54 lakhs (£477,000), **piece goods** accounted for R53·25 lakhs (£355,000), and the quantities (19,681,000 yards), which had receded in 1906-07 to 15,323,000 yards, were almost up to the level of 1905-06, *vis.*, 19,981,000 yards. In specific value the increase was 7·6 per cent. The share of the United Kingdom rose from R103·31 lakhs (£688,700) to R143·45 lakhs (£956,300), and of Germany from R26·76 lakhs (£178,400) to R32·26 lakhs (£215,000), representing respectively 74·4 and 16·7 per cent of the trade. Of the total increase in wool manufactures there was an extraordinary rise in the value of **shawls** from R15·89 lakhs (£105,900) to R34·15 lakhs (£227,600), and the number of shawls imported was 1,203,372 against 790,118 in 1906-07, the percentage increase in specific value being 41·3. The tendency in the face of higher prices to import a lower class of goods seems to have been corrected. Germany supplied 88 per cent of the total number by continued assiduous study of native requirements. **Woollen hosiery** increased from 287,544 lbs and R8·05 lakhs (£53,700) to 387,778 lbs and R10·01 lakhs (£66,700), of which the United Kingdom supplied over 360,000 lbs. In **yarn** there was a marked decline from 979,024 lbs to 781,854 lbs, but Germany maintained her preponderance in this market. Under values the fall was from R20·83 lakhs (£139,000) to R17·29 lakhs (£115,300).

The increase under **knitting wool** shews that the knitting industry is making some headway all over the country, and it may be inferred from the figures for **carpets and rugs** that English manufacturers are successfully imitating the

characteristics of the Oriental product at rates which enable them to find a growing market even in India.

The values for the past three years under the different classes are as follows, the unit being 1,000 :—

	1905-06		1906-07		1907-08	
	R	£	R	£	R	£
Piece-goods	1,68,46	1,123	1,39,52	930	1,92,78	1,485
Shawls	27,61	184	15,89	106	34,14	228
Yarn and knitting wool	9,99	66	20,83	139	17,29	115
Carpets and rugs	14,47	96	10,57	70	12,27	82
Hosiery	9,05	60	8,06	54	10,01	67
Braids	3,21	21	3,06	20	3,13	21
Other sorts	9,73	65	7,28	48	7,13	47

Other manufactured goods—Of other manufactured goods the following are the most important :—

	1906-07		1907-08		Increase (+) or decrease (—) per cent
	R	£	R	£	
Apparel, including boots and shoes	2,11,23,407	1,408,227	2,58,30,052	1,722,003	+22.3
Arms and ammunition	28,80,639	192,043	48,72,970	324,865	+69.2
Books and printed matter	30,40,205	202,680	33,13,548	220,903	+9
Building materials	49,83,290	332,219	52,58,135	350,542	+5.5
✓ Carriages and carts	92,46,548	616,437	1,17,99,707	786,647	+27.6
Clocks and watches	18,43,194	122,880	20,01,548	133,436	+8.6
Earthenware and porcelain	38,99,824	259,988	42,22,143	281,476	+8.3
✓ Glass and glassware	1,21,14,108	807,607	1,44,51,774	963,452	+19.3
Instruments and apparatus—					
Electrical	55,77,877	371,858	49,07,850	327,190	—12
Musical	20,21,671	134,778	44,06,557	293,770	+118
Scientific	28,81,219	192,081	27,85,975	185,732	—3.3
Jewellery and gold and silver plate	18,47,229	123,149	16,61,590	110,773	—10
✓ Leather and manufactures of leather	32,58,681	217,245	38,33,389	255,559	+17.6
✓ Matches	63,12,731	420,849	73,76,836	491,789	+16.8
Paints and colours and painters' materials	56,74,656	378,310	62,37,084	415,806	+9.9
✓ Paper and pasteboard	80,11,105	534,074	99,24,262	661,617	+23.9
Ships, parts of	4,39,244	29,283	29,87,054	199,137	+580.1
✓ Soap	32,28,156	215,210	41,72,147	278,143	+29.2
✓ Stationery	40,40,347	269,356	44,38,065	295,871	+9.8
Tea chests	23,57,108	157,141	26,94,372	179,625	+14.3
✓ Toys and requisites for games	28,61,703	190,780	35,04,505	233,634	+22.4
✓ Umbrellas	18,85,939	125,729	19,96,769	133,118	+5.8
✓ Umbrella fittings	23,63,688	157,579	25,90,873	172,725	+9.6

The largest item, **Apparel**, shewed an increase of R47.06 lakhs (₹313,700) or 22.3 per cent, but **Carriages and Carts**, which includes motor cars and motor cycles, shewed a greater proportionate expansion of R25.53 lakhs (₹170,200) or

27.6 per cent. The values of **motor cars and motor cycle** imported into India during the last three years were:—

	R	£
1905-06	35,22,452	= 234,830
1906-07	44,67,586	297,839
1907-08	63,44,337	422,956

while the growing use of the cycle by the natives of India is illustrated by the expanding values of imports exceeding those of the previous year by R2.04 lakhs (£13,600) or 10.2 per cent. Mechanically propelled vehicles now represent 72.5 per cent of the total under this head. India is no nearer the solution of the manufacture of **Glass and Glassware** on a big commercial scale, and the imports increased by R23.37 lakhs (£155,800) or 19.3 per cent, an item under this head which shews a marked expansion (R12.89 lakhs=£85,900) being **glass bangles**, with which Austria-Hungary is capturing the internal markets, particularly in Southern India. The imports of **soap** have increased in value from R26.56 lakhs (£177,000) in 1903-04 to R41.72 lakhs (£278,000) in 1907-08, or by 57 per cent.

The import trade in **Paper and pasteboard**, which has a non-progressive indigenous output to contend with, advanced by R19.13 lakhs (£127,500), of which printing paper accounts for nearly R8 lakhs (£53,300) and other kinds of paper for R5.66 lakhs (£37,700). **Stationery** similarly increased to the extent of R3.98 lakhs (£26,500), and **Books and Printed Matter** (chiefly educational) by R2.73 lakhs (£18,200). **Earthenware and Porcelain** advanced by R3.22 lakhs (£21,500) and **Paints and colours** by R5.62 lakhs (£37,500).

The import trade in **Matches** continues to expand as the manufacture in India has scarcely got beyond the cottage industry stage. Sweden participated largely in the increase, her imports rising by 57.6 per cent from R12.5 lakhs (£83,000) to R19.76 lakhs (£131,700), while the imports from Japan decreased by 14.2 per cent from R14.5 lakhs (£96,700) to R12.45 lakhs (£83,000). The imports of **Umbrella fittings** increased by 9.6 per cent, and of **Umbrellas** by 5.8 per cent. Under the head of **parts of ships** Bengal accounts for a rise from R1.68 lakh (£11,200) to R20.52 lakhs (£136,800) and Burma from R2.04 lakhs (£13,600) to R7.7 lakhs (£51,300) due to increased activity in the Calcutta and Rangoon ship-building yards. **Musical Instruments** increased from R20.22 lakhs (£134,800) to R44.06 lakhs (£293,700) or 117.9 per cent, due chiefly to larger importations of the gramophone class which, now that vernacular records are available, are becoming increasingly popular, particularly in Bengal.

The increase in the arrival of **tea chests** amounting to 14.3 per cent must be attributed to the increasing preference shewn for patented and other foreign boxes in preference to the locally made article, for the shipments of leaf were smaller than in the previous year. The expansion under **Toys** amounted to 22.4 per cent.

Government Stores—The imports of Government stores remain to be separately considered, though with unimportant exceptions they constitute actual commercial transactions. They amounted to R 664.22 lakhs (£4,428,100) as compared with R893.46 lakhs (£5,956,400) and R902.97 lakhs (£6,019,800) in the two preceding years. The share of the United Kingdom was represented by R615.17 lakhs (£4,101,100) or 92.6 per cent of the total.

RE-EXPORTS

The value of re-exports *by sea* in 1907-08 represented 2.1 per cent of the total exports of merchandise and 2.9 per cent of the total imports from which they

were derived as compared with averages for the previous triennium of 2'1 and 3'4 per cent.

The following statement records the extent of the trade in the last five years:—

	R	£
1903-04	3,32,61,864 =	2,217,458
1904-05	3,37,30,729	2,248,715
1905-06	3,52,88,100	2,352,540
1906-07	3,48,40,390	2,322,693
1907-08	3,76,64,189	2,510,946

The re-exports to Western Countries are comparatively small, but the 84'86 lakhs (£566,000) taken by the United Kingdom represents 22'5 per cent of the total. The chief commodity is **raw wool** from Afghanistan and Tibet, re-exported from Karachi, which advanced from 5,221,000 lbs worth R29'59 lakhs (£197,000) to 5,263,000 lbs worth R32'76 lakhs (£218,000).

The chief ports of Western India command nearly 90 per cent of the re-export trade, the share of Bombay alone being 77 per cent, and it consists chiefly in manufactures for which India is an entrepôt for Persia, Arabia, Turkey in Asia, Ceylon, China, and British East Africa. **Cotton goods** representing 39'4 per cent of the total (piece goods 35'3 per cent) and **apparel** 5 per cent show an increase over the previous year's figures, while there is a decline under **metals** (30'3 per cent), **sugar** (31 per cent), and **oils** (33'8 per cent).

The re-exports of **foreign tea** advanced from 501,577 lbs to 991,305 lbs or by 97'6 per cent, Russia taking 35,860 lbs and Turkey in Asia 323,526 lbs more than in the previous year. Persia's purchases totalled 350,000 lbs against 207,000 lbs in 1906-07. The re-exports of **foreign green tea** increased from 26,000 lbs to 55,000 lbs.

EXPORTS OF INDIAN MERCHANDISE.

The exports of Indian merchandise represent nearly 98 per cent of the total exports and 56'5 per cent of the total trade in merchandise. The total value of the exports of Indian merchandise in 1907-08 was R173'42 crores (115'61 millions sterling) as against R173'08 crores (115'4 millions sterling) in the previous year. The increase was thus one of '2 per cent as compared with an increase of 20 per cent in the value of imported merchandise. The following statement shows the progress made in the past 26 years:—

	R	£	Variation, taking 1882-83 as 100
1882-83	80,59,81,554 =	65,486,001	100
Average 1883-84 to 1887-88	83,48,25,352	63,560,702	104
" 1888-89 to 1892-93	98,62,85,039	67,954,523	122
" 1893-94 to 1897-98	101,79,71,169	60,210,012	126
" 1898-99 to 1902-03	113,25,58,571	75,503,905	140
1903-04	149,63,33,958	99,755,597	186
1904-05	154,14,12,715	102,760,848	191
1905-06	158,18,92,231	105,459,482	196
1906-07	173,08,20,132	115,388,009	215
1907-08	173,42,12,335	115,614,156	215
Average 1903-04 to 1907-08	161,69,34,274	107,795,618	201

The average of the last five years corresponds very closely with the ratio of advance under imports.

The following table which, indirectly, has some bearing upon the balance of trade illustrates to what a remarkable extent the conditions operating

adversely to the export of merchandise impressed themselves upon statistics which as a rule are slow to demonstrate the effects of sudden vicissitudes. The export trade in merchandise increased during the first six months at a phenomenal rate, to be followed in the last six months by a no less phenomenal decline, while the exceptional volume of export of treasure representing chiefly the drain of gold continued until the very close of the statistical year.

		1906-07		1907-08		Increase (+) or decrease (-)
		₹	£	₹	£	
1st quarter	Merchandise	40,09,58,466	27,330,364	49,30,33,054	33,003,597	+ 208
	Treasure	2,19,31,053	1,462,070	77,27,230	510,189	-643
2nd quarter	Merchandise	35,33,42,403	24,222,827	46,27,65,690	30,851,046	+ 27.4
	Treasure	1,49,26,109	995,074	1,20,03,908	1,200,260	+ 20.6
First six months						
	Merchandise					+ 23.9
	Treasure					-50
		1906-07		1907-08		
		₹	£	₹	£	
3rd quarter	Merchandise	46,44,12,738	30,960,849	39,60,79,273	26,418,618	-147
	Treasure	1,27,17,223	847,815	1,72,24,890	1,134,000	+ 36.2
4th quarter	Merchandise	52,79,46,913	35,196,461	41,77,77,607	27,851,241	-209
	Treasure	75,55,089	503,713	1,13,45,632	736,377	+ 30.2
Last six months						
	Merchandise					-18
	Treasure					+ 41.4

The principal articles in the export trade are enumerated in the appended list with their values for three years:—

	1905-06		1906-07		1907-08	
	₹	£	₹	£	₹	£
1 Cotton	21,34,15,193	14,227,630	21,97,24,609	14,652,307	23,70,25,196	17,132,013 ✓
2 Rice	18,63,99,831	12,426,653	18,52,95,036	12,353,006	20,33,91,044	13,539,403 ✓
3 Jute manufactures	12,44,79,844	8,208,636	13,71,62,303	10,477,487	12,29,76,443	12,198,430 ✓
4 Jute	17,12,56,641	11,417,109	26,83,86,810	17,892,454	17,07,28,013	11,981,268 ✓
5 Seeds	10,60,98,267	7,072,818	13,02,17,291	8,681,153	16,81,51,631	11,210,109 ✓
6 Hides and Skins	13,75,71,140	9,171,409	15,24,52,508	10,230,167	10,95,15,342	7,301,023 ✓
7 Cotton-yarn and cloth	14,42,54,898	9,617,000	12,16,22,407	8,112,160	10,76,66,003	7,177,734 ✓
8 Tea	8,24,76,037	5,892,402	9,85,77,642	6,571,243	10,20,02,486	6,866,809
9 Wheat and wheat flour	9,17,27,260	6,115,151	7,24,01,766	5,226,784	9,14,35,603	6,097,040
10 Opium	9,47,17,667	6,314,512	9,30,79,224	6,205,222	8,67,24,788	5,781,852
11 Lac	3,18,01,161	2,120,077	2,49,97,740	2,333,183	4,08,20,561	2,722,039
12 Wool	2,11,47,283	1,409,819	2,42,65,240	1,617,690	2,10,34,334	1,402,308 ✓
13 Pulse, millets, and cereals	1,71,25,240	1,141,683	1,28,56,345	857,090	2,02,40,624	1,349,373
14 Coffee	1,75,67,240	1,171,149	99,64,778	664,319	1,11,43,202	743,013
15 Oils	81,68,253	544,550	69,81,964	465,731	85,21,745	572,116
16 Wood and timber	89,60,168	597,343	83,17,482	534,499	82,68,637	531,242
17 Provisions	71,01,230	473,815	65,11,115	434,074	75,45,590	503,039
18 Silk	58,39,679	375,679	68,63,018	437,668	63,78,134	423,210 ✓
19 Indigo	28,63,777	390,918	70,04,773	466,983	63,72,734	424,249 ✓
20 Spices	90,78,696	603,244	60,20,378	401,359	32,60,743	231,216 ✓

The statement below shows for three years the value (in thousands of rupees and of pounds sterling) of the trade in each of the seven classes under which articles are grouped in the accounts:

	1905-06		1906-07		1907-08	
	₹	£	₹	£	₹	£
I Animals living	19.34	129	22.63	151	21.59	144
II Articles of food and drink	42,32,52	28,217	40,23,64	26,224	44,67,51	29,723
III Metals and manufactures of metals	58.26	288	97.55	630	1,10,65	728
IV Chemicals, drugs, medicines, narcotics, and dyeing and tanning materials	11,44.84	7,621	11,35.74	7,708	11,02.78	7,328 ✓
V Oils	81.68	545	69.86	466	85.22	578
VI Raw materials and unmanufactured articles	67,14.53	44,764	81,53.23	54,355	76,22.87	50,220 ✓
VII Articles manufactured and partly manufactured	35,67.75	23,783	37,25.54	25,237	20,29.81	26,109 ✓

I.—ANIMALS, LIVING

This is a small and unimportant class and is chiefly made up of shipments of cattle from Southern India to Ceylon and the Straits.

II.—ARTICLES OF FOOD AND DRINK

Articles of food and drink—In this class there was a net increase of R4.44 crores (£2,560,000), the total value being R44.67 crores (£29,780,000) as against R40.24 crores (£26,830,000) in 1906-07, and this despite the fact that the wheat crop of 1906-07 was 0.9 per cent below that of 1905-06, though 10.8 per cent above the average of the preceding five years.

Coffee—The statistical year closes before the coffee season in Southern India is completed, but the results so far as known are more hopeful than for some time past, as after a year of lean crop the yields of estates were generally good, and despite a decline in average quality prices realised for shipments were considerably higher than in 1906-07. The Brazilian coffee crop of 1907-08 was short and the prospects of the current season are uncertain, so that, despite the practical failure of the San Paolo valorization scheme, a hardening of prices seems more probable than a decline.

The figures of export, quantities and values, for the last five years are as follows:—

	Cwts	R	£
1903-04 . . .	291,254	1,36,73,773	= 911,585
1904-05 . . .	329,647	1,66,09,757	1,107,317
1905-06 . . .	360,182	1,75,67,240	1,171,149
1906-07 . . .	228,094	✓ 99,64,778	664,319
1907-08 . . .	244,234	✓ 1,11,45,202	743,013

The increase is 7.1 per cent in quantity and 11.8 per cent in value. The value per cwt, R45.10.1 (£3.0.10), has improved by 4.4 per cent in one year. The exports, however, are still much below the figures for 1905-06 and 1904-05.

The shipments of coffee to the United Kingdom rose by 49.8 per cent to 123,418 cwts and represent 50.5 per cent of the total exports. This may be in part accounted for by increased consumption in the United States of America for which the United Kingdom acts as a distributing agent. France took 75,817 cwts or 31 per cent of the total exports as against 95,493 cwts or 41.9 per cent of the total in 1906-07, chiefly native-cured or of the cheaper qualities.

Fruits and vegetables—The value of **fruits and vegetables** exported during the year was R38.24 lakhs (£255,000) as against R34.57 lakhs (£230,000) in 1906-07. The principal article included in this head is **copra**, which is the dried kernel of the cocoanut, and is chiefly exported from the Madras Presidency to Germany, Belgium, and France, the quantity and value being 119,829 cwts and R21.58 lakhs (£144,000) respectively. The former marks a decline of over 5 per cent, but the latter rose by nearly 14 per cent, as the declared value increased from R15 to R18 per cwt, due to short supplies and increased foreign demand for copra rather than oil. **Fresh vegetables**, chiefly **potatoes and onions**, are also an important item, the value being R16.1 lakhs (£107,000) as against R15.18 lakhs (£101,200) in 1906-07. They are mostly exported to Ceylon and the Straits.

Rice—Exports of rice in 1907-08 represented 64.5 per cent of the total value of food-grains exported from India, against 67 per cent in the previous year,

and 11·7 per cent of the value of all Indian produce exported as compared with 10·7 per cent in 1906-07.

The chief feature of the Indian rice trade in the year under review was the continued shortage of crops in Bengal (a province responsible in a season of good rainfall for more than a third of the total outturn) chiefly due to an adverse season but also in part to a contraction of acreage, in consequence of the temptation offered by the high price of jute in the sowing season to grow that crop in preference. To meet this deficiency which was accentuated by more general demand for rice in preference to coarser food-grains, there were very heavy coastwise imports from Burma, particularly to Calcutta, and a rise in price which though particularly marked in the two jute growing provinces was general all over India. Despite, however, the diminution in foreign exports from Calcutta, the total for the whole of India fell very little below the previous year's figures, Madras making good the shortage in shipments to Ceylon, and Burma more than maintaining the volume of her foreign export after meeting all the requirements of the two Bengals.

The following statement shows in thousands of tons and thousands of rupees and of pounds sterling the foreign exports of rice during each of the last five years. The rise in average declared value was equivalent to 11·1 per cent. In the same quinquennium the quantities and values in the same denomination of exports coastwise from Burma have been as follows :—

	Quantity			Value			From Burma		
	Tons	R	£	Tons	R	£	Tons	R	£
1903-04	2,250	19,08,28	42,722	195	1,33,74	892			
1904-05	2,474	19,61,90	13,079	301	2,05,14	1,368			
1905-06	2,152	18,63,69	12,425	460	3,47,40	2,316			
1906-07	1,935	18,52,51	12,350	813	7,22,84	4,819			
1907-08	1,913	20,33,63	13,558	979	9,62,10	6,414			

The exports to foreign countries fell short by 1·1 per cent in quantity, but rose by 9·8 per cent in value, the rise in specific value being 11·1 per cent. As regards the shipments of rice from Burma to India proper, the total of 979,000 tons marks an advance of 166,000 tons upon the phenomenal figures of the previous year, and is greater by 113 per cent than the figures for 1905-06. This is only in part accounted for by the failure of the crops in the Gangetic delta, and illustrates the intensification of internal demand originating in the growth of a higher standard of comfort among the cultivators who had profited from the boom in jute. The average price of rice both in Rangoon and Calcutta advanced by 15 per cent.

The provincial distribution of coastwise exports from Burma during the last three years has been as follows, in thousands of tons :—

	1905-06		1906-07		1907-08	
	Tons	Percentage	Tons	Percentage	Tons	Percentage
Bengal	14	3	276	33·9	431	44
Eastern Bengal and Assam	27	5·8	239	29·3	142	14·5
Bombay	225	49	115	14·1	206	21
Madras	172	37·4	173	21·3	174	17·8
Indian Ports, not British	22	4·8	11	1·4	26	2·7
TOTAL	460	100	814	100	979	100

The distribution of India's foreign export of rice not in the husk during the past three years is given below, quantities and values being stated in thousands of tons, and thousands of rupees and of pounds sterling, respectively:—

	1905-06			1906-07			1907-08		
	Tons	R	£	Tons	R	£	Tons	R	£
Europe—									
United Kingdom	174	1,48,95	993	132	1,25,43	836	153	1,67,40	1,116
Austria-Hungary	122	87,56	584	158	1,20,95	806	170	1,52,07	1,014
Germany	248	1,97,42	1,316	333	2,85,25	1,902	309	3,07,01	2,047
Holland	126	89,01	593	187	1,32,63	884	186	1,64,59	1,097
Other countries	71	51,38	342	68	54,36	362	90	83,18	554
TOTAL	741	5,74,32	3,828	878	7,18,62	4,790	908	8,74,25	5,828
Asia—									
Aden and Arabia	68	77,03	514	52	69,34	462	27	37,94	253
Ceylon	299	3,21,24	2,142	306	3,80,36	2,536	256	3,29,31	2,195
Japan	330	2,73,83	1,825	133	1,20,65	804	125	1,29,37	863
Java	95	75,24	501	19	17,80	119	64	66,47	443
Straits	251	2,05,89	1,372	203	1,88,31	1,255	224	2,29,60	1,531
Other countries	52	49,14	328	43	43,98	293	62	74,29	445
TOTAL	1,095	10,02,37	66,82	756	8,20,44	5,469	758	8,66,98	5,780
Africa—									
Egypt	66	53,47	357	83	79,08	527	59	66,26	442
Mauritius and Reunion.	68	74,08	494	63	78,15	521	52	68,81	459
East Africa	48	46,75	311	44	50,13	334	43	55,09	367
Cape Colony and Natal	28	32,81	219	29	38,48	257	25	39,52	263
Other countries	...	...	...	...	...	...	...	22	2
TOTAL	210	2,07,11	1,381	219	2,45,84	1,639	179	2,29,90	1,533
America	54	48,74	325	34	33,70	225	32	36,64	244
Australia	11	8,52	57	15	13,91	93	8	7,23	48
GRAND TOTAL	2,111	18,41,06	12,273	1,902	18,32,51	12,216	1,885	20,15,00	13,433

The quantity taken by the United Kingdom showed an increase of 21,000 tons, and by Austria-Hungary 12,000 tons. The exports to Germany declined by 24,000 tons. Those to Egypt also fell short of the figures of 1906-07 by 24,000 tons and to Aden and Arabia by 25,000 tons. Ceylon took 50,000 tons less than in 1906-07, but Java showed a great advance as compared with 1906-07, though the total was less than in 1905-06 by 31,000 tons. The Straits also took 21,000 tons more than in the previous year.

In the above table the quantities of rice shipped to Egypt "for orders" have been adjusted and credited to the country of final destination.

The exports of unhusked rice or paddy declined from 32,757 tons with a value of R19'99 lakhs (£133,000) to 27,658 tons, value R18'62 lakhs (£124,000), of which Ceylon took no less than 27,453 tons.

There was a nominal quantity of 3,472 cwts of rice flour valued at R27,575 (£1,838) exported during the year. The previous year's figures were 6,165 cwts, value R44,484 (£2,955).

Wheat—On the average of the last five years the value of the wheat exported represents 32'9 per cent of the exports of all food grains, and 6'6 per cent of the total value of Indian merchandise exported. The wheat exports of the statistical year are mainly drawn from the crop of the previous year, and the

figures for 1907-08 represent chiefly the exportable surplus of the harvest of 1906-07 which, though estimated to be somewhat smaller in volume than that of 1905-06, was 10 per cent greater than the average for the quinquennium ending 1904-05.

The following table shews the outturn in tons and exports, quantities and values, for the past five years :—

		1903-04	1904-05	1905-06	1906-07	1907-08
Outturn	Tons	7,971,446	9,641,145	7,582,040	8,579,140	8,491,700
Exports	quantity . . .	1,295,565	2,150,025	937,523	801,445	880,459
	Value. { R	11,08,89,546	17,90,60,692	8,53,43,996	7,25,44,650	8,58,50,350
	{ L	7,392,636	11,937,379	5,689,599	4,836,310	5,723,357
Percentage of exports to outturn		16.2	22.3	12.4	9.3	10.7

India, however, contributes but a small proportion of the world's supply of wheat as the following figures will shew. The crop in the principal wheat-growing countries in 1907 has been estimated as follows :—

	Tons	Percentage
<i>Europe—</i>		
Russia	13,610,000	16.1
France	9,860,000	11.6
Italy	4,930,000	5.8
United Kingdom	1,500,000	1.8
Other countries	15,790,000	18.6
	TOTAL	53.9
<i>Asia—</i>		
India	8,360,000	9.9
Other countries	3,210,000	3.8
	TOTAL	13.7
<i>America—</i>		
United States	16,930,000	20
Argentine	4,710,000	5.6
Other countries	2,820,000	3.3
	TOTAL	28.9
<i>Africa (Algeria, Tunis, Egypt, Cape Colony)</i>	1,460,000	1.7
<i>Australia</i>	1,500,000	1.8
	GRAND TOTAL	100

The export trade during the year under review was decidedly brisk. The improvement in the quality of grain shipped in consequence of the new contract reducing the proportion of dirt and foreign matter has perhaps influenced prices less than had been expected, but the general shortage of crops all over the world except in the Argentine and Australia has greatly improved demand, and it is unfortunate, in view of the higher rates likely to continue for some time to come, that the last wheat harvest (1907-08) was so poor, owing to the failure of the rains. The advance in the specific value of wheat exported from India amounts to 7.7 per cent. The distribution of exports was practically confined to three ports, Karachi, Bombay and Calcutta, and of these the first with a virtual monopoly of the Panjab wheat harvest accounts for no less than 96 per cent. Complaints continue to be made from there both of delays in moving the crop by rail to the port and of insufficient storage accommodation at the port itself, but measures for improving the situation have been discussed

by the Railway Board with the local Chamber of Commerce, and in this connection the investigation of the adaptability of the elevator system to India has once more been undertaken.

The following table shows the principal customers for Indian wheat during the past three years/(in tons) :—

	1905-06	1906-07	1907-08
United Kingdom	709,168	730,526	771,525
Belgium	56,532	39,539	70,432
France	92,749	9,706	15,909
Spain	44,266	2,369	...

The imports of wheat into India are inconsiderable and come almost entirely from Asiatic Turkey and Persia—their contributions in 1907-08 being 8,293 and 1,364 tons, respectively, to a total of 12,783 tons.

The exports of **wheat flour** generally bear a close relation to those of wheat, but the figures for the year under review shew a further decline of 9 per cent in quantity and 4·3 per cent in value on those of the previous twelve months. The export trade in flour is confined to the East, chiefly with Aden, Asiatic Turkey, East Africa, Ceylon, and the Straits Settlements, and the fall is more than accounted for by restricted shipments from Bombay to Arabia. The total shipments were 37,219 tons valued at R56·05 lakhs (£374,000) as compared with 40,923 tons valued at R58·57 lakhs (£390,500) in 1906-07. The rise in specific value was one of 5·2 per cent.

The **food grains other than rice and wheat** exported in 1907-08 increased by 53·1 per cent or 1,702,818 cwts, but the figures are still much below those for 1904-05. The most striking increase was that of **barley**, which rose by 1,231,678 cwts or 303 per cent to 1,637,745 cwts. The bulk of this goes to the United Kingdom (963,205 cwts), Germany (438,613 cwts), and Belgium (208,088 cwts). **Jawar and bajra** increased by 345,811 cwts or 44·3 per cent to 1,125,993 cwts. **Pulse**, which contracted by 48·6 per cent to 1,097,945 cwts. in the previous year, rose by 92,486 cwts or 8·4 per cent to 1,190,431 cwts. **Other sorts**, including **maize**, also increased by 25,553 cwts or 33·3 per cent to 102,297 cwts, and **gram** rose by 7,290 cwts or 9 per cent to 853,873 cwts.

Provisions—The value of provisions exported increased by 15·9 per cent to R75·45 lakhs (£503,000). The principal articles in the class are **ghi** (clarified butter) and **fish**, the former rising by 13 per cent to R26·74 lakhs (£178,000) and the latter by 17·3 per cent to R18·33 lakhs (£122,000).

The declared values of **ghi** per cwt during the last five years have been :—

	R
1903-04	47·6
1904-05	49
1905-06	50·7
1906-07	54·2
1907-08	60·6

and it is believed that the retail prices up country show an equally proportionate advance. The price in fact tends to become so prohibitive for the poorer classes as to afford reasonable hopes of introducing with success a cheap vegetable substitute, such as can be made from refined cotton-seed and cocoanut oils, of which abundant supplies are available in India.

Spices—Exports of spices declined by 802,982 lbs or 3 per cent in quantity and by R7·51 lakhs (£50,000) or 12·4 per cent in value, which is lower than in any of the five previous years. The decline under **Pepper** amounting to R8·63

lakhs (£57,500) or 26·1 per cent is due to bad prices in Europe, rather than short stocks.

The exports of ginger increased to R11·1 lakhs (£74,000) accompanied by a rise in specific value owing to shrinkage in the world's supply. The exports of chillies, on the other hand, advanced by 6·3 per cent in quantity but declined by 4·9 per cent in value, the totals being 11,705,000 lbs and R13·67 lakhs (£91,000) respectively.

Tea—The Indian Tea trade has enjoyed another prosperous year. The world's consumption has apparently caught up supply, and every thing points to its increasing in the future at a corresponding ratio. The only disquieting features of the year's trading were the temporary inflation of values for lower grades of leaf, which have appreciated by 70 per cent since 1906, at the expense of the better teas, and complaints of a general decline in quality, but the principal excuse for coarse plucking has been removed now that the market seems to have recovered its sense of proportion. In any event India could not hope to have benefited long by the extravagant rates for her poorer stuff, for they would have provoked the competition of the cheaper China teas, and encouraged increased cultivation in Java.

The advance in consumption which followed the reduction of the import duty in the United Kingdom to 5d per lb has been maintained. Internal absorption is increasing, and tea shops are now a common feature of many bazaars, particularly in Southern India, but it is in the expansion of the Continental markets that the prospects of the Indian industry centre, and of these the Russian market in particular is shewing remarkable development. The following table illustrates in the last three calendar years, compared with the year 1890, the astonishing growth in absorption of teas from India and Ceylon on the Continent :—

	lbs
1890	14,001,824
1905	129,884,250
1906	162,461,824
1907 (estimated)	171,500,000

The Russian market is of particular interest and importance. Its development dates from the discovery that Indian dust gives a greater strength to 'tablet' tea than Chinese. Indian tea reaches Russia not only by direct shipment, but also across the land frontier of India and by re-export from the United Kingdom, Germany, and China. It has been estimated that Russia in the nine months ending September 30th, 1907, absorbed 30,542,081 lbs of Indian and Ceylon teas as compared with 24,566,329 lbs for the same nine months of the previous year. These figures exclude imports of brick tea from China, in which Indian dust has been blended, estimated at 8,000,000 lbs in 1907 or proportionately 6,000,000 lbs for the period January—September. India is encouraged to direct importation into Russia by the preferential duty on her tea and that of Ceylon carried by the Trans-Siberian Railway, and it is announced in this connection that a double service of steamers will be established next season between Calcutta and Vladivostok to save transshipment at Colombo. The duty on tea in Germany was reduced in 1906 to 1½d per lb, and this, aided by a vigorous medical campaign against beer and coffee, is likely to encourage imports. Holland and Belgium are two other promising markets.

As regards the competition with Ceylon, it remains to be seen how far the introduction of rubber there will ultimately affect production, for the cultivation

tends to oust tea from lower levels where the yield is generally greater than at higher altitudes.

The results of improved prospects in the tea trade are illustrated by the appreciation of shares in the market. Mr. George Seton has calculated that the shares of 170 tea companies registered in London have enhanced in value from £14,400,000 to £21,600,000 or by no less than 50 per cent between January 1905 and November 1907. China supplied half the requirements of the United Kingdom twenty years ago: in 1907 the proportion had been reduced to 6 per cent and is only sustained at that level by the competitive price for lower grades of Indian and Ceylon teas. The imports of tea into the United Kingdom in 1907 were as follows:—

	1906		1907	
	Million lbs	Per cent	Million lbs	Per cent
India . . .	183·8	57·2	171·4	54
Ceylon . . .	106·3	33·1	107·5	33·9
China . . .	13·2	4·1	18·8	5·9
Java . . .	12·6	3·9	9·1	2·9

The consumption per capita in the United Kingdom in 1907 was 6·19 lbs as compared with 6·13 lbs in the previous year.

The following figures shew the quantity and value of tea exported from India in the last five years:—

	Quantity		Value	
	lbs	R	=	£
1903-04 . . .	207,159,793	8,55,79,327	=	5,705,288
1904-05 . . .	211,887,158	8,46,54,867		5,643,658
1905-06 . . .	214,223,788	8,84,76,037		5,898,402
1906-07 . . .	233,653,637	9,85,77,642		6,571,843
1907-08 . . .	227,021,657	10,30,03,486		6,866,899

The figures for 1906-07 represented a record both in quantity and value, but the progress in quantity was not maintained in 1907-08, when it declined by 6·63 million lbs or 2·8 per cent, though the rise in value was of R44·26 lakhs (£295,000) or 4·5 per cent, the increase in specific value being one of about 7·6 per cent.

The quantities of tea exported to the principal countries in the last three years have been as follows (in thousands of lbs):—

	1905-06	1906-07	1907-08
United Kingdom . . .	166,591	176,170	169,325
Canada	15,019	14,515	4,731
Russia	9,988	13,761	15,407
Australia	7,729	9,499	11,090
Turkey in Asia	3,543	3,101	3,504
Ceylon	2,101	4,818	8,881
China	3,076	4,820	7,502
Persia	1,102	929	1,578
United States	2,175	1,739	2,086
Other countries	2,900	4,302	2,919

Though the figures for the United Kingdom tend proportionately to reduce, as direct shipments take the place of consignments to London on optional bills of lading, her share of the total exports stands at 74·6 per cent. The expansion in the Ceylon and China figures is due to Russian requirements, and the heavy decline in direct shipments to Canada should not be regarded as an index

of a contracting market. Russia and Australia have made marked advances. The figures to Australia were swelled by a replacement of the shipment of 750,000 lbs lost by fire on the S.S. "Fortunatus."

Another feature of the year's trade which should be noticed is the increase in the volume of sales by auction in Calcutta in preference to Mincing Lane, and London has further suffered as the emporium of imports into the United Kingdom by the competition of lower freights with Glasgow and Liverpool. About 73,200,000 lbs were auctioned in Calcutta during the past season, of which only about 20,000,000 lbs went to London, and of the balance Russia (direct and through China and Ceylon) absorbed 27½ millions and Australia 10½ millions. The prices realised in Calcutta have shewn a greater advance on those of the previous year, than those in London, and several of the London Assam Companies have found it profitable to auction their lower grades of tea here rather at home.

Prices at auction in Calcutta

	BROKEN PEKOE		PEKOE		PEKOE SOUCHONG, SOUCHONG, PEKOE FANNING AND CONGOU		Net Average price	Variation
	Price	Variation	Price	Variation	Price	Variation		
	a. p.		a. p.		a. p.		a. p.	
1904-05 . . .	5 10	100	5 4	100	4 6	100	5 4	100
1905-06 . . .	6 3	107	5 2	97	4 2	93	5 4	100
1906-07 . . .	6 8	114	5 7	105	4 7	102	5 5	102
1907-08 . . .	7 2	123	6 10	128	6 2	137	6 8	125

The average price realised in 1907-08 in London was 8·21 per lb, as compared with 8·11d per lb in 1906-07.

In spite of the efforts of the Indian Tea Association, estimates of production continue under suspicion of great inaccuracy, and for this the planters must be held chiefly to blame. The crop in 1907 was generally considered to be better than that of the previous year, except in Bengal. The table below gives approximate figures of the area, production, and land exports during the last five years, and the actual figures of exports by sea during the same period.

	Area acres	Production lbs	Exports (lbs)	
			By land	By sea
1903 . . .	526,611	209,041,888	679,616	204,123,723
1904 . . .	524,472	221,565,631	744,352	211,395,940
1905 . . .	528,004	221,712,407	760,256	210,798,056
1906 . . .	529,246	241,403,510	942,256	235,815,697
1907 . . .	536,652	248,020,398	865,648	235,422,376

The export trade is practically confined to three ports, Calcutta shipping 73·9 per cent, Chittagong 18·9 per cent (almost entirely to the United Kingdom), and Madras 6·2 per cent. Five years ago Calcutta claimed 83 per cent of the total.

The coast shipments were in the last two years :—

	1906-07 lbs	1907-08 lbs
From Bengal	3,298,495	3,380,385
„ Eastern Bengal and Assam	1,185,327	854,117

The recorded exports of green tea by sea and by land during the last three years were:—

	lbs
1905-06	2,183,940
1906-07	2,034,384
1907-08	1,806,031

A customs duty, known as the **Tea Cess**, at the rate of a quarter of a pie per pound, has been levied since the 1st April 1903 on all Indian tea exported. The collections realised are paid to a Committee constituted to receive and expend the proceeds of this cess on measures for promoting the sale and consumption of Indian tea. The collections since the institution of the cess have been as follows:—

	R	£
1903-04	2,86,915	= 19,128
1904-05	3,04,317	20,288
1905-06	3,20,353	21,357
1906-07	3,17,554	21,170
1907-08	3,02,833	20,189

III.—METALS AND MANUFACTURES OF METALS

On the average of the last three years the exports of Indian metals and manufactures have represented no more than 64 per cent of the total exports of Indian merchandise.

In 1907-08 the total exports of **Metals** rose from 10,063,446 cwts to 11,337,384 cwts or 12·7 per cent in quantity and from R91·86 lakhs (£612,000) to R105·68 lakhs (£704,500) or 15 per cent in value. But if illustration were needed of the unreliability of declared values, it may be found in the case of **Manganese ore** representing 81·3 per cent of the increased total value (as against 77·2 per cent in 1906-07), which has a value of as. 12·6 per cwt as against as. 11·6 in the previous year, and **Copper and brass (wrought)** representing 5·7 per cent of the total value as against 8 per cent in 1906-07, which has a value of R79·6·5 per cwt against R59·13·7 per cwt in 1906-07, though the prices in both cases have fallen steadily during the last six months. Over 90 per cent of the world's supply of manganese is absorbed by the iron and steel industries, and prices dropped in consequence of enormously reduced consumption. Another disquieting feature of the Indian market is that the situation in Russia has so far improved that the restriction of her output is not likely to continue indefinitely, but it is hoped the decline of prices will hasten the general introduction of reducing plant in the chief producing centres to save the enormous cost of freight, and compel less wasteful methods of extracting ore than prevailed during the boom.

Under "other sorts" are comprised mainly:

	Cwts	R	£
Copper, old	3,644	2,48,418	= 16,561
Chromite	157,020	3,54,194	23,613
Iron, cast (pig)	130,645	3,77,181	25,145
„ old	49,772	81,176	5,412
„ wrought	11,710	1,17,782	7,852
Lead	1,730	25,127	1,675
Tin ore and unwrought	3,337	48,124	3,208
Unenumerated metals	1,576	1,11,336	7,422

IV.—CHEMICALS, DRUGS, NARCOTICS, AND DYES

Saltpetre and borax represent the bulk of the exports of chemicals from India. The quantity of saltpetre exported increased from 353,378 cwts to 363,954 cwts, while the value rose from R41.42 lakhs (£276,000) to R41.84 lakhs (£279,000). The quantitative expansion of 3 per cent in conjunction with 1 per cent rise in value means a decline of 1.7 per cent in specific value.

Borax was exported to the extent of 5,247 cwts with a value of R1.08 lakh (£7,200), its average value having risen by .5 per cent. The chief source of supply is Tibet.

The exports of **Chinchona bark** amounted to 473,200 lbs valued at R1.08 lakh (£7,200) as compared with 494,587 lbs valued at R1.19 lakhs (£7,900) in 1906-07. The fall in specific value is due to competitive Java shipments glutting the home markets.

Opium—As the result of negotiations with China the Government of India have agreed to restrict the export of opium from this country to 61,900 chests during the calendar year 1908, and to effect further reductions of 5,100 chests in each of the two following years, while the question of making still further reductions after the year 1910 will depend on whether China has, in the interval, effected a proportional reduction in her own production and consumption of opium. The ancillary proposal to increase the Chinese import duty, which at present stands at 110 taels per picul (25 *g* per lb), has been postponed for the present, as the objections entertained to that course are felt to require further consideration, but it has had no doubt an adverse effect on prices, which might otherwise have been expected to rise in response to reduced production.

In pursuance of this agreement with China the area under poppy cultivation in the Bihar and Benares Agencies has already been reduced from 845,000 bighas to 800,000 bighas. The number of chests of Bengal opium offered for sale in 1907 was 50,400 as compared with 52,800 in 1906, and the number has been further reduced to 3,900 per mensem until December next and to 3,600 for the first three months of 1909, and the number of chests of Malwa opium which may be exported from Bombay has been limited to a maximum of 15,100 during the present calendar year, and further reductions will probably be effected in 1909 and 1910.

The quantities of all opium exported from Bengal and Bombay respectively during the last five years with value in thousands of rupees and of pounds sterling and the average prices by chest are as follows:—

	Exports					Average price per chest			
	Bengal chests	Bombay chests	Total chests	Value		Bengal		Bombay	
				₹	£	₹	£	₹	£
1903-04	48,218	25,419	73,637	10,47,02	6,980	1,460	97	1,349	90
1904-05	47,855	19,006	66,861	10,62,34	7,082	1,585	106	1,599	107
1905-06	48,833	14,103	62,936	9,47,18	6,315	1,438	96	1,736	116
1906-07	53,588	12,686	66,274	9,30,79	6,205	1,381	92	1,501	100
1907-08	47,440	16,320	63,760	8,67,25	5,782	1,347	90	1,399	93

In Bombay, the port of shipment for Malwa opium, there was a rise of 3,634 chests or 28.6 per cent in quantity and a loss of 6.8 per cent in average value, but the exports from Bengal declined by 6,148 chests or 11.5 per cent in quantity with a loss of 2.5 per cent in average value. The total quantity showed a net decline of 2,514 chests or 3.8 per cent in quantity, and a decrease of 6.8 per cent in total value. The average price of the Calcutta sales was R1,348 for the twelve months ending March 1908, the highest obtained being R1,456 in April 1907. There was some change in the volume of distribution. While exports

to Hongkong fell by 5,401 chests to 34,643 chests, shipments to the Straits rose by 242 chests to 13,195 chests, and to the Treaty Ports of China by 2,560 chests to 13,106 chests.

Tobacco—Undoubtedly tobacco smoking is becoming increasingly popular in India, and despite American competition as a grower and importer of manufactured tobacco, the internal market for Trichinopoly and Burma cheroots continues firm, while the exports, despite rumours to the contrary, shew a steady increase. Cigarette manufacture has been stimulated by the success of the American invasion, and experiments are being made in different parts of the country with special varieties of Havana and Virginian tobaccos.

The following are the figures of the trade for the last three years :—

	Unmanufactured			Manufactured		
	cwts	R	£	cwts	R	£
1905-06 . . .	116,886	14,07,241	= 93,816	10,543	9,33,196	= 62,213
1906-07 . . .	187,007	20,49,623	136,642	12,280	10,46,355	69,757
1907-08 . . .	176,110	18,07,563	120,504	12,807	11,24,228	74,949

In unmanufactured description, therefore, the exports in 1907-08 declined by 5·8 per cent in quantity and 11·8 per cent in value, and the specific value declined by 6·3 per cent to R10-4-2 (13 s. 8½d) per cwt, owing to the increasing demand for lower grades of leaf in the Straits Settlements. In the manufactured classes, however, the rise in specific value is 3 per cent and there was a satisfactory increase of 4·3 per cent in the quantity shipped. The largest quantities of Indian cigars are taken by the Straits Settlements, the United Kingdom, and Siam.

Indigo—The improved prospects of 1906-07 have scarcely been maintained in 1907-08, though the Java-Natal variety seems to have come to stay and the season in Bihar was on the whole favourable to the crop. Prices on the other hand have shown great steadiness and a revival of interest is considered more probable than a further decline. It is a significant fact that natural indigo continues to meet a ready sale at prices fully 25 per cent higher than 3 years ago, without any corresponding advance in the price of the synthetic substitute. The following statement shows the average prices of indigo per cwt during 1906 and 1907 :—

	In India (Calcutta)						In London		
	R	a.	p.	£	s.	d.	£	s.	d.
1906	228	5	4	= 15	6	1	19	19	0
1907	255	0	0	17	0	0	19	16	8

The statement of exports given below has no very encouraging features, though the demand from the United Kingdom was greater and also from Persia into some provinces of which the importation of the synthetic dye seems still to be regarded as interdicted. Persia, however, is an indigo-growing country and this market is likely to be only temporary.

The following statement shows the exports of indigo in 1907-08 and the four previous years. The total, twelve years ago, was 169,500 cwts with a value of R4·37 crores (£2·91 millions) and that was about 19 per cent below the value for the previous year :—

	From Calcutta	From Madras ports	From other ports	Total	Value	
					R	£
					Cwts	Cwts
1903-04	29,858	24,414	6,138	60,410	1,07,62,000	= 717,000
1904-05	30,029	11,901	7,322	49,252	83,46,000	556,000
1905-06	19,062	7,756	4,368	31,186	58,64,000	391,000
1906-07	19,309	11,159	4,634	35,102	70,05,000	467,000
1907-08	16,627	10,619	5,244	32,490	63,73,000	425,000

In five years there has been a decline of over 46 per cent in quantity and 40·8 per cent in value. In 1906-07 there was a small recovery, but in 1907-08 a decline of 7·4 per cent in quantity and 9 per cent in value with a fall of 1·7 per cent in specific value, the average declared value being R196·2·5 (£13 1s. 7d.) per cwt.

The exports to the United Kingdom improved by some 16·9 per cent to 9,285 cwts, but there was a further marked fall in the exports to Egypt, which had hitherto held the first place, from 9,195 to 6,424 cwts. The Continent of Europe increased its demand from 7,063 to 8,083 cwts, but that of Japan declined from 1,600 to 343 cwts or by 78 per cent. Persia took 2,988 cwts instead of 2,422 cwts, but Asiatic Turkey dropped from 3,453 to 3,235 cwts.

There was in the year a decrease of some 12 per cent in the area placed under the crop. The largest contraction occurred in Madras (34 per cent), where the holdings are small and scattered, and is ascribed to lack of timely rainfall and the increased competition of the synthetic dye. As compared with the average of the five years ending 1905-06, the overall shortage in the four reporting provinces—Bengal, Madras, the United Provinces, and the Panjab—is one of 39 per cent. The total yield in these four provinces was estimated in December 1907 at 51,400 cwts, which was not up to expectation owing to insufficient rainfall. The corresponding estimate in December 1906 was of 69,700 cwts.

Other Dyeing and Tanning Materials—The following statement shows the exports of the principal articles in this class in the last three years:—

	1905-06			1906-07			1907-08		
	Cwts	R	£	Cwts	R	£	Cwts	R	£
Myrabolams	1,205,398	44,61,000	=297,000	1,162,219	43,07,000	=293,000	1,493,294	5,895,000	=393,000
Cutch	55,070	8,64,000	58,000	97,269	15,93,000	106,000	91,790	14,48,000	96,000
Turmeric	49,545	4,42,000	29,000	62,246	7,09,000	47,000	82,844	9,91,000	66,000

The exports of **myrabolams** increased by 28·5 per cent in quantity, by 34·1 per cent in value, and by 4·5 per cent in specific value. The extraction of tannic acid on a commercial scale has not so far proved successful in India. **Cutch** scarcely maintained the advance in quantity of the previous year, and there was a decline in specific value of 3·5 per cent. The exports of **Turmeric** represented a quantitative improvement of 33·1 per cent and a gain of nearly 40 per cent in value. The chief customers are the United Kingdom (15·5 per cent of the total exports), Germany (14·5 per cent), Turkey in Asia (9·3 per cent), and Aden (9·6 per cent).

Oils.—The total values under this head increased by 22·8 per cent from R69·86 lakhs (£466,000) in 1906-07 to R85·82 lakhs (£572,000) in the current statistical year.

Under **animal oils** (chiefly fish oil) there was a remarkable rise from 28,481 gallons, valued at R23,171 (£1,545), to 205,723 gallons, valued at R1,05,169 (£7,011).

Under **essential oils**, lemon grass oil from the Madras Presidency is the principal description exported, the figures being 16,195 gallons, value R3,86,453=£25,764 in 1907-08, against 12,814 gallons, value R4,86,150=£32,410 in 1906-07. The market is very limited, and the increase in supply was enough to account for the fall in specific value from R38 (£2-10-8) to R24 (£1-12-0) per gallon.

Mineral oils marked a remarkable advance owing to the expansion of the exports of petroleum from Burma, chiefly to the United Kingdom (1,759,269 gallons), Holland (2,871,505 gallons), and Ceylon (8,108 gallons).

The total under this head increased by 524 per cent in quantity to 5,652,850 gallons and in value by 133 per cent to R5'37 lakhs (£36,000), and this was done without contraction of supply to the Indian market, for the coastwise exports from Burma to ports in India proper increased from 55,796,000 gallons to 67,910,000 gallons during the year under review. The average declared value of mineral oils including kerosene per gallon on export declined from 4 annas (4d) to 1 anna 6 pies (1½d), and it may be of interest to compare this price with that of the vegetable illuminants most commonly used by the people, though these have a somewhat longer burning capacity per unit.

	Per Gallon				
	R	a.	p.	s.	d.
Castor oil	1	7	9	(1	11½)
Cocoanut oil	1	7	6	(1	11½)
Mustard oil	1	15	6	(2	7½)

Exports of **paraffin wax**, which is classed as oil, increased by 45·4 per cent to 87,564 cwts valued at R19·7 lakhs (£131,000), while the shipment of **candles** made from petroleum rose by 7·6 per cent to 5,482,000 lbs valued at R15·48 lakhs (£103,000).

The exports of **vegetable oils** show a marked decline for the third year in succession, while the export of oil seeds continues to increase, and under this head industrial apathy seems to intensify rather than diminish.

There is a slight recovery under **cocoanut oil** with a total value of R17·17 lakhs (£114,000) as compared with R14·18 lakhs (£95,000) in 1906-07, but the bulk of it is crudely extracted in wooden country mills. The markets are chiefly Singapore and Ceylon. The value of **castor oil** exported shews a slight advance from R22·22 to R22·37 lakhs (£148,000 to £149,000), but that of **linseed** declined by R1·3 lakh (£9,000) or nearly 60 per cent. For **mustard and sesamum oil**, etc, the total values recorded are R2·22 lakhs (£15,000) in advance of those for 1906-07.

Coal—The export trade in coal has never been very enterprising or very active, and in 1907-08 the exports of coal represented '77 per cent of the exports of raw materials and '34 per cent of the exports of Indian merchandise, the average for the three years ending 1906-07 being '91 per cent and '38 per cent, respectively. The quantity exported in 1907-08 was 727,881 tons as compared with 935,350 tons in 1906-07, a decrease of 22·2 per cent. There was a corresponding fall in value from R74·80 lakhs (£499,000) to R58·96 lakhs (£393,000) or 21·2 per cent. The decline in exports is not attributable to decreased activity in production, for the total output in 1907 was 11,147,339 tons against 9,783,250 tons in 1906, an increase of 1,364,089 tons and the largest output on record. The explanation is to be found in the growing volume of demand for industrial purposes, and the increasing preference for coal rather than wood fuel shewn by Indian Railways, which has enlarged the total requirements for home consumption, while Japan, the war with Russia over, has already succeeded to a large extent in recovering her position in the Singapore and Chinese markets, which India held on sufferance in the interim.

The following table shews the supply of coal retained for internal consumption exclusive of previous stocks in the ports of Calcutta and Bombay and in each province during 1907 :—

	Production Tons	Imports (by sea, rail and river) Tons	Exports (by sea, rail and river) Tons	Balance for internal consumption Tons
Calcutta . . . . .	...	5,070,267	3,871,550*	1,198,717
Bengal (excluding Calcutta)	9,993,348	12,402	6,829,345	3,176,405
Bombay . . . . .	...	1,219,359	226,703	992,656
Bombay (excluding Bombay Port) . . . . .	...	503,468	2,638	500,830
Sind and British Baluchistan	42,488	441,855	263,590	220,753
Madras . . . . .	...	602,493	186,727	415,766
Eastern Bengal and Assam	295,795	224,375	4,309	515,861
United Provinces of Agra and Oudh . . . . .	...	675,117	2,770	672,347
Panjab	60,749	475,672	530	535,891
Central Provinces and Berar	134,088	229,237	14,294	349,031
Rajputana and Central India	206,650	320,281	32,778	494,153
Nizam's Territory	414,221	2,304	204,819	211,706
Mysore . . . . .	...	102,492	4	102,488
Burma . . . . .	...	366,942	310	366,632
TOTAL	11,147,339	10,246,264	11,640,367	9,753,236

Fifty three per cent of coal exported (384,938 tons) was declared for Ceylon, and exports to the Straits Settlements (28 per cent) declined from 293,788 tons to 203,419 tons, but Sumatra took larger quantities and is now India's third best customer with 101,651 tons (14 per cent). Calcutta was the port of shipment for practically the whole of the exports. Shipments of bunker coal from Calcutta for use in steamers rose from 856,488 tons to 1,003,821 tons in 1907-08, but shipments coastwise to other Indian ports amounted to 2,205,532 tons—a decrease of 2 per cent on the figures for 1906-07, chiefly due to reduced consignments to Bombay.

The price of first class Jherria Bengal coal per ton f. o. r. was—

	Lowest					Highest					Average				
	R	a.	p.	s.	d.	R	a.	p.	s.	d.	R	a.	p.	s.	d.
1905-06	2	4	0	(3	0)	3	12	0	(5	0)	2	10	6	(3	6½)
1906-07	3	8	0	(4	8)	6	0	0	(8	0)	4	5	5	(5	9½)
1907-08	5	0	0	(6	8)	6	8	0	(8	8)	6	0	0	(8	0)

* Includes Bunker coal, 1,003,821 tons

Cotton—The exports of raw cotton represent 33·7 per cent of the whole value of Indian raw materials exported. The extent of the trade primarily depends of course upon the exportable surplus which in turn depends upon the general harvest in India, but the relation of textile activity in Europe and the United States to the supplies available in America and Egypt is a secondary factor of scarcely less importance. In all these respects the season of 1907-08 was very favourable, as the textile industry all over the world was unusually active, and the crop of 1906-07 which mainly furnished the exports under review was a good one. It was estimated at 22½ million acres with a yield of some 4,932,700 bales of 400 lbs (17,616,786 cwts) as against 21 million acres in 1905-06 with an outturn of 3,044,000 bales (10,871,428 cwts). This increase in area and yield was due to a favourable season, but the average yield per acre works out at only 88 lbs of cleaned cotton which is less than half the estimated average per acre in America.

The American crop in the last three years has been estimated as follows by the Census Bureau (in cwts):—

1905	1906	1907
48,234,625	60,694,187	50,783,308

While the Egyptian crop handled in 1907 is reported to have been one of 6,900,000 cantars or 6,099,100 cwts.

The following are the contrasted prices of middling upland cotton at Liverpool and good Broach cotton at Bombay in the last two years in pence and decimals of a penny per lb:—

	1906-07	1907-08
In Liverpool—		
Opening	6·1	5·9
Highest	6·59	7·57
Lowest	5·29	5·66
Closing	5·97	5·69
Average	5·95	6·62
At Bombay—		
Opening	5·31	5·14
Highest	5·37	5·59
Lowest	4·8	5·04
Closing	5·14	5·14
Average	5·06	5·37

Prices, it will be seen, were on the whole somewhat higher than in 1906-07.

The net imports into the United Kingdom in 1907 exceeded those of 1906 by some 2,632,000 cwts or 16·7 per cent. This activity, however, did not extend to India, for the mill consumption in 1907-08 declined again by nearly 163,800 cwts or 2·4 per cent from 6,945,600 cwts to 6,781,800 cwts. This figure allows for wastage in manufacture and is equivalent to 1,898,900 bales of 400 lbs each which, were there no imports of foreign cotton, would absorb 38·2 per cent of the total Indian crop (1906).

The table given below shows a progressive increase in exports of Indian cotton during the last three years, both in quantity and value :—

	Exports Cwts	Value		Average declared value per cwt Rs. a. p.
		R	£	
1905-06	7,399,000	21,34,15,000	14,228,000	28 13½ = 1 18 5½
1906-07	7,401,000	21,97,85,000	14,652,000	29 11½ = 1 19 7½
1907-08	8,562,000	25,70,25,000	17,135,000	30 0½ = 2 0 0½

In the year under review there was an increase of 15·7 per cent in quantity // and 16·9 per cent in value, the rise in specific value being 1·1 per cent.

The exports from different provinces were :—

	1905-06 Cwts	1906-07 Cwts	1907-08 Cwts
Bengal	499,000	574,000	354,000
Eastern Bengal and Assam . . . . .	...	...	1,000
Bombay	5,290,000	5,242,000	5,922,000
Sind	712,000	798,000	1,127,000
Madras	800,000	680,000	1,052,000
Burma	98,000	107,000	106,000
Total	7,399,000	7,401,000	8,562,000

The statement below shows the destinations of cotton during the same period :—

	1905-06 Cwts	1906-07 Cwts	1907-08 Cwts
Japan	2,231,000	1,729,000	2,245,000
Germany	1,384,000	1,663,000	1,880,000
Belgium	1,128,000	1,102,000	1,254,000
Italy	809,000	874,000	1,060,000
Austria-Hungary	615,000	619,000	622,000
France	482,000	560,000	625,000
United Kingdom	373,000	452,000	453,000
Spain	140,000	139,000	157,000
China	185,000	166,000	135,000

It will be remarked that the bulk of the shipments goes to the Continent and the Far East, and Lancashire depends to an insignificant extent upon Indian cotton. The imports into Japan rose by 29·8 per-cent, practically a return to the figures of 1905-06. Germany's purchases increased by 13 per cent, and those of Italy and Belgium by 21·3 per cent and 13·8 per cent respectively. The figures for Austria-Hungary and the United Kingdom are practically the same. In 1907-08 France took 65,000 cwts and Spain 18,000 cwts more, but China took 31,000 cwts less, than in 1906-07.

Hides and Skins, raw—The exports of raw hides and skins represent approximately 4 per cent of the entire exports of Indian produce. Taken together the number exported amounted to 25·5 millions, valued at R705·18 lakhs (£4,701,000), as compared with 39·8 millions valued at R1089·4 lakhs (£7,263,000) in the previous year.

The following statement of the exports for the last five years shows the fluctuations in the trade, the unit being 1,000:—

	Hides			Skins		
	No.	R	£	No.	R	£
1903-04	8,261	3,16,75	2,112	19,634	2,66,87	1,779
1904-05	8,722	3,70,87	2,472	22,889	3,34,54	2,230
1905-06	11,532	5,23,38	3,489	31,521	4,86,49	3,243
1906-07	12,917	6,40,90	4,273	26,866	4,48,49	2,990
1907-08	8,276	4,31,98	2,880	17,202	2,73,20	1,821

The exports of **raw hides** declined by 35.9 per cent in quantity and 32.6 per cent in value: the average declared value per cwt rising by 8.2 per cent to R63-8-6 (£4-4-8½) per cwt. Rates continued exceptionally high during the early part of the year, but when at the close of 1907 a slump in all the home markets in the price of leather set in, that of the raw material was naturally adversely affected. Further the tanning industry in Germany was faced with a contraction to normal limits in the Russian market, which had been temporarily inflated during the war with Japan, and Germany is the principal customer for India's raw hides. Calcutta hide shippers have been charged of late with lowering the standard of their assortments by packing to price, a practice against which the present method of Hamburg arbitration gives little or no relief to tanners.

The exports of **raw skins** declined by 35.9 per cent in quantity and by 39.1 per cent in value, and there was a decline in average declared value of 8.8 per cent. The United States being India's principal market, the volume of export was greatly affected by the paralysing effect of the financial crisis upon consumption, and the prohibition with effect from August 1, 1907, of the import of hides other than dry arsenic cured except under a certificate as to disinfection from the American Consul at the place of export, caused additional uneasiness to shippers on this side.

The share of each province in this class of exports was as follows:—

Bengal (Calcutta entirely)	78.1 per cent
Burma	8.4 "
Madras	5.3 "
Sind	5.1 "
Bombay	3.1 "

The principal countries participating in the shipments during 1907-08 were as follows (in thousands of rupees and of pounds sterling):—

	Hides			Skins		
	Value		Percent- age	Value		Percent- age
	R	£		R	£	
Germany	1,88,12	1,254	43.5	1,99,05	1,327	72.8
Austria-Hungary	67,16	448	15.5	26,55	177	9.7
Italy	55,08	367	12.7	20,36	136	7.5
Spain	34,70	231	8	5,81	39	2.1
United States	30,58	204	7.1			
United Kingdom	22,71	151	5.2			

Though efforts continue to be made to convince the Indian ryot of the wanton damage done to the industry by the unnecessary branding of cattle, very little abatement of the evil can yet be recorded.

Jute—The exports of raw jute now represent 23·6 per cent of the total value of Indian raw produce exported as compared with 32·9 per cent in 1906-07, but at one time the year under review promised to be even more remarkable than the previous year. The estimates of area, outturn, consumption, and surplus in the last five years were as follows :—

	Area Acres	Outturn Cwts*	Estimated Indian con- sumption Cwts	Estimated exportable surplus Cwts
1903-04	2,214,000	25,861,000	11,726,000	14,135,000
1904-05	2,850,000	26,429,000	12,405,000	14,024,000
1905-06	3,128,000	29,421,000	14,427,000	14,994,000
1906-07	3,483,000	32,598,000	12,256,000	20,342,000
1907-08	3,883,000	34,235,000	15,000,000	19,235,000

On the basis of the latest figures 83·4 per cent of this monopoly crop is grown in Eastern Bengal and Assam and the balance in Bengal.

Jute is distinguished from certain other Indian crops in that the bulk of the harvest is moved in the statistical year in which it is grown. The shipments of 1907-08, therefore, include the major part of the exportable surplus of the 1907 harvest. The growth of the export trade is shown by the following statement, the unit being 1,000:—

	Quantity Cwts	Centesimal variations	Value		Average value per cwt	
			R	£	R	£
1903-04	13,721	+ 5·3	11,71,84	7,812	8·54	·57
1904-05	12,875	- 6·2	11,96,56	7,977	9·29	·62
1905-06	14,480	+ 12·5	17,12,57	11,417	11·83	·79
1906-07	15,970	+ 10·3	26,83,87	17,892	16·81	1·12
1907-08	14,192	- 11·4	17,97,28	11,982	12·66	·84

During the year 1907-08 prices (per bale of 400 lbs) in the 1st week of each month were as follows :—

	R	£	s.	d.		R	£	s.	d.
1907 April	63-0	(4	4	0)	1907 October	42-8	(2	16	8)
" May	60-0	(4	0	0)	" November	43-8	(2	18	0)
" June	53-0	(3	10	8)	" December	36-0	(2	8	0)
" July	48-0	(3	4	0)	1908 January	36-0	(2	8	0)
" August	42-8	(2	16	8)	" February	34-0	(2	5	4)
" September	40-8	(2	14	0)	" March	38-0	(2	10	8)

The movement in prices was generally downward, but the great decline both in jute and jute fabrics dates from the last week of July, when the rates quoted for 9 and 11 Porter Hessians were about 25 per cent lower than those quoted in Dundee at the same time for the same classes of goods. After a temporary recovery and brisker markets in October and November there was again a sharp decline, and though in May 1908 this was made good, prices are now R14 a bale lower than at the same time last year. The average, however, of the year is R44-12 which is greater by 9·3 per cent than the average of the previous five years.

During the year under review the United Kingdom took 5,456,579 cwts or 38·4 per cent of the total exports of jute as against 6,857,596 cwts in the previous year. Germany took 2,957,022 cwts or 20·8 per cent of total exports as against 3,459,790 cwts in 1906-07. The United States took 1,981,455 cwts or 14 per cent, France 1,746,374 cwts or 12·3 per cent, Austria-Hungary 907,116 cwts or 6·4 per cent, Spain 389,423 cwts or 2·7 per cent, and Italy 545,060 cwts or 3·8 per cent. Calcutta shipped 88·8 per cent of the total and Chittagong 10·5 per cent, the balance being accounted for by shipments of Bimlipatam jute (*Hibiscus Cannabinus*) from Madras ports.

Allegations of the watering and adulteration of jute are less frequent, but Dundee has complained latterly of the amount of root left in the fibre which may require the organisation of a new department in the mills to deal with.

Seeds—The exports of seeds, of which all but an insignificant fraction are oilseeds, represent 22·1 per cent of the entire exports of Indian raw produce. They amounted to 23,185,000 cwts in 1907-08 with a value of R16·81 crores (11·2 millions sterling), which marks an increase of 3,449,000 cwts or 17·5 per cent in quantity and of R379·35 lakhs (£2,599,000) or 29·1 per cent in value and a rise of 9·9 per cent in specific value. The figures for the last five years have been as follows:—

	Cwts	R	£
1903-04	24,681,000	14,51,58,000	9,677,000
1904-05	26,874,000	14,41,08,000	9,607,000
1905-06	17,576,000	10,60,92,000	7,073,000
1906-07	19,736,000	13,02,17,000	8,681,000
1907-08	23,185,000	16,81,52,000	11,210,000

It will be noted that, while the quantity falls short of the record figures of 1904-05 by 13·7 per cent, the total value of exports in 1907-08 is greater by 16·7 per cent. As compared with 1906-07, the increase is one of 17·5 per cent in quantity, 29·4 per cent in total value, and about 9·8 per cent in specific value. The quantities and values of the principal descriptions of seeds exported are shown below:—

	1905-06			1906-07			1907-08			Percentage (value) to exports of raw produce
	Cwts	R	£	Cwts	R	£	Cwts	R	£	
Linseed	5,789	4,41,55	2,744	4,379	3,25,98	2,173	6,198	4,78,67	3,191	63
Rape	1,994	1,21,79	812	3,729	2,46,71	1,641	5,343	4,32,56	2,884	57
Cotton	3,891	1,02,18	681	4,388	1,29,91	666	4,250	1,31,60	877	17
Sesamum	1,685	1,46,93	980	2,741	2,53,80	1,692	1,553	1,69,17	1,128	22
Groundnut	1,574	86,86	579	1,725	1,25,55	837	1,524	1,17,89	785	15
Castor	1,299	78,67	524	1,505	1,14,17	761	1,994	1,51,78	1,012	2
Poppy	707	66,22	401	803	65,77	438	1,257	1,25,21	835	16
TOTAL										21

Of the total, Bombay shipped R867·1 lakhs (£3,781,000) or 51·6 per cent, Bengal R395·61 lakhs (£2,637,000) or 23·5 per cent, Sind R227·46 lakhs (£1,516,000) or 13·5 per cent, and Madras R176·52 lakhs (£1,177,000) or 10·5 per cent.

Linseed goes chiefly to the United Kingdom R167·37 lakhs (£1,116,000), France R129·07 lakhs (£860,000), Germany R60·43 lakhs (£403,000), and Italy R45·64 lakhs (£304,000).

The largest buyers of rapeseed are Germany R126·83 lakhs (£845,000), the United Kingdom R51·99 lakhs (£347,000), Belgium R135·69 lakhs (£905,000), and France R101·14 lakhs (£674,000).

Sesamum and poppyseed are shipped mainly to France R63·27 lakhs (£421,700) and R56·21 lakhs (£374,700) respectively, and to Belgium R46·35 lakhs (£309,000) and R54·32 lakhs (£362,100) respectively, cotton-seed to the United Kingdom R111·89 lakhs (£746,000), castor seed to the United Kingdom 85·54 lakhs (£570,000), and groundnuts to France 99·16 lakhs (£651,000).

Of Linseed the outturn in 1905-07 was estimated at 8,504,000 cwts of which only about 73 per cent was shipped. The market was not as strong as

that for certain other products, but India's exports increased by 41.6 per cent in quantity and by 46.8 per cent in value.

Of **Rapeseed** the total estimated outturn in India in 1906-07 was 21,062,000 cwts, the bulk being consumed in the country itself. The exports increased by 42.3 per cent in quantity and by 75.3 per cent in value, and the specific value rose by 22.4 per cent, thus more than recovering the ground lost in 1905-06.

The **Sesamum** crop was smaller than usual and the internal demand for the seed intensified by the enhanced price and enlarged export of rapeseed, and the exportable surplus was, therefore, considerably below the figures of 1906-07, though above those of 1905-06. The decline was one of 43.3 per cent in quantity and of 33.3 per cent in value, the rise in specific value being 17.6 per cent.

Cotton seed almost maintained its position in the Western markets as compared with the previous year's record figures of 4,387,840 cwts, while the value actually shews an advance from R129.91 lakhs (£866,000) to R131.6 lakhs (£877,000) equivalent to a rise in specific value of 4.7 per cent. The shipments to the United Kingdom represent 85.7 per cent of the whole exports of cotton seed, though the total declined from 4,015,900 to 3,643,500 cwts, while Egypt nearly trebled her demand from 165,140 to 476,600 cwts in 1907-08.

The exports of **Poppy seed** increased by 56.5 per cent in quantity and by 90.4 per cent in value, and a rise of 21.6 per cent in specific value. The actual figures are 1,256,562 cwts and R125.21 lakhs (£835,000), as compared with 802,600 cwts and R65.77 lakhs (£438,500) in 1906-07.

The exports of **Castor seed** increased by 32.5 per cent in quantity and by 32.9 per cent in value, the declared value being practically unchanged.

The exportation of **Ground nuts** declined by 71.6 per cent in quantity and 6.1 per cent in value, but in making deductions from these figures it must be remembered that a varying proportion of the exports of ground nuts from India is shipped from the French port of Pondicherry and so escapes registration in the trade of India. In 1906-07 the exports from Pondicherry amounted to 879,080 cwts with a value of R70.13 lakhs (£467,500) as against 672,460 cwts with a value of R43.64 lakhs (£291,000) in 1905-06.

Silk—India's position as a producer of silk is altogether unworthy of her potentialities. Her silk manufactures are unprogressive, and though the exports of raw silk shew a negligible decrease in quantity, the values have receded from R 68.65 lakhs (£458,000) in 1906-07 to R 63.78 lakhs (£425,000), equivalent to a decline in specific value of 7.1 per cent. In **reeled mulberry silk** there was a loss of 2 per cent in the average value, and exports declined by 5 per cent in quantity and by 7.8 per cent in value—from 753,664 lbs and R58.71 lakhs (£391,000) in 1906-07 to 716,134 lbs and R54.14 lakhs (£361,000) in 1907-08. In this section (reeled silk), therefore, there was an over-all decline of 2.1 per cent in specific value. Bengal dropped from 634,982 lbs and R50.13 lakhs (£334,000) to 512,142 lbs and R41.34 lakhs (£275,600), while Bombay, after several successive years of retrogression, improved her contribution to 217,391 lbs valued at R13.3 lakhs (£88,700) or by 59.9 per cent in quantity and by 44.2 per cent in value, but did so only at a further loss in average value which has been the feature of her trade in this commodity in recent years. Bengal's decline was one of 19.3 per cent in quantity and 17.5 per cent in value.

The distribution of the exports of reeled silk (mulberry and wild) was as follows:—

	1906-07			1907-08		
	lbs	R	£	lbs	R	£
To United Kingdom	210,823	17,98,072	119,871	219,722	16,69,993	111,333
" France	487,073	34,80,297	232,020	466,849	34,11,345	227,423
" United States	47,610	4,24,877	28,325	29,072	2,63,680	17,579
" Other countries	32,148	2,35,480	15,699	15,100	1,22,192	8,146

The exports of **Waste Silk (Chasam)**, 31 $\frac{1}{2}$ per cent of which was wild silk, increased in quantity to 1,093,384 lbs but declined in value to R7.9 lakhs (£53,000). The average declared value per lb, therefore, declined from 12.5 annas (15 $\frac{1}{4}$ d) to 11.5 annas (11 $\frac{1}{4}$ d). The exportation of **Cocoons** (the majority being 'wild') increased to 119,009 lbs and R1.21 lakhs (£8,000). The average value slightly advanced.

Teak Timber—The total exports of teak declined by 10.5 per cent in quantity to 39,539 cub. tons and in value by 2 per cent to R61.35 lakhs (£409,000). The average price in Calcutta of teak was maintained at the 1906-07 level (R122-127—£8-2-8 to £8-9-4—per ton of 50 cub. ft.) but the year closed with prospects of a decline in sympathy with the world's market for timber, unless the intensified internal demand, which is shown by the increase of 22.5 per cent in the shipments from Burma to India proper, bringing the total value to R98.83 lakhs (£658,866), is maintained.

The value of **Sandalwood** exported during 1907-08 amounted to R12.07 lakhs (£80,500). This is a Government monopoly in Mysore and forms one of the principal items of the State's receipts. The chief foreign markets are Germany, France, and the United States.

Wool—In the first six months of 1907-08 the world's markets were strong, and in September owing to a temporary shortage of raw material prices were unduly inflated, but unfortunately for shippers the American financial panic occurred just when the abundant new supplies of Colonial wool were coming upon the market, and, in spite of large withdrawals at auction, prices fell very sharply and up to the close of the year had not made any marked recovery. There was some falling-off in the supply of E. I. wool which may have tended to protect India to some extent from the decline in prices, but greater discrimination was shown in the rejection of dirty parcels, the prices for which were irregular and often extremely low.

After four years of progressive increases the total exports from India fell from 45.9 million lbs, value R24.65 lakhs (£1,618,000), to 39.8 million lbs, value R21.03 lakhs (£1,402,000). Thus there was a fall of about 13.3 per cent both in quantity and in value, the specific value in 1907-08 being practically unchanged (8.5 annas-8 $\frac{1}{2}$ d-per lb). The United Kingdom took wool to the value of R20.84 lakhs (£1,366,000) as against R23.09 lakhs (£1,547,000) in 1906-07, the United States R2.42 lakhs (£16,000) as against R5.58 lakhs (£37,000) in 1906-07, while Japan fell away from R2.45 lakhs (£16,000) to R1.99 lakhs (£13,000). Re-exports of foreign wool, however, chiefly to the United Kingdom, showed a further substantial advance at R32.76 lakhs (£218,000) as against R29.59 lakhs (£197,000) in the previous year.

The other principal raw materials exported have, in the last three years, been as follows:—

	1905-06		1906-07		1907-08	
	₹	₹	₹	₹	₹	₹
Animal bones	49,78,778	331,919	55,45,241	369,683	54,45,034	363,000
Bristles and fibre	21,51,028	143,402	17,68,930	117,929	15,44,553	102,969
Caoutchouc	12,82,129	85,475	11,18,487	74,566	5,78,397	38,560
Hemp	54,19,756	361,317	68,73,395	458,226	80,63,544	587,570
Horns	17,49,944	116,663	16,91,532	112,769	16,49,769	109,983
Lac (stick and seed)	7,79,613	51,974	72,86,242	85,749	20,59,704	137,314
Mica	23,94,314	159,628	38,24,988	254,999	34,22,420	228,161
Oil-cake, fodder, and manure	68,98,380	459,892	75,99,121	506,608	75,17,393	501,160
Rice-bran	55,41,825	269,455	49,35,551	329,037	87,32,418	585,498

Of these rice-bran, hemp, and oil-cakes are the most important items. Rice-bran increased by ₹ 38.47 lakhs (£256,000) or 78 per cent. The trade in hemp rose by ₹ 1.9 lakhs (£79,000) or 17 per cent, but that in oil-cakes declined by ₹ 8.2 lakh (£5,500) or 1.1 per cent. This item consists chiefly of castor and groundnut shipped to the Straits for manurial purposes. A decline of ₹ 6 lakh (£6,700) or 1.8 per cent occurred in Bones. Under Bristles and fibre for brushes and brooms (chiefly palmyra) there was a decline of ₹ 2.24 lakhs (£15,000), owing to reduced shipments from Tuticorin and Coconada, and under Horns of ₹ 4.2 lakh (£2,800). The remainder forms a group of articles in which modern industries are much interested. The exports of Mica fell short of the previous year's figures by ₹ 4.02 lakhs (£27,000) or 10.5 per cent. The continuous advance in the total value of stick-lac exported is striking, the figures for 1907-08 represent an advance of 323.2 per cent on those for 1904-05, accompanied by a rise in specific value of 44.8 per cent. In Caoutchouc there was a marked decline in value equivalent to 48 per cent, partly due to the fall in price of Para rubber, which governs this market, but the quantity exported declined by 33.4 per cent to 2,990 cwts as compared with 4,489 cwts in 1906-07.

VII.—ARTICLES MANUFACTURED AND PARTLY MANUFACTURED

It should be remembered that many articles which strictly are manufactured or partly manufactured are included in the returns under other heads, for example, milled-rice, wheat-flour, coffee, and tea are found under "Articles of food and drink," machinery is included in the group "Metals," saltpetre in "Chemicals," opium and tobacco in "Narcotics," indigo in "Dyes," and vegetable and mineral soils under the group "Oils." The group "Articles manufactured and partly manufactured" in fact is not a complete measure of India's industrial export, but only contains such manufactured and partly manufactured articles as cannot be included under one or the other main groups of articles.

The statement below shows the comparative value for the past five years of each principal class in this group, the unit being 1,000:

	1903-04		1904-05		1905-06		1906-07		1907-08	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Jute goods	9,46,08	6,313	9,03,88	6,666	12,44,20	8,299	15,71,62	10,477	18,29,76	12,198
Cotton yarn and goods	10,97,23	6,988	10,54,32	7,700	14,42,85	9,677	12,14,89	8,112	10,76,08	7,178
Tanned hides and skins	1,09,88	2,066	2,55,17	1,201	3,65,44	2,430	4,45,12	2,067	3,29,87	2,608
Lac	1,67,00	1,787	2,03,23	1,987	3,10,31	2,068	3,37,11	2,247	3,27,71	2,585
Coir	4,600	319	3,608	344	34,68	361	36,00	278	31,64	258
Woolens	27,48	122	22,57	121	20,73	138	12,23	153	27,19	181
Apparel	21,99	447	18,78	125	19,42	129	19,57	120	20,24	135
Candles	8,95	60	8,42	63	16,88	110	14,21	93	15,48	103
Silks	6,32	53	7,20	49	7,15	48	6,66	46	8,31	28

The most noticeable feature in this table is perhaps the decline of R140.16 lakhs (£934,000) or 11.5 per cent in Cotton Yarns and Goods. This was due in part to the strong internal demand for Indian goods and should be compared with the figures relating to the imports of cotton goods. The disorganisation of the trade with the Further East, particularly with China, also contributed to the fall, more particularly in recent months. The increase of R258.14 lakhs (£1,721,000) in jute goods, equivalent to an expansion of 16.4 per cent in one year, though chiefly due to a rise in specific values, is sufficiently striking, but it would have been even larger if prices had not fallen in the latter part of the year. The South American demand continues to intensify.

Under Tanned Hides and Skins the decrease of total value was one of R55.15 lakhs (£368,000), but Lac increased by R50.59 lakhs (£337,000). Deductions of increased economic activity from the rise of R1.27 lakh (£8,500) in the exports of Candles are vitiated by the advance of R1.54 lakhs (£10,300) in the imports of that article. There has been a satisfactory advance of R4.26 lakhs (£28,400) in the exports of Woollens, and a small but welcome increase in the exports of Silk from R6.86 lakhs (£45,700) to R8.31 lakhs (£55,400) after five years' progressive decline.

Cotton goods—The decline in the exports of Cotton Manufactures from the level of 1905-06, which was noticed in last year's review, continued in 1907-08. The contraction in the exportable surplus of yarn is sufficiently explained by a remarkable advance in the output of the looms, particularly in Bombay and the United Provinces, and for cloth there is undoubtedly an intensified internal demand as is illustrated by increased shipments of cotton piecegoods from the Bombay Presidency to other provinces. The inward movement of cotton manufactures by rail from Bombay, however, shows a slight decrease on the figures of the previous year (421,763 maunds against 454,949 maunds). The figures for the past three years are as follows, the unit being 1,000—

	1905-06			1906-07			1907-08		
	yds	R	£	yds	R	£	yds	R	£
To Bengal	35,518	57.03	386	29,947	62.20	415	86,140	1,53.69	1,024
" Sind	119,579	1,62.01	1,030	102,902	1,99.50	1,063	136,127	2,03.80	1,358
" Madras	2,175	4.08	27	1,057	3.51	23	2,872	5.13	34
Burma	11,884	19.72	131	8,767	15.70	1105	9,889	18.49	123
Indian Ports, not British	3,025	3.85	39	3,941	5.68	35	3,973	6.57	44
TOTAL	173,151	2,49.59	1,663	166,514	3,46.63	1,644	239,001	3,87.65	2,384

The following statement shows the quantities and values of yarns and piece goods produced and exported to foreign countries in the last five years, the unit in all cases being 1,000:—

	Yarns (lbs)			Piecegoods (yards)		
	Production	Export	Percentage of export to production	Production	Export	Percentage of export to production
1903-04	578,759	252,474	43.6	460,544*	75,815	9.2
1904-05	578,381	247,855	42.8	549,329*	87,456	9.6
1905-06	680,918	297,634	43.7	564,990*	91,975	9.9
1906-07	653,700	243,517	37.2	708,140	76,699	10.8
1907-08	638,295	215,576	33.8	808,426	74,128	9.2

Yarn represents 83.3 per cent of the total value and shows a net decrease of R142.35 lakhs (£949,000) or 13.7 per cent on the figures for the

* Relates to grey and bleached piecegoods only and the percentage of export to production for those years has been calculated on those classes of goods.

previous year. The quantitative decrease in the exports of yarn from India was 11.5 per cent so that there was a fall of 2.5 per cent in specific value. The exports to China, representing 74.3 per cent of total value, as against 91.4 per cent in 1906-07, fell from Rs 949.85 lakhs (£6,332,000) to Rs 666.55 lakhs (£4,444,000), a decline of 29.8 per cent on the figures for the previous year. Similarly the value of exports from the United Kingdom to China fell from £305,891 in 1905 and £243,106 in 1906 to £207,365 in 1907. Fluctuations in exchange upset the trade which was further burdened with some accumulation of previous years' stocks, and the indigenous production of China, thanks to vigorous official dry-nursing, seems to be increasing at a rate which portends the eventual closing of this market to foreign imports. The estimated production of 28 mills in China in 1907 amounted to 450,000 bales of yarn as compared with receipts from India of 428,000 bales and 11,000 bales from the United Kingdom. In view of these facts it is satisfactory to record that the trade with countries other than China shows a welcome increase of some Rs 140.94 lakhs (£940,000).

The trade with the Levant continues to respond in an encouraging way to the efforts made, chiefly by Bombay, to capture that market. The figures for Levantine ports rose from 2,896,340 lbs to 8,944,288 lbs in the year under review and to ports in Turkey in Europe from 342,830 lbs to 1,925,784 lbs. Trade with the Turkish ports in the Persian Gulf fell from 2,420,280 lbs to 1,341,160 lbs, but the total for the Ottoman Empire is 12,211,224 lbs against 5,659,450 lbs in 1906-07. The Egyptian demand advanced from 1,564,710 lbs to 3,017,176 lbs in 1907-08.

The principal foreign markets for Indian cloth are East Africa, Aden, Ceylon, and the Straits. The exports of Piecegoods decreased by Rs 1.62 lakh (£11,000) or one per cent, which is ascribed to a strong internal demand. The quantitative decrease was one of 3.4 per cent, so there was a rise of 2.5 per cent in specific value.

The exports of Grey goods amounted to 39,433,666 yards with a value of Rs 59.74 lakhs (£398,000), as against 42,218,822 yards and Rs 61.28 lakhs (£408,500) in 1906-07. This represents 36.5 per cent of the total value of piecegoods and marks decrease of 6.6 per cent in quantity and 2.5 per cent in value with a rise of 4.4 per cent in specific value. The shipments of grey goods to China was 926,170 yards with a value of Rs 1.19 lakh (£8,000), as against 995,866 yards and Rs 1.34 lakh (£9,000) in 1906-07, the decline being 7 per cent in quantity, and 11.2 per cent in value.

Coloured goods decreased slightly in value by .6 per cent to Rs 101.98 lakhs (£680,000) but increased by .3 per cent in quantity to 34,320,000 yards.

Dyed and printed cloths go mainly from Madras and Bombay to the Straits, Aden, Ceylon, and the Philippines, and the shipments in 1907-08 from the two ports named had a value of Rs 71.68 lakhs (£478,000) and Rs 29.47 lakhs (£196,000) respectively.

The number of cotton mills at work in British India on the 31st March 1908 was 224, of which 181 were joint stock concerns with a capital of £563,520 and Rs 3.4 crores or £9,511,869 in all. There were registered during the twelve months ending March 1908, 13 new textile concerns with a nominal capital of Rs 128.25 lakhs (£855,000) and new capital to the extent of Rs 95 lakhs or £633,000 was raised by existing companies. It is estimated that there were at the close of the official year 5,764,346 spindles and 65,741 looms in position. The additions to

plant in 1907-08 amounted to 218,058 spindles and 6,142 looms. Of the spindles 4,106,281 were in Bombay, 410,541 in Bengal, and 307,664 in Madras. Of the looms 52,436 were in Bombay, 781 in Bengal, and 1,748 in Madras.

In the past ten years the number of looms has increased by nearly 76 per cent against 29 per cent for spindles.

The following statement shows for each of the last five years the spinning and weaving plant in position, the production of yarn and of cloth, and the average monthly production per spindle and per loom:—

	Spindles No.	Yarn production lbs	Average monthly production per spindle lbs	Looms No.	Cloth production lbs	Average monthly production per loom lbs
1903-04	5,167,608	578,759,075	9.3	45,281	138,044,172	254
1904-05	5,196,432	578,381,275	9.3	47,305	158,746,555	280
1905-06	5,293,834	680,918,581	10.7	52,281	163,880,194	261
1906-07	5,546,288	653,700,460	9.8	59,599	165,767,858	232
1907-08	5,764,346	638,295,115	9.3	65,741	189,051,729	240

As regards prices, T. cloths which had declined in 1906-07 from as. 10 to as. 9 per lb, never rose above as. $9\frac{3}{12}$ during the year, and closed at as. $9\frac{1}{12}$ per lb. The average value of yarn was as. $6\frac{1}{2}$ per lb as compared with as. $6\frac{1}{2}$ in 1906-07. The prices of the raw material have been discussed elsewhere.

Jute goods—The exports of **Jute Manufactures** in the three years ending 1905-06 represented 34.4 per cent of the total exports of Indian manufactured articles. In 1906-07 the percentage rose to 41.5 per cent and in 1907-08 to 46.6 per cent.

The following statement shows for the last five years the quantity and value of the exports of various classes of goods, the unit being 1,000:—

		1903-04	1904-05	1905-06	1906-07	1907-08
Bags	No.	206,208	201,436	233,326	257,683	293,029
	R	4,56,47	4,75,54	6,07,84	7,34,72	8,47,51
	£	3,043	3,170	4,052	4,898	5,650
Cloth	Yards	552,320	575,512	658,671	696,068	789,856
	R	4,84,53	5,11,61	6,30,57	8,25,87	9,69,29
	£	3,230	3,411	4,203	5,506	6,462
Value of all sorts	R	9,46,92	9,93,89	12,44,80	15,71,62	18,29,76
	£	6,313	6,626	8,299	10,477	12,198

Judged by this remarkable advance, the year would appear to have been one of unexampled prosperity for the mills which increased the number of their looms by 7.5 per cent and of their spindles by 7.9 per cent. In the early part of the year, however, the industry was to some extent handicapped by a rise in the cost of the raw material, and when the fall of prices came, it was accompanied by such a restricted demand for the finished article that stocks began rapidly to accumulate, and short time was agreed upon in March, as the only way to meet the difficulty. Though the margin of profit was low, the mills were kept busy for six months with an astonishingly active export trade, for after short shipment of wheat in the two previous years the 1907 crop exceeded expectations and a bumper wheat and good maize harvest in the Argentine Republic required enhanced supplies of gunnies and cloth. This to some extent explains why the consumption of raw material in Indian mills is believed to have exceeded by 22.4 per cent the figures of the previous year.

The exports of **Bags** increased by 13·7 per cent in quantity and 15·3 per cent in value, the enhancement of specific value being 1·4 per cent. **Cloth** increased by 13·5 per cent in quantity and 17·4 per cent in value, the rise in specific value being 3·4 per cent. Judged by export declarations the specific value of the raw material fell by 24·6 per cent. This would appear to contradict the presumption of reduced profits, but it must be remembered that the bulk of the newly harvested fibre came on to the market, when the depression caused by the American crisis was at its height, and the fabrics exported in 1907-08 were in the main manufactured of jute grown in the previous year.

Bags—The largest buyer of Indian jute fabrics is the United States which, because of her heavy import duty on made bags, takes her supplies mainly as cloth. In 1907-08, however, she took bags to the value of R79·79 lakhs (£532,000) as against R48·27 lakhs (£322,000)—an increase in value equivalent to 65·3 per cent. The largest single buyer of bags is Australia which increased her demand by 8 per cent to R170·79 lakhs (£1,139,000) as against R158·18 lakhs (£1,054,000) in 1906-07. The new tariff increases the import duty from 10 to 15 per cent *ad valorem*.

The growth of nearly 15 per cent in the exports of bags to the United Kingdom, which rose to R109·11 lakhs (£727,000) from R94·9 lakhs (£633,000), has to be set off against a decline in the value of exports of cloth equivalent to 37·3 per cent. The exports of bags to Chile rose to R58·53 lakhs (£390,000) or by 20·5 per cent, but to Peru declined from R12·38 lakhs (£82,500) to R10·46 lakhs (£70,000) or by 15·5 per cent. Egypt also declined from R49·39 lakhs (£329,000) to R42·33 lakhs (£282,000) and China from R45·27 lakhs (£302,000) to R21·47 lakhs (£143,000), while the West Indies with R35·16 lakhs (£234,000) scarcely maintained the increased demand of the two previous years.

The Straits Settlements, which form an important distributing centre, declined to R61·74 lakhs (£412,000) as against R66·87 lakhs (£446,000), which may be explained by an increase in direct shipments to Indo-China from R19·24 lakhs (£128,000) to R41·18 lakhs (£275,000) or by 114 per cent, to Java from R7·65 lakhs (£51,000) to R21·87 lakhs (£146,000) or 186 per cent, and to Siam from R9·05 lakhs (£60,000) to R17·85 lakhs (£119,000) or 97 per cent, to serve the growing export trade in rice. Cape Colony with R17·02 lakhs (£113,000) bettered her position by some R1·45 lakh (£10,000) and Natal with R16·93 lakhs (£113,000) rose by R6·26 lakhs (£42,000) or by 58·7 per cent. Germany took R26·32 lakhs (£175,000) as against R14·29 lakhs (£95,000) in 1906-07 and Belgium rose by R5·72 lakhs (£38,000) to R14·99 lakhs (£100,000). Turkey in Asia increased her purchases to R20·03 lakhs (£133,000), while shipments to Turkey in Europe declined to R6·1 lakhs (£41,000), the total increase for Turkey being R97,000 (£6,500).

Cloth—The exports of **Cloth** increased from R825·87 lakhs (£5,506,000) to R969·29 lakhs (£6,462,000). Of this the United States took 60·3 per cent with a value of R584·85 lakhs (£3,899,000) as against R539·48 lakhs (£3,597,000) in 1906-07—an increase of 8·4 per cent. The shipments of cloth to the Argentine rose from R128 lakhs (£853,000) to R240·91 lakhs (£1,606,000) or by 88·2 per cent in value, but the value of bags taken fell from R4·38 lakhs (£29,000) in 1906-07 to R1·65 lakhs (£11,000). The shipments to the United Kingdom, which are mainly for distribution, are much below those of the previous year, the figures for the past three years being R42·87 lakhs (£286,000) in 1905-06, R81·43 lakhs (£543,000) in 1906-07, and R51·09 lakhs (£341,000)

in 1907-08. China took R4'39 lakhs (£29,000) as against R25'19 lakhs (£168,000) in 1906-07 and Australia R30'66 lakhs (£204,000) instead of R21'01 lakhs (£140,000) in 1906-07.

Silk goods—The exports of **Silk Manufactures** shew a percentage increase of 21'1 over the figures of 1906-07, but even now amount to only R8'31 lakhs (£55,400). The exports are chiefly tissues woven in Bengal and Burma from indigenous silks. Elsewhere the industry depends mainly upon internal markets and will continue to do so while it remains scattered and unorganized. It is satisfactory to record efforts that are being made, as in Benares and Madura, to develop it on the lines of co-operation between the weavers.

Woollens—Exports of **Woollen Manufactures** increased by 18'6 per cent to R27'19 lakhs (£181,000). **Carpets and Rugs** continue by far the most important class and represent some 90 per cent of the total. A total value of R24'4 lakhs (£163,000) represents an advance of 16'8 per cent on the figures of the previous year; the share of the United Kingdom being R18'24 lakhs (£122,000) and of the United States R4'72 lakhs (£31,000). **Piecegoods** and other miscellaneous manufactures, despite increased internal requirements, advanced by 37'4 per cent to a value of R2'79 lakhs (£18,600), but these figures are still considerably short of those for 1904-05, namely, R3'7 lakhs (£24,700).

The export of **Apparel** in 1907-08 rose to R20'24 lakhs (£135,000) and mark an advance of R67,000 (£4,500) on the figures for 1906-07. **Boots and Shoes**, which form the most important sub-head in this class, increased from R4'68 lakhs (£31,000) to R5'57 lakhs (£37,000). The trade with China shews a slight increase from R13,500 (£900) to R15,900 (£1,060), but is capable of infinitely greater development, if local predilections are carefully studied—more especially if the price of leather remains, as at present, low. Re-exports of foreign boots and shoes amounted to R35,304 (£2,354), as against R49,551 (£3,303) in 1906-07.

Coir—The exports of coir-matting and other manufactures of coir, the trade in which is almost entirely confined to the Malabar Coast of Madras, continue their steady growth. Their value amounted in 1907-08 to R53'64 lakhs (£358,000), of which the United Kingdom took R14'03 lakhs (£93,500), Germany R19'54 lakhs (£130,000), Belgium R5'30 lakhs (£35,000), France R4'49 lakhs (£30,000), Holland R3'30 lakhs (£22,000), and the United States R2'45 lakhs (£16,000). There was a rise in specific value of 5'9 per cent.

Hides and Skins, tanned—The export under these heads during the past five years has been as follows:—

	TANNED HIDES			TANNED SKINS		
	Cwts	R	£	Cwts	R	£
1903-04	102,625	61,45,989	=409,733	161,869	2,48,42,770	=1,656,185
1904-05	123,390	82,52,052	550,137	139,214	2,02,65,121	1,351,008
1905-06	201,982	1,54,80,070	1,032,005	138,898	2,11,04,250	1,406,950
1906-07	219,855	1,72,96,337	1,153,089	150,465	2,72,16,204	1,814,414
1907-08	131,532	1,05,52,045	703,470	151,784	2,84,45,273	1,896,352

The exports of **tanned hides** in the year under review declined by 40'2 per cent in quantity and 39 per cent in value, the rise in specific value being nearly 2 per cent. Supplies were short, and rates should have been even better, but declined in sympathy with the European leather market towards the close of the year. The average value per cwt was R80-3-6 (£5 6s. 11½d.).

The increase in the export of **tanned skins** was one of '9 per cent in quantity and 4'5 per cent in value, the specific value per cwt having risen by

3·6 per cent to R187-7-4 (£12 gs. 11½d.), but the group being composite, it would be unsafe to rely too much upon fluctuations in average rates.

The quantities of **tanned hides, goat skins, and sheep skins** shipped to different principal countries during the past two years have been as follows:—

	HIDES		SHEEP SKINS		GOAT SKINS	
	1906-07	1907-08	1906-07	1907-08	1906-07	1907-08
	cwts	cwts	cwts	cwts	cwts	cwts
United Kingdom	202,112	126,132	42,450	46,938	69,456	73,102
United States	13,957	1,265	13,894	11,181	13,280	8,128
Germany	1,508	2,163	..	..	..	..
Egypt	1,393	1,079	..	4	..	6
Straits Settlements	219	65	2,881	5,402	128	26
Belgium	..	..	85	165	396	661
Japan	..	..	2,192	2,447	430	368

The United Kingdom received 95·9 per cent of tanned hides and 80·7 per cent of tanned skins, and continues a distributing agent for both the Continental and American markets.

In 1907 the United Kingdom received from India, according to the Board of Trade returns, 290,952 cwts of leather, against 354,877 cwts in 1906 and 297,566 cwts in 1905.

The export trade is almost entirely through the ports of Madras and Bombay. The former ships 86·7 per cent of tanned hides and 71·4 per cent of tanned skins, and Bombay 13·1 and 26·7 per cent, respectively.

Lac has risen continuously in price in recent years in sympathy with increased external demand, and though there is no immediate likelihood of India losing her place as the chief source of supply, the more scientific cultivation and harvesting of the crop has for some time past been engaging the attention of the Forest department. Unfortunately much of the lac comes from forests in Native States where no agency for conservancy and development at present exists.

Shellac and button-lac represent the manufactured article, stick and seed-lac the raw material, but the distinction is somewhat unreal and the trade is not so distinct as to justify separate treatment. The figures of quantities and values exported during the last three years are as under:—

	1905-06			1906-07			1907-08		
	Cwts	R	£	Cwts	R	£	Cwts	R	£
Shellac	217,593	2,64,53,774	1,76,1,585	205,473	2,89,75,551	1,931,704	278,328	3,32,38,167	2,215,978
Button-lac	41,851	44,41,287	296,086	37,117	44,45,014	2,96,391	39,512	46,80,489	312,032
Total	259,444	3,08,95,061	2,059,671	242,590	3,34,21,465	2,228,095	317,850	3,79,18,656	2,527,910
Stick and seed-lac	11,004	7,79,613	51,074	15,188	12,86,242	85,749	22,740	20,59,704	137,314

It may be assumed that a given quantity of stick and seed-lac yields in the factory half that quantity of shell or button-lac.

There has been a quantitative rise of 35·5 per cent in shellac accompanied by an increase of 14·7 per cent in total value, and in button-lac of 6·4 per cent in quantity and 5·3 per cent in value. Together the two increased by 31 per cent in quantity and by 13·5 per cent in value, the difference marking a decrease in specific value by 13·4 per cent. On the other hand, crude material, stick-lac and seed-lac, increased by 49·7 per cent in quantity and 60·1 per cent in total value, equivalent to a rise of 6·9 per cent in specific value, but conclusions deduced from declared values in the case of exports not subject to duty are notoriously unsafe.

The highest price for shellac (T. N.) in the year under report was R156.5 (£10 8s. 8d.) per cwt in April 1907 and the lowest R68 (£4 10s. 8d.) in November 1907. These shew a much wider range of prices than the maximum and minimum in the previous year, which were R155.3 (£10 6s. 11d.) and R126.9 (£8 9s 2½d.) respectively.

The United States continued the principal buyer of the manufactured article and took lac to the value of R134.45 lakhs (£896,000) in 1907-08 against R167.95 lakhs (£1,120,000) in 1906-07. Shipments to the United Kingdom increased from R91.47 lakhs (£610,000) to R119.02 lakhs (£793,000), while Germany took R98.58 lakhs (£657,000) in place of R58.66 lakhs (£391,000) in 1906-07.

TRADE ACCORDING TO COUNTRIES

The following table shows the value in rupees and pounds sterling of the trade in merchandise only (excluding Government transactions) of British India with (1) the United Kingdom, (2) other British Possessions, and (3) the foreign countries, separately, during the each of the last three years and the centesimal percentages:—

	1905-06		1906-07		1907-08		
	Value	Percentage	Value	Percentage	Value	Percentage	
Imports—							
From United Kingdom	R	68,73,88,069	66.7	72,29,79,669	66.8	86,64,95,926	66.8
	£	45,825,871	...	48,198,645		57,766,395	
" Other British Possessions	R	7,86,07,657	7.6	8,33,73,951	7.7	9,52,98,445	7.3
	£	5,240,511	...	5,558,263		6,353,229	
" Foreign Countries	R	26,48,44,979	25.7	27,67,22,198	25.5	33,67,69,003	25.9
	£	17,656,332	...	18,448,147		22,451,267	
TOTAL	R	103,08,40,705	100	108,30,75,818	100	129,85,63,374	100
	£	68,722,714	...	72,205,055		86,570,891	
Exports, including Re-exports—							
To United Kingdom	R	40,67,80,746	25.1	47,74,53,552	27.1	45,69,68,428	25.8
	£	27,118,716	...	31,830,237		30,464,562	
" Other British Possessions	R	33,46,20,137	20.7	32,53,92,935	18.4	30,36,34,191	17.1
	£	22,308,009	...	21,692,862		20,242,280	
" Foreign Countries	R	87,57,79,448	54.2	96,28,14,035	54.5	101,12,73,995	57.1
	£	58,385,297	...	64,187,602		67,418,260	
TOTAL	R	161,71,80,331	100	176,56,60,522	100	177,18,76,524	100
	£	107,812,022	...	117,710,701		118,125,102	
Total Imports and Exports—							
From United Kingdom	R	109,41,68,815	41.3	120,04,33,221	42.1	132,34,64,354	43.1
	£	72,944,587	...	80,028,882		88,230,957	
" Other British Possessions	R	41,32,27,794	15.6	40,87,66,886	14.4	39,89,32,636	13
	£	27,548,520	...	27,251,125		26,595,509	
Foreign Countries	R	114,06,24,427	43.1	123,95,36,233	43.5	134,80,42,908	43.9
	£	76,041,629	...	82,635,749		89,869,527	
TOTAL	R	264,80,21,036	100	284,87,36,340	100	307,04,32,898	100
	£	176,534,736	...	189,915,756		204,695,993	

The trade with the **United Kingdom** has increased by R 12'30 crores (£8'2 millions), and her share in the total trade has slightly risen from 42'1 to 43'1 per cent of the total trade. Though the centesimal proportion remained constant, the imports increased by 14'35 crores (£9'6 millions) or 20 per cent, while the value of exports declined by R 2'05 crores (£1'3 millions), and the proportion from 27'1 to 25'8 per cent.

The trade with **British Possessions other than the United Kingdom** is less by R 98'34 lakhs (£656,000) and represents 13 per cent of the total trade as against 14'4 per cent in 1905-07. There was a rise of R 1'20 crore (£800,000) or 14'4 per cent under imports, but a decline of R 2'18 crores (£1,450,000) or 7 per cent under exports. The centesimal variations are respectively 7'3 and 17'1 against 7'7 and 18'4 in the previous year.

Trade with **foreign countries** has increased by R 10'85 crores (over 7 millions sterling) and represents 43'9 per cent of the total trade. The imports increased by R 6'01 crores (£4 millions) or 21'7 per cent and exports by R 4'85 crores (£3'2 millions) or 5 per cent, the centesimal variations being respectively 25'9 and 57'1 per cent as against 25'5 and 54'5 per cent in 1906-07.

The following statement shows **India's trade with each principal country** other than the United Kingdom, for which figures are given above, during each of the last three years in **thousands of rupees and of pounds sterling** :—

	1905-06			1906-07			1907-08		
	R	£	Per cent	R	£	Per cent	R	£	Per cent
Germany	19,10,95	12,740	7'2	25,56,29	17,042	9	25,45,37	16,669	8'3
China	23,26,63	15,511	8'7	20,53,49	13,690	7'2	17,36,00	11,573	5'7
United States	15,27,20	10,181	5'7	18,19,85	12,132	6'4	16,77,03	11,180	5'5
Belgium	10,99,16	7,328	4'1	11,56,24	7,708	4'1	14,43,42	9,436	4'7
France	11,30,48	7,536	4'3	12,71,61	8,477	4'5	13,59,21	9,061	4'4
Japan	11,23,59	7,491	4'2	8,72,24	5,815	3'1	11,04,89	7,366	3'6
Straits Settlements	8,99,48	5,996	3'4	9,43,48	6,290	3'3	10,09,18	6,728	3'3
Austria-Hungary	8,92,26	5,948	3'4	9,12,23	6,081	3'2	9,04,14	6,028	3
Ceylon	6,36,32	4,222	2'4	7,35,93	4,906	2'6	7,34,33	4,896	2'4
Java	2,83,02	1,887	1'1	3,43,33	2,289	1'2	6,95,44	4,636	2'3
Italy	5,97,65	3,984	2'3	6,83,21	4,555	2'4	6,79,27	4,528	2'2
Australia	2,93,71	1,958	1'1	3,08,80	2,059	1'1	4,00,97	2,673	1'3
South America	2,72,80	1,819	1	2,36,49	1,577	'8	3,64,08	2,427	1'2
Mauritius	3,26,04	2,174	1'2	3,47,75	2,318	1'2	3,55,84	2,372	1'1
Holland	2,38,13	1,588	'9	2,43,09	1,621	'9	2,25,37	1,169	1'1
Turkey, Asiatic	1,94,24	1,028	'6	1,66,95	1,113	'6	2,55,04	1,700	'8
Egypt	1,95,74	1,305	'7	2,16,13	1,441	'8	2,19,01	1,460	'7
Persia	1,37,05	914	'5	1,40,24	935	'5	1,63,29	1,069	'5
Spain	1,64,29	1,095	'6	1,67,78	1,118	'6	1,51,42	1,009	'5
Aden	1,75,69	1,171	'7	1,53,84	1,026	'5	1,43,44	970	'5
Russia	87,99	587	'3	86,05	574	'3	1,38,69	923	'4
Arabia	2,92,62	1,951	1'2	1,97,52	1,317	'7	1,32,71	885	'4

Until the returns are compiled according to the country of origin (imports) and country of final destination (exports), the figures can only be regarded as a rough and ready index of the trend of trade. It will be noticed that there was a marked contraction for reasons elsewhere explained in the trade with China and the United States. Japan, Belgium, Holland, Java and South America shew considerable advances. The share of China under exports fell from 10'9 to 8'6 per cent of the total export trade and the United States from 9 to 7'8 per cent, though under imports they gained 3 and 2 points respectively. Germany has advanced under imports and exports by 3 and 2 points respec-

tively. The shares of Belgium and Japan rose respectively from 4.1 and 4 to 5.3 and 5.1 per cent under exports, Java improved under imports from 2.7 to 4.5 per cent, but Austria-Hungary reduced her share of imports from 2.8 to 2 per cent. The other countries have not shewn any marked change.

Two circular charts have been inserted in the volume to illustrate changes in proportionate distribution of India's export and import trade during last quarter of a century, the difference in size of the two circles indicating the growth in the volume of that trade during the same period.

TRADE ACCORDING TO PROVINCES

The figures of the trade of each province by sea with foreign countries stand thus in lakhs of rupees and millions of pounds sterling during the past two years:—

	1906-07		1907-08		Percentage increase (+) or decrease (-) on previous year's figures
	R (lakhs)	£ (millions)	R (lakhs)	£ (millions)	
<i>Imported Merchandise</i>					
Bengal	42,00.59	= 28.0	52,59.01	= 35.06	+ 25.2
E. Bengal and Assam	37.90	0.25	52.42	0.35	+ 38.3
Bombay	38,06.18	25.38	44,81.61	29.88	+ 17.7
Sind	9,41.87	6.28	10,52.17	7.01	+ 11.7
Madras	9,06.60	6.04	10,25.49	6.84	+ 13.1
Burma	9,37.62	6.25	11,14.93	7.43	+ 18.9
Total	108,30.76	72.2	129,85.63	86.57	+ 20
<i>Exported Merchandise (including re-exports)</i>					
Bengal	78,90.32	= 52.6	70,06.16	= 46.71	- 11.2
E. Bengal and Assam	3,90.22	2.6	3,73.81	2.49	- 4.2
Bombay	45,33.45	30.22	48,80.22	32.53	+ 7.6
Sind	15,80.23	10.54	18,08.54	12.06	+ 14.5
Madras	17,41.61	11.61	18,72.22	12.48	+ 7.5
Burma	15,20.77	10.14	17,77.81	11.85	+ 16.9
Total	176,56.60	117.71	177,18.76	118.12	+ 35

Taking imports and exports of merchandise together the proportionate share per cent of each province in the whole foreign trade of India stands as follows:—

	1906-07	1907-08
Bengal	42.4	39.9
Bombay	29.3	30.5
Madras	9.3	9.5
Burma	8.6	9.4
Sind	8.9	9.3
E. Bengal and Assam	1.5	1.4

The following tables indicate the leading features of the import trade and of the export trade (Indian produce only, excluding re-exports) of each province in lakhs of rupees and thousands of pounds sterling:—

IMPORTS

		Bengal		E. B. and Assam		Bombay		Sind		Madras		Burma	
		Rs	£	Rs	£	Rs	£	Rs	£	Rs	£	Rs	£
Cotton— Twist and Yarn	1906-07	83'07	353'8	'36	2'4	92'05	613'7	14'53	96'9	99'44	662'9	32'87	219'1
	1907-08	1,10'32	735'3	'02	'1	1,18'41	789'4	13'21	88'1	1,05'99	700'6	21'37	142'3
Manufac- tures	1906-07	17,79'72	11,864'8	4'77	27'8	10,64'43	7,096'2	4,23'59	2,837'2	2,53'37	1,689'1	242'14	1,614'3
	1907-08	22,62'78	15,085'2	5'23	34'9	11,79'93	7,868'2	4,64'67	3,097'8	2,64'81	1,765'4	2,37'51	1,716'7
Kerosene oil	1906-07	71'23	474'9	'01	'06	58'33	388'9	30'80	205'3	26'33	177'0	9'28	61'9
	1907-08	94'91	632'7	.....	.....	66'09	440'6	35'48	236'1	30'29	201'9	12'33	83'7
Liquors	1906-07	30'40	136	'13	0'9	58'17	387'8	20'42	136'1	22'36	150'4	34'00	226'7
	1907-08	50'08	393'9	'23	'15	58'82	392'1	21'77	145'1	21'60	144	38'99	259'9
Machinery and work mill	1906-07	2,27'72	1,518'1	1	6'7	2,57'88	1,719'2	13'08	91'2	34'41	229'4	44'31	295'4
	1907-08	2,65'93	1,773	1'78	11'9	2,04'19	1,461'3	14'99	99'9	44'22	294'9	37'39	249'3
Metals	1906-07	471'11	3,140'7	11'23	74'9	3,14'33	2,097	48'19	321'3	72'98	486'3	85'92	572'8
	1907-08	591'20	3,941'3	15'31	102'1	3,79'01	2,526'7	70'60	470'7	1,00'64	710'9	1,30'38	1,042'3
Railway materials	1906-07	1,91'48	1,276'3	11'64	77'6	90'71	604'7	6'02	40'1	82'42	546'3	33'37	233'8
	1907-08	3,12'43	2,082'9	17'17	114'5	2,48'69	1,657'8	10'27	69'1	89'57	597'1	41'86	279'1
Silk and woollen goods	1906-07	54'61	364'1	'14	'9	2,10'41	1,402'7	37'38	240'2	5'46	36'4	79'72	531'3
	1907-08	83'41	556'1	.....	.....	2,63'38	1,755'9	31'33	208'9	6'29	41'9	1,05'84	705'6
Sugar	1906-07	3,54'79	2,231'9	'02	'12	3,00'89	2,005'9	1,00'57	1,270'3	13'88	92'3	33'65	224'3
	1907-08	3,78'04	2,520'3	'10	'7	2,98'72	1,991'3	1,04'08	1,293'9	9'36	62'4	42'40	282'7

EXPORTS

		Bengal		E. B. and Assam		Bombay		Sind		Madras		Burma	
		Rs	£	Rs	£	Rs	£	Rs	£	Rs	£	Rs	£
Coal	1906-07	73'89	492'6	...	...	'87	5'8	1'34	8'9	...	...	'04	'3
	1907-08	58'92	392'8	...	...	'04	'3	...	...	...	...	...	...
Coffee	1906-07	'10	7	...	...	2'59	17'3	'03	'2	98'91	646'1	...	...
	1907-08	'06	'4	...	...	'87	5'8	'03	'2	1,10'49	730'6	...	...
Cotton— Raw	1906-07	1,50'02	1,000'1	...	...	15,64'69	10,431'3	2,23'45	1,356'3	2,21'43	1,476'2	28'23	188'3
	1907-08	88'22	588'9	'17	1'1	17,86'39	11,099'3	2,26'96	2,179'7	2,30'10	2,260'7	29'20	195'2
Twist and yarn	1906-07	25'50	156'7	...	...	9,09'07	6,660'5	...	...	17'06	113'7	'01	'1
	1907-08	19'83	132'2	...	...	8,65'07	5,767'1	'02	'1	12'26	81'7	'13	'9
Manufac- tures	1906-07	3'18	21'2	...	...	90'20	602'6	1'64	10'9	81'94	546'2	'02	'1
	1907-08	3'52	23'3	...	...	92'10	614	'82	5'3	82'83	532'3	'07	'3
Hides and skins—Raw	1906-07	8,09'22	5,294'9	...	...	32'93	219'3	90'64	661'2	93'31	623'4	34'09	260'6
	1907-08	5,59'22	3,708'1	...	...	13'63	90'9	30'05	260'3	58'43	389'3	37'84	251'3
Dressed	1906-07	3'25	21'7	...	...	71'11	474'1	10'25	69	3,60'30	2,402	'12	'8
	1907-08	'27	1'8	...	...	79'47	529'8	5'36	25'7	3,04'61	2,030'7	'26	'17
Indigo	1906-07	45'07	300'3	...	...	4'59	30'6	2'66	17'7	17'71	118'1	...	...
	1907-08	38'63	257'3	...	...	6'23	41'3	2'48	16'3	16'29	107'3	...	...
Jute— Raw	1906-07	24,12'50	16,083'3	2,31'93	1,546'3	'03	'2	...	...	29'28	260'3	...	...
	1907-08	15,70'84	10,472'3	2,16'38	1,442'3	'08	'3	...	...	9'08	66'3	...	...
Manufac- tures	1906-07	15,62'09	10,413'9	...	...	5'91	39'4	'23	1'5	'09	'6	'02	'1
	1907-08	18,18'80	12,125'3	'09	'6	7'43	46'7	'33	2'2	'05	'3	'14	'
Lac	1906-07	2,45'92	2,206'1	...	...	1'04	6'9	1'33	8'9	'80	4	1'08	7'2
	1907-08	3,98'22	2,654'8	...	...	'79	5'3	5'17	34'3	'58	3'9	2'54	29'6
Manganese ore	1906-07	6'09	40'6	...	...	56'27	375'1	...	...	8'52	56'8	...	...
	1907-08	7'63	50'9	...	...	66'32	456'3	...	...	9'74	64'9	...	...

EXPORTS—continued

	Bengal		E. B. and Assam		Bombay		Sind		Madras		Burma	
	R	£	R	£	R	£	R	£	R	£	R	£
Mineral oil	1906-07	2'83 = 18'9	...	...	'02 = '1	...	'07 = '5	...	'07 = '5	...	11'74 = 78'3	...
	1907-08	2'83 = 18'9	...	...	'01 = '1	...	...	...	'04 = '3	...	22'20 = 148	...
Opium	1906-07	7,40'31 = 4,035'4	...	...	1,90'48 = 1,269'9	...	...	...	...	...	...	...
	1907-08	6,38'86 = 4,259'1	...	...	2,28'39 = 1,522'6	...	...	...	...	...	...	...
Rice	1906-07	3,24'86 = 2,165'7	'01 = '1	...	36'57 = 243'8	81'47 = 543'1	2,16'88 = 1,445'9	11,93'15 = 7,951'4	...	...	...	...
	1907-08	2,23'09 = 1,487'3	'54 = 3'6	...	33'81 = 225'4	69'95 = 466'3	2,93'56 = 1,957'1	1,412'96 = 9,419'7	...	...	...	...
Seeds	1906-07	2,24'42 = 1,496'1	...	...	7,14'95 = 4,766'3	2,05'18 = 1,367'9	1,40'93 = 939'5	16'68 = 111'2	...	...	...	...
	1907-08	3,05'61 = 2,037'4	'01 = '1	...	8,67'10 = 5,780'6	2,27'47 = 1,516'5	1,76'52 = 1,176'8	14'81 = 98'7	...	...	...	...
Tea	1906-07	7,36'97 = 4,913'1	1,57'69 = 1,051'3	8'15 = 54'3	'07 = '5	82'81 = 552'1	'09 = '6	...	...	...	...	...
	1907-08	7,67'04 = 5,113'6	1,60'98 = 1,073'2	11'41 = 76'1	'01 = '1	90'44 = 602'9	'15 = 1	...	...	...	...	...
Wheat and flour	1906-07	9'67 = 64'5	...	...	72'12 = 480'8	7,02'01 = 4,680'1	'01 = '1	'0 = 1'3	...	...	...	...
	1907-08	9'91 = 66'1	...	...	71'57 = 477'1	8,33'06 = 5,553'7	'01 = '1	'01 = '1	...	...	...	...
Wood, mostly teak	1906-07	1'48 = 9'9	...	...	2'11 = 14'1	'12 = '8	13'51 = 90'1	59'33 = 395'5	...	...	...	...
	1907-08	1'19 = 7'9	...	...	1'59 = 10'6	'30 = '2	14'93 = 99'5	59'8 = 398'7	...	...	...	...
Wool—Raw	1906-07	15'29 = 101'9	...	...	1,11'83 = 745'5	1,13'20 = 754'7	2'32 = 15'5	'01 = '1	...	...	...	...
	1907-08	14'26 = 95'1	...	...	95'45 = 636'3	98'50 = 656'7	2'07 = 13'8	'06 = '4	...	...	...	...

The exports from Bengal are chiefly jute, raw and manufactured, the latter being practically a monopoly of this province, tea, raw hides, opium, rice, seeds, lac, coal, and indigo.

From Eastern Bengal and Assam the principal exports are raw jute and tea, and from Bombay raw and manufactured cotton, Malwa opium, oilseeds, wheat, and raw wool.

The exports from Sind are raw cotton, hides, wool, seeds, and the bulk of foreign shipments of wheat.

Madras commands a very large share of the trade in tanned skins. Her other principal exports are raw cotton, coffee, rice, and oilseeds.

The export trade of Burma is almost confined to mineral oil, rice, teak wood, raw cotton, and hides.

The bulk of the trade (including treasure) and shipping (cargoes only) of India with foreign countries is confined to six principal ports and their proportionate share (per cent) is given below:—

	Trade		Shipping	
	1906-07	1907-08	1906-07	1907-08
Calcutta	40'8	37'8	22'9	20'1
Bombay	33'1	35'2	25'6	24'9
Karachi	8'2	8'6	10'2	10'5
Rangoon	6'7	7'3	12'5	12'3
Madras	4'7	4'6	5'9	6'8
Chittagong	1'4	1'2	'6	'7
TOTAL	94'9	94'7	77'7	75'3

The actual value of the foreign trade of these ports in merchandise only, imports and exports (including re-exports), was in lakhs of rupees and thousands of pounds sterling:—

	1906-07		1907-08	
	R	£	R	£
Calcutta	1,20,48'6	80,324	1,22,51'8	81,679
Bombay	83,38'8	55,592	93,60'3	62,402
Karachi	25,22	16,814	28,60'7	19,071
Rangoon	21,24'3	14,162	24,99'6	16,664
Madras	14,32	9,547	14,85'5	9,903
Chittagong	4,28'1	2,854	4,26'2	2,841

CUSTOMS REVENUE

The tariff schedule was revised in December 1907, and the new schedule came into force on the 1st January 1908.

The valuations of cotton fabrics for tariff purposes and the list of cotton goods recognised as piecegoods were also revised at the same time.

The rate of duty on ale, beer, and porter, cider and other fermented liquors was increased from one to two annas per gallon with effect from the 3rd January 1908, and the following modifications in Customs procedure were effected:—

1. Prohibition of importation of quinine which has been coloured *pink* (the colour of the quinine issued from Government factories).
2. Prohibition of importation of "novocain" by post or by persons not specially authorised by a Local Government to import it.
3. Exemption from duty of re-imported commercial samples not intended for sale.
4. Prohibition of exports of Mhowa flowers to the Portuguese possessions in India.

A manual was issued just after the close of the year with the object of standardising the procedure at the various Customs ports with regard to the administration of the **Merchandise Marks Act**.

The gross revenue from imports (excluding salt, which is not credited as a Customs receipt) rose from Rs. 5,08,58,776 (£3,390,585) to Rs. 6,03,37,737 (£4,022,516). Refunds and drawbacks amounted to Rs. 9,41,947 (£62,796) as against Rs. 10,79,227 (£71,948) in the previous year. The net revenue, therefore, increased from Rs. 4,97,79,549 (£3,318,637) to Rs. 5,93,95,790 (£3,959,719). The rates of increase were as follows: 18.6 per cent in gross revenue and 19.3 per cent in net revenue. There was a decrease of 12.7 per cent in refunds and drawbacks.

The following statement shows the revenue derived in the last three years from the principal dutiable articles:—

	1905-06		1906-07		1907-08	
	R	£	R	£	R	£
<i>Arms Ammunition</i>	4,10,421	= 27,361	4,45,734	= 29,716	5,55,085	= 37,006
<i>Articles of food and drink—</i>						
Fruits and vegetables	4,12,748	27,517	3,95,975	26,665	5,33,469	35,565
Spirits	90,31,698	602,113	77,97,770	519,851	92,65,853	617,724
Wines	3,96,629	26,442	3,83,571	25,571	3,99,539	26,636
Sugar	39,93,201	266,213	43,82,637	292,176	44,76,082	298,105
Provisions	6,86,035	45,737	7,41,339	49,423	8,58,109	57,207
Spices	5,61,455	37,430	6,37,860	42,524	8,00,313	53,354
<i>Chemicals, drugs, narcotics, and dyes—</i>						
Drugs, medicines, and narcotics	6,01,821	40,121	6,34,661	42,311	8,05,162	53,677
Chemicals	3,67,053	24,470	3,94,573	26,305	4,69,420	31,295
Dyes and tans	4,79,594	31,973	4,93,015	32,868	5,70,253	38,017
<i>Metals and articles made of metals—</i>						
Hardware and cutlery	12,49,732	83,317	15,12,210	102,814	17,93,308	119,554
Copper and brass	7,16,350	47,757	6,53,943	43,596	11,18,312	74,554
Iron and steel	7,27,195	48,420	8,14,554	54,304	10,46,998	69,800
Silver	29,33,850	195,590	40,79,319	271,955	51,70,203	344,680
<i>Oils—</i>						
Petroleum	36,64,723	244,315	37,77,026	251,802	44,63,463	297,565
<i>Manufactures of cotton—</i>						
Piecegoods: grey (unbleached)	64,92,338	432,823	64,10,439	427,363	66,97,608	446,507
Piecegoods: white (bleached)	29,36,490	195,766	25,73,117	171,541	40,77,897	271,860
Piecegoods: coloured	33,19,833	221,322	33,48,458	223,230	38,04,353	253,624
Hosiery and all other manufactured cotton goods	5,40,302	36,020	5,81,492	38,766	6,09,083	40,605

	1905-06		1906-07		1907-08	
	R	£	R	£	R	£
<i>Other articles, manu- factured and manufac- tured—</i>						
Apparel	10,39,580	69,305	9,31,560	62,104	11,16,165	74,411
Carriages (including Motor cars and cycles)	3,77,414	25,161	4,70,107	31,340	5,97,188	39,812
Instruments, appa- ratus, and appliances	4,50,596	30,040	6,09,645	40,643	6,32,034	42,136
Paper and pasteboard	3,85,706	25,714	4,50,116	30,008	5,60,147	37,343
Silk, and articles made of silk	13,14,752	87,650	11,92,983	79,532	15,53,361	103,557
Wood and timber, and articles made of wood	4,82,136	32,142	4,11,029	27,402	4,27,053	28,470
Woollen goods	12,10,741	80,716	10,23,689	68,246	13,89,239	92,616

The gross revenue accounted for by the twenty-six articles specified above is R537'9 lakhs (£3,586,000) or 89'1 per cent of the total, which shows that although the Indian tariff comprises many dutiable articles, there are comparatively few on which a considerable revenue is levied. Spirituous liquor, petroleum, sugar, metals (including silver), and cotton piecegoods by themselves constitute 70 per cent of the total.

The total revenue realised from a 3½ per cent *ad valorem* duty on cotton goods imported was R151'89 lakhs (£1,012,600) as against R129'14 lakhs (£860,900) in the previous year. This is equal to 25'2 per cent of the whole Customs revenue, while the gross receipts on account of **Excise duty on cotton fabrics** of Indian manufacture amounted to R34'01 lakhs (£226,700) as against R29'01 lakhs (£193,400) in 1906-07. This, however, falls outside of Customs revenue proper.

The **export tariff schedule** is limited to rice and rice-flour, the duty on which is levied at the rate of three annas per maund of 82½ lbs. The net duty realised from this source in 1907-08 was R99'74 lakhs (£664,900) against R102'27 lakhs (£681,800) in the previous year, and marks a fall of R2'53 lakhs (£16,900) or 2'5 per cent.

The yield of the voluntary **Tea Cess** which is collected through Customs agency is dealt with elsewhere.

GOLD AND SILVER

The value of the Imports, Exports, and Absorption of Gold in the last five years, in thousands of Rupees and of pounds sterling, was as follows:—

	EXPORTS							
	Imports		Production		Re-exports		Absorption	
	R	£	R	£	R	£	R	£
1903-04	20,14,79	13,432	3,51,30	2,342	6,70,32	4,469	13,44,47	8,963
1904-05	21,81,20	14,541	3,55,59	2,371	8,55,02	5,700	13,26,18	8,841
1905-06	14,74,90	9,832	3,58,76	2,392	10,70,34	7,135	4,04,56	2,697
1906-07	18,53,34	12,355	3,23,37	2,156	44,36	295	18,08,98	12,060
1907-08	20,75,26	13,835	3,14,02	2,093	24,47	163	20,50,79	13,672

India's absorption of gold is arrived at by deducting the re-exports from the imports, for all the gold produced in Indian mines is shipped to England for assay and does not swell the stocks of metal, or enter into commercial consideration in this country. The increase in the net imports of gold during the past two years is remarkable.

In the year under review the net imports of gold amounted to R1,736.77 lakhs (£11,578,000) as compared with R1,485.61 lakhs (£9,904,000), the record figures of the previous year. To this total sovereigns and half sovereigns contributed 1,642,150 oz, valued at R965.09 lakhs (£6,434,000). The imports of gold on Government account in 1907-08 amounted to R1,80,375 (£12,025), and there was no export of gold on Government account in the year under review.

The value of the Imports, Exports, and Net imports of silver during the last five years was as follows, the unit being 1,000:—

	Imports		Exports		Net-Imports	
	R	£	R	£	R	£
1903-04	18,37,82	12,252	4,72,55	3,150	13,65,27	9,102
1904-05	17,69,62	11,797	4,43,47	2,956	13,26,15	8,841
1905-06	16,90,20	11,268	1,17,90	786	15,72,30	10,482
1906-07	26,04,64	17,364	2,04,09	1,360	24,00,55	16,004
1907-08	21,53,19	14,355	2,06,36	1,376	19,46,83	12,979

India is not a silver-producing country, and therefore the absorption of the metal is represented by the difference between the imports and exports.

In 1906-07 the imports reached the unprecedented level of R2,604.64 lakhs (17.36 millions sterling), but in 1907-08 they fell to R2,153.19 lakhs (14.35 millions sterling) which is yet much in advance of the totals for 1905-06 and earlier years. The exports slightly increased but are far below the figures for 1903-04 and 1904-05, consisting chiefly of Government rupees for which Ceylon is the largest individual market.

The silver coinage struck in the Indian mints during the last five years has been, the unit being 1,000:—

	R	£	Oz (approximate)
1903-04	16,53,11	11,021	61,992
1904-05	11,37,04	7,580	42,639
1905-06	20,00,14	13,334	75,005
1906-07	26,08,57	17,390	97,822
1907-08	18,11,57	12,077	67,934

The average price of silver in London in 1907 was 30½d but the rate was subject to violent fluctuations, for while in August it reached 32½d per oz, it fell in December to 24½d.

BALANCE OF TRADE

The figures appended shew the excess of exports over imports, including merchandise and treasure, by sea in each of the last five years, the unit being 1,000:—

	Including Government transactions		Excluding Government transactions	
	R	£	R	£
1903-04	37,34,04	24,894	44,24,02	29,493
1904-05	30,34,19	20,228	35,89,71	23,931
1905-06	33,54,08	22,360	44,16,24	29,441
1906-07	20,57,02	13,713	46,77,05	31,180
1907-08	3,98,04	2,654	19,95,71	13,305
Average of 5 years	25,15,47	16,770	38,20,55	25,470

In the same years the **drawings of the Council Bills** by the Secretary of State, including those on account of the Gold Standard Reserve, but deducting sterling bills sold in India, have been as follows in thousands :—

	Exchange		
	£	d	R
1903-04	23,859	16'049	35,67,95
1904-05	24,426	16'045	36,53,57
1905-06	31,567	16'043	47,22,43
1906-07	33,432	16'084	49,88,75
1907-08	15,307	16'029	27,91,90
Average of 5 years	25,718		38,44,92

In the five year ending 1907-08, the average excess of exports over imports *including Government transactions* was R2,515'47 lakhs (£16,769,800), representing 14'2 per cent of the average value of exports. In the same period the average drawings of the Secretary of State, as above defined, were R3,844'92 lakhs (£25,632,800), being 21'7 per cent of the average value of exports. It exceeds the average excess of exports over imports by R1,329'45 lakhs (£8,863,000).

Excluding Government transactions the average excess of exports over imports was R3,820'55 lakhs (£25,470,000) equal to 22'2 per cent of the average value of exports. This excess is greater by R1,305'08 lakhs (£8,700,500) than the excess found when Government transactions are included. But it falls short of the average amount of drawings, as calculated above, by R24'37 lakhs (£162,500), *i. e.*, by '64 per cent of the average excess.

The trade figures given above are to this extent incomplete. They relate only to the trade of British Indian ports, they do not include either the absolutely indeterminable volume of private remittances to and from India, or the not inconsiderable value of pearls and precious stones re-exported (chiefly from Bombay) through the medium of the post office.

There is said to be a fairly large trade carried on chiefly by native craft from ports in Native States on the West Coast of India with the Persian Gulf, Arabia, and Ceylon, which is only in part registered and tabulated, and it is not possible to gauge how far the trade returns of the French and Portuguese Settlements are to be considered exhaustive. Some idea of the volume of all this additional trade may be gathered from the appended figures as far as available (in lakhs of rupees and of thousands sterling)—

	1905-06				1906-07			
	Import		Export		Import		Export	
	R	£	R	£	R	£	R	£
French Settlements	17'47	=116	97'35	=649	14'20	=95	121'19	=808
Portuguese do	3'10	21	3'69	25	2'27	15	9'14	61
Travancore	31'21	208	12'96	86	27'53	183	12'56	84
Baroda	16'68	111	8'58	57			(a)	
Kathiawar	9'89	66	3'61	24	9'33	62	4'76	32

(a) Report not yet received

BANK RATES AND EXCHANGE

The Bank rate in the three Presidency towns was 8 per cent at the beginning of April, but money very soon became cheaper, and the rate fell steadily until September—when there was a sharp rise, particularly in Calcutta, and a further sharp rise in January brought the rate up to 9 per cent both in Calcutta and Bombay—which continued until the middle of March when it fell again to 7 per cent. In Madras 9 per cent was not reached until February but there was no change thereafter up to the close of the year.

Exchange fell in November below the parity of R15 to the £ sterling for the first time since May 1905 (save for a few days in April 1906) and was quoted at 1s 3½d on demand on the 31st March. The lowest rate reached was 1s 3¼d on the 25th November.

The fluctuations of the money market will be understood from the discount rates month by month of the Presidency Banks, and the rates of Exchange on demand bills, appended below :—

	BANK OF			RATES OF EXCHANGE	
	Bengal Per cent	Bombay Per cent	Madras Per cent	Highest s. d.	Lowest s. d.
1907—					
April	8-7	8	8	2 4½	1 4½
May	6-5	7-6	7-6	1 4½	1 4½
June	5	7-6-5	6	1 4½	1 4½
July	5-4-3	5-4	5-4	1 4½	1 4½
August	3	3	4	1 4½	1 4
September	3-4-5	3-4	4	1 4½	1 4
October	5	4	4	1 4½	1 4
November	5-6	4-5	4-5	1 4½	1 3½
December	6	5-6	6-7	1 4	1 3½
1908—					
January	6-7-8-9	7-8-9	7-8	1 4	1 3½
February	9	9	8-9	1 3½	1 3½
March	9-8-7	9-8-7	9	1 3½	1 3½

SHIPPING

While the net increase in the value of imports and exports of merchandise by sea amounted to 7·8 per cent of the total for the previous year, there was an increase of 5 per cent in the tonnage of shipping that entered and cleared for Indian ports. The following statement gives the numbers and tonnage of steamers and sailing vessels with cargoes and in ballast which entered from and cleared to all countries :

	No.	Tons	Average tonnage
1903-04	9,530	12,559,260	1,318
1904-05	9,798	13,881,336	1,417
1905-06	9,269	12,598,321	1,359
1906-07	9,329	13,775,436	1,477
1907-08	9,312	14,239,180	1,529

Of these 98 per cent represented steam tonnage. The total number of steamers that entered and cleared was 5,928 with an aggregate burden of 13,957,229 tons as against 5,944 and 13,469,417 tons in the previous year. The average tonnage per steamer increased from 2,266 to 2,354 tons, while the average tonnage per sailing ship decreased from 90 to 83 tons.

The number and tonnage of vessels entered and cleared at the chief ports from and to foreign countries in the past two years are given below:—

CHIEF PORT	1906-07					1907-08				
	STEAM		SAILING		Percentage of total tonnage	STEAM		SAILING		Percentage of total tonnage.
	No.	Tons	No.	Tons		No.	Tons	No.	Tons	
Calcutta	1,189	3,270,635	39	28,197	23.95	1,105	3,098,454	24	12,129	21.84
Bombay	1,233	3,204,087	393	42,692	23.57	1,212	3,286,733	343	36,755	23.34
Rangoon	736	1,725,008	17	23,714	12.7	701	1,689,762	13	17,705	11.99
Karachi	610	1,332,560	365	31,383	9.9	692	1,510,726	491	36,262	10.86
Madras	274	710,941	6	524	5.16	300	847,375	3	206	5.95
Chittagong	37	101,406	2	307	.74	44	119,772	...	...	.84
TOTAL	4,079	10,344,637	822	126,817	76.02	4,054	10,552,822	874	103,057	74.82

The entries from and clearances to the **United Kingdom** were 3,119,233 tons as against 3,121,861 tons in 1906-07, and this reduced quantity represented 21.9 per cent in place of 22.7 per cent of the total tonnage.

Entries from and clearances to **British Possessions** other than the United Kingdom decreased from 5,650,916 to 5,603,697 tons which represent 39.3 per cent of the total, as against 41 per cent in the previous year. The tonnage from and to the **British Empire**, therefore, amounted to 61.3 per cent of the whole in place of 63.7 per cent in 1906-07.

The tonnage under the **British flag** registered under the English Merchant Shipping Act was nearly 75.8 per cent and including the Indian register 80.4 per cent.

The number of vessels under **foreign flags** which entered and left Indian ports was 1,065 with an aggregate burden of 2,620,675 tons as against 1,104 in 1906-07 with an aggregate of 2,541,982 tons.

The total number of vessels under the principal flags are given below:—

	1903-04	1904-05	1905-06	1906-07	1907-08
British	4,772	5,633	4,838	4,918	4,785
German	393	339	387	371	375
Norwegian	173	141	174	195	188
Austro-Hungarian	134	156	162	155	157
Japanese	37	...	2	83	123
Italian	63	74	85	77	79
French	143	94	105	67	61

FREIGHTS

Freights in India were generally lower during 1907-08 than they had been in 1906-07. The weakness was contributed to by the sudden collapse of the export trade in November but the fall was not confined to Eastern markets only, and it seems that the world's oversea carrying capacity has increased out of proportion to the additional volume of merchandise requiring to be carried. The tendency to avoid entrepôts is becoming more marked and India benefited from more long-voyage carriage of imports with a margin of profit that weakened homeward rates. The freights for Bombay cotton and Karachi wheat to Liverpool were abnormally low at the close of the year under review. The following statement gives minimum quotations for typical rates of freight from the principal Indian ports to London in March of each of the last five years :

		Rates per ship ton*				
		1904	1905	1906	1907	1908
		£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Calcutta	Rice	0 17 6	1 0 0	0 15 0	0 17 6	0 15 0
	Wheat	0 17 6	1 0 0	0 15 0	0 17 6	0 15 0
	Jute	1 0 0	1 2 6	0 17 6	1 0 0	0 17 6
	Linseed	1 0 0	1 2 6	0 17 6	1 0 0	0 17 6
	Tea	1 11 3	1 16 3	1 13 9	1 15 0	1 12 6
Bombay:	Wheat and seeds	0 16 0	0 15 0	0 13 6	0 15 0	0 13 0
	Cotton (to Liverpool)	0 16 6	0 15 6	0 14 6	0 15 0	0 12 0
Karachi:	Wheat (to Liverpool)	0 16 0	0 15 6	0 14 0	0 15 0	0 10 0

FRONTIER TRADE

The bulk of India's foreign trade is and always must be sea-borne, but the value of the trade across her land frontiers, though it represents only 4·3 per cent of the whole, is characterised by steady progress to which improved method of registration has perhaps partly contributed. The valuation of frontier trade, however, continues difficult and defective, and as regards treasure the figures are so notoriously unreliable that it is unsafe to base any conclusions upon them. Subject to all these reservations, however, the total volume of trade is sufficiently considerable and varied to merit detailed analysis, and the grand total of imports and exports (merchandise and treasure) was R15·54 crores (£10,360,000) in 1907-08, as against R14·14 crores (£9,426,000) being the figures for 1906-07 minus those for Kashmir, Hill Tipperah, and Manipur—which have now for the first time been correctly treated as Cis-frontier States. Similar deductions have been made in the totals for previous years in the table below so as to make the figures really comparable:—

	R	£
1903-04	10,98,81,553	= 7,325,437
1904-05	12,16,15,211	8,107,681
1905-06	13,72,04,999	9,147,000
1906-07	14,13,90,673	9,426,045
1907-08	15,54,10,102	10,360,673

The relative importance of the various articles of trade in the commerce

*In Calcutta 50 cub. ft., in Bombay and Karachi 40 cub. ft.

of India with trans-frontier countries is shown below. The values are stated in thousands of rupees and of pounds sterling:

	IMPORTS				EXPORTS				
	1906-07		1907-08		1906-07		1907-08		
	R	£	R	£	R	£	R	£	
Cattle	38,21	255	33,23	222	Cotton	9,17	61	8,60	57
Other animals	24,51	163	21,68	145	Cotton yarn—				
Drugs and medicines (including <i>charas</i>)	12,61	84	20,58	137	Foreign	34,35	229	36,11	241
Fibrous products (chiefly jute)	23,70	158	25,97	173	Indian	31,40	209	34,07	227
Fruits, vegetables, and nuts	46,77	312	44,52	297	Cotton goods—				
Grain and pulse (chiefly rice)	1,49,96	1,000	2,05,16	1,368	Foreign	1,65,63	1,104	1,85,70	1,238
Hides and skins	31,03	207	33,66	224	Indian	52,65	351	52,57	350
Ghi (clarified butter)	54,50	363	57,40	383	Grain and pulse	13,64	91	14,17	94
Pickled tea	22,07	147	23,87	159	Metals (mainly brass, copper, and iron)	27,79	185	27,44	183
Seeds (chiefly linseed and rape seed)	37,33	249	44,75	298	Oils	14,32	95	17,13	114
Silk	8,93	60	10,95	73	Provisions	20,34	136	26,83	179
Spices	10,98	73	13,99	93	Salt	23,63	158	23,53	157
Wood and timber (chiefly teak)	72,40	483	59,78	398	Silk goods	9,36	62	14,07	94
Wool	57,34	382	56,54	377	Spices	21,55	144	22,15	148
Woollen goods	1,89	13	2,45	16	Sugar	19,49	130	19,69	131
					Tea	6,74	45	7,20	48
					Tobacco	9,38	63	11,13	74

The measure in which the various provinces participated in the total of this commerce is shown below in thousands of rupees and of pounds sterling:

	1903-04		1904-05		1905-06		1906-07		1907-08	
	R	£	R	£	R	£	R	£	R	£
Sind and British Beluchistan	88,47	590	1,04,90	699	1,12,02	747	1,41,30	942	1,53,06	1,026
North-West Frontier Province	1,84,36	1,229	2,35,00	1,567	2,30,61	1,537	2,52,03	1,680	2,68,05	1,787
Panjab	13,21	88	17,15	114	10,69	71	11,04	74	13,77	92
United Provinces of Agra and Oudh	1,70,52	1,137	1,64,75	1,098	1,94,65	1,298	1,81,29	1,209	1,87,82	1,252
Bengal	2,67,02	1,780	2,86,04	1,907	3,81,44	2,543	3,23,73	2,158	3,88,91	2,593
Eastern Bengal and Assam	5,32	35	4,89	33	5,09	34	16,63	111	7,68	51
Burma	3,69,93	2,466	4,03,42	2,689	4,37,55	2,917	4,87,88	3,253	5,33,90	3,559

In India proper the railway nowhere extends beyond the frontier, but a large portion of the Kandahar trade, particularly in wool, is carried to and from stations very close to the border, and has, therefore, the benefit of the greater accuracy of registration as railborne traffic.

The geographical distribution of trade, **merchandise only**, with the principal countries has, during the last three years, been as follows in thousands of rupees and of pounds sterling:—

	1905-06		1906-07		1907-08		
	R	£	R	£	R	£	
North-Western Frontier	Afghanistan—						
	Southern and Western	85,63	571	1,15,78	772	1,17,11	781
	Northern and Eastern	83,43	556	93,74	625	98,62	657
	Dir, Swat, and Bajaur	1,02,96	686	1,19,03	793	1,29,53	863
	Persia	7,46	50	5,39	36	9,91	66
North and North-Eastern Frontier	Ladakh	6,86	46	7,67	51	11,06	74
	Tibet	37,52	250	35,06	234	40,21	268
	Nepal	4,87,15	3,248	4,35,70	2,905	4,93,08	3,287
	Sikkim and Bhutan	23,15	154	25,96	173	22,17	148
	Western China	50,26	335	53,42	356	57,97	386
Eastern Frontier	North Shan States	1,01,90	679	1,09,38	729	1,45,65	971
	South Shan States	99,87	666	1,05,29	702	1,20,96	806
	Karenni	31,13	207	24,91	166	20,79	139
	North Siam	31,67	211	33,50	223	37,85	252

NORTH-WESTERN FRONTIER

Afghanistan—One result of the visit of His Majesty the Amir to India has been increased trade exchanges between the two countries, and the figures have risen from R169·06 lakhs (£1,127,067) in 1905-06 to R209·52 lakhs (£1,396,800) in 1906-07 and to R215·73 lakhs (£1,438,200) in 1907-08. Of these exports represent 55 per cent and imports 45 per cent of the total. From **Kabul** have come increased quantities of **fruits and nuts**, the quality of which has markedly improved, **drugs and medicines**, chiefly assafœtida, **ghi** (clarified butter), and **animals**. There was a fall in the exports of **cotton piecegoods**, but the value of **cotton yarns**, chiefly foreign, has slightly increased. The decline in **tea** continued, but the proportion of Indian tea improved at the expense of foreign tea, though the average declared values were as. 7·3 (7¹/₁₀d.) and as. 11·3 (11³/₁₀d.) per lb respectively. There was a slight advance in the total for **leather goods** and the effect of indigenous competition has not yet been felt.

From **Kandahar** more than half the value of imports is accounted for by **wool**, though there was a percentage decline of 14; while under **fruits and nuts** and **ghi** there were marked decreases. Exports shew continued expansion, particularly under the head of **foreign piece goods**.

The figures for 1906-07 and 1907-08 for Kabul and Kandahar (principal articles only) are shewn for purposes of comparison below:—

IMPORTS FROM	1906-07		1907-08		Increase (+) or decrease (—)
	R	£	R	£	
Kabul—					
Animals, living (for sale)	1,44,917	9,661	1,82,888	12,192	+26·2
Drugs and medicines	2,76,631	18,442	3,27,805	21,854	+18·5
Fruits, vegetables, and nuts	10,97,063	73,138	11,80,775	78,718	+7·6
Hides and skins	1,75,145	11,676	4,00,963	26,731	+128·9
Ghi	2,56,099	17,073	3,55,052	23,670	+38·6
Raw wool	1,52,801	10,187	1,64,335	10,956	+7·5
Kandahar—					
Fruits, vegetables, and nuts	22,70,001	151,333	16,87,306	112,487	-25·7
Grain and pulse	1,22,498	8,167	2,32,305	15,487	+89·6
Ghi	2,35,390	15,693	2,28,632	15,242	-2·8
Raw wool	39,05,637	260,376	33,90,513	226,034	+13·2
Exports to					
Kabul—					
Cotton yarn—					
Foreign	3,16,943	21,129	3,12,515	20,834	-1·4
Indian	88,524	5,902	1,43,319	9,555	+61·9
Cotton goods—					
Foreign	33,13,431	220,895	31,75,820	211,721	-4·1
Indian	9,63,919	64,261	8,68,743	57,916	-9·8
Metals and manufactures of					
metals	2,95,224	19,682	2,28,279	15,219	-22·6
Sugar	3,06,550	20,437	2,37,178	15,812	-22·6
Tea—					
Indian	1,16,101	7,740	2,07,434	13,829	+104·5
Foreign	2,12,832	14,189	1,68,328	11,222	-20·9
Kandahar—					
Cotton goods—					
Foreign	18,80,277	125,352	22,39,535	149,302	+19
Indian	10,98,227	73,215	10,04,343	66,956	-8·5
Leather and leather goods	2,27,489	15,166	2,77,169	18,478	+21·8
Sugar	2,28,955	15,264	2,60,649	17,377	+13·8

Dir, Swat, and Bajaur—There was a percentage increase of 14 in the imports from these countries, bringing the total to R58·54 lakhs (£390,000). This

was chiefly due to an increase of over 90 per cent in the import of **grain and pulse**, due no doubt to the scarcity and prevalence of high prices in Northern India. The value of this trade has quadrupled in two years and is now valued at nearly R20 lakhs (£133,000). **Husked and unhusked rice** in the proportion of five to two accounted for two-thirds of this total. **Hides and Skins** increased from R5 to 8 lakhs (£33,300 to 53,300), but there was a contraction of 39 per cent in the receipts of **timber**. The increase in exports was less marked but rose from R67·81 lakhs (£452,000) to R70·99 lakhs (£473,000).

The trade of **Ladakh** is distinguished from that of Kashmir, of which it is a tributary state, and is of importance out of proportion to its volume as the junction for exchanges with Yarkand and Kashgar for India and Western Tibet. The total of R11·06 lakhs (£73,700) marks an advance of 44 per cent on the figures of the previous year, entirely accounted for by improved imports, chiefly of **charas**. This preparation of the hemp plant accounts for nearly 85 per cent of the total, and the quantities and values imported increased from 1,199 cwts worth R4,56,960 (£30,464) in 1906-07 to 1,540 cwts worth R8,38,400 (£55,893) in 1907-08. The imports of **raw silk** show improvement, but are still below the figures of 1905-06. **Cotton piece-goods**, as elsewhere on the frontier, form the bulk of the exports, though there was a quantitative decline of 25 per cent, and a decline in value of 33 per cent, as compared with the previous year.

NORTH AND NORTH-EASTERN FRONTIER

Nepal—The trade with Nepal greatly exceeds in volume that with any other trans-frontier State. The principal articles of import and export and their values for the past two years are shown in the table below:—

	1906-07		1907-08	
	R	£	R	£
<i>Imports to India—</i>				
Rice	63,05,126	420,342	85,32,788	568,852
Paddy	46,25,745	308,383	62,50,294	416,686
Wheat	2,83,810	18,921	2,11,438	14,096
Cattle	26,74,473	178,298	20,64,081	137,605
Linseed	8,80,708	58,714	8,95,869	59,725
Rape and mustard	25,23,392	168,226	26,38,315	175,888
Ghi	22,09,334	147,289	26,27,476	175,165
Jute, raw	17,67,175	117,812	19,99,890	133,326
Hides and skins	11,98,191	79,879	12,29,054	81,937
Spices	8,32,589	55,506	11,06,983	73,799
<i>Exports from India—</i>				
Cotton piecegoods	52,51,947	350,130	50,32,745	335,516
„ twist and yarn	14,47,332	96,489	16,60,806	110,720
Metals	11,31,654	75,444	13,05,307	87,020
Salt	11,18,902	74,593	10,99,774	73,318
Spices	10,38,375	69,225	11,44,529	76,302
Sugar	7,72,271	51,485	8,45,800	56,387

Under **imports** there are advances generally except under the head of **cattle**, and the total rose by about 15 per cent from R297·26 lakhs (£1,981,733) to R341·32 lakhs (£2,275,467). Nepal is the only country from which India imports **jute**, but the increase of 55 per cent in quantity is discounted by a fall in specific value from R10 (13s 4d) to R7 (9s 4d) per cwt. Of articles unenumerated above **timber** valued at R6·11 lakhs (£40,733) and **railway materials** worth R5·63 lakhs (£37,533) deserve notice.

The total volume of exports advanced from R138'43 lakhs (£922,867) to R151'75 lakhs (£1,011,667). The value of cotton piece-goods has again declined, but that of twist and yarn shews a percentage increase of 14 and the figures for metals have readily returned to the level attained in 1905-06. Salt had a further set-back, but spices and sugar continue to progress.

Sikkim and Bhutan—The trade with Sikkim grew from R12 lakhs (£80,000) to R16 lakhs (£106,667) and was generally brisk, while that with Bhutan declined from R13'92 (£92,800) to R5'95 lakhs (£39,667). Sikkim supplied grain to the value of R3'89 lakhs (£25,933) as against R3'73 lakhs (£24,867) in the previous year, and fruits, etc., to the value of R1'42 lakh (£9,467) against R1'2 lakh (£8,000), the total imports from that source amounting to R8'24 lakhs (£54,933) as compared with R6'79 lakhs (£45,267) in 1906-07. The greater part of imports from Bhutan consists of timber, and this fell away from R7'29 lakhs (£48,600) to R20,930 (£1,395) and fruits, etc., with a value of R67,150 (£4,477) instead of R1'06 lakh (£7,067). The total value of timber alone imported in 1906-07 was 64 per cent of the total value of imports. The exports to Sikkim shewed marked improvement, rising from R5'25 lakhs (£35,000) to R7'98 lakhs (£53,200). They consisted chiefly of grain R1'41 lakh (£9,400), cotton piece-goods, chiefly Indian, R1,54,000 (£10,267), and salt R30,000 (£2,000). The exports to Bhutan decreased to R2'54 lakhs (£16,933); and of these the most important were cotton piece-goods, chiefly foreign, and yarn with a value of R96,000 (£6,400), silk manufactures R30,000 (£2,000), and spices R19,000 (£1,267).

Tibet—Though trade with Tibet has still to contend with great difficulties in the matter of communications, it has steadily improved in the last two years and is likely to be further encouraged by the signing in April last of the Trade Regulations, which were adumbrated in the Treaty of Lhasa. The total trade rose from R35'06 lakhs (£233,733) to R40'21 lakhs (£268,067), the net increase being R5'15 lakhs (£34,333), chiefly under the head of imports. Exports rose by about 8'6 per cent from R15'53 lakhs (£103,533) to R16'88 lakhs (£112,533), the principal articles being, as usual, cotton piece-goods with a value of R4 lakhs (£26,667) and yarn with a value of R59,455 (£3,964). Other important articles were grain (48 per cent of which was husked rice) R2'61 lakhs (£17,400), coral R93,000 (£6,200), woollen manufactures R1'61 lakh (£10,733), and metals R71,000 (£4,733). The imports of wool increased by 44 per cent in quantity (from 34,869 to 50,299 cwts) and 22 per cent in value (from R10'97 lakhs = £73,133 to R13'4 lakhs = £89,333). Other principal articles were: borax R2'45 lakhs (£16,333), salt R1'26 lakh (£8,400), and horses, ponies, and mules R52,000 (£3,467).

EASTERN FRONTIER

Western China—The trade registered under this head practically consists of the exchanges between Bhamo and the Yunnan province of China, and in view of the proposals now under consideration to link up Bhamo with Tengyeh and Talifu by railway, the figures below have considerable interest. The trade increased from R53'42 lakhs (£356,133) to R57'97 lakhs (£386,467). Imports showed a small decline of '9 per cent from R17'11 lakhs (£114,067) to R16'95 lakhs (£113,000), while exports increased by 14 per cent from R36'31 lakhs (£242,067) to R41'02 lakhs (£273,467). Opium, which was R2'15 lakhs (£14,333) in 1906-07, dropped to R1'51 lakh (£10,067) in the year under

review. **Hides of cattle** decreased from R4.78 lakhs (£31,867) to R3.15 lakhs (£21,000), and **orpiment** from R1.49 lakhs (£9,933) to R1.44 lakh (£9,600), but **animals, living**, increased from R1.85 lakhs (£12,333) to R2.22 lakhs (£14,800), and **lac** from R45,000 (£3,000) to R72,000 (£4,800). Of the **exports** 53 per cent consisted of **cotton yarn** (all of Indian manufacture) and this article increased from R20.34 lakhs (£135,600) to R21.75 lakhs (£145,000). **Cotton piece-goods** again showed continued development at R5.11 lakhs (£34,067) as compared with R5.05 lakhs (£33,667) in the previous year. The other principal items of export were: **raw cotton** R3.91 lakhs (£26,067), **jadestone** R1.31 lakh (£8,733), **provisions** R2.05 lakhs (£13,667), and **salt** R1.49 lakh (£9,933). Exports of **petroleum** increased by 56 per cent and rose from R36,700 (£2,447) to R57,320 (£3,821).

Shan States (North and South) are Native States under British suzerainty, but for convenience of registration they are treated as foreign countries, and two-thirds of the trade across the Eastern Frontier relates to them. The extension of the Northern Shan States Railway to Lashio has, amongst other benefits, lowered considerably the cost of transport. The total trade increased by R51.94 lakhs (£346,267) or 24 per cent from R214.67 lakhs (£1,431,000) to R266.61 lakhs (£1,777,400). The principal articles imported and exported from and to these States are shown below in **thousands of rupees and of pounds sterling** :—

	North Shan States				South Shan States			
	1906-07		1907-08		1906-07		1907-08	
	R	£	R	£	R	£	R	£
<i>Imports from—</i>								
Animals, living	70	= 5	1,37	= 9	7,32	= 49	7,54	= 50
Letpet (pickled tea)	22,07	147	23,86	159	...	...	...	...
Tea (Foreign)	8,84	59	10,06	67	...	...	...	...
Teak timber	6,30	42	7,25	48	9,53	64	8,48	57
Grain and Pulse, chiefly rice husked	2,18	14	8,46	56	...	...	...	...
Lac	2,42	16	1,74	12	12,87	86	9,46	63
Fruits, vegetables, and nuts—								
Potatoes	...	...	...	...	2,38	16	2,78	19
Other kinds	...	...	...	...	2,97	20	3,78	25
<i>Exports to—</i>								
Cotton piecegoods								
Foreign	10,32	69	1682	112	20,78	139	31,82	212
Cotton yarn—								
Foreign	10,33	69	7,74	52	57	4	58	4
Indian	2,35	16	2,26	15	2,32	15	1,94	13
Provisions, mostly fish	7,30	49	8,88	59	4,56	30	7,18	48
Salt	3,12	21	3,20	21	1,82	12	1,62	11
Metals, mostly iron	6,78	45	3,71	25	1,35	9	1,76	12
Spices, mostly betelnuts	1,62	11	1,53	10	5,29	35	3,62	24
Silk, mostly manufactured	88	6	1,84	12	3,82	25	6,61	44

It will be seen from the above table that there was a much larger import of rice, tea, and teak from the North Shan States, but a great decline in lac and teak imported from the South Shan States. As regards exports, **cotton piece-goods, foreign**, increased by R6.50 lakhs (£43,000) and R11.04 lakhs (£74,000) to the North and South Shan States respectively. There were also noticeable increases under **provisions** and **silk manufactures** exported to the South Shan States.

North and South Siam—The trade is chiefly carried along the Thinganyinaung, Kwanbi, Pa-an, and Papun routes. Teak is floated down the Salween and Menam, but it is reported that the timber trade is much inconvenienced by constant elephant thefts. The total trade with these territories increased from R43'64 lakhs (£291,000) to R48'24 lakhs (£322,000), of this North Siam accounts for R37'85 lakhs (£252,000). The chief articles of imports from North Siam are **teak timber** (R13'03 lakhs=£87,000) and **cattle** (R5'49 lakhs=£37,000) and from South Siam **manufactured silk** (R3'74 lakhs=£25,000), and those of exports to North Siam are **cotton yarn and piece-goods** (R6'23 lakhs=£42,000) and **silk manufactures** (R3'47 lakhs=£23,000).

Karenni—The trade with Karenni is less than R21 lakhs (£140,000) and shows a decline of 16 per cent on the previous year's figures. The diminished total is composed of R16'81 lakhs (£112,067) under imports and R3'98 lakhs (£26,533) under exports. The imports consisted almost entirely of **teak** with a value of R16'46 lakhs (£109,733) and among the exports the only considerable item is **live animals** with a reduced total of R1'17 lakh (£7,800). **Jewellery and precious stones and pearls, unset**, increased in value from R9,571 (£638) to R33,647 (£2,243).

COASTING TRADE

The Coasting Trade figures cannot be statistically examined as they stand, as the merchandise shipped from one port in British India to another undergoes double registration as an export and as an import. The correct value is therefore arrived at by adding to the value of the imports into British ports from other British ports the sum of the imports and exports in the trade between British and non-British ports in India. The value so calculated in respect of 1907-08 is, for merchandise, R5,880 lakhs (£39,200,000), the increase being R654 lakhs (£4,360,000) or 12·5 per cent on the figures of the previous year. Though **food-grains** represented a slightly diminished percentage (26·5 as against 28·9 in 1906-07) of the total, the value rose from R1,495 lakhs (£996,600) to R1,558 lakhs (£10,386,600), the increase being R63 lakhs (£420,000). Of the total value of food-grains, **rice** represented 78·5 per cent and of this grain there were greatly increased shipments from Burma to Bengal and to Bombay, while less went to Eastern Bengal and Assam where the harvest was good in 1907. The recorded exports of rice from Burma to Indian ports amounted to 979,000 tons, an increase of 166,000 tons. High prices seem to have killed the export trade in **parboiled rice** from Chittagong which was once considerable. The exports of **mineral oil** from Burma to Indian ports increased from 58·5 to 72 million gallons. The quantity taken by Calcutta for distribution by sea to other ports increased from 33 to 37 million gallons, the direct shipment from Burma to other provinces being—Bombay 13·4 million gallons, Madras 12·5 million gallons, and Sind 1·9 million gallons. The coastal exports of **gunny bags** from Calcutta, mainly to Burma and Bombay, increased in value from R196'2 lakhs (£1,308,000) to R235'5 lakhs (£1,570,000) and in quantity from 64 to 80 million bags. There was a slight set-back in the coastal shipments of **Bengal coal** which fell from 2,257,000 tons to 2,213,000 tons. The quantity of **Indian made cotton piece-goods** shipped from the Bombay Presidency shews a most remarkable advance. The quantity rose from 164·5 to 239 million yards and the value from R246'6 lakhs (£1,644,000) to R387'6 lakhs (£2,584,000), the increase being 74·5 million yards or 45 per cent in quantity and R141 lakhs (£940,000) or 57

per cent in value, but in specific value 8 per cent only. The provinces in which the largest expansion took place were Bengal and Sind, as the following table shews:—

	Quantity		Value			
	1906-07	1907-08	1906-07		1907-08	
	Yds.	Yds.	₹	₹	₹	₹
To Bengal	39,946,898	86,119,516	62,28,886	= 415,259	1,53,61,431	= 1,024,095
„ Sind	109,901,625	136,126,905	1,59,50,055	1,663,337	2,03,80,266	1,358,684
„ Madras	1,956,617	2,871,686	3,51,013	23,405	5,12,872	34,191
„ Burma	8,767,238	9,889,587	15,69,957	104,664	18,49,122	123,275

RAILWAY GOODS TRAFFIC

The increase in **Railway goods traffic** is some measure of the growth of India's total trade, but when famine conditions prevail, as in the latter half of the year under review, interprovincial transport of grain and fodder impairs the value of the figures as an index of purely mercantile activity. The statement given below shows (in thousands) the progressive advance in the ton-mileage of goods traffic on the principal railways in India during the last five years:

	Units	Units	
1903	7,623,682	+ 436,143	or 6·7 per cent
1904	8,969,140	+ 1,345,458	„ 17·6 „
1905	9,260,752	+ 291,612	„ 3·2 „
1906	10,052,132	+ 791,380	„ 8·5 „
1907	11,103,514	+ 1,051,382	„ 10·4 „

The total increase in the period of five years has thus been 3,915,975,000 ton-miles or nearly 54·5 per cent on the figures for 1902. In the same quinquennium the increase in goods traffic rolling stock is one of 25 per cent, the number of wagons having risen from 99,348 in 1902 to 124,104 in 1907.

From the statistics of twenty leading railways the average charge for freight works out at 1·32 pies per ton-mile.

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CALCUTTA
July 27, 1908